an explanation of this method, *see Policy Bulletin 96–1: Currency Conversions,* 61 FR 9434 (March 8, 1996).

Verification

Pursuant to section 782(i) of the Tariff Act, we intend to verify all information relied upon in making our final determination.

Suspension of Liquidation

In accordance with section 733(d)(2) of the Tariff Act, we are directing the Customs Service to suspend liquidation of all entries of cold-rolled steel from Turkey that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. We will instruct the Customs Service to require a cash deposit or the posting of a bond equal to the estimated preliminary dumping margin indicated in the chart below. This suspension of liquidation will remain in effect until further notice. The weighted-average dumping margins are as follows:

Exporter/manufacturer	Weighted-average margin percentage
Borcelik Celik Sanayii ve Ticaret A.S. (Borcelik)	18.34
All Others	18.34

As Borcelik was the only respondent used in our calculations, we used Borcelik's weight-average margin as the ''all others'' rate.

ITC Notification

In accordance with section 733(f) of the Tariff Act, we have notified the ITC of our determination. If our final antidumping determination is affirmative, the ITC will determine whether these imports are materially injuring, or threaten material injury to, the U.S. industry. The deadline for that ITC determination would be the later of 120 days after the date of this preliminary determination or 45 days after the date of our final determinations.

Public Comment

Case briefs or other written comments in at least six copies must be submitted to the Assistant Secretary for Import Administration no later than fifty days after the date of publication of this notice, and rebuttal briefs, limited to issues raised in case briefs, no later than fifty-five days after the date of publication of this preliminary determination. A list of authorities used, a table of contents, and an executive summary of issues should accompany any briefs submitted to the Department. Executive summaries should be limited to five pages total, including footnotes. In accordance with section 774 of the Tariff Act, we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. Tentatively, any hearing will be held fifty-seven days after publication of this notice, time and room to be determined, at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time.

Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, within 30 days of the publication of this notice. Requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the case and rebuttal briefs. We intend to make our final determination no later than 75 days after the date of this preliminary determination.

This determination is published in accordance with sections 733(f) and 777(i)(1) of the Tariff Act.

Dated: April 26, 2002.

Faryar Shirzad,

Assistant Secretary for Import Administration.

[FR Doc. 02–11199 Filed 5–8–02; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–421–810]

Notice of Preliminary Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Carbon Steel Flat Products from The Netherlands

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

ACTION: Notice of preliminary determination of sales at less than fair value.

SUMMARY: We preliminarily determine that certain cold-rolled carbon steel flat products (''cold-rolled steel'') from the Netherlands are being, or likely to be, sold in the United States at less than fair value (''LTFV''), as provided in section 733(b) of the Tariff Act of 1930, as amended.

Interested parties are invited to comment on this preliminary determination. We will make our final determination not later than 75 days after the date of this preliminary determination.

EFFECTIVE DATE: May 9, 2002.

FOR FURTHER INFORMATION CONTACT: Geoffrey Craig or David Salkeld, AD/CVD Enforcement Office VI, Group II, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482–4161 or (202) 482–1168, respectively.

SUPPLEMENTARY INFORMATION:

The Applicable Statute and Regulations

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. In addition, unless otherwise indicated, all citations to the Department of Commerce (''Department's'') regulations are to 19 CFR Part 351 (April 2001).

Case History

Since the initiation of this investigation (*Notice of Initiation of Antidumping Duty Investigations: Certain Cold-Rolled Carbon Steel Flat Products From Argentina, Australia, Belgium, Brazil, France, Germany, India, Japan, the Netherlands, New Zealand, the People's Republic of China, the Russian Federation, South Africa, Spain, Sweden, Taiwan, Thailand, Turkey, and Venezuela,* 66 FR 54198 (October 26, 2001)) (*Initiation Notice*), the following events have occurred:

On October 31, 2001, we solicited comments from interested parties regarding the criteria to be used for model-matching purposes, and we received comments on our proposed matching criteria from petitioners on our proposed matching criteria on November 8, 2001. On November 26, 2002, we informed respondent of our revised model match criteria.

Corus Staal BV, a Dutch manufacturer of cold-rolled steel and its U.S. affiliate, Corus Steel, USA, Inc. (collectively ''Corus''), requested in a November 7, 2001, letter that the Department revoke the *Initiation Notice* with respect to the Netherlands. In the alternative, Corus asked the Department to amend the *Initiation Notice* by revising the margin alleged by petitioners and to eliminate

the cost of production (''COP'') investigation. On November 16, 2001, petitioners [1] rebutted Corus' argument that the Department should rescind or amend the *Initiation Notice. See Request to Revoke Initiation* section below.

On November 13, 2001, the United States International Trade Commission (''ITC'') preliminarily determined that there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of imports from Argentina, Australia, Belgium, Brazil, China, France, Germany, India, Japan, Korea, the Netherlands, New Zealand, Russia, South Africa, Spain, Sweden, Taiwan, Thailand, Turkey, and Venezuela of cold-rolled steel products. *See Certain Cold-Rolled Steel Products From Argentina, Australia, Belgium, Brazil, China, France, Germany, India, Japan, Korea, the Netherlands, New Zealand, Russia, South Africa, Spain, Sweden, Taiwan, Thailand, Turkey, and Venezuela,* 66 FR 57985 (November 19, 2001).

We issued a questionnaire to Corus on November 16, 2001.[2] The petitioners made an allegation of sales below COP in the petition. The Statement of Administrative Action (SAA), submitted to the U.S. Congress in connection with the interpretation and application of the URAA provides that ''new section 773(b)(2)(A) retains the current requirement that Commerce have 'reasonable grounds to believe or suspect' that below cost sales have occurred before initiating such an investigation. 'Reasonable grounds' exist when an interested party provides specific factual information on costs and prices, observed or constructed, indicating that sales in the foreign market in question are at below-cost prices.'' SAA, H. Doc. 103–316, Vol. 1, 103d Cong., 2d Session, at 833 (1994). We found ''reasonable grounds to believe or suspect'' that there were sales of the foreign like product below the COP within the meaning of section 773(b)(2)(A)(i) of the Act. *Initiation Notice,* 66 FR at 54213. Accordingly, the Department initiated the requested country-wide cost investigation.

Corus submitted its response to the section A questionnaire on December 7, 2002, and sections B–E on January 14, 2002. The Department issued supplemental questionnaires to Corus on March 6, 2002, March 13, 2002, April 17, 2002, and April 22, 2002. Corus responded to these supplemental questionnaires, except the April 17, 2002, questionnaire, and April 22, 2002, questionnaire, by April 3, 2002. The deadline for the April 17, 2002, questionnaire is April 26, 2002, and the deadline for the April 22, 2002, questionnaire is May 6, 2002.

On December 7, 2001 and January 14, 2002, the petitioners requested that the Department make an expedited finding that critical circumstances exist with respect to imports from the Netherlands. The Department preliminarily determined that critical circumstances exist with respect to imports of cold-rolled steel. *See Notice of Preliminary Determinations of Critical Circumstances: Certain Cold-Rolled Carbon Steel Flat Products From Australia, the People's Republic of China, India, the Republic of Korea, the Netherlands, and the Russian Federation, 67 FR 19157 (April 18, 2002) (Critical Circumstances Notice*). On December 19, 2002, Corus submitted a letter regarding the *Critical Circumstances Notice*. As Corus' comments are pursuant to our request for comment on the surge analysis contained in the *Critical Circumstances Notice*, we will address Corus' December 19, 2002, letter in the final critical circumstances determination.

On February 22, 2002, the Department published a notice postponing the preliminary determination of this investigation until April 26, 2002. *See Postponement of Preliminary Determinations of Antidumping Duty Investigations. Certain Cold-Rolled Carbon Steel Flat Products from Argentina (A–357–816), Australia (A–602–804), Belgium (A–423–811), Brazil (A–351–834), the People's Republic of China (A–570–872), France (A–427–822), Germany (A–428–834), India (A–533–826), Japan (A–588–859), Korea (A–580–848), the Netherlands (A–421–810), New Zealand (A–614-803), Russia (A–821–815), South Africa (A–791–814), Spain (A–469–812), Sweden (A–401–807), Taiwan (A–583–839), Thailand (A–549–819), Turkey (A–489–810) and Venezuela (A–307–822)*, 67 FR 8227 (February 22, 2002).

Request to Revoke Initiation

On November 7, 2001, Corus submitted a letter stating that the petition upon which the *Initiation Notice* was based was deficient in that it did not include very specific information, ''reasonably available,'' as required by the Department's regulations (19 CFR 351.202(b)(7)), the statute (section 732(b)(1) of the Act), and U.S. international obligations (Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade (1994) at Article 5.2). Corus argues that the alleged dumping margin was computed from a non-representative subset of Dutch import values on the U.S. side, and from constructed value data based on non-Dutch and non-Corus specific cost data on the home market side. Further, Corus argues that the petition ignored COP data that Corus served to petitioners' counsel in the recently completed hot-rolled steel investigation. Corus argues that the Department has the obligation and authority to revoke, or in the alternative, amend the margin contained in the *Initiation Notice* and rescind the sales-below-cost investigation.

Petitioners responded in a November 16, 2001, letter that the Department should deny Corus' request because there is no requirement that the Department rescind or amend a notice of initiation because a petitioner did not utilize all information ''reasonably available'' to it. Petitioners contravene Corus'' argument that it should have used certain public information from the hot-rolled steel investigation on the basis that said data was ''unverified, uncorrected, and inaccurate.''

We agree with petitioners that we should not rescind the instant investigation. As detailed in the ''Initiation Checklist,'' we examined the data used by petitioners to calculate the alleged dumping margin. We stated that, ''Based on an examination of the information submitted in the petition, adjusted where appropriate, and comparing export price (''EP'') to constructed value (''CV''), we have determined that, for purposes of this initiation, there is a reasonable basis to believe or suspect that dumping has occurred.'' *Initiation Notice* 66 FR at 54209 (emphasis added). Moreover, Corus does not take issue with the fact that the petition contains ''information reasonably available,'' as required by section 702(c)(1)(A) of the Act. Corus' assertion that there is additional public information reasonably available which petitioner did not use to calculate the

[1] The petitioners are Bethlehem Steel Corporation, LTV Steel Company, Inc., National Steel Corporation, Nocor Corporation, Steel Dynamics, Inc., United States Steel LLC and WCI Steel, Inc. (collectively, the petitioners).

[2] Section A of the questionnaire requests general information concerning a company's corporate structure and business practices, the merchandise under investigation that it sells, and the manner in which it sells that merchandise in all of its markets. Section B requests a complete listing of all home market sales, or, if the home market is not viable, of sales in the most appropriate third-country market (this section is not applicable to respondents in non-market economy (NME) cases). Section C requests a complete listing of U.S. sales. Section D requests the cost of production and constructed value related to the merchandise under investigation. Section E requests data related to cost of further manufacturing or assembly performed in the United States of the merchandise under investigation.

alleged margin does not render the petition insufficient.

Corus argues that, as an alternative to revoking the initiation, we should amend the margin contained in the petition. However, the alleged margin (assuming it is above *de minimis* or zero) is relevant only inasmuch as it is sufficient to initiate the investigation. We stated in the *Initiation Notice,* 66 FR at 54205 that, ''Should the need arise to use any of this information as facts available under section 776 of the Act in our preliminary or final determinations, we may re-examine the information and revise the margin calculations, if appropriate.'' In the instant investigation, we have not used facts available to calculate the margin for the preliminary determination. Thus, there is no further relevance to the petition margin.

Scope of Investigation

For purposes of this investigation, the products covered are certain cold-rolled (cold-reduced) flat-rolled carbon-quality steel products. For a full description of the scope of this investigation, as well as a complete discussion of all scope exclusion requests submitted in the context of the on-going cold-rolled steel investigations, please see the ''Scope Appendix'' attached to the *Notice of Preliminary Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Carbon Steel Flat Products from Argentina*, published concurrently with this preliminary determination.

Selection of Respondent

Section 777A(c)(1) of the Act directs the Department to calculate individual dumping margins for each known exporter and producer of subject merchandise. Where it is not practicable to examine all known producers/exporters of subject merchandise, section 777(A)(c)(2) of the Act permits the Department to investigate either (1) a sample of exporters, producers, or types of products that is statistically valid based on the information available at the time of selection, or (2) exporters and producers accounting for the largest volume of the subject merchandise that can reasonably be examined. Using company-specific export data for the period of investigation (''POI''), which we obtained from a variety of sources under the Harmonized Tariff Schedule of the United States (HTSUS) number that corresponds to the subject merchandise, we found that thirteen producers/exporters may have exported cold-rolled steel to the United States during the POI. According to data on the record, Corus was the largest exporter/producer of imports during the POI. Due to limited resources, we determined that we could only investigate this one largest producer/exporter. On November 29, 2001, we confirmed our selection of Corus, the largest producer/exporter of cold-rolled steel from the Netherlands, as the sole mandatory respondent in this proceeding. *See* Memorandum from James Terpstra to Melissa Skinner, ''Antidumping Duty Investigation of Cold-Rolled Carbon Steel Flat Products from the Netherlands—Selection of Respondents,'' dated November 29, 2001, on file in the Central Records Unit (''CRU''), room B–099, of the Department's main building.

Period of Investigation

The POI is July 1, 2000, through June 30, 2001. This period corresponds to the four most recent fiscal quarters prior to the month of the filing of the petitioners (*i.e.*, September 2001).

Fair Value Comparisons

To determine whether sales of cold-rolled steel from the Netherlands to the United States were made at LTFV, we compared the constructed export price (''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)(1)(A)(i) of the Act, we compared POI weighted-average CEPs to POI weighted-average NVs.

Product Comparisons

In accordance with section 771(16) of the Act, we considered all products produced and sold by Corus in the home market during the POI that fit the description in the ''Scope of Investigation'' section of this notice to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. We compared U.S. sales to sales made in the home market, where appropriate. Where there were no sales of identical merchandise in the home market made in the ordinary course of trade to compare to U.S. sales, we compared U.S. sales to sales of the most similar foreign like product made in the ordinary course of trade. In making the product comparisons, we matched foreign like products based on the physical characteristics reported by the respondents in the following order of importance: hardening and tempering; painted; carbon level; quality; yield strength; minimum thickness; thickness tolerance; width; edge finish; form; temper rolling; leveling; annealing; and surface finish.

Constructed Export Price

Corus reported as CEP transactions its sales of subject merchandise sold through Rafferty-Brown Steel Company of Connecticut and Rafferty-Brown Steel Company of North Carolina (collectively, ''RBN''), two affiliated steel service centers which further manufacture flat-rolled steel products.

Corus reported the remaining sales as EP transactions which it described as ''direct sales.'' These reported EP sales were shipped from Corus to the unaffiliated U.S. customer. For these reported EP sales, Corus' U.S. affiliate, Corus USA (''CSUSA''), acted as a selling agent. We have preliminarily reclassified Corus'' reported EP sales as CEP sales, because the agreement for sale occurred in the United States between CSUSA and the unaffiliated customer. CSUSA provides the final written confirmation of the agreement, establishing the agreed prices and quantities, to the U.S. customer. Thus, in accordance with section 772(b) of the Act, we calculated CEP for all of Corus' U.S. sales because the merchandise was sold (or agreed to be sold) in the United States before or after the date of importation by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter. For further discussion, *see* Memorandum from Geoffrey Craig to James Terpstra, ''Preliminary Determination Calculation Memorandum-Corus Staal BV'' dated April 26, 2002 (''Calculation Memo''). This reclassification is consistent with the Department's recent determination in the LTFV investigation of hot-rolled steel from the Netherlands, in which Corus was a respondent. *See Notice of Final Determination of Sales at Less Than Fair Value; Certain Hot-Rolled Carbon Steel Flat Products From The Netherlands*, 66 FR 50408 (October 3, 2001).

We based CEP on the packed CIF, ex-factory, FOB, or delivered prices to the first unaffiliated customer in, or for exportation to, the United States. Where appropriate, we reduced these prices to reflect discounts. We deducted billing adjustments (upward adjustments were reported as negative amounts and downward adjustments to the gross unit price were reported as positive amounts). We added to the gross unit price an amount equal to the freight revenue that Corus received from U.S. customers as reimbursement for freight expenses.

In accordance with section 772(c)(2) of the Act, we made deductions, where appropriate, for movement expenses including inland freight from plant to

port of exportation, foreign brokerage, handling and loading charges, international freight, marine insurance, U.S. duties, and U.S. inland freight expenses (freight from port to the customer).

For CEP, in accordance with section 772(d)(1) of the Act, where appropriate, we deducted from the starting price those selling expenses that were incurred in selling the subject merchandise in the United States, including direct selling expenses (cost of credit and warranties). In addition, we deducted indirect selling expenses that related to economic activity in the United States. These expenses include certain indirect selling expenses incurred by Corus' U.S. affiliates, CSUSA and RBN. We also deducted from CEP an amount for profit in accordance with sections 772(d)(3) and (f) of the Act. In accordance with section 772(f) of the Act, we calculated the CEP profit rate using the expenses incurred by Corus and its affiliates on their sales of the subject merchandise in the United States and the foreign like product in the home market and the profit associated with those sales.

We deducted the cost of further manufacturing for sales of subject merchandise to which value was added in the United States by RBN prior to sale to unaffiliated customers, in accordance with section 772(d)(2) of the Act.

We also recalculated the imputed credit expense for those sales for which Corus has not received payment. On December 19, 2001, Corus requested that it be exempt from reporting sales by two affiliated U.S. re-sellers, GalvPro LP (''GalvPro'') and Apollo Metals, to the first unaffiliated customer. Corus, instead, reported sales by Corus to GalvPro and by RBN to Apollo Metals. With respect to sales by Apollo Metals, consistent with our past practice, because the volume of these sales was very small, we are granting Corus' request. *See Preliminary Determination of Sales at Less Than Fair Value: Hot-Rolled Flat-Rolled Carbon-Quality Steel Products From Japan*, 64 FR 8291, 8295 (February 19, 1999) (unchanged in the final determination). With respect to GalvPro, we are in the process of obtaining additional information in order to decide whether Corus must report sales by GalvPro. *See* Calculation Memo.

Normal Value

A. Home Market 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)(C) of the Act. Because the respondent'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 determined that the home market was viable.

A. Arm's Length Test

Sales to affiliated customers for consumption in the home market which were determined not to be at arm's length were excluded from our analysis. To test whether these sales were made at arm's length, we compared the prices of sales of comparison products to affiliated and unaffiliated customers, net of all movement charges, direct selling expenses, discounts, and packing. Pursuant to 19 CFR 351.403(c) and in accordance with our practice, where the prices to the affiliated party were on average less than 99.5 percent of the prices to unaffiliated parties, we determined that the sales made to the affiliated party were not at arm's length. *See e.g., Notice of Final Results and Partial Rescission of Antidumping Duty Administrative Review: Roller Chain, Other Than Bicycle, From Japan*, 62 FR 60472, 60478 (November 10, 1997), and *Antidumping Duties; Countervailing Duties: Final Rule (''Antidumping Duties'')*, 62 FR 27295, 27355–56 (May 19, 1997). We included in our NV calculations those sales to affiliated customers that passed the arm's-length test in our analysis. *See* 19 CFR 351.403; *Antidumping Duties*, 62 FR at 27355–56.

B. Cost of Production Analysis

Based on our analysis of an allegation contained in the petition, we found that there were reasonable grounds to believe or suspect that sales of cold-rolled steel in the home market were made at prices below their COP. Accordingly, pursuant to section 773(b) of the Act, we initiated a country-wide sales-below-cost investigation to determine whether sales were made at prices below their respective COP (*see Initiation Notice* at 66 FR 54209).

1. Calculation of COP

In accordance with section 773(b)(3) of the Act, we calculated COP based on the sum of the cost of materials and fabrication for the foreign like product, plus an amount for general and administrative expenses (''G&A''), including interest expenses, and home market packing costs (*see* ''Test of Home Market Sales Prices'' section below for treatment of home market selling expenses).

2. Test of Home Market Sales Prices

On a product-specific basis, we compared the adjusted weighted-average COP to the home market sales of the foreign like product, as required under section 773(b) of the Act, in order to determine whether the sale prices were below the COP. The prices were exclusive of any applicable movement charges, rebates, discounts, and direct and indirect selling expenses. In determining whether to disregard home market sales made at prices less than their COP, we examined, in accordance with sections 773(b)(1)(A) and (B) of the Act, whether such sales (1) were made 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.

3. Results of the COP Test

Pursuant to section 773(b)(2)(C), where less than 20 percent of the respondent's sales of a given product are at prices less than the COP, we do not disregard any below-cost sales of that product, because we determine that in such instances the below-cost sales were not made in ''substantial quantities.'' Where 20 percent or more of a respondent's sales of a given product during the POI are at prices less than the COP, we determine that in such instances the below-cost sales represent ''substantial quantities'' within an extended period of time, in accordance with section 773(b)(1)(A) of the Act. In such cases, we also determine whether such sales were made at prices which would not permit recovery of all costs within a reasonable period of time, in accordance with section 773(b)(1)(B) of the Act.

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

D. Calculation of Normal Value Based on Comparison Market Prices

We calculated NV based on delivered prices to unaffiliated customers or prices to affiliated customers that we determined to be at arm's-length. We

made deductions, where appropriate, from the starting price for early payment discounts, rebates, and billing adjustments (downward adjustments were reported as positive values and upward adjustments were reported as negative values). We made a change to the reported rebate variable, to account for the fact that for certain observations Corus inadvertently reported billing adjustments as rebates. We also made deductions for movement expenses, including inland freight (from the factory to the point at which the merchandise leaves Corus' premises, plant to customer, and affiliated reseller to customer) under section 773(a)(6)(B)(ii) of the Act. In addition, we made adjustments under section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410 for differences in circumstances of sale (''COS'') for imputed credit expenses and inventory carrying cost.

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

In a December 19, 2002 letter, Corus requested that it be exempted from reporting downstream sales by Multisteel, an affiliated service center in the Netherlands due to the small quantity of sales involved and burden placed on Multisteel to report these sales. According to 19 CFR 351.403(d), downstream sales by home market affiliates accounting for less than five percent of total sales are normally excluded from the NV calculation. *See* also section 773(a)(5) of the Act. Because the sales by Multisteel meet the five percent threshold, we are exempting Corus from reporting sales by Multisteel. For a further discussion, *see* Calculation Memo.

E. Level of Trade

Section 773(a)(1)(B)(i) of the Act states that, to the extent practicable, the Department will calculate NV based on sales at the same level of trade (''LOT'') as the EP or CEP transaction. Sales are made at different LOTs if they are made at different marketing stages (or their equivalent). *See* 19 CFR 351.412(c)(2). Substantial differences in selling activities are a necessary, but not sufficient, condition for determining that there are differences in the stages of marketing. *Id.; see also Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate From South Africa*, 62 FR 61731, 61732 (November 19, 1997). In order to determine whether the comparison sales were at different stages in the marketing process than the U.S. sales, we reviewed the distribution system in each market (*i.e.*, the ''chain of distribution''),[3] including selling functions,[4] class of customer (''customer category''), and the level of selling expenses for each type of sale.

Pursuant to section 773(a)(1)(B)(i) of the Act, in identifying levels of trade for EP and comparison market sales (i.e., NV based on either home market or third country prices[5]), we consider the starting prices before any adjustments. For CEP sales, we consider only the selling activities reflected in the price after the deduction of expenses and profit under section 772(d) of the Act. *See Micron Technology, Inc.* v. *United States*, 243 F.3d 1301, 1316 (Fed. Cir. 2001).

When the Department is unable to find sales of the foreign like product in the comparison market at the same LOT as the EP or CEP, the Department may compare the U.S. sale to sales at a different LOT in the comparison market. In comparing EP or CEP sales at a different LOT in the comparison market, where available data make it practicable, we make a LOT adjustment under section 773(a)(7)(A) of the Act. Finally, for CEP sales only, if a NV LOT is more remote from the factory than the CEP LOT and there is no basis for determining whether the difference in LOTs between NV and CEP affected price comparability (*i.e.* no LOT adjustment was practicable), the Department shall grant a CEP offset, as provided in section 773(a)(7)(B) of the Act. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa*, 62 FR 61731, 61732–33 (November 19, 1997).

We obtained information from Corus regarding the marketing stages involved in making the reported home market and U.S. sales, including a description of the selling activities performed by Corus for each channel of distribution.

Corus reported home market sales through one channel of distribution (direct sales to the customer) and to two customer categories: end users and steel service centers. We examined the chain of distribution and the selling activities associated with sales reported by Corus to each of its customer categories in the home market. The information on the record demonstrates that Corus performs the same selling functions across customer categories. *See* Corus' March 27, 2002, submission at Exhibit A–8. Specifically, Corus indicated that to all home market customers, it provides: a high level of strategic and economic planning; a low level of freight/delivery arrangements, a low level of inventory and warehousing support, and a high level of quality assurance/warranty services. The only selling function in which there is a discernible difference is market research. Because Corus performs essentially identical selling functions, regardless of customer category, we have preliminarily determined that one LOT exists for Corus' home market sales.

In the U.S. market, Corus reported two channels of distribution for sales of subject merchandise during the POI (EP sales made directly from Corus to the U.S. customer and CEP sales made through affiliated service centers). For sales made directly by Corus, there were two customer categories (end users and steel service centers). As explained in the *Constructed Export Price* section above, we have reclassified reported EP sales as CEP sales.

In CEP situations, we do not determine the U.S. LOT on the basis of the CEP starting price. Rather, as described above, we determine the U.S. LOT on the basis of the CEP starting price minus the expenses and profit deducted pursuant to section 772(d) of the Act. For both channels of distribution, Corus performed similar selling functions, including strategic and economic planning, market research, technical/warranty services, and engineering/R&D/product development services. The remaining selling functions did not differ significantly by channel of distribution. Corus stated that it treats its affiliated U.S. service centers ''in the same manner as all other U.S. customers for all purposes.'' Corus Section A response at A–29 (public version). Corus also stated that its description of selling functions for reported EP sales ''should be considered as containing the information requested for Corus'' sales

[3] The marketing process in the United States and comparison markets begins with the producer and extends to the sale to the final user or consumer. The chain of distribution between the two may have many or few links, and the respondent's sales occur somewhere along this chain. In performing this evaluation, we considered the narrative responses of the respondent to properly determine where in the chain of distribution the sale appears to occur.

[4] Selling functions associated with a particular chain of distribution help us to evaluate the level(s) of trade in a particular market. For purposes of this preliminary determination, we have organized selling functions into four major categories: sales process and marketing support, freight and delivery, inventory and warehousing, and quality assurance/warranty services.

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

to its affiliated U.S. customers.'' Id. Because channels of distribution do not qualify as separate LOTs when the selling functions performed for each channel are sufficiently similar, we have determined that one LOT exists for Corus' U.S. sales.

With regard to its reported CEP sales, respondent claims that a CEP offset is necessary because the RBN sales are made at a point in the distribution process that is less advanced than Corus' home market sales. As set forth in 19 CFR 351.412(f), a CEP offset will be granted where (1) normal value is compared to CEP sales, (2) normal value is determined to be at a more advanced LOT than the LOT of the CEP, and (3) despite the fact that the party has cooperated to the best of its ability, the data available do not provide an appropriate basis to determine whether the difference in LOT affects price comparability.

In analyzing Corus' request for a CEP offset, we found there to be few differences in the selling functions performed by Corus on sales to its affiliated importers and those performed for sales in the home market. We note that Corus performs the following functions to the same degree for both the CEP and home market LOT: strategic and economic planning; market research; technical services, and engineering/R&D/product development services. We have preliminarily determined that the record does not support Corus' claim that home market sales are at a different, more advanced LOT than the adjusted CEP sales. Thus, we are not granting a CEP offset.

Currency Conversion

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

Verification

As provided in section 782(i) of the Act, we will verify all information relied upon in making our final determination.

Final Critical Circumstances Determination

We will make a final determination concerning critical circumstances for the Netherlands when we make our final determination regarding sales at LTFV in this investigation, which will be no later than 75 days (unless postponed) after this preliminary determination.

Suspension of Liquidation

Because of our preliminary affirmative critical circumstances finding, we are directing the U.S. Customs Service to suspend liquidation of all entries of cold-rolled steel entered, or withdrawn from warehouse, for consumption on or after the date which is 90 days prior to the date on which this notice is published in the **Federal Register** (see Critical Circumstances Notice). We are instructing the U.S. Customs Service to require a cash deposit or the posting of a bond equal to the weighted-average amount by which the NV exceeds the CEP, as indicated in the chart below. These instructions suspending liquidation will remain in effect until further notice.The weighted-average dumping margins are provided below:

Exporter/Manufacturer	Weighted-Average Margin Percentage
Corus Staal BV	6.38
All Others	6.38

ITC Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our determination. If our final determination is affirmative, pursuant to section 735(b)(2) of the Act, the ITC will determine within 45 days after our final determination whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

Disclosure

We will disclose the calculations used in our analysis to parties in this proceeding in accordance with 19 CFR 351.224(b).

Public Comment

Case briefs for this investigation must be submitted to the Department no later than seven days after the date of the final verification report issued in this proceeding. Rebuttal briefs must be filed five days from the deadline date for case briefs. A list of authorities used, a table of contents, and an executive summary of issues should accompany any briefs submitted to the Department. Executive summaries should be limited to five pages total, including footnotes. Public versions of all comments and rebuttals should be provided to the Department and made available on diskette.

Section 774 of the Act provides that the Department will hold a public hearing to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs, provided that such a hearing is requested by an interested party. If a request for a hearing is made in this investigation, the hearing will tentatively be held two days after the rebuttal brief deadline date at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC. 20230. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time.

Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, within 30 days of the publication of this notice. Requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs.

We will make our final determination no later than 75 days after this preliminary determination.

This determination is issued and published pursuant to sections 733(f) and 777(i) of the Act.

Dated: April 26, 2002.

Faryar Shirzad,

Assistant Secretary for Import Administration.

[FR Doc. 02–11200 Filed 5–8–02; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–307–822]

Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Certain Cold-Rolled Carbon Steel Flat Products From Venezuela

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

EFFECTIVE DATE: May 9, 2002.

FOR FURTHER INFORMATION CONTACT: Robert Bolling or Catherine Bertrand, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–3434 and (202) 482–3207, respectively.

The Applicable Statute and Regulations

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