DEPARTMENT OF COMMERCE

International Trade Administration

[A–201–830]

Notice of Preliminary Determination of Sales at Less Than Fair Value: Carbon and Certain Alloy Steel Wire Rod from Mexico

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

EFFECTIVE DATE: April 10, 2002.

FOR FURTHER INFORMATION CONTACT: Marin Weaver or Charles Riggle at (202) 482–2336 or (202) 482 – 0650, respectively; AD/CVD Enforcement Group II Office 5, Import Administration, Room 1870, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

The Applicable Statute and Regulation

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 Department of Commerce (the Department) regulations refer to the regulations codified at 19 CFR part 351 (2001).

Preliminary Determination

We preliminarily determine that carbon and certain alloy steel wire rod (steel wire rod) from Mexico is being sold, or is likely to be sold, in the United States at less than fair value (LTFV), as provided in section 733 of the Act. The estimated margins of sales at LTFV are shown in the *Suspension of Liquidation* section of this notice.

Case History

This investigation was initiated on September 24, 2001.[1] *See Initiation of Antidumping Duty Investigations: Carbon and Certain Alloy Steel Wire Rod From Brazil, Canada, Egypt, Germany, Indonesia, Mexico, Moldova, South Africa, Trinidad and Tobago, Ukraine, and Venezuela*, 66 FR 50164 (October 2, 2001) (*Initiation Notice*). Since the initiation of these investigations, the following events have occurred:

On October 12, 2001, the United States International Trade Commission (ITC) preliminarily determined that there is a reasonable indication that the domestic industry producing steel wire rod is materially injured by reason of imports from Brazil, Canada, Germany, Indonesia, Mexico, Moldova, Trinidad and Tobago, and Ukraine of carbon and certain alloy steel wire rod.[2] *See Determinations and Views of the Commission*, USITC Publication No. 3456, October 2001.

The Department issued a letter on October 16, 2001, to interested parties in all of the concurrent steel wire rod antidumping investigations, providing an opportunity to comment on the Department's proposed model match characteristics and hierarchy. The petitioners submitted comments on October 24, 2001. The Department also received comments on model matching from Hysla S.A. de C.V. (Mexico), Ivaco, Inc,. and Ispat Sidbec Inc. (Canada). These comments were taken into consideration by the Department in developing the model matching characteristics and hierarchy for all of the steel wire rod antidumping investigations.

On November 7, 2001, the Department issued an antidumping questionnaire to Siderurgica Lazaro Cardenas Las Truchas S.A. (SICARTSA).[3] On December 5, 2001 the petitioners alleged that there that there was a reasonable basis to believe or suspect that critical circumstances exist with respect to imports of steel wire rod from Brazil, Germany, Mexico, Moldova, Turkey, and Ukraine.

On January 17, 2002, the petitioners requested a 30–day postponement of the preliminary determination in this investigation. On January 28, 2002, the Department published a Federal Register notice postponing the deadline for the preliminary determination until March 13, 2002. *See Notice of Postponement of Preliminary Antidumping Duty Determinations: Carbon and Certain Alloy Steel Wire Rod From Brazil, Canada, Indonesia, Germany, Mexico, Moldova, Trinidad and Tobago, and Ukraine*, 67 FR 3877 (January 28, 2002). On March 4, 2002, the petitioners requested an additional 20–day postponement of the preliminary determination in this investigation. On March 15, 2002, the Department published a Federal Register notice postponing the deadline for the preliminary determinations until April 2, 2002. *See Notice of Postponement of Preliminary Antidumping Duty Determinations: Carbon and Certain Alloy Steel Wire Rod From Brazil, Canada, Indonesia, Germany, Mexico, Moldova, Trinidad and Tobago, and Ukraine*, 67 FR 11674 (March 15, 2002).

On February 4, 2002, the Department preliminarily determined that critical circumstances exist with respect to imports of carbon and alloy steel wire rod from Mexico. *See* Memorandum to Faryar Shirzad Re: Antidumping Duty Investigation Carbon and Alloy Steel Wire Rod From Mexico and Trinidad and Tobago — Notice of Preliminary Determinations of Critical Circumstances (February 4, 2002); *see also Carbon and Alloy Steel Wire Rod From Germany, Mexico, Moldova, Trinidad and Tobago, and Ukraine: Notice of Preliminary Determination of Critical Circumstances*, 67 FR 6224 (February 11, 2002).

Period of Investigation

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

Scope of Investigations

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

Specifically excluded are steel products possessing the above–noted physical characteristics and meeting the Harmonized Tariff Schedule of the United States (HTSUS) definitions for (a) stainless steel; (b) tool steel; (c) high nickel steel; (d) ball bearing steel; and (e) concrete reinforcing bars and rods. Also excluded are (f) free machining steel products (*i.e.*, products that contain by weight one or more of the following elements: 0.03 percent or more of lead, 0.05 percent or more of bismuth, 0.08 percent or more of sulfur, more than 0.04 percent of phosphorus, more than 0.05 percent of selenium, or more than 0.01 percent of tellurium).

[1] The petitioners in this investigation are Co–Steel Raritan, Inc., GS Industries, Inc., Keystone Consolidated Industries, Inc., and North Star Steel Texas, Inc.

[2] With respect to imports from Egypt, South Africa, and Venezuela, the ITC determined that imports from these countries during the period of investigation (POI) were negligible and, therefore, these investigations were terminated.

[3] 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. Section C requests a complete listing of U.S. sales. Section D requests information on the cost of production (COP) of the foreign like product and the constructed value (CV) of the merchandise under investigation. Section E requests information on further manufacturing.

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

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

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

All products meeting the physical description of subject merchandise that are not specifically excluded are included in this scope.

The products under investigation are currently classifiable under subheadings 7213.91.3010, 7213.91.3090, 7213.91.4510, 7213.91.4590, 7213.91.6010, 7213.91.6090, 7213.99.0031, 7213.99.0038, 7213.99.0090, 7227.20.0010, 7227.20.0020, 7227.20.0090, 7227.20.0095, 7227.90.6051, 7227.90.6053, 7227.90.6058, and 7227.90.6059 of the HTSUS. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this proceeding is dispositive.

See Carbon and Certain Alloy Steel Wire Rod: Requests for exclusion of various tire cord quality wire rod and tire bead quality wire rod products from the scope of antidumping duty (Brazil, Canada, Egypt, Germany, Indonesia, Mexico, Moldova, South Africa, Trinidad and Tobago, Ukraine, and Venezuela) and countervailing duty (Brazil, Canada, Germany, Trinidad and Tobago, and Turkey) investigations.

Selection of Respondents

Section 777A(c)(1) of the Act directs the Department to calculate individual dumping margins for each known exporter and producer of the subject merchandise. Where it is not practicable to examine all known producers/exporters of subject merchandise, section 777A(c)(2) of the Act permits us 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. In the petition, the petitioners identified seven producers/exporters of steel wire rod. The data on the record indicate that four of these producers/exporters sold subject merchandise to the United States during the period of investigation (*i.e.*, the period July 2000 through June 2001); however, due to limited resources we determined that we could investigate only the largest exporter. See Respondent Selection Memorandum dated November 9, 2001. Therefore, we chose SICARTSA as the mandatory respondent in this case.

Product Comparisons

In accordance with section 771(16) of the Act, all products produced by the respondents covered by the description in the *Scope of Investigation* section, above, and sold in Mexico during the POI are considered to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. We have relied on eight criteria to match U.S. sales of subject merchandise to comparison–market sales of the foreign like product or constructed value (CV): grade range, carbon content range, surface quality, deoxidization, maximum total residual content, heat treatment, diameter range, and coating. These characteristics have been weighted by the Department 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 the next most similar foreign like product on the basis of the characteristics listed above.

Fair Value Comparisons

To determine whether sales of steel wire rod from Mexico were made in the United States at LTFV, we compared the export price (EP) and the constructed export price (CEP) to the normal value (NV), as described in the *Export Price and Constructed Export Price* and *Normal Value* sections of this notice. In accordance with section 777A(d)(1)(A)(i) of the Act, we calculated weighted–average EPs and CEPs. We compared these to weighted–average home market prices, as appropriate, in Mexico.

Export Price and Constructed Export Price

For the price to the United States, we used, as appropriate, EP or CEP as defined in sections 772(a) and 772(b) of the Act, respectively. Section 772(a) of the Act defines EP as the price at which the subject merchandise is first sold (or agreed to be sold before the date of importation by the producer or exporter of the subject merchandise outside of the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States.

Section 772(b) of the Act defines CEP as the price at which the subject merchandise is first sold in the United States before or after the date of importation, by or for the account of the producer or exporter of such merchandise, or by a seller affiliated with the producer or exporter, to an unaffiliated purchaser, as adjusted under subsections 772(c) and (d) of the Act.

We found all of SICARTSA's sales to be EP since both SICARTSA and its affiliate CCC Steel made sales from outside the United States before the date of importation into the United Sates. For the respondent, we calculated EP based on the packed prices charged to the first unaffiliated customer in the United States. In accordance with section 772(c)(2) of the Act, we reduced the EP by movement expenses and export taxes and duties, where appropriate.

Normal Value

A. Selection of Comparison Markets

Section 773(a)(1) of the Act directs that NV be based on the price at which the foreign like product is sold in the home market, provided that the merchandise is sold in sufficient quantities (or value, if quantity is inappropriate) and that there is no particular market situation that prevents a proper comparison with the EP or CEP. The Act contemplates that quantities (or value) will normally be considered insufficient if they are less than 5 percent of the aggregate quantity (or value) of sales of the subject merchandise to the United States.

We found that SICARTSA has a viable home market of steel wire rod. SICARTSA submitted home market sales data for purposes of the calculation of NV.

In deriving NV, we made adjustments as detailed in the *Calculation of Normal Value Based on Home Market Prices* section below.

B. Cost of Production Analysis

On August 31, 2001, petitioners made a sales below cost allegation concerning SICARTSA. Based on this allegation and in accordance with section 773(b)(2)(A)(i) of the Act, we found reasonable grounds to believe or suspect that sales of steel wire rod manufactured in Mexico were made at prices below the COP. *See Initiation Notice.* As a result, the Department has conducted an investigation to determine whether SICARTSA made sales in its home market at prices below its COPs during the POI within the meaning of section 773(b) of the Act. We conducted the COP analysis described below.

1. Calculation of Cost of Production

In accordance with section 773(b)(3) of the Act, we calculated a weighted–average COP based on the sum of the cost of materials and fabrication for the foreign like product, plus amounts for the home market general and administrative (G&A) expenses, selling expenses, packing expenses and interest expenses. We relied on the COP data submitted by SICARTSA in its cost questionnaire response.

For iron ore and lime, major inputs in wire rod production, we determined that the affiliates' average COP exceeded the transfer price SICARTSA paid to its affiliated suppliers. Therefore, pursuant to section 773(f)(3) of the Act, we applied the major input rule and adjusted SICARTSA's reported cost of manufacturing to account for purchases of iron ore and lime from affiliated parties at non–arm's length prices. We used SICARTSA's G & A ratio based on its fiscal year 2000 financial statements. We have not used the fiscal year 2001 data, as suggested by SICARTSA, because the financial expense ratio for 2001 is unsupported by data on the record. We will consider the issue further for the final determination. We used the submitted financial expense ratio based on Siderurgica del Pacifico S.A.'s fiscal year 2000 consolidated financial statements.

In addition, we adjusted the net financial expenses to include the current portion of the net gain on monetary position and to exclude interest gained on investments and exchange gains on accounts and notes receivable. We also adjusted the reported cost of goods sold used as the denominator to exclude G&A related depreciation and POI packing costs. For further details, see Memorandum from Robert B. Greger to Neal M. Halper: Cost of Production and Constructed Vale Calculation Adjustments for the Preliminary Determination, date April 2, 2002. We did not adjust SICARTSA's reported deprecation expense, as suggested by the petitioners[4] because, based on our review of the information on the record we have accepted SICARTSA's depreciation expense allocation for purposes of the preliminary determination. We note, however, that the Department will examine the appropriateness of SICARTSA's reported depreciation expenses in detail at verification.

2. Test of Home Market Sales Prices

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 these sales had been made at prices below the COP within an extended period of time (*i.e.*, a period of one year) in substantial quantities and whether such prices were sufficient to permit the recovery of all costs within a reasonable period of time. On a model–specific basis, we compared the revised COP to the home market prices, less any applicable movement charges, discounts and rebates.

3. Results of the COP Test

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

We found that, for certain models of steel wire rod, more than 20 percent of the home market sales were made within an extended period of time at prices less than the COP. Further, the prices did not provide for the recovery of costs within a reasonable period of time. We therefore disregarded these below–cost sales and used the remaining sales as the basis for determining NV, in accordance with section 773(b)(1) of the Act.

C. Calculation of Normal Value Based on Home Market Prices

We determined price–based NVs for the respondent company as follows. We made adjustments for any differences in packing, and we deducted movement expenses pursuant to section 773(a)(6)(B)(ii) of the Act. In addition, where applicable, we made adjustments for differences in circumstances of sale (COS) pursuant to section 773(a)(6)(C)(iii) of the Act. We made COS adjustments by deducting direct selling expenses incurred for home market sales (credit expense) and adding U.S. direct selling expenses (e.g.,

[4] See Letter from Petitioners dated March 20, 2002

credit expense). We also deducted discounts from home market sales. The petitioners argued that certain claimed rebates should be rejected because they are not supported by a pre–existing and consistently–applied policy. We recognize that there may be a question as to how these adjustments are labeled and note that SICARTSA acknowledged in its questionnaire response[5] that the Department may wish to characterize these as rebates rather than discounts. Regardless of whether we label them as discounts or rebates, there is no evidence on the record to indicate that we should not allow these adjustments in our preliminary determination. No other adjustments to NV were claimed or allowed.

D. Arm's–Length Sales

SICARTSA reported sales of the foreign like product to affiliated customers. To test whether these sales to affiliated customers were made at arm's length, where possible, we compared the prices of sales to affiliated and unaffiliated customers, net of all movement charges, direct selling expenses, discounts, and packing. Where the price to the affiliated party was on average 99.5 percent or more of the price to the unaffiliated parties, we determined that sales made to the affiliated party were at arm's length. *See Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27355 (May 19, 1997) (preamble to the Department's regulations). Consistent with section 351.403(c) of the Department's regulations, we excluded from our analysis those sales where the price to the affiliated parties was less than 99.5 percent of the price to the unaffiliated parties.

E. Level of Trade

In accordance with section 773(a)(1)(B) of the Act, to the extent practicable, we determine NV based on sales in the comparison market at the same level of trade (LOT) as the EP transaction. The NV level of trade is that of the starting–price sales in the comparison market or, when NV is based on CV, that of the sales from which we derive SG&A expenses and profit. For EP sales, the U.S. level of trade is also the level of the starting–price sale, which is usually from exporter to importer.

To determine whether NV sales are at a different level of trade than EP transactions, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. If the comparison market sales are at a different level of trade and the difference affects price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison market sales at the level of trade of the export transaction, we make a level–of–trade adjustment under section 773(a)(7)(A) of the Act.

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

In the home market, SICARTSA reported four channels of distribution, the first to affiliated distributors that resold the merchandise to unaffiliated resellers or end users, the second for sales to affiliated distributors who later sold the product to another affiliated reseller, who then resold to unaffiliated resellers or end users, the third representing direct sales to unaffiliated resellers, and the last, direct sales to unaffiliated industrial users.

SICARTSA claims two LOTs in the home market, which it names LOT 2 and LOT 3. SICARTSA describes its LOT 2 as direct sales to affiliated and unaffiliated customers and its LOT 3 as sales from SICARTSA's affiliates to their unaffiliated customers.

We examined the selling functions related to both sales by affiliated resellers and direct sales in the home market. We found discrepancies between SICARTSA's narrative discussion of its distribution process in its section A questionnaire response, a chart titled *Selling Activities and Services Offered in U.S. and Mexican Markets* provided as section A response exhibit 9, resubmitted in exhibit AA–4, and the narrative description of services and functions performed for U.S. and home market sales in exhibit BC–3. For this preliminary determination we used the more detailed information provided in Exhibit BC–3 over that in the chart from Exhibit AA–4. In reviewing SICARTSA's responses we have determined that there are two channels of distribution; 1) sales by affiliates and 2) directs sales. With respect to the first channel of distribution, by affiliates, SICARTSA provided handling of rejected merchandise, pre–sales engineering, salesmen visits, and advertising on behalf of the customer. For the second channel of distribution, direct sales, in the home market we found that the number and level of selling functions provided varied by customer category, of which SICARTSA has three: resellers, wire drawers, and other end users. Sales to resellers involved the following selling functions: inventory maintenance, handling of rejected merchandise, pre–sale engineering advice, salesmen visits, and advertising on behalf of the customer. For sales to wire drawers, SICARTSA preformed the following selling functions: inventory maintenance, handling of rejected merchandise, pre–sale engineering advise, custom designed products, salesmen visits to customers, and technical visits to customers. Finally, for sales to other end users selling functions included inventory maintenance and the handling of rejected merchandise. Based on an analysis of the customer categories, channels of distribution and differences in selling functions we preliminarily find that there are two LOTs in the home market, LOT 1, which consists of direct sales, and LOT 3, which consists of sales by affiliated parties.[6]

In the U.S. market SICARTSA reported two channels of distribution, one for sales made through its affiliated reseller, CCC Steel GmbH (CCC Steel), and the other for direct sales to unaffiliated customers. For sales made through its affiliate, while SICARTSA provides limited selling functions, CCC Steel performs the preponderance of the selling functions for sales to the unaffiliated customers: handling of rejected merchandise and salesmen visits to customers. For direct sales to unaffiliated customers SICARTSA performs the following selling functions: handling of rejected merchandise and salesmen visits to customers. SICARTSA claims that there is one U.S. LOT. Based on an analysis of the reported selling functions and the fact that all sales in the U.S. market are EP, the Department preliminarily finds that there is one LOT in the U.S. market.

The petitioners argue that there is no LOT difference between SICARTSA's home market sales and U.S. sales.[7] They claim that the selling functions that SICARTSA used to determine LOT represent either trivial or non–existent distinctions and that many of the services have been captured by other expenses reported by SICARTSA.

[5] See Response to Sections B, C, and D of the Departments questionnaire from January 2, 2002 at page 21

[6] SICARTSA identified its two claimed home market LOTs as LOT 2 and LOT 3.

[7] See Letter from Petitioners dated March 20, 2002

SICARTSA claims that sales at both LOTs in the home market are at a more advanced LOT than the LOT in the United States.

In determining whether home market sales are at a different LOT than U.S. EP sales, we examined the channels of distribution, customer categories, and selling functions reported in the home market and in the United States. On the basis of this analysis we preliminarily find that sales at both home market LOTs are more advanced than sales at the LOT in the U.S. market. Although there are two levels of trade in the home market, neither is equivalent to with the U.S. LOT. Therefore, we have no appropriate information on which to determine if there is a pattern of consistent price differences between the comparison sales on which NV is based and sales at the LOT of the export transactions. Accordingly, we will match U.S. sales to the LOT we find to be closest to the U.S. LOT (*i.e.*, home market LOT 1), where possible.

Currency Conversions

We made currency conversions into U.S. dollars in accordance with section 773A of the Act based on exchange rates in effect on the dates of the U.S. sales, as obtained from the Federal Reserve Bank (the Department's preferred source for exchange rates).

Verification

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

Final Critical Circumstances Determination

We will make a final determination concerning critical circumstances in this case when we make our final determination regarding sales at LTFV in this investigation.

Suspension of Liquidation

Because of our preliminary affirmative critical circumstances findings in this case, we are directing the Customs Service to suspend liquidation of any unliquidated entries of steel wire rod from Mexico 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*. We are instructing the 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 EP, as indicated in the chart below for imports from Mexico. These instructions suspending liquidation will remain in effect until further notice.

The weighted–average dumping margins are provided below:

Manufacturer/exporter	Margin (percent)
SICARTSA	25.70
All Others	25.70

Disclosure

The Department will normally disclose calculations performed within five days of the date of publication of this notice to the parties of the proceeding in this investigation in accordance with 19 CFR 351.224(b).

International Trade Commission Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our determination. If our final antidumping determination is affirmative, the ITC will determine whether the imports covered by that determination 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 determination.

Public Comment

Case briefs for this investigation must be submitted no later than one week after the issuance of the verification reports. Rebuttal briefs must be filed within five days after the deadline for submission of 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. 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.

Section 774 of the Act provides that the Department will hold a 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 any interested party. If a request for a hearing is made in an investigation, the hearing will tentatively be held two days after the deadline for submission of the rebuttal briefs, at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230. In the event that the Department receives requests for hearings from parties to more than one steel wire rod case, the Department may schedule a single hearing to encompass all those cases. 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 within 30 days of the publication of this notice. Requests should specify the number of participants and provide a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs.

This determination is issued and published pursuant to sections 733(f) and 777(i)(1) of the Act.

Dated: April 2, 2002

Faryar Shizad,

Assistant Secretary for Import Administration.

[FR Doc. 02–8706 Filed 4–9–02; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–841–805]

Carbon and Certain Alloy Steel Wire Rod from Moldova: Notice of Preliminary Determination of Sales at Less Than Fair Value

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

SUMMARY: We preliminarily determine that carbon and certain alloy steel wire rod (wire rod) from Moldova is being, or is likely to be, sold in the United States at less than fair value (LFTV), as provided in section 733 of the Tariff Act of 1930, as amended. The estimated margin is shown in the ''Suspension of Liquidation'' section of this notice.

DATES: April 10, 2002.

FOR FURTHER INFORMATION CONTACT: Thomas Gilgunn or Scott Lindsay, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482–4236 or (202) 482–0780, respectively.

SUPPLEMENTARY INFORMATION:

The Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (''the Act''). In addition, unless otherwise indicated, all citations to the Department of Commerce (''the Department'') regulations are to the regulations at 19 CFR Part 351 (2001).

Period of Investigation

The period of investigation (POI) is January 1, 2001 through June 30, 2001.