Verification

As provided in section 782(i) of the 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the Act, we are directing the CBP to suspend liquidation of all imports of subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after 90 days prior to the date of publication of this notice in the **Federal Register**. We are also instructing the CBP to require a cash deposit or the posting of a bond equal to the weighted-average dumping margin for all entries of CTVs from the PRC. These suspension of liquidation instructions will remain in effect until further notice.

The weighted-average dumping margins are as follows:

Manufacturer/Exporter	Weighted-average margin (in percent)	Critical circumstances
Haier Electric Appliances International Co.	40.84	Yes.
Hisense Import and Export Co., Ltd.	40.84	Yes.
Konka Group Company, Ltd.	27.94	Yes.
Philips Consumer Electronics Co. of Suzhou Ltd.	40.84	Yes.
Shenzhen Chaungwei-RGB Electronics Co., Ltd.	40.84	Yes.
Sichuan Changhong Electric Co., Ltd.	45.87	Yes.
Starlight International Holdings, Ltd.	40.84	Yes.
Star Light Electronics Co., Ltd.	40.84	Yes.
Star Fair Electronics Co., Ltd.	40.84	Yes.
Starlight Marketing Development Ltd.	40.84	Yes.
SVA Group Co., Ltd.	40.84	Yes.
TCL Holding Company Ltd.	31.35	Yes.
Xiamen Overseas Chinese Electronic Co., Ltd.	31.70	Yes.
PRC-wide	78.45	Yes.

The PRC-wide rate applies to all entries of the subject merchandise except for entries from exporters/producers that are identified individually above.

Disclosure

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

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, 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 determination.

Public Comment

Case briefs for this investigation must be submitted 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. *See* 19 CFR 351.309.

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 briefs, provided that such a hearing is requested by any interested party. If a request for a hearing is made in this 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. 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. *See* 19 CFR 351.310.

We will make our final determination no later than 135 days after the date of this preliminary determination, pursuant to section 735(a)(2) of the Act.

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

Dated: November 21, 2003.

James J. Jochum,

Assistant Secretary for Import Administration.

[FR Doc. 03–29721 Filed 11–26–03; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–557–812]

Notice of Negative Preliminary Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Negative Preliminary Determination of Critical Circumstances: Certain Color Televisions From Malaysia

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 color televisions from Malaysia are not being, nor are likely to be, sold in the United States at less than fair value, as provided in section 733(b) of the Tariff Act of 1930, as amended. In addition, we preliminarily determine that there is no reasonable basis to believe or suspect that critical circumstances exist with respect to subject merchandise exported from Malaysia.

Interested parties are invited to comment on this preliminary determination. We will make our final determination not later than 135 days after the date of this preliminary determination.

EFFECTIVE DATE: November 28, 2003.

FOR FURTHER INFORMATION CONTACT: Mike Strollo or Gregory E. Kalbaugh, Office of AD/CVD Enforcement, Office 2, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–0629 or (202) 482–3693, respectively.

Preliminary Determination

We preliminarily determine that certain color televisions (CTVs) from Malaysia are not being sold, nor are likely to be sold, in the United States at less than fair value (LTFV), as provided in section 733 of the Tariff Act of 1930, as amended (the Act). The estimated margins of sales at LTFV are shown in the ''Suspension of Liquidation'' section of this notice. In addition, we

preliminarily determine that there is no reasonable basis to believe or suspect that critical circumstances exist with respect to CTVs produced in and exported from Malaysia. The critical circumstances analysis for the preliminary determination is discussed below under the section ''Critical Circumstances.''

Case History

Since the initiation of this investigation ((*Notice of Initiation of Antidumping Duty Investigations: Certain Color Television Receivers From Malaysia and the People's Republic of China,* 68 FR 32013 (May 29, 2003)) (*Initiation Notice*), the following events have occurred:

On June 13, 2003, Algert Co., Inc., and Panasonic AVC Networks Kuala Lumpur Malaysia Sdn. Bhd (collectively, Algert/Panasonic) requested that Panasonic multi-system, dual/auto voltage CTVs be excluded from the scope of this investigation.

On June 16, 2003, the United States International Trade Commission (ITC) preliminarily determined that there is a reasonable indication that imports of CTVs from Malaysia are materially injuring the United States industry. See ITC Investigation Nos. 731–TA–1034 and 1035 (*Certain Color Television Receivers from China and Malaysia,* 68 FR 38089 (June 26, 2003)).

Also on June 16, 2003, we issued an antidumping questionnaire to Funai Electric (Malaysia) Sdn. Bhd. (Funai Malaysia), the producer/exporter accounting for the largest volume of known exports of subject merchandise from Malaysia during the period of investigation (POI). For further discussion, see the memorandum to Louis Apple, Director, Office 2, from the Team entitled ''Antidumping Duty Investigation of Certain Color Televisions from Malaysia—Selection of Respondents,'' dated May 30, 2003.

On July 8, 2003, Funai Malaysia submitted information stating that it had no viable home market or third country market during the POI. On July 21, 2003, Funai Malaysia submitted a response to section A of the Department's questionnaire.

On July 30, 2003, the Department issued a section A supplemental questionnaire to Funai Malaysia.

On August 6, 2003, Funai Malaysia submitted responses to sections C and D of the Department's questionnaire.

On August 19, 2003, the Department issued its first section C supplemental questionnaire to Funai Malaysia.

On August 20, 2003, Funai Malaysia submitted its response to the Department's section A supplemental questionnaire.

On August 22, 2003, the Department issued its first section D supplemental questionnaire to Funai Malaysia. On September 4, 2003, Funai Malaysia responded to this supplemental questionnaire.

On September 9, 2003, Funai Malaysia submitted its response to the Department's August 19, 2003, section C supplemental questionnaire.

On September 11 and September 16, 2003, the Department issued section D supplemental questionnaires.

On September 23, 2003, the petitioners submitted comments opposing Algert/Panasonic's June 13, 2003, scope exclusion request.

On September 24, 2003, the Department issued an additional sections A and C supplemental questionnaire to Funai Malaysia.

On September 17, 2003, pursuant to section 733(c)(2) of the Act and 19 CFR 351.205(f), the Department determined that the case was extraordinarily complicated and postponed the preliminary determination until no later than November 21, 2003. *See Postponement of Preliminary Determinations of Antidumping Duty Investigations: Certain Color Television Receivers From Malaysia (A–557–812) and the People's Republic of China (A–570–884),* 68 FR 55372 (Sept. 25, 2003).

On October 3, 2003, Funai Malaysia submitted its response to the questions pertaining to section A of the Department's September 24, 2003, supplemental questionnaire.

On October 9, 2003, Funai Malaysia submitted its response to the Department's September 11 and September 16, 2003, supplemental questionnaires.

On October 14, 2003, Funai Malaysia submitted its response to the questions pertaining to section C of the Department's September 24, 2003, supplemental questionnaire.

On October 16, 2003, the petitioners alleged that critical circumstances exist with respect to imports of CTVs from Malaysia. Accordingly, pursuant to section 732(e) of the Act, on October 17, 2003, we requested information from Funai Malaysia regarding monthly shipments to the United States during the period January 2001 through October 2003. We received the requested information on October 31, 2003. The critical circumstances analysis for the preliminary determination is discussed below under ''Critical Circumstances.''

On November 17, 2003, Funai Malaysia requested that, in the event of an affirmative preliminary determination in this investigation, the Department postpone its final determination until not later than 135 days after the the date of the publication of the preliminary determination in the **Federal Register**. In addition, in Funai Malaysia's request for a postponement, it also requested an extension of provisional measures from a four-month period to not more than six months in accordance with 19 CFR 351.210(e)(2). On November 18, 2003, the petitioners requested that, in the event of a negative preliminary determination in this investigation, the Department postpone its final determination until not later than 135 days after the date of the publication of the preliminary determination in the **Federal Register**.

Postponement of Final Determination

Section 735(a)(2) of the Act provides that a final determination may be postponed until not later than 135 days after the date of the publication of the preliminary determination if, in the event of an affirmative preliminary determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise, or in the event of a negative preliminary determination, a request for such postponement is made by the petitioner. The Department's regulations, at 19 CFR 351.210(e)(2), require that requests by respondents for postponement of a final determination be accompanied by a request for extension of provisional measures from a four-month period to not more than six months.

Pursuant to section 735(a)(2) of the Act, the petitioners requested that, in the event of a negative preliminary determination in this investigation, the Department postpone its final determination until not later than 135 days after the date of the publication of the preliminary determination in the **Federal Register**. In accordance with 19 CFR 351.210(b), because our preliminary determination is negative and no compelling reasons for denial exist, we are granting the petitioners' request and are postponing the final determination until no later than 135 days after the publication of this notice in the **Federal Register**.

Period of Investigation

The POI is April 1, 2002, through March 31, 2003. This period corresponds to the four most recent fiscal quarters prior to the month of the filing of the petition (*i.e.*, May 2003).

Scope of Investigation

For purposes of this investigation, the term ''certain color television receivers''

includes complete and incomplete direct-view or projection-type cathode-ray tube color television receivers, with a video display diagonal exceeding 52 centimeters, whether or not combined with video recording or reproducing apparatus, which are capable of receiving a broadcast television signal and producing a video image. Specifically excluded from this investigation are computer monitors or other video display devices that are not capable of receiving a broadcast television signal.

The color television receivers subject to this investigation are currently classifiable under subheadings 8528.12.2800, 8528.12.3250, 8528.12.3290, 8528.12.4000, 8528.12.5600, 8528.12.3600, 8528.12.4400, 8528.12.4800, and 8528.12.5200 of the *Harmonized Tariff Schedule of the United States* (''HTSUS''). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope of the merchandise under investigation is dispositive.

Scope Comments

In accordance with the preamble to our regulations (*see Antidumping Duties; Countervailing Duties,* 62 FR 27296, 27323 (May 19, 1997)), we set aside a period of time for parties to raise issues regarding product coverage and encouraged all parties to submit comments within 20 calendar days of publication of the *Initiation Notice* (*see* 68 FR at 32013). Interested parties submitted such comments by June 13, 2003.

Pursuant to the Department's solicitation of scope comments in the *Initiation Notice,* Algert/Panasonic requested that Panasonic multi-system, dual/auto voltage CTVs be excluded from the scope of this investigation because: (1) These CTVs are not produced domestically; and (2) they do not compete in any meaningful way with CTVs that are produced in the United States. On September 23, 2003, the petitioners opposed this request.

After considering the interested party comments and the petitioners' objections to the exclusion request regarding the Panasonic multi-system, dual/auto voltage CTVs, we find that the CTVs in question fall within the scope of this investigation. All CTVs, including the CTVs in question, have the same fundamental characteristics—that is they are capable of receiving a broadcast signal and displaying a video image. Therefore, we conclude that all CTVs, whether having multiple signal capability or dual/auto voltage, including the multi-system, dual/auto voltage CTVs produced by PAVCKM and sold by Algert, are appropriately included in the scope of this investigation. For a further discussion, see the memorandum to Louis Apple, Director, Office 2 from Michael Strollo entitled ''Scope Exclusion Request,'' dated November 21, 2003.

Class or Kind

As part of its scope request, Algert/Panasonic argued that the Panasonic multi-system, dual/auto voltage CTVs fall into a separate class or kind of merchandise from other color televisions. In considering whether this product should be considered a separate class or kind, we analyzed the arguments submitted by all of the interested parties in the context of the criteria enumerated in the court decision *Diversified Products Corp.* v. *United States,* 572 F. Supp. 883, 889 (CIT 1983) (*Diversified*). For this analysis, we relied upon the petition, the submissions by all interested parties, the preliminary determination made by the ITC, and other information.

The criteria set forth in *Diversified* to examine whether differences in class or kind exist are as follows: (1) The general physical characteristics of the merchandise; (2) the expectations of the ultimate purchaser; (3) the ultimate use of the merchandise; (4) the channels of trade in which the merchandise moves, and; (5) the manner in which the product is advertised or displayed. Based upon the evaluation of these criteria, we preliminarily find that Panasonic multi-system, dual/auto voltage CTVs are the same class or kind of merchandise as the other CTVs included within the scope of this investigation. Specifically, we note that the essential physical characteristics of a Panasonic multi-system, dual/auto voltage CTV and a standard CTV are the same (*i.e.*, an electronic product capable of receiving a broadcast television signal and producing a video image); the ultimate use of the product (*i.e.*, the receipt of a broadcast television signal and the production of a video image) and as such, the expectations of the ultimate purchasers, are the same for all CTVs; channels of distribution (*i.e.*, retail outlets) are the same; and finally, the CTVs in question are clearly advertised and displayed as CTVs. Consequently, we preliminarily find that the CTVs in question do not constitute a separate class or kind of merchandise.

Fair Value Comparisons

To determine whether sales of certain color televisions from Malaysia to the United States were made at LTFV, we compared the export price (EP) or constructed export price (CEP) to the Normal Value (NV), as described in the ''Export Price/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 EPs and CEPs to NVs.

For this preliminary determination, we have determined that Funai Malaysia did not have a viable home or third country market. Therefore, as the basis for NV, we used constructed value (CV) when making comparisons in accordance with section 773(a)(4) of the Act.

Export Price/Constructed Export Price

In accordance with section 772(a) of the Act, we calculated EP for those sales where the merchandise was sold to the first unaffiliated purchaser in the United States prior to importation by the exporter or producer outside the United States. We based EP on the packed price to unaffiliated purchasers in the United States. We made deductions for movement expenses in accordance with section 772(c)(2)(A) of the Act; these included, where appropriate, foreign warehousing, foreign inland freight, foreign inland insurance, and foreign brokerage and handling expenses.

In accordance with section 772(b) of the Act, we calculated CEP for those sales where the merchandise was sold (or agreed to be sold) in the United States before or after the date of importation by or for the account of the producer or exporter, or by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter.

We based CEP on the packed delivered prices to unaffiliated purchasers in the United States. We made deductions for movement expenses, in accordance with section 772(c)(2)(A) of the Act; these included, where appropriate, foreign inland freight, foreign warehousing expenses, foreign inland insurance, foreign brokerage and handling expenses, ocean freight, marine insurance, U.S. brokerage and handling, U.S. customs duties (including harbor maintenance fees and merchandise processing fees), U.S. inland insurance, U.S. inland freight expenses (*i.e.*, freight from port to warehouse and freight from warehouse to the customer), post-sale warehousing expenses, and intra-warehousing transfer expenses. In accordance with section 772(d)(1) of the Act and 19 CFR 351.402(b), we deducted those selling expenses associated with economic activities

occurring in the United States, including direct selling expenses (*i.e.*, bank charges and imputed credit expenses), and indirect selling expenses (including inventory carrying costs and other indirect selling expenses).

We note that, in their November 6, 2003, comments on the preliminary determination, the petitioners argued that the Department should deduct from CEP the indirect selling expenses incurred by Funai Electric Co., Ltd. (Funai Electric) in Japan on sales to the United States. The petitioners claim that these indirect expenses incurred by Funai Electric are associated with sales to unaffiliated customers made by Funai Corporation, Inc. (Funai Corporation), Funai Malaysia's affiliated reseller in the United States.

As noted above, pursuant to 19 CFR 351.402(b), we deduct from CEP those selling expenses associated with commercial activities occurring in the United States that relate to the sale to an unaffiliated purchaser, no matter where or when paid. This regulation also states that the Department will not make any adjustment to CEP for any expense that is related solely to the sale to an affiliated importer in the United States. The information on the record indicates that Funai Electric's selling functions are limited to: (1) Inputting and processing of orders of Funai Malaysia's merchandise made by Funai Corporation; (2) customer interaction (*i.e.*, with Funai Corporation); and (3) sales logistics associated with transporting the merchandise from Malaysia to Funai Corporation's designated place of delivery. None of these selling functions indicate that Funai Electric incurred selling expenses associated with economic activities occurring in the United States on the sale to unaffiliated customers. Rather, the selling functions performed, and the selling expenses incurred, appear to be associated only with Funai Electric's sales to Funai Corporation. Therefore, because the evidence on the record does not support the petitioners' contention that Funai Electric's indirect selling expenses incurred in Japan are: (1) Associated with commercial activities in the United States; and (2) related to the sale to an unaffiliated purchaser, we have not deducted these expenses from CEP.

Pursuant to section 772(d)(3) of the Act, we further reduced the starting price by an amount for profit to arrive at CEP. In accordance with section 772(f) of the Act, we calculated the CEP profit rate using the expenses incurred by Funai Malaysia and its affiliate on their sales of the subject merchandise in the United States and the profit associated with those sales.

Normal Value

A. Home Market Viability

In order to determine whether there was 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.

Funai Malaysia reported that during the POI it made no home market sales of foreign like product. Sales to Funai Malaysia's largest third-country market, Japan, were not greater than five percent of the aggregate volume of U.S. sales of the subject merchandise. Therefore, we determined that neither the home market nor any third country market was a viable basis for calculating NV. As a result, we used CV as the basis for calculating NV, in accordance with section 773(a)(4) of the Act.

B. 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 as the EP or CEP. The NV level of trade (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 expenses (SG&A) and profit. For EP, the U.S. LOT is also the level of the starting-price sale, which is usually from exporter to importer. For CEP, it is the level of the constructed sale from the exporter to the importer.

To determine whether NV sales are at a different LOT than EP or CEP 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 comparison market sales at the level of trade of the export transaction, we make an LOT adjustment under section 773(a)(7)(A) of the Act. Finally, for CEP sales, if the NV level is more remote from the factory than the CEP level and there is no basis for determining whether the difference in levels between NV and CEP affects price comparability, we adjust NV under section 773(a)(7)(B) of the Act (the CEP-offset provision). *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa,* 62 FR 61731, 23761 (Nov. 19, 1997).

In this investigation, we found that Funai Malaysia had no viable home or third country market. When NV is based on CV, the NV LOT is that of the sales from which we derive SG&A expenses and profit (*see Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Fresh Atlantic Salmon from Chile,* 63 FR 2664 (Jan. 16, 1998)). In accordance with 19 CFR 351.412(d), the Department will make its LOT determination under paragraph (d)(1) of this section on the basis of sales of the foreign like product by the producer or exporter. Because it is not possible in the instant case to make an LOT determination on the basis of sales of the foreign like product in the home or third country market, the Department may use sales of different or broader product lines, sales by other companies, or any other reasonable basis. Because we based the selling expenses and profit for Funai Malaysia on the weighted average selling expenses incurred and profits earned by another Malaysian producer of comparable merchandise who was not party to this investigation, there is insufficient information on the record in this investigation to allow the Department to make an LOT adjustment or grant a CEP offset to the CVs reported by Funai Malaysia.

Calculation of Constructed Value

In accordance with section 773(e) of the Act, we calculated CV based on the sum of Funai's cost of materials and fabrication for the foreign like product, plus amounts for SG&A, profit, and U.S. packing costs. We relied on the submitted CV information for Funai Malaysia, except in the following instances where the reported costs were not appropriately quantified or valued.

- We revised the company's reported general and administrative (G&A) expenses to include Funai Malaysia's net G&A expenses.
- We calculated the company's CV profit and domestic selling expense ratios using the financial statements of a surrogate Malaysian company that sold merchandise that is in the same general category of products as the subject merchandise, using data that was contemporaneous to the POI.

For further discussion of these adjustments, see the memorandum from Mark Todd to Neal Halper, entitled

''Cost of Production and Constructed Value Calculation Adjustments for the Preliminary Determination,'' dated November 21, 2003.

During the POI, Funai Malaysia purchased a major input, printed circuit boards (PCBs), from an affiliated PCB-board producer in Hong Kong. This affiliate purchased the raw materials necessary to produce the PCB from both market and NME suppliers, and then it subcontracted the assembly operations with an entity located in the People's Republic of China (PRC). In order to demonstrate that the affiliate's purchases from its PRC suppliers reasonably reflect the costs associated with the production and sale of the merchandise, Funai Malaysia provided quotes from various market economy suppliers of the same parts which showed that the prices recorded in the normal books and records closely approximated market values.

The petitioners have requested that, in applying the major input rule under section 773(f)(3) of the Act, the Department disregard the Hong Kong affiliate's actual costs as recorded in its books and records and instead determine the costs incurred in the PRC using a factors of production approach. Specifically, the petitioners assert that the Hong Kong affiliate and its subcontractor are themselves affiliated by virtue of an exclusive supply relationship between the two entities, and thus the Department is required to rely on surrogate values for labor and overhead incurred by the Chinese subcontractor, as well as for those transactions where raw material inputs are transferred from Chinese suppliers to the Chinese subcontractor through Funai Hong Kong.

We find that there is no legal basis to adopt the petitioner's approach, given that the Act directs the Department to employ a factors of production methodology only in cases involving non-market economy producers. In contrast, in cases involving market economy producers, section 773(f)(1)(A) of the Act requires the Department to calculate costs on the basis of a company's financial records, provided that such records are maintained in accordance with generally accepted accounting principles (GAAP) and reasonably reflect the costs associated with the production and sale of the merchandise. *See Certain Welded Carbon Steel Pipes and Tubes From Thailand: Final Results of Antidumping Duty Administrative Review,* 64 FR 56759–02 (Oct. 21, 1999); *see also Notice of Final Results of Antidumping Duty Administrative Review and Determination Not To Revoke the Antidumping Duty Order: Brass Sheet and Strip From the Netherlands,* 65 FR 742 (Jan. 6, 2000).

In accordance with our practice and 19 CFR 351.401(h), in this case we find that the Hong Kong company is the producer of the PCBs in question because it provides the design of the PCB, purchases all of the raw materials necessary to produce it, arranges for the conversion of these materials into the finished product, and then controls the relevant sale to Funai Malaysia. *See, e.g., Remand Redetermination: Static Random Access Memory Semiconductors from Taiwan* (June 30, 2000); *Notice of Final Determination of Sales at Less Than Fair Value: Polyvinyl Alcohol From Taiwan,* 61 FR 14064, 14070 (Mar. 29, 1996); *Notice of Final Determination of Sales at Less Than Fair Value. Certain Forged Stainless Steel Flanges from India,* 58 FR 68853, 68855 (Dec. 29, 1993). Therefore, we have looked to the books and records of the Hong Kong affiliate to determine the cost of the PCB, rather than to the books and records of the PRC subcontractor.

In addition, we have examined the information on the record regarding the relationship between Funai Malaysia and its subcontractor and preliminarily find that these companies are not affiliated within the meaning of section 771(33) of the Act. Specifically, we find that there is no cross-ownership in these entities, and that neither Funai Malaysia nor Funai Hong Kong is in a position to exercise control or restraint over the subcontractor. Rather, the subcontractor has numerous manufacturing facilities in the PRC, not all of which assemble PCBs, and it makes a variety of other products. *See* Funai Malaysia's October 14, 2003, submission at pages 10–11 and Exhibit 1. Additionally, we find that the subcontractor is not in a position to exercise control or restraint over Funai Hong Kong, as the technical know-how, designs, and equipment needed to manufacture the PCBs are all owned and controlled by Funai Hong Kong. Moreover, Funai Hong Kong and the subcontractor have not entered into formal exclusive supplier arrangements which would prohibit this company from sourcing its PCB assembly elsewhere or the subcontractor from assembling merchandise for other producers. Thus, we find that the indicia of control necessary to find these parties affiliated are not present here.

Given these factual conclusions, we disagree with the petitioners that it would be appropriate to determine the cost of producing the PCBs using a factors of production methodology based on the production experience of the subcontractor because the Chinese subcontractor is not the ''producer'' of the PCB and, thus, the subcontracting services provided by this entity merely represents one of the inputs into the final PCB product. In any event, we disagree with the petitioners that, even assuming that these parties were deemed to be affiliated, it would be appropriate to collect factors data from the subcontractor because the assembly operations constitute a minor portion of the total cost of the CTV (and thus the major input rule does not apply to the assembly operations).

Because the Hong Kong company is the producer of the PCB and the Department treats Hong Kong as a market economy, the statute directs us to use the company's recorded costs unless they are not consistent with GAAP or do not reasonably reflect the costs of production or sale. The Department may find that a respondent's costs recorded in its normal books and records do not reasonably reflect the costs of the merchandise where the costs are allocated to the merchandise under consideration in a manner which distort the dumping analysis. *See, e.g., Final Determination of Sales at Less Than Fair Value: Oil Country Tubular Goods From Argentina,* 60 FR 33539, 33547 (June 28, 1995); and *Elemental Sulphur From Canada; Final Results of Antidumping Finding Administrative Review,* 61 FR 8239, 8241–8243 (Mar. 4, 1996). While the Hong Kong company made purchases from unaffiliated PRC suppliers, these purchases were made in a market economy (*i.e.*, Hong Kong) by a market-economy entity which maintains that its books and records are kept in accordance with Hong Kong GAAP. Thus, we preliminarily find that its purchases from PRC entities reasonably reflect the costs associated with the production and sale of a PCB. Therefore, in determining the cost of the PCBs under the major input rule for purposes of the preliminary determination, we have relied upon the costs stated in this company's normal books and records.

Price-to-CV Comparisons

In accordance with section 773(a)(4) of the Tariff Act, we based NV on CV because there was no viable home or third-country market.

For comparisons to EP, we made circumstances-of-sale adjustments by deducting home market direct selling expenses and adding U.S. direct selling expenses. We made no adjustment for differences in credit expenses between markets because we had inadequate information to do so.

When we compared CV to CEP, we deducted from CV the weighted-average home market direct selling expenses. For a discussion of the calculation of these expenses, see the memorandum from Michael Strollo to the File entitled: Calculations Performed for Funai Electric (Malaysia) Sdn. Bhd. (Funai Malaysia) for the Preliminary Determination in the 2002–2003 Antidumping Duty Investigation of Certain Color Television Receivers from Malaysia, dated November 21, 2003.

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.

Critical Circumstances

On October 16, 2003, the petitioners alleged that there is a reasonable basis to believe or suspect critical circumstances exist with respect to the antidumping investigation of CTVs from Malaysia. In accordance with 19 CFR 351.206(c)(2)(i), because petitioners submitted a critical circumstances allegation more than 20 days before the scheduled date of the preliminary determination, the Department must issue its preliminary critical circumstances determination not later than the date of the preliminary determination.

Section 733(e)(1) of the Act provides that the Department, upon receipt of a timely allegation of critical circumstances, will determine whether there is a reasonable basis to believe or suspect that: (A)(i) there is a history of dumping and material injury by reason of dumped imports in the United States or elsewhere of the subject merchandise, or (ii) the person by whom, or for whose account, the merchandise was imported knew or should have known that the exporter was selling the subject merchandise at less than its fair value and there was likely to be material injury by reason of such sales, and (B) there have been massive imports of the subject merchandise over a relatively short period.

According to 19 CFR 351.206(h)(1), in determining whether imports of the subject merchandise have been ''massive,'' the Department normally will examine: (i) The volume and value of the imports; (ii) seasonal trends; and (iii) the share of domestic consumption accounted for by the imports. In addition, 19 CFR 351.206(h)(2) provides that ''unless the imports during a ''relatively short period'' have increased by at least 15 percent over the imports during an immediately preceding period of comparable duration, the Secretary will not consider the imports massive.''

In accordance with 19 CFR 351.206(i), the Department defines ''relatively short period'' as generally the period beginning on the date the proceeding begins (*i.e.*, the date the petition is filed) and ending at least three months later.

In determining whether the above statutory criteria have been satisfied, we examined: (1) the evidence presented in the petitioners' submission of October 16, 2003; (2) exporter-specific shipment data requested by the Department; and (3) the ITC preliminary injury determination.

To determine whether a history of dumping and material injury exists, the Department generally considers current or previous antidumping duty orders on the subject merchandise from the country in question in the United States and current orders in any other country. The Department will normally not consider the initiation of a case, or a preliminary or final determination of sales at LTFV in the absence of an affirmative finding of material injury by the ITC, as indicative of a history sufficient to satisfy this criterion. *See Preliminary Determination of Critical Circumstances: Steel Concrete Reinforcing Bars From Ukraine and Moldova,* 65 FR 70696 (Nov. 27, 2000). With regard to imports of CTVs from Malaysia, the European Union (EU) imposed antidumping duty measures on CTVs from Malaysia in 1995. Because there is a history of dumping and material injury by reason of dumped imports in the EU of the subject merchandise, the first criterion of the test for finding critical circumstances is met.

Because we have preliminarily found that section 733(e)(1)(A) of the Act is met, we must consider whether under section 733(e)(1)(B) of the Act imports of the merchandise have been massive over a relatively short period. According to 19 CFR 351.206(h), we consider the following to determine whether imports have been massive over a relatively short period of time: (1) The volume and value of the imports; (2) seasonal trends (if applicable); and (3) the share of domestic consumption accounted for by the imports.

When examining volume and value data, the Department typically compares the export volume for equal periods immediately preceding an following the filing of the petition. Unless the imports in the comparison period have increased by at least 15 percent over the imports during the base period, we will not consider, under 19 CFR 351.206(h), the imports to have been ''massive.''

To determine whether imports of subject merchandise have been massive over a relatively short period, we compared the respondent's export volumes for the four months before the filing of the petition (*i.e.*, January through April 2003) to that during the four months after the filing of the petition (*i.e.*, May through August 2003). These periods were selected based on the Department's practice of using the longest period for which information is available from the month that the petition was filed through the effective date of the preliminary determination.

The Department requested and obtained from Funai Malaysia monthly shipment data for 2001, 2002, and 2003. According to its monthly shipment information, we found the volume of shipments of CTVs increased by more than 15 percent. However, in comparing the time series data for the two years prior to the petition (*i.e.*, 2001 and 2002), we note that there have also been significant surges in imports from Funai Malaysia between those same base and comparison periods. In *Certain Color Television Receivers from China and Malaysia,* Investigations Nos. 731–TA–1034 and 1035 (Preliminary), USITC Pub. No. 3607 (*ITC Prelim*), the ITC indicated that subject imports of CTVs: (1) Account for only a small percentage of everyday sales; (2) represent the bulk of product advertised and sold during the holiday season; and (3) arrive in containers months before in preparation for the holiday season. *See ITC Prelim* at 17–18. Therefore, based on the time series data and the information contained in the ITC Prelim, we conclude that imports of CTVs are subject to seasonal trends. Moreover, our analysis shows that these seasonal trends account for the increase in imports during the time periods examined. Consequently, despite the greater than 15 percent increase in imports from Funai Malaysia between the base and comparison periods, we find that subject imports are not considered ''massive'' pursuant to 19 CFR 351.206(h)(1)(ii). *See* the memorandum from The CTVs Team to Louis Apple, Director, entitled: ''Antidumping Duty Investigation of Certain Color Televisions from Malaysia—Preliminary Negative Determination of Critical Circumstances,'' (Critical Circumstances Memo) dated November 21, 2003.

It is also the Department's practice to conduct its critical circumstances analysis of companies in the ''All Others'' category based on the experience of the investigated companies. Because we are determining

that critical circumstances do not exist for Funai Malaysia, and Funai Malaysia is the only respondent in this investigation, we are concluding that critical circumstances do not exist for companies covered by the ''All Others'' rate.

In summary, we find that there is a reasonable basis to believe or suspect importers had knowledge of dumping and the likelihood of material injury with respect to CTVs from the PRC. We, however, do not find that there have been massive imports of CTVs over a relatively short period from Funai Malaysia due to seasonality. Given the analysis summarized above, and described in more detail in the Critical Circumstances Memo, we preliminarily determine that critical circumstances do not exist for imports of CTVs produced in and exported from Malaysia.

Verification

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

Suspension of Liquidation

Exporter/manufacturer	Weighted-average margin percentage	Critical circumstances
Funai Electric (Malaysia) Sdn. Bhd.	0.03	No.

Because the estimated weighted-average dumping margin for the examined company is *de minimis*, we are not directing Customs and Border Protection to suspend liquidation of entries of certain color television receivers from Malaysia.

Disclosure

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

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)(3) of the Act, the ITC will determine within 135 days after our final determination whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

Public Comment

Case briefs for this investigation must be submitted 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. See 19 CFR 351.309.

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 briefs, provided that such a hearing is requested by any interested party. If a request for a hearing is made in this 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. 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 10 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. *See* 19 CFR 351.310.

We will make our final determination no later than 135 days after the date of this preliminary determination, pursuant to section 735(a)(1) of the Act.

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

Dated: November 21, 2003.

James J. Jochum,

Assistant Secretary for Import Administration.

[FR Doc. 03–29722 Filed 11–26–03; 8:45 am]

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DEPARTMENT OF COMMERCE

Internationl Trade Administration

[A–570–888]

Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof From the People's Republic of China: Postponement of Preliminary Determination of Antidumping Duty Investigation

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

EFFECTIVE DATE: November 28, 2003.

FOR FURTHER INFORMATION CONTACT: Paige Rivas or Sam Zengotitabengoa at (202) 482–0651 or (202) 482–4195, respectively; AD/CVD Enforcement, Office 4, Group II, Import Administration, Room 1870, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Statutory Time Limits

Section 733(b)(1)(A) of the Tariff Act of 1930, as amended (the Act), requires the Department of Commerce (the Department) to issue the preliminary determination of an antidumping duty investigation within 140 days after the date of initiation. However, if the petitioner makes a timely request for an extension of the period, section 733(c)(1)(A) of the Act allows the Department to postpone the preliminary determination until not later than 190 days after the date of initiation.

Background

On July 21, 2003, the Department initiated an antidumping duty investigation on floor-standing, metal-top ironing tables and certain parts thereof from the People's Republic of China. *See Notice of Initiation of Antidumping Investigation: Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China,* 68 FR 44040 (July 25, 2003). The notice states that the Department will issue its preliminary determination no later than 140 days after the date of initiation. The preliminary determination currently is due no later than December 7, 2003.

Extension of Preliminary Determination

On November 7, 2003, the Department received a timely request for postponement of the preliminary determination from Home Products International, Inc. (the petitioner), in accordance with section 733(c)(1)(A) of the Act and 19 CFR 351.205(e). The Department has reviewed the petitioner's request for postponement and agrees to postpone this preliminary determination. Therefore, pursuant to section 733(c)(1)(A) of the Act, the Department is postponing the preliminary determination until January 26, 2004.

This notice of postponement is in accordance with section 733(c)(2) of the Act and 19 CFR 351.205(f).

Dated: November 21, 2003.

James J. Jochum,

Assistant Secretary for Import Administration.

[FR Doc. 03–29719 Filed 11–26–03; 8:45 am]

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