

Board) by Monroe County, New York, grantee of FTZ 141, to expand the scope of manufacturing authority for the Eastman Kodak Company (Kodak) under zone procedures within Subzone 141A, at the Kodak plant located at sites in the Rochester, New York area. The application was submitted pursuant to the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a-81u), and the regulations of the Board (15 CFR part 400). It was formally filed on August 1, 2005.

Subzone 141A was approved by the Board in 1988 and is currently comprised of four sites in the Rochester, New York area. Authority was granted for the manufacture of: photographic film, paper and chemicals; photographic/video cameras, equipment and supplies; copiers, office machines, and computer equipment; medical instruments and equipment; and life science chemicals (Board Order 401, 53 FR 52456, 12/28/1988).

Kodak is now proposing to expand the scope of manufacturing activity conducted under zone procedures at Subzone 141A to include additional finished products (printer cartridges and thermal media). These finished products fall into categories which enter the United States at duty rates ranging from duty-free to 3.7% *ad valorem*. Kodak's application indicates that foreign-sourced materials under the proposed expanded scope (thermal media and film base HTSUS categories 3702.44 and 3920.62, respectively) have duty rates ranging from 3.7% to 4.2%.

Expanded subzone manufacturing authority would exempt Kodak from Customs duty payments on foreign components when used in export production of the new products. On its domestic sales, Kodak would be able to choose the lower duty rate that applies to the new finished products for foreign components, when applicable. Kodak would also be able to avoid duty on foreign inputs which become scrap/waste, estimated at five percent of FTZ-related savings. Kodak may also realize logistical/procedural and other benefits related to the proposed expanded scope of manufacturing. All of the above-cited savings from zone procedures could help improve the plant's international competitiveness.

In accordance with the Board's regulations, a member of the FTZ Staff has been designated examiner to investigate the application and report to the Board.

Public comment is invited from interested parties. Submissions (original and 3 copies) shall be addressed to the Board's Executive Secretary at one of the following addresses:

1. Submissions via Express/Package Delivery Services: Foreign-Trade-Zones Board, U.S. Department of Commerce, Franklin Court Building--Suite 4100W, 1099 14th St. NW., Washington, DC 20005; or

2. Submissions via the U.S. Postal Service: Foreign-Trade-Zones Board, U.S. Department of Commerce, FCB--Suite 4100W, 1401 Constitution Ave. NW., Washington, DC 20230.

The closing period for their receipt is October 11, 2005. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period to October 24, 2005.

A copy of the application and accompanying exhibits will be available for public inspection at the Office of the Foreign-Trade Zones Board's Executive Secretary at address Number 1 listed above, and at the Rochester U.S. Export Assistance Center, 400 Andrews St., Suite 710, Rochester, NY 14604.

Dated: August 3, 2005.

Dennis Puccinelli,

Executive Secretary.

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DEPARTMENT OF COMMERCE

International Trade Administration

(A-570-847)

Persulfates from the People's Republic of China: Notice of Preliminary Results of Antidumping Duty Administrative Review

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

SUMMARY: In response to a request from FMC Corporation (FMC), a domestic producer and an interested party in this proceeding, the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on persulfates from the People's Republic of China (PRC). The period of review (POR) is July 1, 2003, through June 30, 2004. Upon completion of this review, the Department will instruct U.S. Customs and Border Protection (CBP) to assess antidumping duties on all appropriate entries of subject merchandise that were exported by the company under review and entered during the POR. Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: August 10, 2005.

FOR FURTHER INFORMATION CONTACT: Tisha Loeper-Viti at (202) 482-7425 or

Frances Veith at (202) 482-4295, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

On July 1, 2004, the Department published a notice of opportunity to request an administrative review of this order (69 FR 39903). On July 30, 2004, in accordance with 19 CFR 351.213(b)(1), FMC requested that the Department conduct an administrative review of Shanghai AJ Import and Export Corporation (Shanghai AJ).

On September 22, 2004, the Department published a notice of initiation of this administrative review (69 FR 56745). On March 25, 2005, the Department extended the due date for the preliminary results of this review to August 1, 2005 (70 FR 15293).

On October 13, 2004, we issued an antidumping questionnaire to Shanghai AJ and its producer, Degussa-AJ (Shanghai) Initiators Co., Ltd. (Degussa-AJ), collectively Shanghai AJ/Degussa-AJ. Shanghai AJ/Degussa-AJ submitted timely responses to the questionnaire in November and December 2004. We issued supplemental questionnaires in March, April, May, and June 2005, and received timely responses to each from Shanghai AJ/Degussa-AJ.

On June 10, 2005, FMC submitted publicly available information for consideration in valuing the factors of production. Shanghai AJ/Degussa-AJ submitted information for this purpose on June 20 and 27, 2005. FMC submitted rebuttal comments on June 29 and July 8, 2005.

Scope of the Order

The products covered by this review are persulfates, including ammonium, potassium, and sodium persulfates. The chemical formula for these persulfates are, respectively, $(\text{NH}_4)_2\text{S}_2\text{O}_8$, $\text{K}_2\text{S}_2\text{O}_8$, and $\text{Na}_2\text{S}_2\text{O}_8$. Potassium persulfates are currently classifiable under subheading 2833.40.10 of the *Harmonized Tariff Schedule of the United States* (HTSUS). Sodium persulfates are classifiable under HTSUS subheading 2833.40.20. Ammonium and other persulfates are classifiable under HTSUS subheadings 2833.40.50 and 2833.40.60. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

Verification

As provided in section 782(i) of the Tariff Act of 1930, as amended (the Act), we verified information provided by

Shanghai AJ/Degussa-AJ. We used standard verification procedures, including on-site inspection of the producer's and exporter's facilities, and examination of relevant sales and financial records. The Department conducted the verification at Degussa-AJ's facilities near Shanghai from July 4 through July 6, 2005, and at Shanghai AJ's facilities in Shanghai from July 7 through July 8, 2005. Our verification results are outlined in the verification reports for these two companies. See Memorandum to the File Re: Antidumping Duty Administrative Review: Persulfates from the People's Republic of China - Verification of Shanghai AJ Import & Export Corporation and Degussa-AJ (Shanghai) Initiators Co., Ltd., dated August 1, 2005.

Adverse Facts Available

Section 776(a)(1) and (2) of the Act provides that the Department shall apply "facts otherwise available" if, *inter alia*, necessary information is not on the record or an interested party or any other person (A) withholds information that has been requested, (B) fails to provide information within the deadlines established, or in the form and manner requested by the Department, subject to subsections (c)(1) and (e) of section 782 of the Act, (C) significantly impedes a proceeding, or (D) provides information that cannot be verified as provided by section 782(i) of the Act.

Section 776(b) of the Act further provides that the Department may use an adverse inference in applying the facts otherwise available when a party has failed to cooperate by not acting to the best of its ability to comply with a request for information. Section 776(b) of the Act also authorizes the Department to use as adverse facts available (AFA) information derived from the petition, the final determination, a previous administrative review, or other information placed on the record.

For the reasons explained below, and pursuant to sections 776(a)(2)(A) and 776(b) of the Act, the Department has determined to apply partial AFA for certain U.S. sales that Shanghai AJ failed to report. On October 12, 2004, the Department requested that Shanghai AJ report all sales of persulfates to the United States during the POR. In section A(4)(a) of the October 12, 2004, questionnaire, the Department requested that Shanghai AJ describe the date selected as the date of sale to be used in the POR. In section C of the questionnaire, the Department also requested that Shanghai AJ report the

date of sale as defined in the Glossary of Terms at Appendix I, which states the Department will normally use the date of invoice, as recorded in the exporter's or producer's records kept in the ordinary course of business. On November 17, 2004, and December 1, 2004, Shanghai AJ submitted a questionnaire response to both sections A and C and responded that its date of sale is the date of invoice.

On March 17, 2005, the Department issued a supplemental questionnaire for section A, requesting an explanation for Shanghai AJ's reasons for not choosing the date of the short-term contract as the date of sale, given that Shanghai AJ's original submission stated that it used short-term contracts and that there were rarely changes made to the terms of sale after this date. Shanghai AJ's April 7, 2005, response to the March 17, 2005, supplemental first noted that it had incorrectly described Shanghai AJ as using short-term contracts and that sales were made pursuant to purchase orders. Second, Shanghai AJ's response noted that approximately 40 percent of sales transactions during the POR experienced changes to quantities, destinations, and/or shipping dates between the time of the purchase order and issuance of the invoice. Also, Shanghai AJ's response indicated that "substantial terms of sale, especially sales quantity, were finalized at the time the commercial invoice was issued. Thus, Shanghai AJ believes the invoice date is the most appropriate date of sale pursuant to the definition of the date of sale." On December 1, 2004, May 6, 2005, and June 7, 2005, Shanghai AJ submitted to the Department what it reported to be all sales of persulfates sold to the United States during the POR, based upon invoice date.

At the beginning of verification, Shanghai AJ provided the Department with its submission of clerical errors and minor corrections. However, during verification, the Department discovered three sales of persulfates to the United States during the POR which were not reported to the Department in either of Shanghai AJ's questionnaire responses or its minor corrections.¹ Shanghai AJ explained that it did not report these sales, which it deemed outside the POR, because the sales invoices were reissued to a customer who had requested that all of its sales invoices be issued the same month as the shipment date. In this case, the shipment dates for these three sales were outside the POR. However, the original sales invoices were clearly dated within the POR and Shanghai AJ

¹ Shanghai AJ/Degussa-AJ placed this submission on the record on July 6, 2005.

recorded these sales in its books and records based on the original invoice dates. Moreover, the Department verified that Shanghai AJ did not adjust its books and records for the reprinting of the sales invoices. Therefore, because Shanghai AJ withheld information the Department requested, that is the sales in question, pursuant to section 776(a)(2)(A) of the Act, the Department is applying facts available to those transactions.

Section 776(b) of the Act provides that, upon having determined to apply facts available pursuant to the statutory requirements of the Act, the Department may use adverse inferences in selecting among the facts otherwise available if the Department determines that the respondent failed to cooperate by not acting to the best of its ability to comply with a request for information from the Department. We have determined that Shanghai AJ has not acted to the best of its ability to comply with our requests for information in this administrative review.

The U.S. Court of Appeals for the Federal Circuit has held that the "best of its ability" standard "requires the respondent to do the maximum it is able to do." See *Nippon Steel Corp. v. United States*, 337 F.3d 1373, 1382 (Fed Cir. 2003) (*Nippon Steel*). The Department has determined that Shanghai AJ did not act to the best of its ability because it neither included nor notified the Department in a timely manner that it was not including these sales in its filing. This information was within Shanghai AJ's control. The company itself explained that the U.S. sales date should be based on invoice date. The company treated these sales as sales made pursuant to the original invoice date. Under these circumstances, it is fully reasonable for the Department to expect that Shanghai AJ would be forthcoming with this information, and that its failure to do so demonstrates that Shanghai AJ failed to put forth the maximum effort. *Nippon Steel*, 337 F.3d at 1382; see also *Neuberg Fertigung GmbH v. United States*, 797 F.Supp. 1020, 1024 (CIT 1992) ("ultimately it is the respondent's responsibility to make sure that {Commerce} understands, and correctly uses, any information provided by the respondent.")

Section 776(b) of the Act states that AFA may include information derived from the petition, the final determination, a previous administrative review, or other information placed on the record. As AFA for the preliminary results, and in accordance with section 776(b), the Department is applying the highest

transaction margin for Shanghai AJ from the current administrative review to Shanghai AJ's unreported sales for the preliminary results.

Separate Rates Determination

The Department has treated the PRC as a non-market-economy (NME) country in all past antidumping duty investigations and administrative reviews. See, e.g., *Final Determination of Sales at Less Than Fair Value: Tetrahydrofurfuryl Alcohol From the People's Republic of China*, 69 FR 34130 (June 18, 2004). A designation as an NME country remains in effect until it is revoked by the Department. See section 771(18)(C)(i) of the Act.

It is the Department's standard policy to assign all exporters of subject merchandise subject to review in an NME country a single rate unless an exporter can demonstrate an absence of government control, both in law and in fact, with respect to exports. To establish whether an exporter is sufficiently independent of government control to be entitled to a separate rate, the Department analyzes the exporter in light of the criteria established in the *Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China*, 56 FR 20588 (May 6, 1991) (*Sparklers*); and *Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China*, 59 FR 22585 (May 2, 1994) (*Silicon Carbide*). Under this test, exporters in NME countries are entitled to separate, company-specific margins when they can demonstrate an absence of government control over exports, both in law (*de jure*) and in fact (*de facto*). Evidence supporting, though not requiring, a finding of *de jure* absence of government control over export activities includes: 1) an absence of restrictive stipulations associated with the individual exporter's business and export licenses; 2) any legislative enactments decentralizing control of companies; and 3) any other formal measures by the government decentralizing control of companies. *De facto* absence of government control over exports is based on four factors: 1) whether an exporter sets its own export prices independently of the government and without the approval of a government authority; 2) whether an exporter retains the proceeds from its sales and makes independent decisions regarding the disposition of profits or the financing of losses; 3) whether an exporter has the authority to negotiate and sign contracts and other agreements; and 4) whether an exporter has autonomy from the government regarding the selection of management.

See *Silicon Carbide*, 59 FR at 22587, and *Sparklers*, 56 FR at 20589.

Based on a review of its responses, and the results of verification, we have concluded that Shanghai AJ conducts its export activities independently of control from central, provincial or local governments in the PRC. Shanghai AJ was established in 1994 as a wholly owned subsidiary of Shanghai Ai Jian Corporation (AJ Corp.). AJ Corp is a public company listed and traded on the Shanghai Stock Exchange. Shanghai AJ has placed on the record documents to demonstrate the absence of *de jure* control including its business license and the business license and a list of the shareholders of AJ Corp., as well as copies of the *PRC Enterprise Legal Person Registration Administrative Regulations and the Foreign Trade Law of the People's Republic of China*. Other than limiting Shanghai AJ to activities referenced in its business license, we found no restrictive stipulations associated with its license. In addition, Article 16 of the *PRC Enterprise Legal Person Registration Administrative Regulations* expressly recognizes the independent legal status of every company that possesses its own business license, and grants to these enterprises the right to open bank accounts, conduct business activities, and sign contracts. The *Foreign Trade Law* grants autonomy to foreign trade operations in management decisions and establishes accountability for their own profits and losses. Therefore, based on the foregoing, we have preliminarily found an absence of *de jure* control for Shanghai AJ.

With regard to *de facto* control, Shanghai AJ reported the following: (1) it sets prices to the United States through negotiations with customers and these prices are not subject to review by any government organization; (2) it does not coordinate with other exporters to set the price or determine to which market companies sell subject merchandise; (3) the PRC Chamber of Commerce does not coordinate the export activities of Shanghai AJ; (4) Shanghai AJ's managers have the authority to contractually bind the company to sell subject merchandise; (5) the general manager of Shanghai AJ is appointed by the managers of AJ Corp., Shanghai AJ's corporate parent; (6) there is no restriction on its use of export revenues; and (7) Shanghai AJ's managers ultimately determine the disposition of the company's profits and Shanghai AJ has not had a loss on export sales in the last two years. Additionally, Shanghai AJ's questionnaire responses do not suggest that pricing is coordinated among

exporters. Furthermore, our analysis of Shanghai AJ's questionnaire responses reveals no other information indicating government control of export activities. Therefore, based on the information provided, we preliminarily determine that there is an absence of *de facto* government control over Shanghai AJ's export functions and that Shanghai AJ has met the criteria for the application of separate rates.

Affiliation

In its November 7, 2004, submission, Shanghai AJ/Degussa-AJ requested clarification from the Department as to whether Degussa Initiators, LLC (Degussa USA), one of Shanghai AJ's U.S. customers, is considered an "affiliate" under the Department's regulations and whether it needed to report Degussa USA's sales of the subject merchandise during the POR. On March 17, 2005, the Department requested that Shanghai AJ/Degussa-AJ report Degussa USA's sales. Shanghai AJ/Degussa-AJ submitted Degussa USA's sales data on April 14 and May 11, 2005.

Based upon information on the record, we have determined that Shanghai AJ is affiliated with Degussa USA and we have included Degussa USA's sales in our margin calculations. For a full discussion of this issue, see Memorandum from Charles Riggle to Wendy J. Frankel Re: Administrative Review of the Antidumping Duty Order on Persulfates from the People's Republic of China Affiliation, dated August 1, 2005 (Affiliation Memo).

Export Price and Constructed Export Price

For the price to the United States, we used, as appropriate, Export Price (EP) or Constructed Export Price (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 outside of the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States, as adjusted under subsection 772(c) of the Act.

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 based CEP on the applicable terms of sale through Degussa USA, Shanghai AJ's affiliate in the United States. See Affiliation Memo.

We calculated EP and CEP, as appropriate, 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 calculated the EP and CEP by deducting movement expenses, including inland freight, foreign brokerage and handling, ocean freight, marine insurance, U.S. inland freight, warehousing, and duties, where appropriate. We valued those movement services provided by market-economy (ME) suppliers and paid for in a ME currency, using the actual expenses incurred. We valued those movement services provided by NME suppliers using surrogate Indian rates. For further discussion of our use of surrogate data in an NME proceeding, as well as selection of India as the appropriate surrogate country, see the *Normal Value* and *Surrogate Values* sections of this notice, below.

Section 772(d)(1) of the Act provides for additional adjustments to calculate CEP. Accordingly, where appropriate, we deducted indirect selling expenses (including inventory carrying costs) and direct selling expenses (credit) related to commercial activity in the United States. Pursuant to section 772(d)(3) of the Act, where applicable, we made an adjustment for CEP profit.

Normal Value

Section 773(c)(1) of the Act provides that, in the case of an NME, the Department shall determine normal value (NV) using a factors-of-production (FOP) methodology if the merchandise is exported from an NME and the information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act. Because information on the record does not permit the calculation of NV using home-market prices, third-country prices, or constructed value and no party has argued otherwise, we calculated NV based on FOP in accordance with sections 773(c)(3) and (4) of the Act and 19 CFR 351.408(c).

Because we are using surrogate country FOP prices to determine NV, section 773(c)(4) of the Act requires that the Department use values from an ME (surrogate) country that is at a level of economic development comparable to that of the PRC and that is a significant producer of comparable merchandise. We have determined that India, Indonesia, Sri Lanka, the Philippines, and Egypt are ME countries at a

comparable level of economic development to that of the PRC. For a further discussion of our surrogate selection, see the March 7, 2005, memorandum entitled Request for a List of Surrogate Countries, which is available in the Department's Central Records Unit (CRU), room B099 of the main Commerce building. In addition, according to United Nations export statistics, we found that India exported 555,210 kilograms of comparable merchandise (*i.e.*, persulfates based on HTS number 2833.40) in 2003 valued at USD 317,524. See <http://unstats.un.org/unsd/comtrade>. Therefore, India is a significant producer of comparable merchandise. Additionally, we are able to access Indian data that are contemporaneous with this POR. As in the previous review of this order, we have chosen India as the primary surrogate country and are using Indian prices to value the FOPs. See Memorandum from Tisha Loeper-Viti to Wendy J. Frankel, Preliminary Valuation of Factors of Production (August 1, 2005) (FOP Memo).

We selected, where possible, publicly available values from India that were average non-export values, representative of a range of prices within the POR or most contemporaneous with the POR, product-specific, and tax-exclusive. Also, where we have relied upon import values, we have excluded imports from NME countries as well as from South Korea, Thailand, and Indonesia. The Department has found that South Korea, Thailand, and Indonesia maintain broadly available, non-industry-specific export subsidies. The existence of these subsidies provides sufficient reason to believe or suspect that export prices from these countries may be subsidized. See *Final Determination of Sales at Less Than Fair Value: Certain Automotive Replacement Glass Windshields From the People's Republic of China*, 67 FR 6482 (February 12, 2002), and accompanying Issues and Decision Memorandum at Comment 1. Our practice of excluding subsidized prices has been upheld in *China National Machinery Import and Export Corporation v. United States*, 293 F. Supp. 2d 1334, 1136 (CIT 2003).

Surrogate Values

To value certain material inputs, sulfuric acid and ammonium sulfate, we used per-kilogram values obtained from the Indian publication *Chemical Weekly*. We adjusted these values for taxes and to account for freight costs incurred between the suppliers and the factory. To value anhydrous ammonia, potassium hydroxide, and caustic soda,

we used per-kilogram import values obtained from the *Monthly Statistics of the Foreign Trade of India* (MSFTI), as published by the Directorate General of Commercial Intelligence and Statistics of the Ministry of Commerce and Industry, Government of India, and available from *World Trade Atlas*, available at <http://www.gtis.com/wta.htm>. We adjusted these values to account for freight costs incurred between the suppliers and the factory.

To value electricity, we used the 2000 electricity price data from *International Energy Agency, Energy Prices and Taxes - Quarterly Statistics (Second Quarter 2003)*. To value water, we used the Revised Maharashtra Industrial Development Corporation water rates for June 1, 2003, available at http://www.midcindia.com/water_supply. To value coal, we used the per-kilogram values obtained from MSFTI and made adjustments to account for freight costs incurred between the suppliers and the factory.

For labor, we used the regression-based wage rate for the PRC in "Expected Wages of Selected NME Countries," available at <http://ia.ita.doc.gov/wages/index.html>.

For factory overhead, selling, general, and administrative expenses (SG&A), and profit values, we used the financial statements of two Indian producers of hydrogen peroxide, Asian Peroxides Ltd. and National Peroxide Ltd.² From this information, we were able to determine factory overhead as a percentage of the total raw materials, labor and energy (ML&E) costs; SG&A as a percentage of ML&E plus overhead (*i.e.*, cost of manufacture); and the profit rate as a percentage of the cost of manufacture plus SG&A. The Department also used financial statements from these two companies in the 2002-2003 administrative review of persulfates from the PRC. See *Persulfates from the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 70 FR 6836 (Feb. 9, 2005).

The respondent has placed on the record of the current review the financial statements of Gujarat Alkalies and Chemicals Ltd. (Gujarat) and Hindustan Organic Chemicals Ltd. (Hindustan), both producers of hydrogen peroxide. We have preliminary determined not to use these financial statements. With respect to Hindustan, this company's financial

² See *Notice of Final Determination of Sales at Less Than Fair Value: Persulfates From the People's Republic of China*, 62 FR 27222, 27229 (May 19, 1997), where the Department determined that hydrogen peroxide production was comparable to persulfates production.

statements indicate that it meets the definition of a "sick" company under the Sick Industrial Companies Act of India. It is the Department's policy to not use the financial statements of a "sick" company for calculating any of the surrogate financial ratios. See *Notice of Final Determination of Sales at Less Than Fair Value and Negative Final Determination of Critical Circumstances: Certain Color Television Receivers From the People's Republic of China*, 69 FR 20594 (April 16, 2004). Therefore, we are not using Hindustan's financial statements in our calculations. With respect to Gujarat, we find that production of the comparable merchandise, hydrogen peroxide, comprises only 1.3 percent by volume of the company's total production. The Department has not had sufficient time to determine whether the balance of Gujarat's production is of merchandise that would also be considered comparable to persulfates. For these preliminary results, therefore, we have not used Gujarat's financial statements in our calculation of surrogate financial ratios for the respondent.

For packing materials, we used the per-kilogram values obtained from the MSFTI and made adjustments to account for freight costs incurred between the suppliers and the factory.

To value foreign brokerage and handling, we used an average of the brokerage and handling data reported in Essar Steel's February 28, 2005, public version response submitted in the 2003-2004 antidumping duty administrative review of Hot-Rolled Carbon Steel Flat Products from India and Pidilite Industries' March 9, 2004, public version response submitted in the antidumping duty investigation of Carbazole Violet Pigment 23 from India. To value truck freight, we used the freight rates published by Indian Freight Exchange available at <http://www.infreight.com>. To value marine insurance, we used a price quote obtained from RJG Consultants and available at <http://www.rjgconstultants.com>.

Where necessary, we adjusted the surrogate values to reflect inflation/deflation using the Indian Wholesale Price Index (WPI) as published on the Reserve Bank of India (RBI) website, available at <http://www.rbi.org.in>. See FOP Memo.

Preliminary Results of Review

We preliminarily determine that the following dumping margin exists:

Manufacturer/exporter	Margin (percent)
Degussa-AJ (Shanghai) Initiators Co., Ltd./Shanghai AJ Import and Export Corporation	28.91

We will disclose the calculations used in our analysis to parties to this proceeding within five days of the publication date of this notice. See 19 CFR § 351.224(b). Interested parties are invited to comment on the preliminary results. Interested parties may submit case briefs within 30 days of the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than 37 days after the date of publication of this notice. Parties who submit arguments are requested to submit with each argument a statement of the issue, a brief summary of the argument, and a table of authorities. Further, we would appreciate it if parties submitting written comments provided an additional copy of the public version of any such comments on a diskette. Any interested party may request a hearing within 30 days of publication of this notice. See 19 CFR 351.310(c). If requested, a hearing will be held 44 days after the publication of this notice or the first workday thereafter. The Department will publish a notice of the final results of this administrative review, which will include the results of its analysis of issues raised in any written comments or hearing, within 120 days from publication of this notice.

Assessment

Pursuant to 19 CFR 351.212(b), the Department calculated an assessment rate for each importer of subject merchandise. Within 15 days of the completion of this review, the Department will instruct CBP to assess antidumping duties on all appropriate entries of subject merchandise. We have calculated each importer's duty-assessment rate based on the ratio of the total amount of antidumping duties calculated for the examined sales to the total quantity of sales examined. Where the assessment rate is above *de minimis*, the importer-specific rate will be assessed uniformly on all entries made during the POR.

Cash Deposit Requirements

The following cash deposit rates will be effective upon publication of the final results for all shipments of persulfates from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(1) of the Act: (1) for Shanghai AJ,

which has a separate rate, the cash deposit rate will be the company-specific rate established in the final results of the review; (2) the cash deposit rates for any other companies that have separate rates established in the investigation or a previous administrative review of this case, but were not reviewed in this proceeding, will not change; (3) for all other PRC exporters, the cash deposit rate will be the PRC rate, 119.02 percent, the PRC-wide rate established in the less than fair value investigation; and (4) for non-PRC exporters of subject merchandise from the PRC, the cash deposit rate will be the rate applicable to the PRC supplier of that exporter. These deposit rates, when imposed, shall remain in effect until publication of the final results of the next administrative review.

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

This determination is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: August 1, 2005.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

A-475-829

Stainless Steel Bar from Italy: Final Results of Antidumping Duty Administrative Review and Rescission of Review

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

SUMMARY: On April 7, 2005, the Department of Commerce published the preliminary results of the second administrative review of the antidumping duty order on stainless steel bar from Italy. The period of review is March 1, 2003, through February 29, 2004. This review covers imports of stainless steel bar to the