

an executive summary of issues should accompany any briefs submitted to the Department. Executive summaries should be limited to five pages total, including footnotes. 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 several wire rod cases, 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 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. If this investigation proceeds normally, we will make our final determination no later than 75 days after the date of this preliminary determination.

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

Dated: April 2, 2002

Faryar Shirzad,
Assistant Secretary for Import
Administration.

[FR Doc. 02-8702 Filed 4-9-02; 8:45 am]

BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

International Trade Administration

[A-274-804]

Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Carbon and Certain Alloy Steel Wire Rod from Trinidad and Tobago

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

EFFECTIVE DATE: April 10, 2002.

FOR FURTHER INFORMATION CONTACT: Magd Zalok or Tisha Loeper-Viti at (202) 482-4162 or (202) 482-7425,

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.

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department of Commerce (the Department) regulations are 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 Trinidad and Tobago 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 this investigation, the following events have occurred.

On October 12, 2001, the United States International Trade Commission (the ITC) preliminarily determined 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 respondents Hysla S.A. de C.V. (Mexico), Ivaco, Inc., 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 5, 2001, the Department issued an antidumping questionnaire to Caribbean Ispat Limited (CIL).³ We issued supplemental questionnaires on January 9 and 16, and February 8, 2002.

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 determinations until March 13, 2002. See *Notice of Postponement of Preliminary Antidumping Duty Determinations: Carbon and Certain Alloy 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, Germany, Indonesia, Mexico, Moldova, Trinidad and Tobago, and Ukraine*, 67 FR 11674 (March 15, 2002).

On December 21, 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

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.

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.

Trinidad and Tobago.⁴ On February 4, 2002, the Department preliminarily determined that critical circumstances exist with respect to imports of carbon and alloy steel wire rod from Trinidad and Tobago. 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).

Postponement of Final Determination and Extension of Provisional Measures

Section 735(a)(2)(A) 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. Section 351.210(e)(2) of the Department's regulations requires that exporters requesting postponement of the final determination must also request an extension of the provisional measures referred to in section 733(d) of the Act from a four-month period until not more than six months. We received a request to postpone the final determination from CIL on March 22, 2002. In its request, the respondent consented to the extension of provisional measures to no longer than six months. Because this preliminary determination is affirmative, the request for postponement is made by exporters who account for a significant proportion of exports of the subject merchandise, and there is no compelling reason to deny the respondent's request, we have extended the deadline for issuance of the final determination until the 135th day after the date of publication of this preliminary determination in the **Federal Register** and have extended provisional measures to no longer than six months.

Period of Investigation

The POI is July 1, 2000, through June 30, 2001. This period corresponds to the four most recent completed fiscal

quarters prior to the month of the filing of the petition (*i.e.*, August 2001).

Scope of Investigation

The merchandise covered by this investigation 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).

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,

⁴ On December 5, 2001, the petitioners further alleged that there was a reasonable basis to believe or suspect that critical circumstances exist with respect to imports of wire rod from Brazil, Germany, Mexico, Moldova, Turkey, and Ukraine.

Mexico, Moldova, South Africa, Trinidad and Tobago, Ukraine, and Venezuela) and countervailing duty (Brazil, Canada, Germany, Trinidad and Tobago, and Turkey) investigations.

Product Comparisons

In accordance with section 771(16) of the Act, all products produced by the respondent covered by the description in the *Scope of Investigation* section, above, and sold in Trinidad and Tobago 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, deoxidation, 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.

On January 8 and March 14, 2002, the petitioners submitted comments questioning the appropriateness of CIL's designation of certain U.S. sales as sales of non-prime merchandise and asked the Department to consider all merchandise sold in the United States as prime. CIL had originally requested that the Department excuse it from reporting these sales as they constituted a very small percentage of U.S. sales and because there were no sales of non-prime merchandise in the home market. The Department denied that request. See Department's January 4, 2002, memorandum from Tisha Loeper-Viti to Gary Taverman. In consideration of the information currently on the record regarding this merchandise, the Department has accepted these sales' present designation as non-prime for purposes of the preliminary determination.

Fair Value Comparisons

To determine whether sales of steel wire rod from Trinidad and Tobago 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, or to CV, as appropriate.

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 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 Ispat North America Inc. (INA), Ispat Inland Bar Products, a division of Ispat Inland Inc. (Inland Bar), or Walker Wire (Ispat) Inc. (Walker Wire), CIL's affiliated sellers in the United States.

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, ocean freight, marine insurance, U.S. inland freight, and duties, where appropriate.

Section 772(d)(1) of the Act provides for additional adjustments to calculate CEP. Accordingly, where appropriate, we deducted indirect selling expenses, direct selling expenses (credit, warranty, and cleaning and coating expenses directly linked to sales transactions) 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.

The petitioners have commented that many sales in CIL's U.S.-market database are missing the date that the merchandise entered the United States (field ENTRYDTU). The petitioners have asked the Department to assign values for those that are missing by using facts available. CIL has provided this date for CEP sales made by two of its U.S. affiliates, INA and Inland Bar, and used it in the calculation of inventory

carrying costs both in the country of exportation and in the United States. For sales by CIL's third U.S. affiliate, Walker Wire, CIL calculated inventory carrying costs using a different methodology, one based on the average number of days the merchandise spent in inventory in the United States, and did not provide an entry date for these sales. The Department has reviewed the methodologies used by the respondent to calculate inventory carrying costs and finds preliminarily that, based on the information currently on the record, they are appropriate. Thus, it is not necessary to assign entry dates to sales by Walker Wire using facts available.

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), that the time of the sales reasonably corresponds to the time of the sales used to determine EP or CEP, and that there is no particular market situation that prevents a proper comparison with the EP or CEP. The statute contemplates that quantities (or value) will normally be considered insufficient if they are less than five percent of the aggregate quantity (or value) of sales of the subject merchandise to the United States. See section 773(a)(1)(C)(iii).

We found that CIL had a viable home market for steel wire rod. CIL 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.

The petitioners have asked the Department to reject CIL's reported payment dates and disallow any adjustment for credit expenses in the home market. CIL did not report the actual date that payment was received but rather, provided an "effective" payment date for each sale, in accordance with the applicable payment terms, in order to calculate the proper credit expense, if any. Upon careful review of CIL's methodology and all relevant information on the record, the Department accepts CIL's methodology for purposes of the preliminary determination and finds that the reported credit expenses accurately reflect CIL's imputed credit expenses.

B. Cost of Production Analysis

Based on allegations contained in the petition, and in accordance with section 773(b)(2)(A)(i) of the Act, we found reasonable grounds to believe or suspect that steel wire rod sales were made in Trinidad and Tobago at prices below the cost of production (COP). See *Initiation Notice*. As a result, the Department has conducted an investigation to determine whether CIL made home market sales at prices below its COP 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 CIL's cost of materials and fabrication for the foreign like product, plus amounts for the home market general and administrative (G&A) expenses, including interest expenses, selling expenses, and packing expenses.

We relied on the COP data based on Trinidad and Tobago GAAP submitted by CIL in its cost questionnaire responses except for the following adjustments:

a. We denied an adjustment submitted by CIL that had decreased CIL's reported total cost of manufacturing for iron ore purchased from an affiliated party. For further details, see memorandum from Robert B. Greger to Neal M. Halper: Cost of Production and Constructed Value Calculation Adjustments for the Preliminary Determination, dated April 2, 2002 (Cost Memorandum).

b. We adjusted CIL's submitted G&A expenses to correct for a double-counted deduction for net foreign exchange gains on accounts payable. In addition, we adjusted total G&A to include sundry income and expenses and gains on the sale of assets, and exclude foreign exchange gains on accounts receivable and cash. For further details, see the Cost Memorandum.

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, pursuant to section 773(b)(2)(D) of the Act, we also determined that such sales were not made at prices that would permit recovery of all costs within a reasonable period of time. Therefore, we disregarded these 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 based home market prices on the packed prices to unaffiliated purchasers in Trinidad and Tobago. We adjusted the starting price for foreign inland freight pursuant to section 773(a)(6)(B)(ii) of the Act. In addition, for comparisons made to EP sales, 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 warranty) and adding U.S. direct selling expenses (credit, warranty, and cleaning and coating expenses directly linked to sales transactions). For comparisons made to CEP sales, we did not add U.S. direct selling expenses. No other adjustments to NV were claimed or allowed.

We found comparable sales in the home market for all U.S. sales. Therefore, we did not use constructed value as a basis for normal value, for purposes of the preliminary determination.

We note that CIL, in its February 25, 2002, submission, argued that certain

home market sales were outside the ordinary course of trade. However, upon examining the information provided on the record, we have preliminarily determined that these sales are in the ordinary course of trade and have, therefore, included these sales in our margin calculation. For further details, see the Department's Preliminary Determination Regarding Ordinary Course of Trade memorandum from Gary Taverman to Bernard T. Carreau, dated April 2, 2002.

D. Level of Trade/Constructed Export Price Offset

In accordance with section 773(a)(1)(B)(i) 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 or CEP transaction. The NV LOT is that of the starting-price sales in the comparison market or, when NV is based on CV, that of the sales from which we derive SG&A expenses and profit. For EP sales, the U.S. LOT is also the level of the starting-price sale, which is usually from exporter to importer. For CEP transactions, 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 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 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 LOT of the export transaction, we make a level-of-trade adjustment under section 773(a)(7)(A) of the Act. 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 the 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, 61733, 61746 (November 19, 1997).

In implementing these principles in this investigation, we obtained information from CIL about the marketing stages involved in the reported U.S. and home market sales, including a description of the selling activities performed by CIL 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. For CEP sales, we considered only the selling activities reflected in the price after the deduction of expenses pursuant to section 772(d) of the Act.

In the home market, CIL reported sales to end users as its only channel of distribution. In the U.S. market, CIL reported sales through two channels of distribution, one involving sales made directly by CIL to end users and, occasionally, trading companies, and the second involving sales made by CIL's affiliated U.S. resellers to end users. We have determined that the sales made by CIL directly to U.S. customers are EP sales and those made by CIL's affiliated U.S. resellers constitute CEP sales.

We found the home market and EP sales to be at the same LOT. CIL's EP sales and home market sales were both made primarily to end-users. In both cases, the selling functions performed by CIL were almost identical in both markets. Other than freight & delivery arrangement, which was only provided for U.S. sales, and sales force development, which was only provided in the home market, in both markets CIL provided services such as: strategic and economic planning, sales forecasting, solicitation of orders, technical advice, price negotiation, processing purchase orders, invoicing, extending credit, managing accounts receivable, and making arrangements for warranty related to sales. It was therefore unnecessary to make any level-of-trade adjustment for comparison of EP and home market prices.

CIL makes CEP sales to the United States through its affiliates, INA, Inland Bar, and Walker Wire. Sales through CIL's affiliates are normally made to unrelated end-users in the U.S. market. CIL's affiliates perform all of the selling functions, such as making freight and delivery arrangements, sales force development, market research, solicitation of orders, technical advice, negotiating prices, invoicing, acting as mill and customer liaison, repairing and cleaning coils, and making arrangements for warranty related to sales. However, because in our LOT analysis for CEP sales we only consider the selling activities reflected in the price after the deduction of the expenses incurred by the U.S. affiliate, the record indicates that for CIL's CEP sales there are substantially fewer services performed than for the sales in its home market. Therefore, we have determined that CIL's home market sales are made at a different, and more advanced, stage

of marketing than the LOT of the CEP sales.

Accordingly, we determined that a level-of-trade adjustment may be appropriate when comparing to CEP sales. However, the data available do not permit a determination that there is a pattern of consistent price differences between sales at different levels of trade in the home market, as there is only one level of trade in the home market. Therefore, because CIL's home market sales are made at a different, and more advanced, stage of marketing than the LOT of the CEP sales, we have made a CEP offset to CIL's NV in accordance with section 773(a)(7)(B) of the Act. This offset is equal to the amount of indirect expenses incurred in the home market not exceeding the amount of the deductions made from the U.S. price in accordance with 772(d)(1)(D) of the Act.

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, which will be no later than 135 days after the publication of this notice in the **Federal Register**.

Suspension of Liquidation

Because of our preliminary affirmative critical circumstances finding in this case, we are directing the Customs Service to suspend liquidation of any unliquidated entries of steel wire rod from Trinidad and Tobago 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 or CEP, as indicated in the chart below for imports from Trinidad and Tobago. These instructions suspending liquidation will remain in effect until further notice.

The weighted-average dumping margins are provided below:

Manufacturer/exporter	Margin (percent)
Caribbean Ispat Limited	12.38
All Others	12.38

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 on diskette to the Department an additional copy of the public version of any such comments.

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 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 Shirzad,

Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-428-832]

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

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

DATES: April 10, 2002.

FOR FURTHER INFORMATION CONTACT:

Mark Flessner, Steve Bezirgianian, or Robert James, at (202) 482-6312, (202) 482-1131, or (202) 482-0649, respectively; Antidumping and Countervailing Duty Enforcement Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

The Applicable Statute

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, as amended (the Tariff Act), by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are references to the provisions codified at 19 CFR Part 351 (2001).

Preliminary Determination

We preliminarily determine carbon and certain alloy steel wire rod from

Germany (wire rod) 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 Tariff Act. The estimated margins of sales at LTFV are shown in the "Suspension of Liquidation" section of this notice.

Case History

On September 24, 2001, the Department initiated antidumping investigations of wire rod from, *inter alia*, Germany. See *Notice of 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 the investigation the following events have occurred:

In a letter dated October 9, 2001, petitioners (Co-Steel Raritan, Inc., GS Industries, Keystone Consolidated Industries, Inc., and North Star Steel Texas, Inc.) requested the scope of the investigation be amended to exclude high carbon, high tensile 1080 grade tire cord and tire bead quality wire rod actually used in the production of tire cord and tire bead, as defined by specific dimensional characteristics and specifications.

On October 15, 2001, the United States International Trade Commission (the Commission) notified the Department of its affirmative preliminary injury determination on imports of subject merchandise from Brazil, Canada, Germany, Indonesia, Mexico, Moldova, Trinidad and Tobago, and Ukraine. See *Carbon and Certain Alloy Steel Wire Rod From Brazil, Canada, Egypt, Germany, Indonesia, Mexico, Moldova, South Africa, Trinidad and Tobago, Turkey, Ukraine, and Venezuela*, 66 FR 54539 (October 29, 2001).

The Department issued a letter on October 16, 2001 to interested parties in all of the concurrent wire rod investigations, providing an opportunity to comment on the Department's proposed model match characteristics and hierarchy. Petitioners submitted comments on October 24, 2001. The Department also received comments on model matching from respondents Hylsa, S.A. de C.V., of Mexico, and Ivaco, Inc. and Ispat Sidbec, Inc., both of Canada.

On November 28, 2001, five U.S. tire manufacturers and an industry trade association, the Rubber Manufacturers Association, submitted a letter to the Department in response to petitioners' October 9, 2001 submission regarding the exclusion of certain 1080 grade tire

cord wire rod and 1080 grade tire bead wire rod. Additionally, the tire manufacturers requested clarification from the Department if 1090 grade wire rod is included in petitioners' October 9, 2001 scope exclusion request. The tire manufacturers also requested an exclusion from the scope of this investigation for 1070 grade wire rod and related grades, citing a lack of domestic production capacity to meet the requirements of the tire industry. On November 28, 2001, petitioners further clarified and modified their October 9, 2001 submission on the scope of the investigations. Finally, on January 21, 2002, Tokusen U.S.A., Inc. submitted a request that 1070 grade tire cord wire rod, and tire cord wire rod generally, be excluded from the scope of the antidumping and countervailing duty investigations.

The petitioners filed a request with the Department on January 17, 2002 to extend the deadline for the issuance of the preliminary determination by 30 days. On January 28, 2002, the Department published in the **Federal Register** the notice postponing the preliminary determination to March 13, 2002 (see *Notice of Postponement of Preliminary Antidumping Duty Determinations: Carbon and Certain Alloy Steel Wire Rod From Brazil, Canada, Germany, Indonesia, Mexico, Moldova, Trinidad and Tobago, and Ukraine*, 67 FR 3877). On March 4, 2002, petitioners submitted a letter to the Department requesting that the Department extend the deadline for issuance of the preliminary determinations by an additional 20 days. In response, the Department published in the **Federal Register** a notice postponing the preliminary determination an additional 20 days to April 2, 2002 (see *Notice of Postponement of Preliminary Antidumping Duty Determinations: Carbon and Certain Alloy Steel Wire Rod from Brazil, Canada, Germany, Indonesia, Mexico, Moldova, Trinidad and Tobago, and Ukraine*, 67 FR 11674 (March 15, 2002)).

On December 6, 2001, the Department issued all sections of its antidumping duty questionnaire to Saarlstahl AG (Saarlstahl), the sole respondent in this investigation. On December 20, 2001, the Department received Saarlstahl's response to Section A of the questionnaire. On January 2, 2002, petitioners filed comments on Saarlstahl's Section A response. Saarlstahl filed its response to sections B, C, and D of the questionnaire on January 10, 2002. On February 1, 2002, Saarlstahl responded to the Department's supplemental Section A questionnaire.