

Service Type/Location: Commissary Shelf
Stocking, Custodial & Warehousing,
McConnell Air Force Base, Kansas.
NPA: None Currently Authorized.
Contract Activity: Defense Commissary
Agency, Fort Lee, Virginia.
Service Type/Location: Janitorial/Grounds
Maintenance, U.S. Army Reserve Center,
Hot Springs, Arkansas.
NPA: None Currently Authorized.
Contract Activity: Department of the Army.

Patrick Rowe,

Deputy Executive Director.

[FR Doc. 04-11526 Filed 5-20-04; 8:45 am]

BILLING CODE 6353-01-P

COMMISSION ON CIVIL RIGHTS

Agenda and Notice of Public Meeting of the Massachusetts Advisory Committee

Notice is hereby given, pursuant to the provisions of the rules and regulations of the U.S. Commission on Civil Rights, that a conference call of the Massachusetts Advisory Committee will convene at 1 p.m. and adjourn at 2 p.m., Wednesday, May 26, 2004. The purpose of the conference call is to update Advisory Committee members on planning status and finalize logistical issues for forum on educational issues in Lynn, Massachusetts.

This conference call is available to the public through the following call-in number: 1-800-955-9331, access code: 23836822. Any interested member of the public may call this number and listen to the meeting. Callers can expect to incur charges for calls not initiated using the supplied call-in number or over wireless lines, and the Commission will not refund any incurred charges. Callers will incur no charge for calls using the call-in number over land-line connections. Persons with hearing impairments may also follow the proceedings by first calling the Federal Relay Service at 1-800-977-8339 and providing the Service with the conference call number and access code number.

To ensure that the Commission secures an appropriate number of lines for the public, persons are asked to register by contacting Aonghas St-Hilaire of the Eastern Regional Office, 202-376-7533 (TTY 202-376-8116), by 4 p.m. on Tuesday, May 25, 2004.

The meeting will be conducted pursuant to the provisions of the rules and regulations of the Commission.

Dated at Washington, DC, May 14, 2004.

Ivy L. Davis,

Chief, Regional Programs Coordination Unit.

[FR Doc. 04-11468 Filed 5-20-04; 8:45 am]

BILLING CODE 6335-01-P

DEPARTMENT OF COMMERCE

International Trade Administration

Request for Duty-Free Entry of Scientific Instrument or Apparatus

ACTION: Proposed collection; comment request.

SUMMARY: The Department of Commerce, as part of its continuing effort to reduce paperwork and respondent burdens, invites the general public and other Federal agencies to take this opportunity to comment on the continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13 (44 U.S.C. 3506(c)(2)(A)).

DATES: Written comments must be submitted on or before July 20, 2004.

ADDRESSES: Direct all written comments to Diana Hynek, Departmental Paperwork Clearance Officer, Department of Commerce, Room 6625, 14th & Constitution Avenue, NW., Washington, DC 20230; phone(202) 482-0266 or via the Internet at dHynek@doc.gov.

FOR FURTHER INFORMATION CONTACT:

Requests for additional information or copies of the information collection instrument and instructions should be directed to: Gerald Zerdy, U.S. Department of Commerce, FCB Suite 4100W, 14th Street & Constitution Avenue, NW., Washington, DC 20230; phone (202) 482-1660, fax (202) 482-0949.

SUPPLEMENTARY INFORMATION:

I. *Abstract:* The Departments of Commerce and Homeland Security ("DHS") are required to determine whether nonprofit institutions established for scientific or educational purposes are entitled to duty-free entry under the Florence Agreement of certain scientific instruments they import. Form ITA-338P enables: (1) DHS to determine whether the statutory eligibility requirements for the institution and the instrument are fulfilled, and (2) Commerce to make a comparison and finding as to the scientific equivalency of comparable instruments being manufactured in the United States. Without the collection of the information, DHS and Commerce would not have the necessary information to carry out the responsibilities of determining eligibility for duty-free entry assigned by law.

II. *Method of Collection:* The Department of Commerce distributes Form ITA-338P to potential applicants upon request. The applicant completes the form and then forwards it to the

DHS. Upon acceptance by DHS as a valid application, the application is transmitted to Commerce for processing.

III. Data:

OMB Number: 0625-0037.

Form Number: ITA-338P.

Type of Review: Extension-Regular Submission.

Affected Public: State or local governments; Federal agencies; nonprofit institutions.

Estimated Number of Respondents: 60.

Estimated Time per Response: 2 hours.

Estimated Total Annual Burden Hours: 120.

Estimated Total Annual Cost: \$152,640 (\$2,640 for respondents and \$150,000 for Federal government).

IV. *Request for Comments:* Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden (including hours and cost) of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval of this information collection; they also will become a matter of public record.

Dated: May 18, 2004.

Madeleine Clayton,

Management Analyst, Office of the Chief Information Officer.

[FR Doc. 04-11595 Filed 5-20-04; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-791-819]

Notice of Preliminary Determination of Sales at Less Than Fair Value: Certain Aluminum Plate From South Africa

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

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

SUMMARY: The Department of Commerce (“the Department”) preliminarily determines that certain aluminum plate from South Africa is being, or is 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 (“the Act”).

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

DATES: *Effective Date:* May 21, 2004.

FOR FURTHER INFORMATION CONTACT:

Rebecca Trainor or Kate Johnson, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-4007 or (202) 482-4929, respectively.

SUPPLEMENTARY INFORMATION:

Background

Since the initiation of this investigation (*Initiation of Antidumping Duty Investigation: Certain Aluminum Plate from South Africa*, 68 FR 64081 (November 12, 2003)) (“*Initiation Notice*”), the following events have occurred.

On December 1, 2003, the United States International Trade Commission (ITC) preliminarily determined that there is a reasonable indication that imports of certain aluminum plate from South Africa are materially injuring the United States industry (*see* ITC Investigation No. 731-TA-1056 (Publication No. 3654)).

On December 5, 2003, we selected the largest producer/exporter of certain aluminum plate from South Africa as the mandatory respondent in this proceeding. For further discussion, *see* the December 5, 2003, Memorandum to Louis Apple, Director Office 2, from The Team Re: Selection of Respondent. Also on December 5, 2003, we issued the antidumping questionnaire to Hulett Aluminium (Pty) Limited (“Hulett”).

During the period January through May 2004, the Department received responses to sections A through D of the Department’s original and supplemental questionnaires from Hulett.¹

On February 13, 2004, the petitioner made an allegation that Hulett sold certain aluminum plate in a third country market at prices below the cost of production (COP). On March 4, 2004,

the Department initiated a cost investigation of Hulett’s third country sales (*see* the March 4, 2004, Memorandum to the File Re: Petitioner’s Allegation of Sales Below the Cost of Production for Hulett Aluminium (Pty) Limited).

On March 9, 2004, the Department extended the time limit for the preliminary results in this review until May 13, 2004. *See Notice of Postponement of Preliminary Determination of Sales at Less Than Fair Value: Certain Aluminum Plate from South Africa*, 69 FR 10980.

Scope of Investigation

The merchandise covered by this investigation is 6000 series aluminum alloy, flat surface, rolled plate, whether in coils or cut-to-length forms, that is rectangular in cross section with or without rounded corners and with a thickness of not less than .250 inches (6.3 millimeters). 6000 Series Aluminum Rolled Plate is defined by the Aluminum Association, Inc.

Excluded from the scope of this investigation are extruded aluminum products and tread plate.

The merchandise subject to this investigation is currently classifiable under subheading 7606.12.3030 of the *Harmonized Tariff Schedule of the United States* (HTS). Although the HTS subheading is provided for convenience and customs purposes, our written description of the scope of this investigation is dispositive.

Period of Investigation

The period of investigation (“POI”) is October 1, 2002, through September 30, 2003.

Fair Value Comparisons

To determine whether sales of certain aluminum plate from South Africa to the United States were made at less than fair value (“LTFV”), we compared the export price (“EP”) to the normal value (“NV”), as described in the “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 to weighted-average NVs.

Product Comparisons

In accordance with section 771(16) of the Act, we considered all products produced and sold by the respondent in the third country market during the POI that fit the description in the “Scope of Investigation” section of this notice to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. We compared U.S. sales to sales made in the third

country market, where appropriate.² Where there were no sales of identical merchandise in the third country market made in the ordinary course of trade to compare to U.S. sales, we compared U.S. sales to sales of the most similar foreign like product made in the ordinary course of trade. In making the product comparisons, we matched foreign like products based on the physical characteristics reported by the respondents in the following order of importance: alloy, temper, gauge, width, and length.

Date of Sale

Section 351.401(i) of the Department’s regulations states that 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, as the date of sale. However, the Department may use a date other than the date of invoice if the alternative better reflects the date on which the material terms of sale (*e.g.*, price and quantity) are established. On February 6, March 5, and March 22, 2004, the petitioner submitted letters to the Department arguing that the dates of either the framework agreement or the release order more accurately reflect the date on which the material terms of sale were established for the majority of the reported U.S. and third country sales transactions than does the invoice date. At the Department’s request, Hulett submitted additional information on April 2, 2004. We found that this documentation, subject to verification, demonstrated that the quantity of aluminum plate ultimately sold changes significantly between the time the framework agreements and release orders are established and the time the commercial invoices are issued. Therefore, we have used the reported U.S. and third country invoice dates as the dates of sale for purposes of the preliminary determination.

Export Price

We used EP methodology, in accordance with section 772(a) of the Act, because the subject merchandise was sold directly by the producer/exporter in South Africa to the first unaffiliated purchaser in the United States prior to importation and constructed export price (“CEP”) methodology was not otherwise indicated.

We based EP on the packed price to unaffiliated purchasers in the United States. In accordance with section 772(c)(2)(A) of the Act, we made

² See the discussion of home market viability in the “Normal Value” section of this notice.

¹ The Section D supplemental response was filed on May 11, 2004, but not received in time to be used for purposes of the preliminary determination. Accordingly, for purposes of the preliminary determination, we used the original Section D questionnaire response dated April 30, 2004.

deductions for movement expenses, including, where appropriate, foreign inland freight, warehousing, foreign brokerage and handling, international freight, and marine insurance. We added billing adjustments to EP, where appropriate.

Normal Value

A. Home Market Viability

In order to determine whether there is a sufficient volume of sales in the home market to serve as a viable basis for calculating NV (*i.e.*, the aggregate volume of home market sales of the foreign like product is equal to or greater than five percent of the aggregate volume of U.S. sales), we compared Hulett's volume of home market sales of the foreign like product to the volume of U.S. sales of the subject merchandise, in accordance with section 773(a)(1)(C) of the Act. Because Hulett's aggregate volume of home market sales of the foreign like product was less than five percent of its aggregate volume of U.S. sales for the subject merchandise, we determined that the home market was not viable for Hulett. However, we determined that the third country market of Taiwan was viable, in accordance with section 773(a)(1)(B)(ii) of the Act. Therefore, pursuant to section 773(a)(1)(C) of the Act, we have used third country sales as a basis for NV for Hulett.

B. Level of Trade

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

Pursuant to section 773(a)(1)(B)(i) of the Act, in identifying levels of trade for EP and comparison market sales (*i.e.*,

NV based on either home market or third country prices³), we consider the starting prices before any adjustments. For CEP sales, we consider only the selling activities reflected in the price after the deduction of expenses and profit under section 772(d) of the Act. See *Micron Technology, Inc. v. United States*, 243 F. 3d 1301, 1314–1315 (Fed. Cir. 2001).

When the Department is unable to match U.S. sales to sales of the foreign like product in the comparison market at the same LOT as the EP or CEP, the Department may compare the U.S. sale to sales at a different LOT in the comparison market. In comparing EP or CEP sales to sales at a different LOT in the comparison market, where available data make it practicable, we examine whether a LOT adjustment is warranted under section 773(a)(7)(A) of the Act. Finally, for CEP sales only, if a NV LOT is more remote from the factory than the CEP LOT and there is no basis for determining whether the difference in LOTs between NV and CEP affects price comparability (*i.e.*, no LOT adjustment was practicable), the Department shall grant a CEP offset, as provided in section 773(a)(7)(B) of the Act. See *Plate from South Africa*, 62 FR at 61731.

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

In both the U.S. and Taiwan markets, Hulett sold the subject merchandise through one channel of distribution. In the U.S. market, Hulett sold to a long-standing customer which distributes Hulett's products in the United States. In Taiwan, Hulett similarly sold to a distributor, but employed a selling agent to assist with negotiation, translation and formalization of contracts, for which Hulett paid it a commission. Hulett also incurred certain marketing and technical support expenses associated with being a new entrant into the Taiwan market during the POI. Because of these differences in selling activities and associated selling expenses, we determined that U.S. and third country sales were made at two different LOTs. However, as there is only one LOT in the third country market, we have no basis on which to determine that a LOT adjustment is warranted pursuant to section 773(a)(7)(A) of the Act.

³ Where NV is based on constructed value ("CV"), we determine the NV LOT based on the LOT of the sales from which we derive selling expenses and profit for CV, where possible.

C. Calculation of Normal Value

We calculated NV based on CIF or C&F prices to unaffiliated customers. We made deductions, where appropriate, from the starting price for movement expenses, including inland freight, warehousing, brokerage and handling, international freight, and marine insurance, under section 773(a)(6)(B)(ii) of the Act. In addition, we made adjustments under section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410 for differences in circumstances of sale for imputed credit, warranty, and advertising expenses. We also made an adjustment to NV to account for commissions paid in the third country but not in the U.S. market, in accordance with 19 CFR 351.410(e). As the offset for third country commissions, we applied the lesser of third country commissions or U.S. indirect selling expenses. We disallowed an adjustment claimed for certain technical services expenses because they appear to be indirect rather than direct selling expenses based on Hulett's description in its response. See the May 13, 2004, Memorandum to the File: Calculations for the Preliminary Determination of Certain Aluminum Plate from South Africa.

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

D. Cost of Production

1. Calculation of COP

In accordance with section 773(b)(3) of the Act, we calculated COP based on the sum of Hulett's cost of materials and fabrication for the foreign like product, plus amounts for general and administrative expenses ("G&A"), and interest expenses, where appropriate. We relied on the COP information provided by Hulett in its questionnaire responses.

2. Test of Third Country Prices

On a product-specific basis, we compared the weighted-average COPs to third country sales of the foreign like product during the POI, as required under section 773(b) of the Act, in order to determine whether sales had been made at prices below the COP. The prices were exclusive of any applicable movement charges, commissions, direct and indirect selling expenses. In determining whether to disregard third

country sales made at prices below the COP, we examined, in accordance with sections 773(b)(1)(A) and (B) of the Act, whether such sales were made (1) within an extended period of time in substantial quantities, and (2) at prices which did not permit the recovery of costs within a reasonable period of time.

3. Results of the COP Test

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

The results of our cost test for Hulett indicated that less than 20 percent of third country sales of any given product were at prices below COP. We therefore retained all sales in our analysis and used them as the basis for determining NV.

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.

Decline of the U.S. Dollar Against the South African Rand

On April 9, 2004, the petitioner filed a letter with the Department requesting that we alter our normal calculation methodology to account for the significant decline of the U.S. dollar against the South African rand (SAR) over the course of the POI. The petitioner claimed that the combination of the following facts in this case may result in a distorted margin calculation when the Department's standard methodology is used: (1) Hulett's U.S. and third country prices were both denominated in dollars; (2) Hulett's costs were recorded in SAR; and (3) Hulett's third country prices remained relatively stable over the POI, rather than having been adjusted to take into

account the decline in the value of the dollar. As a result of Hulett's failure to adjust its third country sales prices to take this decline into account, the petitioner contended that a disproportionate amount of Hulett's sales would be below cost toward the end of the POI. Consequently, the petitioner proposed three alternate methods for addressing this problem: (1) Disregard Taiwan as a comparison market based on a finding that sales to it are unrepresentative or based on "a particular market situation," and use CV as the basis for NV, (2) divide the POI into monthly segments for purposes of price and cost comparisons, or (3) adjust the prices using an index of the exchange rates applicable over the POI.

On April 22, 2004, Hulett submitted comments arguing that the petitioner's claims are without merit. Specifically, Hulett maintained that: (1) There is no basis for the Department to ignore its statutory mandate to use sales to a viable third country market as NV in this case; (2) the petitioner provides no evidence that prices to Taiwan or the United States differ significantly over the POI to justify employing a monthly comparison methodology; and (3) the proposed indexing methodology is inconsistent with the statute. Citing *Torrington Co. v. United States*, 832 F. Supp. 379, 392 (CIT 1993), Hulett concluded that the key issue in an antidumping proceeding is ascertaining differences between home market or third country prices and U.S. prices, rather than differences between the returns realized by the exporter on sales made in the two markets.

Our preliminary calculations show that no Taiwan sales need to be disregarded as a result of the cost test, and that no currency conversions for Taiwan sales prices for comparison to U.S. sales prices are necessary because they are already denominated in U.S. dollars. Therefore, we preliminarily find no basis for departing from our standard calculation methodology, as claimed by the petitioner.

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

In accordance with section 733(d)(2) of the Act, we are directing U.S. Customs and Border Protection (CBP) to suspend liquidation of all imports of subject merchandise that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. We will instruct CBP to

require a cash deposit or the posting of a bond equal to the weighted-average amount by which the NV exceeds the EP, as indicated in the chart below. These suspension of liquidation instructions will remain in effect until further notice. The weighted-average dumping margins are as follows:

Exporter/manufacture	Weighted-average margin percentage
Hulett Aluminium (Pty.) Limited	4.33
All Others	4.33

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 before the later of 120 days after the date of this preliminary determination or 45 days after our final determination whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

Disclosure

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

Public Comment

Case briefs for this investigation must be submitted to the Department no later than seven days after the date of issuance of the sales and cost verification reports 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. Section 774 of the Act provides that the Department will hold a public hearing to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs, provided that such a hearing is requested by an interested party. If a request for a hearing is made in this investigation, the hearing will tentatively be held two days after the rebuttal brief deadline date at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time.

Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written

request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, within 30 days of the publication of this notice. Requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs.

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

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

Dated: May 13, 2004.

James J. Jochum,

Assistant Secretary for Import Administration.

[FR Doc. 04-11576 Filed 5-20-04; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-827]

Certain Cased Pencils From the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review

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

ACTION: Notice of final results and partial rescission of antidumping duty administrative review.

SUMMARY: On January 13, 2004, the Department of Commerce (the Department) published in the **Federal Register** the preliminary results and rescission in part of the 2001-2002 administrative review of the antidumping duty order on certain cased pencils (pencils) from the People's Republic of China (PRC). The period of review (POR) is December 1, 2001, through November 30, 2002. We have now completed the 2001-2002 administrative review of the order. In our final results, based on our analysis of comments received, we amended the preliminary results of review. For details regarding these changes, see the section of this notice entitled "Changes Since the Preliminary Results." The final results are listed below in the "Final Results of Review" section.

DATES: *Effective Date:* May 21, 2004.

FOR FURTHER INFORMATION CONTACT: Paul Stolz, Christopher Zimpo, or Magd Zalok, AD/CVD Enforcement, Office 4, Group II, Import Administration,

International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC, 20230; telephone (202) 482-4474, (202) 482-2747 and (202) 482-4162, respectively.

SUPPLEMENTARY INFORMATION:

Background

On January 13, 2004, the Department published in the **Federal Register** the preliminary results and rescission in part of the administrative review of the antidumping duty order on pencils from the PRC. *See Certain Cased Pencils from the People's Republic of China; Preliminary Results and Rescission in Part of Antidumping Duty Administrative Review*, 69 FR 1965 (January 13, 2004) (*Preliminary Results*). We invited parties to comment on our Preliminary Results. On February 17, 2004, and February 23, 2004, we received case briefs and rebuttal briefs, respectively, from the petitioners,¹ China First Pencil Company, Ltd./Three Star Stationery Industry Corp. (CFP/Three Star), Orient International Holding Shanghai Foreign Trade Co., Ltd. (SFTC), and Shandong Rongxin Import & Export Company Ltd. (Rongxin) (formerly called Kaiyuan Group Corporation).

The Department has conducted this administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

Scope of the Order

Imports covered by this order are shipments of certain cased pencils of any shape or dimension (except as noted below) which are writing and/or drawing instruments that feature cores of graphite or other materials, encased in wood and/or man-made materials, whether or not decorated and whether or not tipped (*e.g.*, with erasers, etc.) in any fashion, and either sharpened or unsharpened. The pencils subject to the order are classified under subheading 9609.10.00 of the Harmonized Tariff Schedule of the United States (HTSUS). Specifically excluded from the scope of the order are mechanical pencils, cosmetic pencils, pens, non-cased crayons (wax), pastels, charcoals, chalks, and pencils produced under U.S. patent number 6,217,242, from paper infused with scents by the means covered in the above-referenced patent, thereby having odors distinct from those that may emanate from pencils lacking the scent infusion. Also excluded from the scope of the order are pencils with

all of the following physical characteristics: (1) Length: 13.5 or more inches; (2) sheath diameter: not less than one-and-one quarter inches at any point (before sharpening); and (3) core length: not more than 15 percent of the length of the pencil.

Although the HTSUS subheading is provided for convenience and customs purposes, our written description of the scope of the order is dispositive.

Partial Rescission

The Department preliminarily rescinded this review with respect to Tianjin Custom Wood Processing Co., Ltd. (TCW) because TCW reported that it did not export subject merchandise to the United States during the POR. *See the Preliminary Results*; see also; TCW's February 21, 2003, response to the Department's questionnaire. TCW's claim that it did not export subject merchandise during the POR is supported by U.S. Customs and Border Protection (CBP) data. Moreover, there is no evidence on the record of this segment of the proceeding indicating that TCW exported subject merchandise during the POR. Therefore, we are rescinding this review with respect to TCW.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this administrative review are addressed in the "Issues and Decision Memorandum" (*Decision Memorandum*) from Holly A. Kuga, Acting Deputy Assistant Secretary for Import Administration, to James J. Jochum, Assistant Secretary for Import Administration, dated May 12, 2004, which is hereby adopted by this notice. A list of the issues which parties have raised and to which we have responded, all of which are in the *Decision Memorandum*, is attached to this notice as an Appendix. Parties can find a complete discussion of all issues raised in this review and the corresponding recommendations in this public memorandum, which is on file in the Central Record Unit, room B-099 of the main Department of Commerce building. In addition, a complete version of the *Decision Memorandum* can be accessed directly on the International Trade Administration's Web site at www.ita.doc.gov. The paper copy and the electronic version of the *Decision Memorandum* are identical in content.

Changes Since the Preliminary Results

Based on our analysis of the comments received and the results of verification, we adjusted certain factors of production information that we used

¹ The petitioners are Sanford LLP, Musgrave Pencil Company, Rose-Moon Inc., and General Pencil Company.