stated that it had ceased production at its U.S. aspirin plant on February 28, 2003. Rhodia also indicated that it is still liquidating its inventory of bulk aspirin produced in the United States.

Scope of the Order

The product covered by this review is bulk acetylsalicylic acid, commonly referred to as bulk aspirin, whether or not in pharmaceutical or compound form, not put up in dosage form (tablet, capsule, powders or similar form for direct human consumption). Bulk aspirin may be imported in two forms, as pure ortho–acetylsalicylic acid or as mixed ortho–acetylsalicylic acid. Pure ortho–acetylsalicylic acid can be either in crystal form or granulated into a fine powder (pharmaceutical form). This product has the chemical formula C9H8O4. It is defined by the official monograph of the United States Pharmacopoeia 23 (''USP''). It is currently classifiable under the *Harmonized Tariff Schedule of the United States* (''HTSUS'') subheading 2918.22.1000.

Mixed ortho–acetylsalicylic acid consists of ortho–acetylsalicylic acid combined with other inactive substances such as starch, lactose, cellulose, or coloring materials and/or other active substances. The presence of other active substances must be in concentrations less than that specified for particular nonprescription drug combinations of aspirin and active substances as published in the *Handbook of Nonprescription Drugs*, eighth edition, American Pharmaceutical Association. This product is currently classifiable under HTSUS subheading 3003.90.0000.

Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under review is dispositive.

Initiation of Changed Circumstances Review, Preliminary Results, and Intent to Revoke Antidumping Duty Order

Pursuant to sections 751(d)(1) and 782(h)(2) of the Tariff Act of 1930, as amended (''the Act''), the Department may revoke an antidumping or countervailing duty order based on a review under section 751(b) of the Act (*i.e.*, a changed circumstances review). Section 751(b)(1) of the Act requires a changed circumstances review to be conducted upon receipt of a request which shows changed circumstances sufficient to warrant a review.

Section 351.222(g) of the Department's regulations provides that the Department will conduct a changed circumstances review under 19 CFR 351.216, and may revoke an order (in whole or in part), if it determines that producers accounting for substantially all of the production of the domestic like product to which the order (or the part of the order to be revoked) pertains have expressed a lack of interest in the relief provided by the order, in whole or in part, or if changed circumstances exist sufficient to warrant revocation. Furthermore, 19 CFR 351.221(c)(3)(ii) permits the Department to combine the notice of initiation of a changed circumstances review and the notice of preliminary results in a single notice, if the Department concludes that expedited action is warranted.

In this case, the Department finds that the information submitted provides sufficient evidence of changed circumstances to warrant a review. Therefore, in accordance with sections 751(d)(1) and 782 (h)(2) of the Act, and 19 CFR 351.216 and 351.222(g), based on the information provided by Bimeda, we are initiating this changed circumstances review. Furthermore, since the information on the record indicates there is no longer any evidence of U.S. production of the domestic like product, we determine that expedited action is warranted and we preliminarily find that the continued relief provided by the order with respect to bulk aspirin from the PRC is no longer of interest to the domestic interested party in these proceedings. Because we have concluded that expedited action is warranted, we are combining these notices of initiation and preliminary results. Therefore, we preliminarily find that the request from Bimeda meets all of the criteria under 19 CFR 351.222(g) and thus, we intend to revoke the order with respect to imports of bulk aspirin from the PRC.

If the final revocation occurs, we intend to instruct U.S. Customs and Border Protection (''CBP'') to liquidate without regard to antidumping duties all unliquidated entries of bulk aspirin, and to refund any estimated antidumping duties collected on all entries of bulk aspirin entered, or withdrawn from warehouse, for consumption on or after July 1, 2003, the earliest date for which entries of bulk aspirin have not been subject to an administrative review. We will also instruct CBP to pay interest on such refunds with respect to the subject merchandise entered, or withdrawn from warehouse, for consumption on or after July 1, 2003, in accordance with section 778 of the Act. The current requirement for a cash deposit of estimated antidumping duties on bulk aspirin from the PRC will continue unless and until we publish a final decision to revoke.

Public Comment

Any interested party may request a hearing within 30 days of publication of this notice. See 19 CFR 351.310(c). Any hearing, if requested, will be held 44 days after the date of publication of this notice, or the first working day thereafter. Interested parties may submit case briefs and/or written comments not later than 30 days after the date of publication of this notice. Rebuttal briefs and rebuttals to written comments, which must be limited to issues raised in such briefs or comments, may be filed not later than 37 days after the date of publication. All written comments shall be submitted in accordance with 19 CFR 351.303. Consistent with section 351.216(e), the Department will publish the final results of this changed circumstances review no later than 270 days after the date on which this review was initiated, or within 45 days if all parties agree to our preliminary finding.

We are issuing and publishing this finding and notice in accordance with sections 751(b)(1) and 777(i)(1) of the Act and section 351.216 of the Department's regulations.

Dated: June 18, 2004.

James J. Jochum,

Assistant Secretary for Import Administration.

[FR Doc. 04–14359 Filed 6–23–04; 8:45 am]

BILLING CODE 3510–DS–S

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–892]

Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Carbazole Violet Pigment 23 From the People's Republic of China

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

ACTION: Preliminary determination of sales at less than fair value and postponement of final determination.

EFFECTIVE DATE: June 24, 2004.

FOR FURTHER INFORMATION CONTACT: Christopher Welty or Tisha Loeper-Viti at (202) 482–0186 or (202) 482–7425, respectively; AD/CVD Enforcement, Office 5, Group II, Import Administration, Room 1870, International Trade Administration, U.S. Department of Commerce, 14th

Street and Constitution Avenue, NW., Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Preliminary Determination

We preliminarily determine that carbazole violet pigment 23 (CVP–23) from the People's Republic of China 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 of 1930, as amended (the Act). The estimated margin of sales at LTFV is shown in the ''Suspension of Liquidation'' section of this notice. Interested parties are invited to comment on this preliminary determination.

Case History

This investigation was initiated on December 11, 2003.[1] *See Notice of Initiation of Antidumping Duty Investigations: Carbazole Violet Pigment 23 from India and the People's Republic of China,* 68 FR 70761 (December 19, 2003) (*Initiation Notice*). Since the initiation of the investigation, the following events have occurred:

The U.S. Department of Commerce (the Department) set aside a period for all interested parties to raise issues regarding product coverage. *See Initiation Notice,* 68 FR at 70762. We received no comments.

On January 5, 2004, the United States International Trade Commission (ITC) preliminarily determined that there is a reasonable indication that the domestic industry producing CVP–23 is materially injured by reason of imports from the People's Republic of China (PRC). *See Determinations and Views of the Commission,* USITC Publication No. 3662 (January 2004); *see also Carbazole Violet Pigment 23 from China and India,* 69 FR 2002 (January 13, 2004).

On January 9, 2004, the Department issued its antidumping questionnaire[2] to the PRC Bureau of Fair Trade for Imports and Exports (BOFT). The Department requested that BOFT send the questionnaire to all companies that manufacture and export CVP–23 to the United States, as well as manufacturers that produce CVP–23 for companies that were engaged in exporting subject merchandise to the United States during the period of investigation (POI). Seven companies filed responses to section A of the questionnaire on February 6, 2004. On February 18, 2004, the Department informed the PRC companies that the Department was not considering limiting the number of respondents, and that the Department intended to investigate all seven companies that had filed a response to section A.[3] On March 2, 2004, the following companies responded to sections C and D of the Department's questionnaire: GoldLink Industries Co., Ltd. (GoldLink), Nantong Haidi Chemical Co., Ltd. (Haidi), Trust Chem Co., Ltd. (Trust Chem) and Tianjin Hanchem Int'l Trading Co., Ltd. (Hanchem).[4]

On March 23, 2004, the petitioners alleged that there was a reasonable basis to believe or suspect that critical circumstances exist with respect to imports of CVP–23 from the PRC. On June 18, 2004, the Department preliminarily determined that critical circumstances exist with regard to imports of CVP–23 from the PRC for three of the four respondent exporters. See Memorandum from Jeffery A. May, Deputy Assistant Secretary, to James J. Jochum, Assistant Secretary, concerning Antidumping Duty Investigation of Carbazole Violet Pigment 23 from the People's Republic of China—Preliminary Determinations on Critical Circumstances, dated June 18, 2004.

The Department issued supplemental questionnaires on March 23, 2004. On April 20, 2004, the four respondents listed above filed responses to the Department's supplemental questionnaires.

Postponement of Final Determination

Section 735(a)(2) of the Act provides that a final determination may be postponed until not later than 135 days after the date of the publication of the preliminary determination if, in the event of an affirmative preliminary determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise, or in the event of a negative preliminary determination, a request for such postponement is made by the petitioners. The Department's regulations, at 19 CFR 351.210(e)(2), require that requests by respondents for postponement of a final determination be accompanied by a request for an extension of the provisional measures from a four-month period to not more than six months. On May 26, 2004, GoldLink, Haidi, Trust Chem, and Hanchem requested that, in the event of an affirmative preliminary determination in this investigation, the Department postpone its final determination until 135 days after the publication of the preliminary determination. The respondent companies also included a request to extend the provisional measures from a four-month period to not more than six months. Accordingly, because we have made an affirmative preliminary determination, and the requesting parties account for a significant proportion of exports of the subject merchandise, we have postponed the final determination until not later than 135 days after the date of the publication of the preliminary determination.

Period of Investigation

The period of investigation is April 1, 2003, through September 30, 2003. This period corresponds to the two most recent fiscal quarters prior to the month of the filing of the petition (*i.e.*, November 2003). *See* 19 CFR 351.204(b)(1).

Scope of Investigation

The merchandise covered by this investigation is carbazole violet 23 identified as Color Index No. 51319 and Chemical Abstract No. 6358–30–1, with the chemical name of *diindolo [3,2-b:3′,2′-m]triphenodioxazine, 8,18-dichloro-5, 15-diethy-5,15-;dihydro-,* and molecular formula of $C_{34}H_{22}Cl_2N_4O_2$.[5] The subject merchandise includes the crude pigment in any form (*e.g.*, dry powder, paste, wet cake) and finished pigment in the form of presscake and dry color. Pigment dispersions in any form (*e.g.*, pigments dispersed in oleoresins, flammable solvents, water) are not

[1] The petitioners in this investigation are Sun Chemical Corporation and Nation Ford Chemical Company.

[2] Section of A of the questionnaire requests general information concerning a company's corporate structure and business practices, the merchandise under this investigation that it sells, and the manner in which it sells that merchandise in all of its markets. Section C requests a complete listing of U.S. sales. Section D requests information on the factors of production of the merchandise under investigation. Section E requests information on further manufacturing.

[3] *See* February 18, 2004 Memo to the File from Charles Riggle.

[4] Hanchem was established subsequent to the POI out of the U.S. sales department of a company named Tianjin Heng An Trading Co., Ltd. (Heng An). During the POI, sales of subject merchandise to the United States were made by Heng An. We have preliminarily determined that it is appropriate to treat Heng An and Hanchem as a single entity for the purposes of the margin calculations for this antidumping duty investigation and for the application of the antidumping law. *See* Memorandum from Marin Weaver, International Trade Compliance Analyst, to Jeffrey A. May, Deputy Assistant Secretary, concerning the Analysis of Successorship and Assignment of Separate Rate for Respondents in the Antidumping Duty Investigation of Carbazole Violet Pigment 23 from the People's Republic of China, dated June 18, 2004.

[5] Please note that the bracketed section of the product description, *[3,2-b:3′,2′-m],* is not business proprietary information. In this case, the brackets are simply part of the chemical nomenclature. *See* December 4, 2003, amendment to petition at 8.

included within the scope of the investigation.

The merchandise subject to this investigation is classifiable under subheading 3204.17.9040 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Non-Market Economy Country Status

The Department has treated the PRC as a non-market economy (NME) country in all its previous antidumping investigations. *See, e.g., Notice of Final Determination of Sales at Less Than Fair Value: Non-Malleable Cast Iron Pipe Fittings from the People's Republic of China,* 68 FR 7765 (February 18, 2003); and *Notice of Final Determination of Sales at Less Than Fair Value: Barium Carbonate From the People's Republic of China,* 68 FR 46577 (August 6,2003). In accordance with section 771(18)(C) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked. No party in this investigation has sought revocation of the NME status of the PRC. Therefore, pursuant to section 771(18)(C) of the Act, the Department will continue to treat the PRC as an NME country.

When the Department is investigating imports from an NME country, section 773(c)(1) of the Act directs the Department to base normal value (NV) on the NME producer's factors of production, valued in a market economy at a comparable level of development that is a significant producer of comparable merchandise. The sources of individual factor prices are discussed under the *Normal Value* section, below.

Separate Rates

In an NME proceeding, the Department presumes that all companies within the country are subject to governmental control and should be assigned a single antidumping duty rate unless the respondent demonstrates the absence of both *de jure* and *de facto* governmental control over its export activities. *See Notice of Final Determination of Sales at Less Than Fair Value: Bicycles From the People's Republic of China,* 61 FR 19026, 19027 (April 30, 1996). GoldLink, Haidi, Hanchem, and Trust Chem have provided the requested company-specific separate rate information and have indicated that there is no element of government ownership or control over their operations.

We have determined, according to the criteria identified 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), as modified in the *Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China,* 59 FR 22585, 22587 (May 2, 1994), that the evidence of record demonstrates an absence of government control, both in law and in fact, with respect to exports by GoldLink, Haidi, Trust Chem, and Hanchem, and these companies are, therefore, entitled to separate rates. For a complete discussion of the Department's determination, *see* the June 18, 2004 memorandum, Analysis of Successorship and Assignment of Separate Rates for Respondents in the Antidumping Duty Investigation of Carbazole Violet Pigment 23 from the People's Republic of China, which is on file in the CRU.

The PRC-Wide Rate

Although the Department provided BOFT and all PRC exporters of the subject merchandise, including those companies identified in the petition, with the opportunity to respond to its questionnaire, only GoldLink, Haidi, Trust Chem, and Hanchem submitted complete responses thereto. After filing responses to section A, manufacturer Hangzhou Baihe Chemical Co. Ltd., exporter Oriental Color Co. Ltd., and exporter Shanghai Jiehong Color Int'l Trading Co. Ltd. failed to respond to sections C or D. In addition, our review of U.S. import statistics reveals that there are other PRC companies, not identified in the petition, that exported CVP–23 to the United States during the POI. Because these exporters did not submit a response to the Department's questionnaire, and thus did not demonstrate their entitlement to a separate rate, we have applied the Department's presumption, which is rebuttable, that these exporters constitute a single enterprise under common control by the PRC government, and we are applying adverse facts available to determine the single antidumping duty rate, the PRC-wide rate, applicable to the PRC exporters that comprise this single enterprise. *See, e.g., Final Determination of Sales at Less Than Fair Value: Synthetic Indigo from the People's Republic of China,* 65 FR 25706, 25707 (May 3, 2000).

Use of Facts Otherwise Available

Section 776(a)(2) of the Act provides that, if an interested party withholds information that has been requested by the Department, fails to provide such information in a timely manner or in the form or manner requested, significantly impedes a proceeding under the antidumping statute, or provides information which cannot be verified, the Department shall use, subject to sections 782(d) and (e) of the Act, facts otherwise available in reaching the applicable determination. As explained above, GoldLink and its manufacturer Jiangsu Multicolor Fine Chemical Co., Ltd. (Multicolor),[6] Haidi and its manufacturer Jiangsu Haimen Industrial Chemical Factory (Haimen), Trust Chem and its manufacturer Nantong Longteng Chemical Co. Ltd. (Longteng), and Hanchem provided us with the information we requested, but no other Chinese manufacturer or exporter of the subject merchandise responded completely to the Department's requests for information. The curative provisions of section 782(e) of the Act are not applicable because there is no information on the record of this investigation on which the Department can determine separate rates for those manufacturers and exporters. Accordingly, the Department is applying the PRC-wide rate to all PRC exporters of the subject merchandise except for the four respondents listed above.

As explained above, we are unable to calculate a PRC-wide rate based on the questionnaire responses because several respondents failed to comply with our requests for information. The failure of the parties at issue to respond significantly impedes this proceeding because the Department cannot accurately determine a margin for these parties. Thus, pursuant to section 776(a)(2)(A) and (C) of the Act, in reaching our preliminary determination, we have based the PRC-wide rate on the facts available.

In applying facts otherwise available, section 776(b) of the Act provides that, if the Department finds that an interested party ''has failed to cooperate by not acting to the best of its ability to comply with a request for information,'' the Department may use information that is adverse to the interests of that party as facts otherwise available. Adverse inferences are appropriate ''to ensure that the party does not obtain a more favorable result by failing to

[6] GoldLink indicated in its initial response that it purchased the subject merchandise from a producer named Wuxi Xinguang Chemical Industry Co., Ltd. (Xinguang). However, in its supplemental response, GoldLink stated that Xinguang had not produced the subject merchandise itself but had purchased it from its own parent company, Multicolor. Nevertheless, GoldLink stated that the factors originally reported to the Department were those of the actual producer, Multicolor.

cooperate than if it had cooperated fully.'' *See Statement of Administrative Action (SAA) accompanying the URAA,* H.R. Doc. No. 103–316, at 870 (1994). Furthermore, ''affirmative evidence of bad faith on the part of the respondent is not required before the Department may make an adverse inference.'' *See Antidumping Countervailing Duties; Final Rule,* 62 FR 27296, 27340 (May 19, 1997). In this case, the complete failure of several parties to respond to the Department's requests for information constitutes a failure to cooperate to the best of their ability. Since the information is within the sole possession of the parties at issue, the Department is precluded from determining an accurate margin for the other producers and exporters and must therefore resort to the use of adverse facts available.

An adverse inference may include reliance on information derived from the petition, the final determination in the investigation, any previous review, or any other information placed on the record. *See* section 776(b) of the Act. However, section 776(c) of the Act provides that, when the Department relies on secondary information rather than on information obtained in the course of an investigation or review, the Department shall, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal. Independent sources may include published price lists, official import statistics and Customs data, and information obtained from interested parties during the particular investigation or review. *See* SAA at 870 and 19 CFR 351.308(d). ''Corroborate'' means that the Department will satisfy itself that the secondary information to be used has probative value. *Id.* To corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information used. *See Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, from Japan; Preliminary Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews,* 61 FR 57391, 57392 (November 6, 1996).

To determine the probative value of the petition margin for use as AFA, for purposes of the preliminary determination in this investigation, we have examined the evidence supporting the petition calculations. *See Notice of Initiation of Antidumping Duty Investigations: Carbazole Violet Pigment 23 from India and the People's Republic of China,* 68 FR 70761 (December 19, 2003) (*Initiation Notice*). We have relied on the information in the petition, as amended, to establish the facts available rate. Evidence from the relevant time period such as customs statistics or market studies not generated for purposes of the trade action are considered to be reliable because they are based on actual independent trade data and analysis. *See Certain Cut-to-Length Carbon Steel Plate from Mexico: Final Results of Antidumping Duty Administrative Review,* 64 FR 76, 84 (January 4, 1999), at Comment 13. Invoices for actual sales and expenses from the relevant time period are also considered probative because they reflect the actual commercial activity at issue. *Id.*

Therefore, in accordance with section 776(c) of the Act, to the extent practicable, we re-examined the export price (EP) and normal value (NV) calculations on which the petition margin was based and compared them to the EPs and NVs calculated by the Department for purposes of this investigation as described below.

For EP, the petitioners calculated a single average gross unit price, $4.23 per pound, by using average unit values (AUV) from import statistics for CVP–23 from the PRC to the United States, under HTSUS subheading 3204.17.9040. *See* petition at 19–20 and amendment at Exhibit 3. The petitioners based the calculation on import quantities and values reported on the U.S. International Trade Commission (ITC) Interactive Tariff and Trade DataWeb. *See* Web site: *http://dataweb.usitc.gov/scripts/user_set.asp.* We confirmed that the AUV data used by the petitioners accurately reflects ITC import statistics for CVP–23 and we converted the average unit value for the six month period of investigation to a price per kilogram, $9.31, based on the quantity unit of measure reported by the respondents. The publicly available import statistics on which we base the AUV reflect CVP–23 prices net of international freight for all Chinese exporters, including those who did not respond to our questionnaire. Furthermore, we observe that for those companies that did respond, the combined AUV based on Customs entry data is $25.08 per kilogram. This value falls within the range of U.S. prices reported by these companies to the Department in their questionnaire responses. Therefore, we consider the AUV data to be reliable and to have probative value for purposes of calculating the PRC-wide rate.

Because the Department considers the PRC to be a non-market economy, the petitioners calculated NV based on factors of production (FOP) methodology, as defined by section 773(c)(3) of the Act. The petitioners used the consumption rates of materials, energy, and labor of an Indian producer because, the petitioners asserted, information regarding the Chinese producers' consumption rates were not available. For those inputs for which Indian consumption rates were not available, the petitioners used their own consumption rates. The petitioners calculated a single margin using a weighted average of the calculated normal values for crude CVP–23, $18.26 per pound or $40.16 per kilogram, and finished (presscake/dry powder) CVP–23, $21.58 per pound or $47.47 per kilogram.

We compared the normal values calculated by the petitioners to the normal values the Department calculated for the respondent companies using the respondents' own consumption rates and publicly available surrogate values. We found that the normal values in the petition were within the range of those calculated by the Department. Therefore, we consider the normal values within the petition to be reliable and of probative value.

As detailed above, to the extent practicable, we have corroborated the export price and normal values used in the petition, as amended. The PRC-wide rate is, for the preliminary determination, 370.06 percent. For the purpose of determining the most appropriate final PRC-wide margin, the Department will consider all information on the record at the time of the final determination.

Fair Value Comparisons

To determine whether respondents' sales of CVP–23 to customers in the United States were made at LTFV, we compared EP to NV, calculated using our NME methodology, as described below in the ''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.

Export Price

In accordance with section 772(a) of the Act, export price is the price at which the subject merchandise is first sold (or agreed to be sold) before the date of importation by the producer or exporter of the subject merchandise outside of the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for

exportation to the United States, as adjusted under subsection (c).

GoldLink

Pursuant to section 772(a) of the Act, we used EP for GoldLink because the subject merchandise was sold directly to unaffiliated customers in the United States prior to importation and because constructed export price was not otherwise indicated.

We calculated EP for GoldLink based on packed CIF prices to unaffiliated purchasers in the United States. We made deductions for movement expenses in accordance with section 772(c)(2)(A) of the Act. These included domestic inland freight, brokerage and handling, international freight, and marine insurance, where applicable. Because transportation for all sales was provided by an NME company, we based movement expenses associated with these sales on surrogate values. *See* FOP Memo.

Haidi

Pursuant to section 772(a) of the Act, we used EP for Haidi because the subject merchandise was sold directly to unaffiliated customers in the United States prior to importation and because constructed export price was not otherwise indicated.

We calculated EP for Haidi based on packed FOB prices to unaffiliated purchasers in the United States. We made deductions for movement expenses (domestic inland freight) in accordance with section 772(c)(2)(A) of the Act. Because transportation for all sales was provided by an NME company, we based movement expenses associated with these sales on surrogate values. *See id.* Haidi's producer, Haimen, purchased two of its inputs from market economy suppliers. We used Haimen's market economy purchase to value one of the inputs; however, because the purchase of the other input was from a market economy affiliate of Haidi we valued that input using a surrogate value.

Trust Chem

Pursuant to section 772(a) of the Act, we used EP for Trust Chem because the subject merchandise was sold directly to unaffiliated customers in the United States prior to importation and because constructed export price was not otherwise indicated.

We calculated EP for Trust Chem based on packed CIF prices to unaffiliated purchasers in the United States. We made deductions for movement expenses in accordance with section 772(c)(2)(A) of the Act. These included domestic inland freight, brokerage and handling, international freight, and marine insurance, where applicable. Because domestic inland freight and marine insurance transportation for all sales were provided by an NME company, we based movement expenses associated with these sales on surrogate values. *See id.*

Hanchem

Pursuant to section 772(a) of the Act, we used EP for Hanchem because the subject merchandise was sold directly to unaffiliated customers in the United States prior to importation and because constructed export price was not otherwise indicated.

We calculated EP for Hanchem based on packed CIF prices to unaffiliated purchasers in the United States. We made deductions for movement expenses in accordance with section 772(c)(2)(A) of the Act. These included domestic inland freight, brokerage and handling, international freight, and marine insurance, where applicable. Where transportation was provided by an NME company, we based movement expenses associated with these sales on surrogate values. *See id.* Where it was provided by a market economy company and Hanchem paid in U.S. dollars, we used Hanchem's actual transportation expense.

We also made deductions for commissions.

Normal Value

1. Surrogate Country

Section 773(c)(4) of the Act requires that the Department value the NME producer's factors of production, to the extent possible, on the prices or costs of factors of production in one or more market economy countries that are: (1) At a level of economic development comparable to that of the NME country; and (2) significant producers of comparable merchandise. The Department's Office of Policy identified six countries that are at a level of economic development comparable to the PRC in terms of per capita GNP and the national distribution of labor. Those countries are India, Indonesia, Sri Lanka, the Philippines, Morocco and Egypt (*see* the memorandum from Ron Lorentzen, Acting Director, Office of Policy to Gary Taverman, Director, Office 5, regarding Request for a List of Surrogate Countries, dated March 9, 2004). Based on the companion antidumping duty investigation on CVP–23 from India, we know that India is a significant producer of the subject merchandise. In addition, for most factors of production, India has quantifiable, contemporaneous, and publicly available data. Of the six potential surrogate countries, India had the best available financial data on specific CVP–23 producers. Therefore, for purposes of the preliminary determination, we have selected India as the surrogate country.

2. Factors of Production

In their questionnaire responses, Haimen, Multicolor/Xinguang and Longteng reported factors of production for the manufacture of the subject merchandise during the POI. The factors of production include: (1) Hours of labor required; (2) quantities of raw materials employed; (3) amounts of energy and other utilities consumed; and (4) representative capital costs. *See* section 773(c)(3) of the Act. To calculate NV, we multiplied the reported quantities by publicly available surrogate per-unit values from India.

In selecting the surrogate values, we considered the quality, specificity, and contemporaneity of the data. For those values not contemporaneous with the POI, we adjusted the values to account for inflation using the applicable price indices published in the International Monetary Fund's *International Financial Statistics* (April 2004, February 2002, and December 1999). We inflated the values denominated in Indian rupees using Indian wholesale price indices. As appropriate, we included freight costs in input prices to make them delivered prices. Specifically, we added to the surrogate values a surrogate freight cost calculated using the shorter of the reported distance from the domestic input supplier to the factory processing subject merchandise or the distance from the nearest seaport to the relevant factory. This adjustment is in accordance with the Court of Appeals for the Federal Circuit's decision in *Sigma Corp.* v. *United States*, 117 F. 3d 1401, 1407–1408 (Fed. Cir. 1997).

With the exception of four material inputs sourced from NME suppliers, we applied a surrogate value using Indian import prices during the POI reported in the *Monthly Statistics of the Foreign Trade of India*, 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*. We valued the remaining four material inputs using domestic prices contemporaneous with the POI, excluding sales and excise tax where appropriate, as listed in the Indian publication *Chemical Weekly*. We valued water based on an average of several rates for metropolitan areas in

India, published by the Asian Development Bank in the *Second Water Utilities Data Book: Asian and Pacific Region* in 1997.

For energy, we valued steam coal using Indian imports contemporaneous with the POI as reported in the *World Trade Atlas*. We valued electricity using Indian retail prices found in the International Energy Agency's *Key World Energy Statistics 2003* covering the fourth quarter of 2002. We have declined to value one energy input, steam, for this preliminary determination as we are unable to find an appropriate surrogate value.

We valued labor using the latest regression-based wage rate for China found on Import Administration's Web page (*http://www.ia.ita.doc.gov/wages/01wages/01wages.html*) as described in 19 CFR 351.408(c)(3).

To value foreign inland truck freight costs, we relied upon per-kilometer, per-kilogram price quotes obtained from the web-based Indian Freight Exchange. *See http://infreight.com*. We valued ocean freight based on publicly available rates from a large liner shipping company, Maersk Sealand. *See http://www.maersksealand.com*. The Department valued marine insurance using the transaction-specific Indian information that was reported in the public versions of the questionnaire responses placed on the record by Pidilite Industries Ltd. (Pidilite) and Alpanil Industries (Alpanil) in the companion case for India. *See* Pidilite's and Alpanil's April 16, 2004 Sections B and C Supplemental Questionnaire responses at Exhibit Supp—2 and page 9 respectively.

In the companion countervailing duty case for India, the Department preliminarily determined that countervailable subsidies are being provided to producers and exporters of CVP–23 from India. *See Notice of Preliminary Affirmative Countervailing Duty Determination and Alignment with Final Antidumping Duty Determination: Carbazole Violet Pigment 23 from India*, 69 FR 22763 (April 27, 2004). However, as the Department has stated in previous cases, the fact that it has been preliminarily determined that a company receives government subsidies does not necessarily mean that its financial ratios are unuseable. *See Notice of Final Determination of Sales at Less Than Fair Value: Steel Concrete Reinforcing Bars From the People's Republic of China*, 66 FR 33522 (June 22, 2001) and the accompanying Issues and Decision Memorandum at Comment 8. Therefore, to value factory overhead, selling, general and administrative expenses (SG&A) and profit for the preliminary determination, we used the audited financial statements for Pidilite from its 2002–2003 annual report.

For a complete analysis of surrogate values used in the preliminary determination, *see* the FOP Memo.

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 we have made a preliminary affirmative critical circumstances finding for GoldLink, Haidi, and Hanchem, we are directing the U.S. Customs and Border Protection (CBP) to suspend liquidation of any unliquidated entries of CVP–23 from the PRC exported by these companies, 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**. For all other exporters, including Trust Chem, we are directing the CBP to suspend liquidation of entries that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. In addition, we are instructing 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 instructions suspending liquidation will remain in effect until further notice.

We determine that the following percentage weighted-average margins exist for the POI:

Manufacturer/exporter	Weighted-average margin (percent)
GoldLink Industries Co., Ltd	76.50
Nantong Haidi Chemical Co., Ltd	124.71
Trust Chem Co., Ltd	168.01
Tianjin Hanchem Int'l Trading Co	53.22
PRC-Wide Rate	370.06

The PRC-wide rate applies to all entries of the subject merchandise except for entries from the four exporters listed above.

Disclosure

In accordance with 19 CFR 351.224(b), the Department will disclose to interested parties within five days of the date of publication of this notice the calculations performed in the preliminary determination.

ITC Notification

In accordance with section 733(f) of the Act, we have notified the ITC of the Department's preliminary affirmative determination. If the final determination in this proceeding is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after the final determination whether imports of CVP–23 from the PRC are materially injuring, or threaten material injury to, the U.S. industry.

Public Comment

In accordance with 19 CFR 351.301(c)(3)(i), interested parties may submit publicly available information to value the factors of production for purposes of the final determination within 40 days after the date of publication of this preliminary determination. Case briefs or other written comments must be submitted to the Assistant Secretary for Import Administration on the later of 50 days after the date of publication of this notice or one week after issuance of the verification reports. *See* 19 CFR 351.309(c)(1)(i). Rebuttal briefs, the content of which is limited to the issues raised in the case briefs, must be filed within five days after the deadline for the submission of case briefs. *See* 19 CFR 351.309(d). 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 request that parties submitting briefs and rebuttal briefs provide the Department with a copy of the public version of such briefs on diskette.

In accordance with section 774 of the Act, we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. If a request for a hearing is made, we will tentatively hold the hearing two days after the deadline for submission of rebuttal briefs at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230, at a time and in a room to be determined. Parties should confirm by telephone the

date, time, and location of the hearing 48 hours before the scheduled date.

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, within 30 days of the date of 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. At the hearing, oral presentations will be limited to issues raised in the briefs. *See* 19 CFR 351.310(c). The Department will make its final determination no later than 135 days after the date of publication of this preliminary determination.

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

Dated: June 18, 2004.

James J. Jochum,

Assistant Secretary for Import Administration.

[FR Doc. 04–14362 Filed 6–23–04; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–533–838]

Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Carbazole Violet Pigment 23 From India

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

ACTION: Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination.

DATES: *Effective Date:* June 24, 2004.

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

SUPPLEMENTARY INFORMATION:

Preliminary Determination

We preliminarily determine that carbazole violet pigment 23 (CVP–23) from India 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 of 1930, as amended (the Act). The estimated margin of sales at LTFV is shown in the ''Suspension of Liquidation'' section of this notice. Interested parties are invited to comment on this preliminary determination.

Case History

This investigation was initiated on December 11, 2003.[1] *See Notice of Initiation of Antidumping Duty Investigations: Carbazole Violet Pigment 23 from India and the People's Republic of China,* 68 FR 70761 (December 19, 2003) (*Initiation Notice*). Since the initiation of the investigation, the following events have occurred:

The U.S. Department of Commerce (the Department) set aside a period for all interested parties to raise issues regarding product coverage. *See Initiation Notice*, 68 FR at 70762. We received no comments.

On January 5, 2004, the United States International Trade Commission (ITC) preliminarily determined that there is a reasonable indication that the domestic industry producing CVP–23 is materially injured by reason of imports from India. *See Determinations and Views of the Commission,* USITC Publication No. 3662 (January 2004); *see also Carbazole Violet Pigment 23 from China and India,* 69 FR 2002 (January 13, 2004).

Selection of Respondents

Section 777A(c)(1) of the Act directs the Department to calculate individual dumping margins for each known exporter and producer of the subject merchandise. Where it is not practicable to examine all known producer/exporters of subject merchandise, section 777A(c)(2) of the Act permits us to investigate either (1) a sample of exporters, producers, or types of products that is statistically valid, based on the information available at the time of selection, or (2) exporters and producers accounting for the largest volume of the subject merchandise that can reasonably be examined.

In their petition, the petitioners identified 12 producers of CVP–23 in India. We examined company-specific export data obtained from U.S. Customs and Border Protection (CBP), which indicated that only four companies exported the subject merchandise to the United States during the period of investigation (POI). Due to resource constraints, we selected the two largest companies, Alpanil Industries Ltd. (Alpanil) and Pidilite Industries Ltd. (Pidilite), as respondents. For a more detailed discussion of respondent selection in this investigation, see the January 9, 2004, Respondent Selection Memorandum from David Layton and Monica Gallardo, International Trade Compliance Analysts, to Gary Taverman, Director, Office 5, on file in the Central Records Unit, Room B–099 of the main Commerce building.

On January 15, 2004, the Department issued the complete antidumping questionnaire to Alpanil and Pidilite.[2] We received responses to sections A–C of the antidumping questionnaire from both companies and issued supplementary questionnaires where appropriate.[3]

Postponement of Final Determination

Section 735(a)(2) of the Act provides that a final determination may be postponed until not later than 135 days after the date of the publication of the preliminary determination if, in the event of an affirmative preliminary determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise, or in the event of a negative preliminary determination, a request for such postponement is made by the petitioners. The Department's regulations, at 19 CFR 351.210(e)(2), require that requests by respondents for postponement of a final determination be accompanied by a request for an extension of the provisional measures from a four-month period to not more than six months. On May 26, 2004, Alpanil and Pidilite requested that, in the event of an affirmative preliminary determination in this investigation, the Department postpone its final determination until 135 days after the publication of the preliminary determination. Alpanil and Pidilite also included a request to extend the provisional measures from a four-month period to not more than six-months.

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[1] The petitioners in this investigation are Sun Chemical Corporation and Nation Ford Chemical Company.

[2] 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 (this section is not applicable to respondents in non-market economy (NME) cases). 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.

[3] Neither respondent was required to respond to section D of the questionnaire because an allegation of sales below cost had not been made. Section E of the questionnaire was not applicable to either respondent as neither had sales of further-manufactured merchandise.