

Department will disregard the margin and determine an appropriate margin. For example, in *Fresh Cut Flowers From Mexico; Final Results of Antidumping Duty Administrative Review*, 61 FR 6812, 6814 (February 22, 1996), the Department disregarded the highest margin in that case as best information available (the predecessor to facts available) because the margin was based on another company's uncharacteristic business expense resulting in an unusually high margin. Similarly, the Department does not apply a margin that has been discredited or judicially invalidated. See *D & L Supply Co. v. United States*, 113 F.3d 1220, 1221 (Fed. Cir. 1997).

In this review, there are no circumstances present to indicate that the selected margin is not appropriate as AFA. The margin we have selected is the margin we determined for Terphane in the LTFV investigation and represents the highest margin alleged in the petition. Moreover, because Terphane refused to respond to the Department's questionnaire, there is no information on the record of this review that demonstrates that 44.36 percent is not an appropriate AFA rate for Terphane. Thus, the Department considers this dumping margin relevant for the use of AFA for this administrative review because this margin is calculated based on information from the investigation of this proceeding.

As the AFA rate is both reliable and relevant, we find it has probative value. Therefore, with the information at our disposal for the corroboration of this AFA rate, we find that the rate of 44.36 percent is corroborated to the greatest extent practicable in accordance with section 776(c) of the Act. We preliminarily find that use of the rate of 44.36 percent as AFA is sufficiently high to ensure that Terphane does not benefit from failing to cooperate in our review by choosing not to respond to the Department's antidumping questionnaire and otherwise participate in the Department's administrative review.

**Preliminary Results of Review**

We preliminarily determine that the following antidumping duty margin exists for the period November 6, 2008 through October 31, 2009:

Producer/exporter	Margin (percent)
Terphane, Inc .....	44.36

**Disclosure and Public Comment**

Interested parties may submit case briefs no later than 30 days after the date of publication of these preliminary results of review. See 19 CFR 351.309(c)(1)(ii). Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the time limit for filing the case briefs. See 19 CFR 351.309(d)(1). Parties who submit case or rebuttal briefs in this proceeding are requested to submit with each argument a statement of the issue. Parties are also encouraged to provide a summary of the arguments not to exceed five pages and a table of statutes, regulations, and cases cited. See 19 CFR 351.309(c)(2).

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 within 30 days of publication of these preliminary results. See 19 CFR 351.310(c). Requests should contain the following information: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Issues raised in the hearing will be limited to those raised in the case and rebuttal briefs. Any hearing, if requested, will be held 37 days after the date of publication, or the first business day thereafter, unless the Department alters the date pursuant to 19 CFR 351.310(d)(1).

The Department intends to issue the final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

**Assessment Rates**

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries. We preliminarily intend to instruct CBP to apply a dumping margin of 44.36 percent *ad valorem* to PET film from Brazil that was produced and/or exported by Terphane and entered, or withdrawn from warehouse, for consumption during the POR. The Department intends to issue appropriate assessment instructions to CBP 15 days after the date of publication of the final results of review.

**Cash Deposit Requirements**

The following cash-deposit requirements will be effective upon publication of the notice of final results of administrative review for all

shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results, as provided by section 751(a)(2)(C) of the Act: (1) The cash deposit rate for Terphane will be the rate established in the final results of this review; (2) for other previously reviewed or investigated companies, the cash-deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review or the LTFV investigation but the manufacturer is, the cash-deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; (4) if neither the exporter nor the manufacturer has its own rate, the cash-deposit rate will be 28.72 percent, the all-others rate established in the *Final Determination*. These deposit requirements, when imposed, shall remain in effect until further notice.

**Notification to Importers**

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

These preliminary results of administrative review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: August 9, 2010.

**Ronald K. Lorentzen,**

*Deputy Assistant Secretary for Import Administration.*

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**DEPARTMENT OF COMMERCE**

**International Trade Administration**

[A-583-837]

**Polyethylene Terephthalate Film, Sheet, and Strip From Taiwan: Preliminary Results of Antidumping Duty Administrative Review**

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

**SUMMARY:** The Department of Commerce (the Department) is conducting an

administrative review of the antidumping duty order on polyethylene terephthalate film, sheet, and strip (PET Film) from Taiwan. This review covers respondents, Nan Ya Plastics Corporation, Ltd., (Nan Ya), as well as Shinkong Synthetic Fibers Corporation (SSFC) and Shinkong Materials Technology Co. Ltd. (SMTC) (collectively, Shinkong), producers and exporters of PET Film from Taiwan.

The Department preliminarily determines that sales of PET Film from Taiwan have been made below normal value during the period of review. The preliminary results are listed below in the section titled "Preliminary Results of Review." Interested parties are invited to comment on these preliminary results.

**DATES:** *Effective Date:* August 16, 2010.

**FOR FURTHER INFORMATION CONTACT:**

Gene Calvert, Martha Douthit, or Jun Jack Zhao, AD/CVD Operations, Office 6, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 428-3586, (202) 482-5050, or (202) 482-1396, respectively.

**SUPPLEMENTARY INFORMATION:**

**Background**

On July 1, 2002, the Department published in the **Federal Register** the antidumping duty order on PET Film from Taiwan. *See Amended Final Antidumping Duty Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Polyethylene Terephthalate Film, Sheet, and Strip (PET Film) from Taiwan*, 67 FR 46566 (July 1, 2002).

On July 1, 2009, the Department published a notice of opportunity to request an administrative review of this order. *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation: Opportunity to Request Administrative Review*, 74 FR 31406 (July 1, 2009). In response, on July 30, 2009, the domestic interested parties DuPont Teijin Films, Mitsubishi Polyester Film of America, SKC, Inc., and Toray Plastics (America), Inc. requested that the Department conduct an administrative review of Nan Ya and Shinkong's sales of PET Film in the U.S. market.

On August 25, 2009, the Department initiated an administrative review of Nan Ya and Shinkong. *See Initiation of Antidumping and Countervailing Administrative Reviews and Request for Revocation in Part*, 74 FR 42873 (August 25, 2009). On September 23, 2009, the Department issued an antidumping duty questionnaire to the respondents.

During April and May 2010, the Department issued two supplemental questionnaires to Nan Ya and one to Shinkong regarding their sales information. Separately, the Department issued supplemental questionnaires to both respondents from May through July regarding their reported cost information. All responses were submitted on a timely basis.

On March 25, 2010 the Department extended the time period for issuing the preliminary results of the administrative review.<sup>1</sup> *See Polyethylene Terephthalate Film, Sheet and Strip from Taiwan: Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review*, 75 FR 14423 (March 25, 2010). The revised deadline fell on Saturday, August 7, 2010. It is the Department's long-standing practice, however, to issue a determination the next business day when the statutory deadline falls on a weekend, federal holiday, or any other day when the Department is closed. *See Notice of Clarification: Application of "Next Business Day" Rule for Administrative Determination Deadlines Pursuant to the Tariff Act of 1930, As Amended*, 70 FR 24533 (May 10, 2005). Accordingly, the deadline for the completion of these preliminary results was revised to August 9, 2010.

On July 29, 2010, and August 4, 2010, we received comments from Petitioners offering suggestions for these preliminary results of review for Nan Ya and Shinkong, respectively. The Department did not have adequate time to consider these comments in their entirety for these preliminary results. We will, however, consider them for any upcoming supplemental questionnaires, for verification, if conducted, and for the final results of review.

**Scope of the Order**

For purposes of this administrative review, the products covered are all gauges of raw, pretreated, or primed polyethylene terephthalate film, whether extruded or coextruded. Excluded are metallized films and other finished films that have had at least one of their surfaces modified by the application of a performance-enhancing resinous or inorganic layer more than

0.00001 inches thick. Imports of PET Film are currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under item number 3920.62.00. HTSUS subheadings are provided for convenience and customs purposes. The written description of the scope of this proceeding is dispositive.

**Period of Review**

The period of review (POR) is July 1, 2008, through June 30, 2009.

**Collapsing of SSFC and SMTC**

The Department preliminarily determines that SSFC and SMTC should be treated as a single entity (*i.e.*, Shinkong) for purposes of calculating an antidumping margin pursuant to 19 CFR 351.401(f). SMTC was established in October 2004 and it is a wholly-owned subsidiary of SSFC. SSFC and SMTC produce similar or identical merchandise. During the POR, all of the subject merchandise under review produced by SMTC was sold to SSFC for SSFC's re-sale in the home market, U.S. market and third countries. The level of common ownership between SSFC and SMTC creates a significant potential for manipulation of price or production.

**Affiliation of Nan Ya With U.S. Customers**

In the less-than-fair-value investigation, and in the first administrative review, the Department determined that Nan Ya, through a family grouping, was in a position of legal and operational control of three U.S. customers, in accordance with section 771(33)(F) of the Tariff Act of 1930, as amended (the Act). *See Polyethylene Terephthalate Film, Sheet, and Strip (PET Film) from Taiwan, Notice of Final Determination of Sales at Less Than Fair Value*: 67 FR 35474, May 20, 2002. *See also*, "Affiliation of Nan Ya Plastic Corporation, Ltd., with Certain U.S. Customers," dated April 1, 2004. Members of a family involved in the ownership and management of Nan Ya also shared ownership and management of these three U.S. companies with potential to act in concert or act out of common interest to exert restraint or direction over a company's activities.

On April 6, 2010, and May 27, 2010, the Department requested that Nan Ya provide additional information regarding Nan Ya's relationship with the U.S. customers. In this review period, Nan Ya sold the subject merchandise to these same U.S. companies. However, Nan Ya states that the family links are no longer present due to the passing of

<sup>1</sup> The Department had previously exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from February 5 through February 12, 2010. Thus, all deadlines in this segment of the proceeding, including these preliminary results, had already been extended by seven days. *See Memorandum to the Record from Ronald Lorentzen, DAS for Import Administration, regarding "Tolling of Administrative Deadlines As a Result of the Government Closure During the Recent Snowstorm,"* dated February 12, 2010.

Nan Ya's late chairman in October 2008. Yet, the passing of a single member does not establish that Nan Ya and the three U.S. companies are no longer directly or indirectly, legally and operationally controlled by, or under common control, control of the family grouping.

Based on Nan Ya's responses to the Department's questionnaires regarding ownership and management of the three U.S. companies, in addition to evidence placed on the record resulting from the Department's independent research regarding the relationship between Nan Ya and these U.S. customers, the Department preliminarily determines that Nan Ya continues to be affiliated with these U.S. customers through a family grouping. *See* Memorandum to Barbara E. Tillman, Director, AD/CVD Operations, Office 6, "Affiliation of Nan Ya Plastics Corporation, Ltd. (Nan Ya) with Certain U.S. Customers," dated August 9, 2010.<sup>2</sup> The family grouping still has the potential to act in concert or act out of common interest, to exert restraint or direction over the companies' activities.

#### Comparisons to Normal Value

To determine whether sales of PET Film were made at less than normal value (NV), we compared the respondents' export price (EP) or constructed export price (CEP) sales made in the United States to unaffiliated customers to NV, as described below in the "United States Price" and "Normal Value" sections of this notice. In accordance with section 777A(d)(2) of the Act, we compared the EP and CEP of individual transactions to monthly weighted-average NVs.

#### Product Comparisons

Pursuant to section 771(16) of the Act, we determined that products sold by the respondents, as described in the "Scope of the Order" section, above, and sold in Taiwan during the POR, to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. We have relied on four criteria to match U.S. sales of subject merchandise to comparison-market sales: specification, thickness, thickness category, and surface treatment. Where there were no sales of identical merchandise in the home market to compare to U.S. sales, we compared U.S. sales to the most similar foreign like product on the basis of the characteristics listed above.

<sup>2</sup> We have also placed on the record our Nan Ya affiliations analysis from the most-recent administrative review. *See* Memorandum to the File, "Nan Ya Plastics Corporation, Ltd. Affiliations Analysis for the Period December 21, 2001 through June 30, 2003," dated concurrently with this notice.

Nan Ya reported additional internal codes and product model matching characteristics to indicate the special features of certain subject merchandise types. However, we have determined not to include these additional product model matching characteristics for the purpose of these preliminary results. Interested parties will have the opportunity to comment on the use of these additional product model matching characteristics in their case briefs.

#### Level of Trade

To determine whether NV sales are at a different level of trade (LOT) than U.S. sales, we examine selling functions along the chain of distribution between the respondent and the unaffiliated customer for EP sales and between the respondent and the affiliated U.S. importer for CEP sales. 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 LOT adjustment pursuant to section 773(a)(7)(A) of the Act.

In implementing these principles, we examined information provided by Nan Ya regarding the selling functions involved in its home market and U.S. sales, including a description of these selling functions, listed in Exhibit SE A-5 of Nan Ya's May 5, 2010 submission. Based on our analysis, we have preliminarily determined that Nan Ya sold at one LOT in the home market and one LOT in the United States (including both EP and CEP sales), as claimed by Nan Ya in its questionnaire responses. We have also preliminarily determined that the home market and U.S. LOTs are the same, and that, therefore, a LOT adjustment is not warranted. We note that Nan Ya did not request a LOT adjustment.

#### Quarterly COP and CV

While we have analyzed the quarterly cost of production (COP) and constructed value (CV) information from both Nan Ya and Shinkong, we note that we have issued additional supplemental questions on this issue. We intend to fully examine all of the quarterly COP and CV information after the preliminary results and determine whether it is appropriate to use shorter cost averaging periods for COP and CV in a post-preliminary analysis memorandum.

#### Arm's-Length Test

The Department may calculate NV based on a sale to an affiliated party only if it is satisfied that the price to the affiliated party is comparable to the prices at which sales are made to parties not affiliated with the exporter or producer; *i.e.*, sales to home market affiliates must be at arm's-length. *See* 19 CFR 351.403(c). Sales to affiliated customers for consumption in the home market that are determined not to be at arm's-length are excluded from our analysis. To test whether sales are made at arm's-length prices, the Department compares the prices of sales of comparable merchandise to affiliated and unaffiliated customers, net of all movement charges, direct selling expenses, and packing. Pursuant to 19 CFR 351.403(c), and in accordance with the Department's practice, when the prices charged to an affiliated party are, on average, between 98 and 102 percent of the prices charged to unaffiliated parties for merchandise comparable to that sold to the affiliated party, we determine that the sales to the affiliated party are at arm's-length. *See Antidumping Proceedings: Affiliated Party Sales in the Ordinary Course of Trade*, 67 FR 69186, 69187 (November 15, 2002).

In this proceeding, Nan Ya did not have sales to affiliates in the home market. Shinkong reported sales of the foreign like product to affiliated customers who consumed the purchased material. Shinkong's sales to these affiliated home market customers did not pass the arm's-length test, and were therefore excluded from our analysis. *See* section 773(b)(1) of the Act.

#### Nan Ya Margin Calculation

##### Export Price and Constructed Export Price

In calculating the antidumping duty margins for Nan Ya, we used EP, as defined in section 772(a) of the Act, for all sales that Nan Ya made directly to unaffiliated U.S. customers. As discussed above, however, we have preliminarily determined that certain U.S. customers were affiliated with Nan Ya during the POR. Thus, for such sales, we used CEP in our margin calculations, as defined in section 772(b) of the Act.

#### Normal Value

##### A. Selection of Comparison Market

To determine whether there was a sufficient volume of sales of PET Film in the home market to serve as a viable basis for calculating normal value, we compared the volume of respondent's

home market sales of the foreign like product to the volume of their U.S. sales of the subject merchandise, in accordance with section 773(a)(1) of the Act. In accordance with section 773(a)(1)(B) of the Act, and 19 CFR 351.404(b), because Nan Ya's aggregate volume of home market sales of the foreign like product was greater than five percent of its aggregate volume of U.S. sales of the subject merchandise, we have determined that the home market was viable for comparison purposes.

#### *B. Cost of Production Analysis*

Pursuant to 773(b)(2)(A)(ii) of the Act, because the Department had disregarded certain of Nan Ya's sales in the most recently completed review of this order, the Department had reasonable grounds to believe or suspect that Nan Ya made home market sales at prices below COP in this review. As a result, the Department was directed under section 773(b) of the Act to determine whether Nan Ya made home market sales during the POR at prices below COP.

#### *C. Calculation of COP*

In accordance with section 773(b)(3) of the Act, we calculated COP based on the sum of Nan Ya's cost of materials and fabrication for the foreign like product, plus amounts for selling, general, and administrative expenses (SG&A), interest expenses and home market packing costs. See Memorandum to Neal M. Halper, Director, Office of Accounting, "Cost of Production and Constructed Value Calculation Adjustments for the Preliminary Results—Nan Ya Plastics Corporation," dated August 9, 2010. We applied the major input rule under section 773(f)(3) of the Act to Nan Ya's purchases of purified terephthalic acid (PTA) from an affiliated supplier and adjusted Nan Ya's reported cost of manufacturing to reflect the higher of transfer price, market price or COP. We eliminated the inter-divisional profit arising from ethylene glycol transactions between Nan Ya's Polyester Fiber division and one of its petrochemicals divisions. In addition, we adjusted Nan Ya's reported cost of manufacturing to include excluded pension costs and surplus fixed costs. Finally, we adjusted Nan Ya's reported total general and administrative expense to include the cost of temporary plant shutdowns. These calculations include revisions by the Department to the COP information reported by Nan Ya.

#### *D. COP Test*

On a product-specific basis, we compared the revised COP figures to

home market prices net of applicable billing adjustments, discounts and rebates, movement charges, selling expenses, and packing to determine whether home market sales had been made at prices below COP. In determining whether to disregard home market sales made at prices below COP, we examined, in accordance with sections 773(b)(1)(A) and (B) of the Act, whether, within an extended period of time, such sales were made in substantial quantities, and whether such sales were made at prices which did not permit the recovery of all costs within a reasonable period of time in the normal course of trade. In accordance with section 773(b)(2)(C) of the Act, where less than 20 percent of a given product was sold at prices less than COP, we did not disregard any below-cost sales of that product, because the below-cost sales were not made in "substantial quantities." Where 20 percent or more of a given product was sold at prices less than COP, we disregarded the below cost sales because: (1) They were made within an extended period of time in "substantial quantities," in accordance with sections 773(b)(2)(B) and (C) of the Act; and, (2) based on our comparison of prices to weighted-average COP figures for the POR, they were made at prices which would not permit the recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Act. Based on this analysis, we found that Nan Ya did have below cost sales that must be disregarded. We used the remaining home market sales as the basis for determining NV, in accordance with section 773(b)(1) of the Act.

#### *E. Constructed Value*

After disregarding certain sales as below cost, as described above, home market sales of contemporaneous identical and similar products existed that allowed for price-to-price comparisons for all margin calculations. Therefore, the Department did not need to rely on constructed value for any calculations for this preliminary determination.

#### *F. Price-to-Price Comparisons*

We calculated NV based on packed prices to unaffiliated customers in the home market. We used Nan Ya's adjustments and deductions as reported. We made deductions, where appropriate, for foreign inland freight pursuant to section 773(a)(6)(B) of the Act. In addition, for comparisons involving similar merchandise, we made adjustments for cost differences attributable to the physical differences between the products compared,

pursuant to section 773(a)(6)(C)(ii) of the Act and 19 CFR 351.411. We also made adjustments for differences in circumstances of sale (COS) in accordance with section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410. We made COS adjustments for imputed credit expenses. Finally, we deducted home market packing costs and added U.S. packing costs in accordance with sections 773(a)(6)(A) and (B) of the Act.

#### *Shinkong's Margin Calculation*

##### *Export Price*

In calculating the antidumping duty margins for Shinkong, we used EP, as defined in section 772(a) of the Act.

##### **Normal Value**

#### *A. Selection of Comparison Market*

To determine whether there was a sufficient volume of sales of PET Film in the home market to serve as a viable basis for calculating normal value, we compared the volume of respondent's home market sales of the foreign like product to the volume of their U.S. sales of the subject merchandise, in accordance with section 773(a)(1) of the Act. In accordance with section 773(a)(1)(B) of the Act, and 19 CFR 351.404(b), because Shinkong's aggregate volume of home market sales of the foreign like product was greater than five percent of its aggregate volume of U.S. sales of the subject merchandise, we have determined that the home market was viable for comparison purposes.

#### *B. Cost of Production Analysis*

Pursuant to 773(b)(2)(A)(ii) of the Act, because the Department had disregarded certain of Shinkong's sales in the most recently completed review of this order, the Department had reasonable grounds to believe or suspect that Shinkong made home market sales at prices below COP in this review. As a result, the Department was directed under section 773(b) of the Act to determine whether Shinkong made home market sales during the POR at prices below COP.

#### *C. Calculation of COP*

In accordance with section 773(b)(3) of the Act, we calculated COP based on the sum of Shinkong's cost of materials and fabrication for the foreign like product, plus amounts for SG&A, interest expenses and home market packing costs. These calculations include revisions by the Department to the COP information reported by Shinkong. We adjusted SSFC's total general and administrative expenses to include the cost of temporary plant shut-downs for both SSFC and its

affiliated producer of merchandise under consideration, SMTC. See Memorandum to Neal M. Halper, Director, Office of Accounting, "Cost of Production and Constructed Value Calculation Adjustments for the Preliminary Results—Shinkong Synthetic Fibers Corporation," dated August 9, 2010.

**D. COP Test**

On a product-specific basis, we compared the revised COP figures to home market prices net of applicable billing adjustments, discounts and rebates, movement charges, selling expenses, and packing to determine whether home market sales had been made at prices below COP. In determining whether to disregard home market sales made at prices below COP, we examined, in accordance with sections 773(b)(1)(A) and (B) of the Act, whether, within an extended period of time, such sales were made in substantial quantities, and whether such sales were made at prices which did not permit the recovery of all costs within a reasonable period of time in the normal course of trade. In accordance with section 773(b)(2)(C) of the Act, where less than 20 percent of a given product was sold at prices less than COP, we did not disregard any below-cost sales of that product, because the below-cost sales were not made in "substantial quantities." Where 20 percent or more of a given product was sold at prices less than COP, we disregarded the below-cost sales because: (1) They were made within an extended period of time in "substantial quantities," in accordance with sections 773(b)(2)(B) and (C) of the Act; and, (2) based on our comparison of prices to weighted-average COP figures for the POR, they were made at prices which would not permit the recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Act. Based on this analysis, we found that Shinkong did have below-cost sales that must be disregarded. We used the remaining home market sales as the basis for determining NV, in accordance with section 773(b)(1) of the Act.

**E. Constructed Value**

After disregarding certain sales as below cost, as described above, home market sales of contemporaneous identical and similar products existed that allowed for price-to-price comparisons for all margin calculations. Therefore, the Department did not need to rely on constructed value for any calculations for this preliminary determination.

**F. Price-to-Price Comparisons**

We calculated NV based on packed prices to unaffiliated customers in the home market.<sup>3</sup> We used Shinkong's adjustments and deductions as reported. We made deductions, where appropriate, for foreign inland freight pursuant to section 773(a)(6)(B) of the Act. In addition, for comparisons involving similar merchandise, we made adjustments for cost differences attributable to the physical differences between the products compared, pursuant to section 773(a)(6)(C)(ii) of the Act and 19 CFR 351.411. We also made adjustments for differences in COS in accordance with section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410. We made COS adjustments for imputed credit expenses. Finally, we deducted home market packing costs and added U.S. packing costs in accordance with sections 773(a)(6)(A) and (B) of the Act.

**Currency Conversions**

Pursuant to section 773(A) of the Act and 19 CFR 351.415, we made currency conversions for Nan Ya's and Shinkong's sales based on the daily exchange rates in effect on the dates of the relevant U.S. sales as certified by the Federal Reserve Bank of New York.

**Preliminary Results of Review**

As a result of our review, we preliminarily determine the following weighted-average dumping margins exist for the period July 1, 2008, through June 30, 2009.

Manufacturer/exporter	Weighted-average margin (percent)
Nan Ya Plastics Corporation, Ltd. ....	19.78
Shinkong Synthetic Fibers Corporation .....	5.89

**Disclosure and Public Comment**

We will disclose the calculations used in our analysis to parties in this review within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Any interested party may request a hearing within 30 days of the publication of this notice in the **Federal Register**. See 19 CFR 351.310. If a hearing is requested, the Department will notify interested parties of the hearing schedule.

Interested parties are invited to comment on the preliminary results of this review. Interested parties must

<sup>3</sup> Shinkong sold a small amount of foreign like product to its affiliates in the home market for consumption during the POR. These sales have failed the arm's-length test and therefore have been excluded from the calculation of NV.

submit case briefs within 30 days of the date of publication of this notice. Rebuttal briefs, which must be limited to issues raised in the case briefs, must be filed not later than five days after the time limit for filing case briefs. See 19 CFR 351.309(c) and (d) (for a further discussion of case briefs and rebuttal briefs, respectively). Parties who submit case briefs or rebuttal briefs in this review are requested to submit with each argument: (1) A statement of the issue, (2) a brief summary of the argument, and (3) a table of authorities. Executive summaries should be limited to five pages total, including footnotes.

We intend to issue the final results of this administrative review, including the results of our analysis of issues raised in the written comments, within 120 days of publication of these preliminary results in the **Federal Register**. See section 751(a)(3)(A) of the Act.

**Assessment Rates**

The Department shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries. We will instruct CBP to liquidate entries of merchandise produced and/or exported by Nan Ya and Shinkong. The Department intends to issue assessment instructions to CBP 15 days after the date of publication of the final results of review. For assessment purposes, where possible, we calculated importer-specific (or customer-specific) *ad valorem* assessment rates based on the ratio of the total amount of the dumping duties calculated for the examined sales to the total entered value of those same sales. See 19 CFR 351.212(b). However, where the respondents did not report the entered value for their sales, we will calculate importer-specific (or customer-specific) per unit duty assessment rates. We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review if any assessment rate calculated in the final results of this review is above *de minimis*.

**Cash Deposit Requirements**

The following deposit requirements will be effective for all shipments of PET Film from Taiwan entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review, as provided for by section 751(a)(2)(C) of the Act: (1) The cash deposit rate for companies under review will be the rate established in the final results of this review (except, if the rate is zero or *de minimis*, *i.e.*, less than 0.5 percent, no

cash deposit will be required); (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the less-than-fair-value investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and, (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review, the cash deposit rate will be the all others rate for this proceeding, 2.40 percent. These deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

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

These preliminary results of administrative review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: August 9, 2010.

**Ronald K. Lorentzen,**

*Deputy Assistant Secretary for Import Administration.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-475-818]

#### Certain Pasta From Italy: Notice of Preliminary Results of Antidumping Duty Administrative Review

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

**SUMMARY:** In response to requests by interested parties, the Department of Commerce ("the Department") is conducting an administrative review of the antidumping duty order on certain pasta ("pasta") from Italy for the period of review ("POR") July 1, 2008, through June 30, 2009. This review covers two producers/exporters of subject

merchandise: Pastificio Attilio Mastromauro—Pasta Granoro S.r.L. ("Granoro") and Pastificio Lucio Garofalo S.p.A. ("Garofalo").<sup>1</sup> We preliminarily determine that during the POR, Granoro and Garofalo sold subject merchandise at less than normal value ("NV"). If these preliminary results are adopted in the final results of this administrative review, we will instruct U.S. Customs and Border Protection ("CBP") to assess antidumping duties on all appropriate entries of subject merchandise during the POR. Interested parties are invited to comment on these preliminary results.

**DATES:** *Effective Date:* August 16, 2010.

**FOR FURTHER INFORMATION CONTACT:** Victoria Cho or Jolanta Lawska AD/CVD Operations, Office 3, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-5075 or (202) 482-8362, respectively.

#### SUPPLEMENTARY INFORMATION:

##### Background

On July 24, 1996, the Department published in the *Federal Register* the antidumping duty order on pasta from Italy. *See Notice of Antidumping Duty Order and Amended Final Determination of Sales at Less Than Fair Value: Certain Pasta From Italy*, 61 FR 38547 (July 24, 1996).

On July 1, 2009, the Department published a notice of opportunity to request an administrative review of the antidumping duty order on certain pasta from Italy. *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation: Opportunity to Request Administrative Review*, 74 FR 31406 (July 1, 2009). We received requests for review from petitioners<sup>2</sup> and individual Italian exporters/producers of pasta, in accordance with 19 CFR 351.213(b)(1) and (2). On August 26, 2008, the Department published the notice of initiation of this antidumping duty administrative review covering the period July 1, 2008, through June 30, 2009, listing the following companies as respondents: Domenico Paone fu Erasmo, S.p.A. ("Erasmo"), Fasolino Foods Company, Inc. and its affiliate Euro-American Foods Group, Inc.

<sup>1</sup> At the Initiation of the instant review, the Department incorrectly spelled "Garofalo" as "Garafalo." *See Initiation FR of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 74 FR 42873, 42875. The Department acknowledges that the correct spelling is "Garofalo."

<sup>2</sup> New World Pasta Company, American Italian Pasta Company, and Dakota Growers Pasta Company, (collectively, "Petitioners").

("Fasolino/Euro-American Foods"), Garofalo, Granoro, Industria Alimentare Colavita, S.p.A. ("Indalco"), P.A.M. S.p.A. ("PAM"), and Pasta Lensi S.r.L. ("Lensi"). *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for revocation in Part*, 74 FR 42873 (August 25, 2009) ("*Initiation Notice*").

As explained in the memorandum from the Deputy Assistant Secretary for Import Administration, the Department has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from February 5, through February 12, 2010. Thus, all deadlines in this segment of the proceeding have been extended by seven days. The revised deadline for the preliminary results of this review is now August 9, 2010. *See Memorandum to the Record from Ronald Lorentzen, DAS for Import Administration, regarding "Tolling of Administrative Deadlines As a Result of the Government Closure During the Recent Snowstorm,"* dated February 12, 2010.

On September 8, 2009, the Department announced its intention to select mandatory respondents based on CBP Data. *See Memorandum from George McMahon to Melissa Skinner* entitled "Customs and Border Protection Data for Selection of Respondents for Individual Review," dated September 8, 2009. On September 11, 2009, the petitioners withdrew their request for review with respect to Erasmo, Garofalo, Indalco, and PAM. As a result of the petitioner's request to withdraw the aforementioned companies, the Department issued a memorandum on October 21, 2009, which indicated that respondent selection was no longer necessary in the instant review because it was practicable for the Department to review the remaining companies, Lensi, Granoro, Garofalo and Fasolino/Euro-American Foods. On October 30, 2009, Lensi withdrew its request for a review. On February 22, 2010, the petitioners withdrew their request for review with respect to Fasolino/Euro-American Foods.

As a result of withdrawals of request for review, we rescinded this review, in part, with respect to Erasmo, Lensi, Indalco, PAM, and Fasolino/Euro-American Foods. We did not rescind the review with respect to Garofalo because it self-requested a review and that request was not withdrawn. *See Certain Pasta from Italy: Notice of Partial Rescission of Antidumping Duty Administrative Review and Extension of Time Limit for the Preliminary Results of Antidumping Duty Administrative Review*, FR 75 10464 (March 8, 2010)