

On February 5, 2003, Gerber and Green Fresh submitted comments on the petitioner's September 6, 2002, PAI submission and additional PAI. This PAI submission was untimely filed for consideration in the preliminary results. However, pursuant to 19 CFR 351.301(c)(3)(ii), we will consider the information contained in this submission in the final results.

The Department conducted verification of the responses of Gerber, Green Fresh, and Shantou Hongda during the period January 9, through 25, 2003. From February 12 through 14, 2003, the Department issued the verification reports for these companies.

In February 2003, the petitioner submitted pre-preliminary results comments on the data provided by all respondents in these reviews.

Scope of Order

The products covered by this order are certain preserved mushrooms whether imported whole, sliced, diced, or as stems and pieces. The preserved mushrooms covered under this order are the species *Agaricus bisporus* and *Agaricus bitorquis*. "Preserved mushrooms" refer to mushrooms that have been prepared or preserved by cleaning, blanching, and sometimes slicing or cutting. These mushrooms are then packed and heated in containers including, but not limited to, cans or glass jars in a suitable liquid medium, including, but not limited to, water, brine, butter or butter sauce. Preserved mushrooms may be imported whole, sliced, diced, or as stems and pieces. Included within the scope of this order are "brined" mushrooms, which are presalted and packed in a heavy salt solution to provisionally preserve them for further processing.

Excluded from the scope of this order are the following: (1) All other species of mushroom, including straw mushrooms; (2) all fresh and chilled mushrooms, including "refrigerated" or "quick blanched mushrooms"; (3) dried mushrooms; (4) frozen mushrooms; and (5) "marinated," "acidified" or "pickled" mushrooms, which are prepared or preserved by means of vinegar or acetic acid, but may contain oil or other additives.³

The merchandise subject to this order is classifiable under subheadings:

2003.10.0127, 2003.10.0131, 2003.10.0137, 2003.10.0143, 2003.10.0147, 2003.10.0153 and 0711.51.0000 of the Harmonized Tariff Schedule of the United States⁴ ("HTS"). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

Period of Reviews

The period of reviews ("POR") is February 1, 2001, through January 31, 2002.

Verification

As provided in section 782(i)(2) of the Act, we verified information provided by each respondent. We used standard verification procedures, including on-site inspection of the manufacturers' and exporters' facilities, and examination of relevant sales and financial records. Our verification results are outlined in the verification report for each company. (For further discussion, see October 21, 2002, Verification Report for Zhangzhou Jingxiang in the Fourth Antidumping Duty New Shipper Review ("Zhangzhou Jingxiang Verification Report"); October 24, 2002, Verification Report for Shenxian Dongxing in the Third Antidumping Duty Administrative Review ("Shenxian Dongxing Verification Report"); the November 8, 2002, Verification Reports for Guangxi Yulin and Shenzhen Qunxingyuan in the Fourth Antidumping Duty New Shipper Review ("Guangxi Yulin Verification Report" and "Shenzhen Qunxingyuan Verification Report"); the February 12, 2003, Verification Reports for Gerber and Green Fresh in the Third Antidumping Duty Administrative Review ("Gerber Verification Report" and "Green Fresh Verification Report"); and the February 14, 2003, Verification Report for Shantou Hongda in the Third Antidumping Duty Administrative Review ("Shantou Hongda Verification Report").)

Partial Rescission of New Shipper Review

For the reasons stated below, we are preliminarily rescinding, in part, the new shipper review with respect to Zhangzhou Jingxiang and Shenzhen Qunxingyuan.

Specifically, we are preliminarily rescinding the new shipper review with respect to Zhangzhou Jingxiang because it failed to provide us with the necessary documentation for

determining which entity or entities own it. Furthermore, Zhangzhou Jingxiang was unable to explain whether or not its owner was affiliated with any PRC exporters or producers of the subject merchandise. Specifically, in its Section A response, Zhangzhou Jingxiang stated that it is an entity wholly owned by a single U.S. citizen. However, our examination at verification of Zhangzhou Jingxiang's bank account records indicated that the entire investment of Zhangzhou Jingxiang's capital was provided to it by two U.S. importers of its merchandise, neither of which was the U.S. citizen which Zhangzhou Jingxiang claimed was its owner. Although Zhangzhou Jingxiang continued to maintain at verification that it was not owned by either U.S. importer, it could not substantiate with certainty which entity(ies) owned it and the affiliations of that entity(ies). Moreover, Zhangzhou Jingxiang was unable to provide documentation from either U.S. importer which showed each entity's ownership holdings, despite the Department's request for this information. (See Zhangzhou Jingxiang Verification Report at 3-5.)

In order to qualify for a new shipper review under 19 CFR 351.214, a company must certify, among other things, that since the investigation was initiated, it has never been affiliated with any exporter or producer who exported the subject merchandise to the United States during the period of investigation, including those not individually examined during the investigation. (See 19 CFR 351.214(2)(iii)(A).) Given that Zhangzhou Jingxiang could not substantiate its affiliations and, thus, its certification (which it provided prior to the initiation of the new shipper review) at verification, it is not entitled to a new shipper review. Therefore, we are preliminarily rescinding this review with respect to Zhangzhou Jingxiang.

In addition, we are preliminarily rescinding the administrative review with respect to Shenzhen Qunxingyuan because we find that it did not have a *bona fide* sale during the POR, as required by 19 CFR 351.214(b)(2)(iv)(C), based on the totality of the facts on the record. Specifically, we find that the price of its single reported sale was aberrationally high relative to the average unit value of all comparable canned mushroom imports from the PRC during the POR and during the month in which the sale was made. Moreover, we find that the price for the can size included in this sale was not within the reasonable range of prices charged by other PRC exporters under

³ On June 19, 2000, the Department affirmed that "marinated," "acidified," or "pickled" mushrooms containing less than 0.5 percent acetic acid are within the scope of the Antidumping Duty Order. See "Recommendation Memorandum—Final Ruling of Request by Tak Fat, et al. for Exclusion of Certain Marinated, Acidified Mushrooms from the Scope of the Antidumping Duty Order on Certain Preserved Mushrooms from the People's Republic of China," dated June 19, 2000.

⁴ Prior to January 1, 2002, the HTS subheadings were as follows: 2003.10.0027, 2003.10.0031, 2003.10.0037, 2003.10.0043, 2003.10.0047, 2003.10.0053, and 0711.90.4000.