

practicable, we make an LOT adjustment under section 773(a)(7)(A) of the Act. Finally, for CEP sales only, if an NV LOT is more remote from the factory than the CEP LOT and there is no basis for determining whether the difference in LOTs between NV and CEP affected price comparability (*i.e.*, no LOT adjustment was practicable), the Department shall grant a CEP offset, as provided in section 773(a)(7)(B) of the Act. *See Plate from South Africa*, 62 FR at 61732.

We obtained information from DC CHEM regarding the marketing stages involved in making the reported home market and U.S. sales, including a description of the selling activities performed by DC CHEM and its affiliates for each channel of distribution. Regarding the home market, DC CHEM reported home market sales through only one channel of distribution: direct sales to end-users and distributors. We examined the chain of distribution and the selling activities associated with sales reported by DC CHEM to each of these customer categories. The information on the record demonstrates that DC CHEM performs the same selling functions across customer categories. *See DC CHEM's response to the Department's questionnaire*, dated December 9, 2001, at page B-22. Based on our analysis of this information, we find that only one LOT exists in the home market.<sup>8</sup>

In the U.S. market, DC CHEM reported CEP sales through three channels of distribution. DC CHEM also reported that it performed the same selling functions for all U.S. sales regardless of distribution channel. Because the selling functions performed for sales through each channel of distribution were essentially the same, a finding of separate LOTs is not warranted.<sup>9</sup> Therefore, we determine that DC CHEM made sales through only one LOT in the U.S. market.

In order to determine whether NV was established at an LOT which constituted a more advanced stage of distribution than the LOT of the CEP, we compared the selling functions performed for home market sales with those performed with respect to the CEP transaction, which excludes economic activities occurring in the United States. We

found that DC CHEM performed essentially the same marketing functions when selling in both the home market and the United States. Therefore, we determine that these sales are at the same LOT and no LOT adjustment is warranted. Because we find that no difference in the LOT exists between markets, we have not granted a CEP offset to DC CHEM. For further discussion, see the Concurrence Memorandum.

#### *E. Calculation of Normal Value Based on Comparison Market Prices*

We calculated NV based on delivered prices to unaffiliated customers or prices to affiliated customers that we determined to be at arm's-length. In accordance with our practice, for DC CHEM's local export sales, we also made an addition to home market price for duty drawback. *See, e.g., Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Bar From Korea* 67 FR 3149, 3151 (Jan. 23, 2002). We made deductions for rebates, where appropriate. We also made deductions, where appropriate, for movement expenses, including inland freight (plant to distribution warehouse and plant/warehouse to customer) and warehousing under section 773(a)(6)(B)(ii) of the Act. Pursuant to section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410, we also made deductions for home market imputed credit expenses and commissions. In accordance with 19 CFR 351.410(e), we offset home market commissions by the lesser of the commission amount or the amount of U.S. indirect selling expenses because DC CHEM incurred commissions only in the home market.

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

#### **Currency Conversion**

We made currency conversions into U.S. dollars in accordance with section 773A(a) of the Act based on the exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank.

#### **Verification**

As provided in section 782(i) of the Act, we will verify all information relied upon in making our final determination.

#### **Suspension of Liquidation**

In accordance with section 733(d)(2) of the Act, we are directing the Customs Service to suspend liquidation of all imports of subject merchandise from Korea entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. We will instruct the Customs Service to require a cash deposit or the posting of bond equal to the weighted-average amount by which the NV exceeds the CEP, as indicated in the chart below. These suspension of liquidation instructions will remain in effect until further notice.

The weighted-average dumping margins are as follows:

Exporter/manufacturer	Weighted-average margin percentage
DC Chemical Company, Ltd. ....	8.06
All Others .....	8.06

#### **Disclosure**

The Department will disclose calculations performed within five days of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

#### **ITC Notification**

In accordance with section 733(f) of the Act, we have notified the ITC of our determination. If our final antidumping determination is affirmative, the ITC will determine whether these imports are materially injuring, or threaten material injury to, the U.S. industry. The deadline for that ITC determination would be the later of 120 days after the date of this preliminary determination or 45 days after the date of our final determination.

#### **Public Comment**

Case briefs for this investigation must be submitted no later than seven days after the date of the final verification report issued in this proceeding. Rebuttal briefs must be filed five days from the deadline date for case briefs. A list of authorities used, a table of contents, and an executive summary of issues should accompany any briefs submitted to the Department. Executive summaries should be limited to five pages total, including footnotes. *See* 19 CFR 351.309.

Section 774 of the Act provides that the Department will hold a public hearing to afford interested parties an opportunity to comment on arguments raised in case briefs, provided that such a hearing is requested by any interested party. If a request for a hearing is made

<sup>8</sup> Because DC CHEM claimed business proprietary treatment for this information, we are unable to discuss it further here. For a description of the selling functions in question, *see* the Concurrence Memorandum.

<sup>9</sup> As noted above, because DC CHEM claimed business proprietary treatment for this information, we are unable to discuss it further here. For a description of these selling functions, *see* the Concurrence Memorandum.