

content, test weight, and moisture content. Moreover, we continue to take the position that all the product characteristics selected by the Department are important for making proper comparisons in these proceedings. Therefore, for durum wheat, we have matched U.S. sales for which complete product characteristic data was reported to those home market sales also containing complete product characteristic data, given the fact that we have almost complete U.S. data and complete data on a sufficient number of home market sales. For HRS wheat, however, we would not be able to make meaningful comparisons if we were to rely on all seven product characteristics because of the incompleteness of the U.S. and home market sales databases. Accordingly, we have matched U.S. sales of HRS wheat to home market sales using only the first four product characteristics (*i.e.*, type, grade, protein content, and class). However, we note that, consistent with the methodology outlined in the Memorandum from Theresa L. Caherty and Michael P. Martin to Neal M. Halper, "Identification of Cost of Production Respondents," dated April 22, 2003 ("Cost Respondent Selection Memorandum"), which is on file in the CRU, we have excluded Canadian western extra strong wheat, Canadian prairie spring wheat, and feed wheat from the HRS wheat antidumping duty analysis due to the relatively small quantity of sales of these products to the United States during the POI.

#### Date of Sale

In its original questionnaire responses, the CWB reported home market and U.S. sales using invoice date as the date of sale. Based on the description of the sales process provided by the CWB, we note that, in the CWB's normal commercial practice, the sales invoice is normally issued after the date of shipment. Because the date of shipment almost always precedes the reported date of sale, we preliminarily determine that the date of shipment better reflects the date on which the CWB established the material terms of sale, in accordance with 19 CFR 351.401(i). Accordingly, we have relied on the date of shipment as the date of sale.

#### Export Price

For both durum wheat and HRS wheat, we calculated EP, in accordance with section 772(a) of the Act, because the merchandise was sold prior to importation by the exporter or producer outside the United States to the first unaffiliated purchaser in the United

States, or to an unaffiliated purchaser for exportation to the United States, and because constructed export price methodology was not otherwise warranted. We based EP on the in-store or C&F price to unaffiliated purchasers in the United States. We identified the starting price, where appropriate, by accounting for interest charges/allowances, cleaning allowances, cost of moving charges, late shipment storage charges, rail freight allowances, and billing adjustments, where applicable. The CWB reported agent's commissions as an adjustment to the starting price. We treated these expenses as commission expenses. See Calculation Memoranda. We also made deductions for movement expenses in accordance with section 772(c)(2)(A) of the Act. These included, where appropriate, foreign inland freight (country elevator to terminal, or Thunder Bay to St. Lawrence freight charges), rail carrier charges, hopper car charges, terminal expenses, fobbing costs (charges associated with loading the wheat onto the vessel), demurrage/despatch costs, country elevator storage expenses, freight revenue, and certain other freight charges, which, because of their proprietary nature, cannot be summarized in this notice. See Calculation Memoranda. As noted in the Calculation Memoranda, we reclassified certain expenses reported by the CWB as movement expenses as direct selling expenses.

#### Normal Value

##### A. Selection of Comparison Market

Section 773(a)(1) of the Act directs that NV be based on the price at which the foreign like product is sold in the home market, provided that the merchandise is sold in sufficient quantities (or value, if quantity is inappropriate) and that there is no particular market situation that prevents a proper comparison with the EP. In order to determine whether there is a sufficient volume of sales in the home market to serve as a viable basis for calculating NV (*i.e.*, whether the aggregate volume of home market sales of the foreign like product is equal to or greater than five percent of the aggregate volume of U.S. sales), we compared the CWB's volume of home market sales of the foreign like product to the volume of U.S. sales of the subject merchandise, in accordance with section 773(a)(1)(C) of the Act. Because the CWB'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 for the subject merchandise, we determined that the home market

was viable for both durum wheat and HRS wheat.

In the *Initiation Notice*, we determined that information reasonably available to the petitioners indicated the existence of a particular market situation—pursuant to section 773(a)(1)(C)(iii) of the Act—which rendered price comparisons between home market and U.S. prices inappropriate for purposes of determining whether to initiate these investigations. See *Initiation Notice*, 67 FR at 65949. We noted, however, that during the course of these investigations we would examine further the issue of particular market situation and, if necessary, the proper comparison markets to be used in each investigation. *Id.*

In a letter to interested parties dated February 4, 2003, we acknowledged that "[t]he existence of a government entity, the CWB, as a monopoly buyer and seller of wheat in the Canadian domestic market raised legitimate concerns that a particular market situation might exist with respect to the Canadian home market in these investigations." However, based on evidence on the records of these investigations as of that date, we did not find that the Canadian government controls prices to such an extent that they are non-competitive and inappropriate for use in our dumping analyses. Also, in past cases the Department has recognized a strong preference for using the home market in the Department's dumping calculations and, therefore, has established a high threshold for rejecting home market sales based upon a particular market situation.<sup>2</sup> In the case of durum wheat and HRS wheat, we determined that it is appropriate to collect Canadian home market sales data for use as the basis for normal value. However, we also acknowledged that a number of questions needed to be addressed before a final decision on this issue could be rendered and that any decision made on this issue was subject to change based on evidence collected in supplemental

<sup>2</sup> See *Fresh Kiwifruit from New Zealand: Final Results of Antidumping Administrative Review*, 61 FR 46438 (September 3, 1996); *Certain Cold-Rolled and Corrosion-Resistant Carbon Steel Flat Products from Korea: Final Results of Antidumping Duty Administrative Review*, 62 FR 18404 (April 15, 1997); *Notice of Final Results of Antidumping Duty Administrative Review: Furfuryl Alcohol from South Africa*, 62 FR 61804 (November 14, 1997); *Notice of Final Determination of Sales at Less than Fair Value: Fresh Atlantic Salmon from Chile*, 63 FR 31411 (June 8, 1998); *Final Results of Antidumping Duty Administrative Review: Electrolytic Manganese Dioxide from Greece*, 65 FR 68978 (November 15, 2000).