

this benefit to all lumber, not only to lumber of Crown origin, because, as we stated in the February 20, 2002, Decision Memorandum (Memorandum from Bernard Carreau, Deputy Assistant Secretary, to Faryar Shirzad, Assistant Secretary, regarding Countervailing Duty Investigation on Softwood Lumber Products from Canada), "as a practical matter it is impossible to distinguish lumber produced from private logs and lumber produced from Crown timber, once it is processed in potentially subsidized mills." We used this methodology in the exclusion process and clearly described it in the first initiation notice of the expedited reviews (*Notice of Initiation/Round 1*).

As previously stated in Comment 4 of the *November Issues and Decision Memorandum*, we believe that petitioners had ample opportunity to comment on the accuracy of this methodology during the investigation and in earlier stages of these expedited reviews, particularly when we requested comments on our proposed methodology in the first initiation notice. We received no comments on this issue; therefore, we proceeded with issuing the preliminary results for 18 companies. Petitioners commented after the publication of the *August Preliminary Results*; however, we disagreed with petitioners' position and applied the same methodology in the final results for 13 of those companies.

We find no compelling reason in petitioners' arguments to modify the methodology applied so far. In particular, petitioners have not demonstrated that—given the information that is reasonably available to the Department within the time constraints applicable to these reviews—their approach to attributing subsidies to lumber used as an input is more accurate than the approach used by the Department. Moreover, the Department finds that a change in methodology at this time could be detrimental to the companies under review, who have relied on the current methodology to make a number of decisions, such as whether or not to withdraw from the expedited reviews and whether or not to apply for an upstream analysis. For all these reasons, we are continuing to apply the province-wide stumpage benefit to a unit of lumber in these preliminary results, as we did in the *August Preliminary Results* and the investigation.

Comment 3: Whether Group 1 Companies That Did Not Request an Analysis of Whether They Benefitted From Subsidies Bestowed on Their Inputs Should Be Able To Reassess This

Decision. Landmark Truss & Lumber Inc. (Landmark) and its subsidiaries Frontier Mills Inc. and Fraser Pacific Forest Products Inc. maintain that they did not request an analysis of whether they benefitted from subsidies bestowed on their inputs based on their understanding that the final results for Group 1 companies would be issued within the time frames previously announced by the Department. Furthermore, Landmark understood that any results based on an analysis of whether they benefitted from subsidies bestowed on their inputs would not be issued until after the final results of Group 2 companies.

Landmark notes that petitioners have argued in their case brief that the final results of expedited reviews for all companies should be issued simultaneously. Landmark asserts that if the Department decides not to follow its schedule for Group 1 companies and instead issues all expedited reviews simultaneously, then Group 1 companies with the same circumstances as Landmark should be allowed to reassess their decision with respect to requesting an analysis of whether subsidies bestowed on their inputs benefitted them.

Landmark also notes that the Government of Canada (GOC) has argued in case briefs submitted during the course of this proceeding that an analysis of whether the companies benefitted from subsidies bestowed on their inputs should not extend the existing timelines for the expedited reviews and that the Department should issue a proposed methodology for the conduct of this type of analysis. If the Department agrees to complete the analysis on the established schedule or if the Department issues a proposed methodology for the conduct of this type of analysis, Landmark submits that companies similarly situated should be given the opportunity to reassess their decision and to request such an analysis.

Department's Position: In their September 6, 2002, case brief at page 16, the GOC maintained that the Department should allow companies purchasing inputs through arm's length transactions to request expedited reviews subsequent to initiation of the expedited reviews. In the *November Final Results*, we emphasized that allowing other companies to request expedited reviews at that time would complicate and delay an already elaborate and cumbersome process. Similarly, giving companies the opportunity to reassess and request an analysis of whether subsidies bestowed on their inputs benefitted them at this

stage in the expedited review process, as Landmark suggests, would further complicate and delay the expedited review process. Therefore, we are not adopting these suggestions.

II. Individual Company Comments

Comment 1: Antrim Cedar

Corporation. Petitioners assert that Antrim Cedar's exclusion request in the underlying investigation indicated that it was a reseller of lumber during the POR, however, in these expedited reviews, Antrim reported that it had no resales of logs or lumber.

Department's Position: Antrim's application and subsequent questionnaire responses indicate resales of subject merchandise. However, as indicated above, we are rescinding Antrim's expedited review. The basis of our determination with respect to Antrim's expedited review is explained in the "Partial Recission" section of this notice.

Comment 2: Central Cedar Ltd.

Petitioners contend that the total value of all sales of subject merchandise reported in Central Cedar's exclusion request differs from the amount reported in its expedited review application.

Department's Position: The exclusion request was in a different segment of the proceeding from these expedited reviews. Therefore, the figures provided in the two segments of the proceeding are not directly comparable. The numbers reported for purposes of these expedited reviews are F.O.B. values and we have sent several questionnaires to the companies clarifying exactly how the sales data should be derived for purposes of these expedited reviews. Companies have provided the clarified data to the Department and we have used it in these preliminary results.

Comment 3: Fraser Pacific Forest Products. Petitioners contend that in the exclusion process, Fraser reported that it was a wholly-owned subsidiary of Landmark Truss and reported total sales of subject merchandise for itself and its affiliated companies. However, petitioners point out that in these expedited reviews, Landmark Truss by itself claimed total sales of subject merchandise without mention of any affiliates. Petitioners assert that the sum of total sales of subject merchandise for these three companies' expedited review applications is a substantial increase over the amount reported for total sales of subject merchandise in the exclusion process.

Department's Position: Fraser Pacific Forest Products has reported in these expedited reviews that it is a wholly-owned subsidiary of Landmark and also cross-owned with Frontier Mills. In