

Affiliated Party Sales in the Ordinary Course of Trade, 67 FR 69186, (November 15, 2002). SIW's sales to its affiliated end-user customer did not fall within that range and were excluded from our analysis. SIW's sales to its affiliated reseller fell within that range, and so for the purposes of the preliminary determination, we have included SIW's sales to its affiliated reseller in the determination of NV. However, we are continuing to review SIW's reporting of its home market sales to its affiliated reseller. On July 10, 2003, we issued a second supplemental questionnaire requesting additional information regarding these sales. The due date for submission of this information is July 17, 2003.

E. Level of Trade/Constructed Export Price Offset

In accordance with section 773(a)(1)(B) of the Act, to the extent practicable, we determine NV based on sales in the comparison market at the same level of trade as the EP or CEP transaction. The NV level of trade is that of the starting-price sales in the comparison market. For CEP transactions, it is the level of the constructed sale from the exporter to the importer.

To determine whether NV sales are at a different level of trade than the CEP transactions, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. If the comparison-market sales are at a different level of trade 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 level of trade of the export transaction, we make a level-of-trade adjustment under section 773(a)(7)(A) of the Act.

In implementing these principles in this investigation, we obtained information from SIW about the marketing stages involved for the reported U.S. and home market sales, including a description of the selling activities performed by the respondents for each channel of distribution. In identifying levels of trade for home market sales we considered the selling functions reflected in the starting price before any adjustments. For CEP sales, we considered only the selling activities reflected in the price after the deduction of expenses pursuant to section 772(d) of the Act.

In conducting our level-of-trade analysis for the respondent, we examined the specific types of customers, the channels of distribution,

and the selling practices of the respondent. Generally, if the reported levels of trade are the same, the functions and activities of the seller should be similar. Conversely, if a party reports levels of trade that are different for different categories of sales, the functions and activities may be dissimilar. The following is a discussion of our findings.

SIW has two channels of distribution in the home market: (1) Direct sales to end customers, and (2) sales to an affiliated reseller. SIW's selling functions, such as engineering services, advertising, packing, and technical assistance, are identical for both channels of distribution in the home market. Therefore, sales through both of these channels are made at the same level of trade (LOT 0). In the U.S. market, SIW has two channels of distribution: (1) Direct sales, and (2) inventory sales. SIW's selling functions, such as advertising, packing, and freight and delivery, are identical for these two channels of distribution. Therefore, all of SIW's U.S. sales are CEP sales made at the same level of trade (LOT 1).

With regard to the U.S. sales, we considered only the selling activities reflected in the price after the deduction of expenses and profit covered in section 772(d) of the Act. After we deducted the expenses and profit covered in section 772(d), we determined that SIW performs more selling functions for sales made in the home market, than for sales made to its U.S. affiliate, Cementhai SCT USA. In the home market SIW provides additional selling functions, such as engineering services and technical assistance, processing rebates and cash discounts, performing sales forecasting, strategic planning and marketing research, and employing direct sales and marketing personnel.

There is only one level of trade in the home market and we have no other appropriate information on which to determine if there is a pattern of consistent price differences between the sales on which NV is based and comparison market sales at the level of trade of the export transactions. As a result, we are granting a CEP offset pursuant to section 773(a)(7)(B) of the Act.

Currency Conversions

We made currency conversions into U.S. dollars in accordance with section 773A of the Act based on exchange rates in effect on the dates of the U.S. sale, as obtained from the Federal Reserve Bank (the Department's preferred source for exchange rates).

Critical Circumstances

On June 17, 2003, petitioners alleged that there is a reasonable basis to believe or suspect critical circumstances exist with respect to the antidumping investigations of PC strand from Thailand. In accordance with 19 CFR 351.206(c)(2)(i), because petitioners submitted critical circumstances allegations more than 20 days before the scheduled date of the preliminary determination, the Department must issue preliminary critical circumstances determinations not later than the date of the preliminary determination.

Section 733(e)(1) of the Act provides that the Department, upon receipt of a timely allegation of critical circumstances, will determine whether there is a reasonable basis to believe or suspect that: (A)(i) There is a history of dumping and material injury by reason of dumped imports in the United States or elsewhere of the subject merchandise, or (ii) the person by whom, or for whose account, the merchandise was imported knew or should have known that the exporter was selling the subject merchandise at less than its fair value and there was likely to be material injury by reason of such sales, and (B) there have been massive imports of the subject merchandise over a relatively short period.

According to 19 CFR 351.206(h)(1), in determining whether imports of the subject merchandise have been "massive," the Department normally will examine: (i) The volume and value of the imports; (ii) seasonal trends; and (iii) the share of domestic consumption accounted for by the imports. In addition, 19 CFR 351.206(h)(2) provides that "unless the imports during a 'relatively short period' have increased by at least 15 percent over the imports during an immediately preceding period of comparable duration, the Secretary will not consider the imports massive."

In accordance with 19 CFR 351.206(i) the Department defines "relatively short period" as generally the period beginning on the date the proceeding begins (*i.e.*, the date the petition is filed) and ending at least three months later. This section further provides that, if the Department finds that importers, exporters or producers had reason to believe at some time prior to the filing of the petition that a proceeding was likely, then the Department may consider a period of not less than three months from that earlier time.

In determining whether the above statutory criteria have been satisfied, we examined: (1) The evidence presented in the petitioners' submission of June 17, 2003; (2) exporter-specific shipment