

and (4) customer base. *See, e.g., Brass Sheet and Strip from Canada: Final Results of Antidumping Duty Administrative Review*, 57 FR 20460 (May 13, 1992) ("Brass from Canada"); *Steel Wire Strand for Prestressed Concrete from Japan: Final Results of Changed Circumstances Antidumping Duty Administrative Review*, 55 FR 28796 (July 13, 1990); and *Industrial Phosphoric Acid From Israel: Final Results of Antidumping Duty Changed Circumstances Review*, 59 FR 6944 (February 14, 1994). While examining these factors alone will not necessarily provide a dispositive indication of succession, the Department will generally consider one company to have succeeded another if that company's operations are essentially inclusive of the predecessor's operations. *See Brass from Canada*. Thus, if the evidence demonstrates, with respect to the production and sale of the subject merchandise, that the new company is essentially the same business operation as the former company, the Department will assign the new company the cash deposit rate of its predecessor.

The evidence on the record, including Uginé's company brochures, customer lists, and lists of suppliers, including those in Uginé's successorship responses, demonstrates that with respect to the production and sale of the subject merchandise, Uginé & ALZ France is the successor to Uginé. Specifically, the evidence shows that Uginé & ALZ France has the same SSSS production facilities, and most of the same customers, suppliers, and management, as Uginé had. At verification, we confirmed that Uginé's production facilities, customers, and suppliers had not changed. *See Home Market Verification Report*, at pages 12–13. We reviewed Uginé's organizational structure before and after the acquisition of its parent company by Arcelor and confirmed that there was only minimal changes. *See id.* Furthermore, we reviewed documentation at verification to support the name change, including the registration of the new name. *See id.*, at Exhibit 5. Therefore, we preliminarily find that Uginé & ALZ France is the successor to Uginé for purposes of this proceeding, and for the application of the antidumping law.

Normal Value Comparisons

To determine whether Uginé's sales of subject merchandise from France to the United States were made at less than fair value, we compared the CEP to the normal value ("NV"), as described in the "Constructed Export Price" and "Normal Value" sections of this notice, below. In accordance with section

777A(d)(2) of the Act, we calculated monthly weighted-average prices for NV and compared these to individual CEP transactions.

Transactions Reviewed

A. Home Market Viability

In accordance with section 773(a)(1)(C) of the Act, to determine whether there was sufficient volume of sales in the home market to serve as a viable basis for calculating NV (*i.e.*, the aggregate volume of home market sales of the foreign like product is greater than or equal to five percent of the aggregate volume of U.S. sales), we compared Uginé's volume of home market sales of the foreign like product to the volume of U.S. sales of the subject merchandise. Pursuant to sections 773(a)(1)(B) of the Act, because Uginé'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 determine that the home market was viable.

B. Arm's Length Test

Uginé reported that it made sales in the home market to affiliate end users and resellers during the POR. Sales to affiliated customers in the home market not made at arm's length were excluded from our analysis. To test whether these sales were made at arm's length, we compared the starting prices of sales to affiliated and unaffiliated customers net of all movement charges, direct selling expenses, discounts and packing. Where prices to the affiliated party were on average 99.5 percent or more of the price to the unrelated party, we determined that sales made to the related party were at arm's length. *See* 19 CFR 351.403(c).¹¹ Where no affiliated customer ratio could be calculated because identical merchandise was not sold to unaffiliated customers, we were unable to determine that these sales were made at arm's length and, therefore, excluded them from our analysis. *See, e.g., Notice of Preliminary Results of Antidumping Duty Administrative Review: Stainless Steel Plate in Coils from Italy*, 67 FR 39677, 39679 (June 10, 2002). Where the exclusion of such sales eliminated all sales of the most appropriate comparison product, we made comparisons to the next most similar model. In our home market NV calculation, we have included Uginé's

sales to certain of its affiliated customers because these entities passed the Department's arm's length test criteria. Conversely, certain other affiliated customers did not pass the arm's length test and have therefore been excluded from our home market NV calculation. For a further discussion of home market sales made by Uginé to one affiliated reseller who failed the arm's length test, please *see* the "Facts Available" section below.

C. Date of Sale

As stated at 19 CFR 351.401(i), the Department will use the respondent's invoice date as the date of sale unless another date better reflects the date upon which the exporter or producer establishes the essential terms of sale. Uginé explained that both the U.S. market's and HM's prices and quantities may be modified between the date of the initial order and the date of shipment.¹² Uginé explained that price may be modified to reflect changing market conditions. Uginé also explained that quantities may be modified when the customer's needs change between the initial order and shipment, or when Uginé's production exceeds the initial order quantity by more than the agreed-upon tolerance and the customer agrees to accept the additional quantity.¹³

Home Market

For all home market sales, Uginé reported the earlier of the date of invoice or date of shipment to its customers as the date of sale. Uginé reported that it had significant changes to price and volume between the contract date and invoice date during the first half of 2002.¹⁴ Therefore, the Department is using Uginé's invoice date as the date of sale for the preliminary results.

U.S. Market

For all U.S. market sales, Uginé reported two sets of sale to the Department: the earlier of the date of invoice or date of shipment to its customer; and order (contract) date. Uginé reported that there were changes to the price and volume between the contract date and invoice date during the first half of 2002.¹⁵ At verification, Uginé revised upward the percentage of changes to the price and volume due to a programming error in its analysis.¹⁶

¹² *See* Uginé's January 29, 2003, supplemental Section A questionnaire response, at 20.

¹³ *Id.* Also, *see Home Market Verification Report, U.S. Sales Report I, and U.S. Sales Report II.*

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ *See Home Market Verification Report*, at Exhibit 28.

¹¹ Because this review was initiated before November 23, 2002, the 99.5 percent test applies to this review. *See Antidumping Proceedings: Affiliated Party Sales in the Ordinary Course of Trade*, 67 FR 69186, 69197 (November 15, 2002).