

II, Office 4, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

On September 7, 2001, the Department issued an antidumping duty order on rebar from Korea. See *Antidumping Duty Orders: Steel Concrete Reinforcing Bars From Belarus, Indonesia, Latvia, Moldova, People's Republic of China, Poland, Republic of Korea and Ukraine*, 66 FR 46777 (September 7, 2001). On September 3, 2002, the Department published a notice of opportunity to request the first administrative review of this order. See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 67 FR 56267 (September 3, 2002). On September 30, 2002, in accordance with 19 CFR § 351.213(b), DSM requested an administrative review. On October 24, 2002, the Department published the notice of initiation of this administrative review, covering the period January 30, 2001, through August 31, 2002. See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 67 FR 65336 (October 24, 2002).

On October 18, 2002, the Department issued a questionnaire to DSM. On November 15, 2002, DSM notified the Department that its corporate structure had changed since the less-than-fair-value ("LTFV") investigation and that it is no longer affiliated with KISCO. DSM stated that it should not be required to submit information regarding KISCO's sales or costs of production, and that it would respond to the Department's questionnaire with only its own data. We received timely responses to Sections A-D of the initial questionnaire in November and December 2002. The Department issued supplemental questionnaires for Sections A-D, in addition to questions regarding the relationship between DSM and KISCO, from January through April 2003. We received timely responses from DSM from February through May 2, 2003.

Because it was not practicable to issue the preliminary results of this review within the normal time frame, on June 3, 2003, we published in the Federal Register our notice of the extension of time limits for these preliminary results. See *Steel Concrete Reinforcing Bars from Republic of Korea: Notice of Postponement of Preliminary Results of Antidumping Duty Administrative Review*, 68 FR 33105 (June 3, 2003).

This extension established the deadline for these preliminary results as September 30, 2003.

On May 7, 2003, the Department released to DSM the results of a query of entry data obtained from the BCBP, and requested that DSM verify that all sales through an affiliated company were included in the sales data set submitted to the Department. In response, on May 14, 2003, DSM submitted additional U.S. sales, some of which had been previously unreported. On May 27, 2003, the petitioner¹ objected to the additional sales contained in DSM's May 14, 2003 letter, stating that such sales constitute untimely submitted new factual information and should be removed from the record. On June 2, 2003, DSM submitted comments objecting to the petitioner's request that the additional sales be stricken from the record. On June 23, 2003, the petitioner rebutted DSM's June 2, 2003 submission.

On August 6, 2003, the Department instructed DSM to remove the additional sales from its May 14, 2003 submission and delete all references to those sales from its June 2, 2003 submission. On August 11, 2003, DSM submitted a letter objecting to the removal of the additional sales it had reported. DSM argued that the rejected information was an appropriate and necessary response to questions posed in the Department's May 7, 2003 letter. On August 12, 2003, DSM submitted redacted versions of its May 14, 2003 and June 2, 2003 letters, as well as a revised version of its May 14, 2003 letter. The revised version of DSM's May 14, 2003 letter contains a reconciliation worksheet which shows that DSM's previously reported sales and the additional sales reported on May 14, 2003, sum to the total quantity of entries identified by the BCBP data query.

After reviewing the arguments contained in DSM's August 11 and August 12, 2003 submissions, the Department has decided to accept DSM's additional U.S. sales, as reported in its revised May 14, 2003 submission, and include them in our margin calculation for purposes of the preliminary determination. See DSM's May 14, 2003 submission at Attachment III. On September 12, 2003, the Department collapsed DSM and KISCO into a single entity for the purposes of this administrative review. See Memorandum from Thomas F. Futtner, Acting Office Director to Holly A. Kuga,

¹ The petitioner in this administrative review is the Rebar Trade Action Coalition and its individual members (collectively, the "petitioner").

Acting Deputy Assistant Secretary Group II, "Decision Memorandum: Whether to Collapse Dongkuk Steel Mill Co., Ltd., and Korea Iron and Steel Co., Ltd., Into a Single Entity," dated September 12, 2003 ("Collapsing Memorandum"), on file in the Central Records Unit, Room B-099 of the Main Commerce Building ("CRU"). On September 15, 2003, we issued the antidumping questionnaire to KISCO. Since the questionnaire was released to KISCO approximately two weeks before the fully extended deadline for the preliminary results, KISCO's sales and costs of production data are not available for inclusion in these preliminary results. For this reason, the preliminary results are based only upon DSM's data. We will provide the petitioner an opportunity to comment on KISCO's questionnaire responses and will include KISCO's information in our final results of review.

Scope of the Review

The product covered by this administrative review is all rebar sold in straight lengths, currently classifiable in the Harmonized Tariff Schedule of the United States ("HTSUS") under item number 7214.20.00 or any other tariff item number. Specifically excluded are plain rounds (*i.e.*, non-deformed or smooth bars) and rebar that has been further processed through bending or coating. The HTSUS subheadings are provided for convenience and customs purposes. The written description of the scope of this proceeding is dispositive.

Verification

Pursuant to 19 CFR § 351.307, the Department will conduct verification of the information and data submitted by DSM and KISCO prior to the final results of administrative review.

Fair Value Comparisons

To determine whether sales of rebar in the United States were made at LTFV, we compared USP to NV, as described in the "Constructed Export Price" and "Normal Value" sections of this notice. In accordance with section 777A(d)(2) of the Tariff Act of 1930, as amended ("the Act"), we calculated monthly weighted-average NVs and compared these to individual U.S. transactions.

Constructed Export Price

We calculated the constructed export price ("CEP") in accordance with subsection 772(b) of the Act, because the subject merchandise was first sold in the United States by Dongkuk International Inc. ("DKA"), a U.S. seller affiliated with DSM, to a purchaser not affiliated with the producer, DSM. We