

ounces is within the scope of the antidumping and countervailing duty orders. See *Memorandum from John Brinkmann to Richard Moreland*, dated May 24, 1999, in the case file in the Central Records Unit, main Commerce building, room B-099 ("CRU").

#### Initiation of Changed Circumstances

In November 2002, Koc Group, a Turkish conglomerate, and Pastavilla's parent company, announced its intent to reorganize and merge its four food-producing subsidiaries. On June 25, 2003, the Shareholders' General Assemblies for Tat and Pastavilla approved the merger. The merger plan called for three of the Koc Group companies to be merged into a fourth Koc Group company, Tat, a tomato products producer. The companies merged into Tat included: Pastavilla, a pasta producer; Maret Marmara Besicilik ve Et Sanayi ve Ticaret A.S., a meat processor; and Sek Süt Endustrisi Kurumu, a dairy products producer. On that same day, Tat's General Assembly approved amendments to Tat's articles of incorporation to include the operations of the merged companies. Therefore, the reorganization of the Koc companies was completed on June 25, 2003.

In the course of this reorganization, Tat acquired Pastavilla as an ongoing concern, *i.e.*, Tat took over Pastavilla's factory, operations, management, trade names (Pastavilla; Lunch & Dinner; and Kartal), and also all of Pastavilla's liabilities. Tat then began producing pasta using the same products, from the same suppliers, the same personnel and equipment, and selling them under the same brand names, to the same customers through the same channels, using the same management team as its predecessor, Pastavilla. On September 24, 2003, Tat advised the Department of the details of the reorganization, and requested that the Department conduct a changed circumstances review to determine that Tat is the successor-in-interest to Pastavilla.

Based on the information provided by Tat, and in accordance with section 751(b)(1) of the Tariff Act of 1930, as amended ("the Act") and 19 CFR 351.216(d) of the Department's regulations, the Department has determined that there is a sufficient basis to initiate a changed circumstances review to determine whether Tat is the successor-in-interest to Pastavilla.

#### Preliminary Results

In making a successor-in-interest determination, the Department examines several factors including, but

not limited to, changes in: (1) Management; (2) production facilities; (3) supplier relationships; and (4) customer base. See, *e.g.*, *Brass Sheet and Strip from Canada: Notice of Final Results of Antidumping Administrative Review*, 57 FR 20460 (May 13, 1992) ("*Canadian Brass*"). While no one or several of these factors will necessarily provide a dispositive indication, the Department will generally consider the new company to be the successor to the previous company if its resulting operation is not materially dissimilar to that of its predecessor. See, *e.g.*, *Industrial Phosphoric Acid from Israel: Final Results of Changed Circumstances Review*, 59 FR 6944 (February 14, 1994) and *Canadian Brass*, 57 FR 20460. Thus, if the evidence demonstrates that, with respect to the production and sale of the subject merchandise, the new company operates as the same business entity as the former company, the Department will assign the new company the cash deposit rate of its predecessor.

We preliminarily determine that Tat is the successor-in-interest to Pastavilla. In its September 24, 2003 submission, Tat provided evidence illustrating that its production continues with the same equipment, the same management, the same raw materials purchased from the same suppliers, and the same production process, as Pastavilla. Tat also provided evidence that it continues to sell the same products to the same customers to which Pastavilla previously sold. Documentation attached to Tat's September 24, 2003 submission supports its claims that the acquisition of Pastavilla resulted in little or no changes in the production facilities, supplier relationships, customer base, or management. This documentation consisted of: (1) An independent valuation report which included, *inter alia*, Pastavilla's land, factory and trademark names; (2) Pastavilla's and Tat's Shareholders' General Assemblies and Board of Directors approval of the merger; (3) the merger agreement; (4) amendments to Tat's articles of incorporation; (5) Tat and Pastavilla's price lists; (6) Pastavilla's supplier lists, including Tat's list of affiliates; (6) Pastavilla's distributor lists; (7) Pastavilla, Koc Group, and Tat's sales history, and product catalogs; and (8) other documents supporting the transfer of assets and liabilities from Pastavilla to Tat. The documentation described above demonstrates that: (1) Substantially all employees of Pastavilla, including management, have been transferred to Tat; (2) the business was sold as a going concern; and (3)

there was little to no change in management structure, supplier relationships, production facilities, or customer base.

When it concludes that expedited action is warranted, the Department may publish the notice of initiation and preliminary results in a changed circumstances review concurrently. See 19 CFR 221(c)(3)(ii). The Department has determined that such action is warranted in this instance because Tat has provided *prima facie* evidence that it is the successor-in-interest to Pastavilla.

For these reasons, we preliminarily find that Tat is the successor-in-interest to Pastavilla and, thus, should receive the same antidumping and countervailing duty treatment with respect to certain pasta from Turkey as the former Pastavilla.

#### Public Comment

Any interested party may request a hearing within 30 days of publication of this notice. Any hearing, if requested, will be held no later than 44 days after the date of publication of this notice, or the first workday thereafter. Case briefs from interested parties may be submitted not later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to the issues raised in those comments, may be filed not later than 37 days after the date of publication of this notice. All written comments shall be submitted in accordance with 19 CFR 351.303. Persons interested in attending the hearing, if one is requested, should contact the Department for the date and time of the hearing. The Department will publish the final results of this changed circumstances review, in accordance with 19 CFR 351.216(e), including the results of its analysis of issues raised in any written comments.

We are issuing and publishing these results and notice in accordance with sections 751(b)(1) and 777(i)(1) and (2) of the Act and section 19 CFR 351.216.

Dated: November 10, 2003.

**James J. Jochum,**

*Assistant Secretary for Import Administration.*

[FR Doc. 03-28672 Filed 11-14-03; 8:45 am]

BILLING CODE 3510-DS-P