

under section 751 concerning the subject merchandise." See Statement of Administrative Action (SAA) accompanying the Uruguay Round Agreements Act, H.R. Doc. No. 103-316 at 870 (1994) and 19 CFR 351.308(d). The SAA clarifies that "corroborate" means that the Department will satisfy itself that the secondary information to be used has probative value. See the SAA at 870. The SAA also states that independent sources used to corroborate such evidence may include, for example, published price lists, official import statistics, customs data, and information obtained from interested parties during the particular investigation. See the SAA at 870.

In order to determine the probative value of the margins in the petition for use as AFA for purposes of this determination, we examined evidence supporting the calculations in the petition. We reviewed the adequacy and accuracy of the information in the petition during our pre-initiation analysis of the petition, to the extent appropriate information was available for this purpose. See the May 22, 2003, *Initiation Checklist*, on file in the Central Records Unit (CRU), Room B-099, of the Main Commerce Department building, for a discussion of the margin calculations in the petition. In accordance with section 776(c) of the Act, to the extent practicable, we examined the key elements of the export price (EP) and NV calculations on which the margins in the petition were based.

In order to corroborate the petition's EP calculations, we compared the prices in the petition for CTVs to the prices submitted by the mandatory respondents. In order to corroborate the petitioners' NV calculation, we compared the petitioners' factor consumption and/or surrogate value data for CTVs to the data reported by the respondents for the most significant factors—color picture tubes (CPTs), cabinets, woofer speakers, remotes with tuners, other parts and components, electricity, factory overhead, selling, general, and administrative (SG&A) expenses, profit, and packing expenses—and to surrogate values selected by the Department for the preliminary determination, as discussed below.

As discussed in the November 21, 2003, memorandum from the team to the file entitled "Corroboration of Data Contained in the Petition for Assigning an Adverse Facts Available Rate," we found the U.S. price and factors of production information in the petition to be reasonable and of probative value. As a number of the surrogate values

selected for the preliminary determination differed from those used in the petition, we compared the petition margin calculations to the calculations based on the selected surrogate values wherever possible and found they were reasonably close. Therefore, we preliminarily determine that the petition information has probative value. Accordingly, we find that the highest margin stated in the notice of initiation, 78.45 percent, is corroborated within the meaning of section 776(c) of the Act. For further discussion, see the November 21, 2003, memorandum from the team to the file entitled "Corroboration of Data Contained in the Petition for Assigning an Adverse Facts Available Rate."

#### Fair Value Comparisons

To determine whether sales of CTVs from the PRC were made at LTFV, we compared the EP or constructed export price (CEP) to the NV, as described in the "Export Price/Constructed Export Price," and "Normal Value" sections of this notice, below. In accordance with section 777A(d)(1)(A)(i) of the Act, we compared POI-wide weighted-average EPs and CEPs by product to the appropriate product-specific NV.

#### Export Price/Constructed Export Price

##### A. Changhong

For Changhong, we used EP methodology in accordance with section 772(a) of the Act because the subject merchandise was sold directly to unaffiliated customers in the United States prior to importation and CEP methodology was not otherwise appropriate. We based EP on the packed FOB PRC port or CIF U.S. port prices to unaffiliated purchasers in the United States, as appropriate. We made deductions for movement expenses, in accordance with 772(c)(2)(A) of the Act; these included, where appropriate, foreign inland freight, foreign brokerage and handling, ocean freight, and marine insurance. As certain of these movement services were provided by NME suppliers, we valued them using Indian rates. For further discussion of our use of surrogate data in an NME proceeding, as well as selection of India as the appropriate surrogate country, see the "Normal Value" section of this notice, below.

With respect to ocean freight, Changhong asserted that it used both PRC and market-economy suppliers for its shipments of CTVs. However, based on Changhong's submitted information, we could only establish that one of Changhong's market-economy carriers charged market-economy prices.

Specifically, Changhong's questionnaire responses indicate that, for Changhong's remaining market-economy carriers, ocean freight was paid to a PRC company, not a market-economy supplier. Therefore, we valued ocean freight expenses for Changhong's remaining market-economy carriers, as well as its PRC carriers, using the substantiated market-economy carrier's rates. For further discussion, see the November 21, 2003, memorandum from Elizabeth Eastwood to the file entitled, "U.S. Price and Factors of Production Adjustments for Sichuan Changhong Electric Co., Ltd. for the Preliminary Determination."

Where appropriate, we adjusted the values to reflect inflation up to the POI using the wholesale price indices (WPI) or the purchase price indices (PPI) published by the International Monetary Fund (IMF), as appropriate.

##### B. Konka

For Konka, we used EP methodology in accordance with section 772(a) of the Act because the subject merchandise was sold directly to unaffiliated customers in the United States prior to importation and CEP methodology was not otherwise appropriate. We based EP on the packed FOB PRC port prices to unaffiliated purchasers in the United States, as appropriate. We made deductions for movement expenses, in accordance with 772(c)(2)(A) of the Act; these included, where appropriate, foreign inland freight and foreign brokerage and handling. As certain of these movement services were provided by NME suppliers, we valued them using Indian rates. For further discussion of these values, see the "Normal Value" section of this notice, below.

##### C. TCL

For TCL, we used EP methodology in accordance with section 772(a) of the Act because the subject merchandise was sold directly to unaffiliated customers in the United States prior to importation and CEP methodology was not otherwise appropriate. In accordance with our practice, we excluded sales made to the United States through a Japanese reseller as well as a sample sale to the United States from our analysis for purposes of the preliminary determination because they were made in small quantities. See, e.g., *Notice of Preliminary Determination of Sales at Less Than Fair Value: Hot-Rolled Flat-Rolled Carbon-Quality Steel Products from Japan*, 64 FR 8291, 8295 (Feb. 19, 1999) and *Notice of Preliminary Determination of Sales at Not Less Than*