

submitted pre-verification comments. From September 12–September 19, 2003, the Department conducted the home market sales verification of the questionnaire responses of Ta Chen Stainless Pipe Co., Ltd. (“Ta Chen”) and Ta Chen International, Inc. (“TCI”). From September 22–September 25, 2003, the Department conducted the U.S. sales verification of the questionnaire responses of Ta Chen and TCI. On October 24, 2003, the Department extended the final results of this review by 35 days until December 10, 2003. See *Certain Stainless Steel Butt-Weld Pipe Fittings from Taiwan: Extension of Final Results of Antidumping Duty Administrative Review*, 68 FR 60915, (October 24, 2003). We invited parties to comment on the *Preliminary Results*. We received written comments on October 29, 2003 from petitioners and from Ta Chen. On November 5, 2003, we received rebuttal comments from petitioners and Ta Chen. On November 12, 2003, we received a supplemental brief from petitioners covering issues relating to verification exhibits that were not served on them until November 3, 2003. On November 12, 2003, we received a letter from Ta Chen clarifying its initial brief filed on October 29, 2003. On November 17, 2003, we received comments from Ta Chen rebutting petitioners’ supplemental brief filed on November 12, 2003.

The Department is conducting this administrative review in accordance with section 751 of the Act.

Scope of the Review

The products subject to this administrative review are certain stainless steel butt-weld pipe fittings, whether finished or unfinished, under 14 inches inside diameter. Certain welded stainless steel butt-weld pipe fittings (“pipe fittings”) are used to connect pipe sections in piping systems where conditions require welded connections. The subject merchandise is used where one or more of the following conditions is a factor in designing the piping system: (1) Corrosion of the piping system will occur if material other than stainless steel is used; (2) contamination of the material in the system by the system itself must be prevented; (3) high temperatures are present; (4) extreme low temperatures are present; and (5) high pressures are contained within the system.

Pipe fittings come in a variety of shapes, with the following five shapes the most basic: “Elbows”, “tees”,

“reducers”, “stub ends”, and “caps.” The edges of finished pipe fittings are beveled. Threaded, grooved, and bolted fittings are excluded from this review. The pipe fittings subject to this review are classifiable under subheading 7307.23.00 of the Harmonized Tariff Schedule of the United States (“HTSUS”).

Although the HTSUS subheading is provided for convenience and customs purposes, our written description of the scope of this review is dispositive. Pipe fittings manufactured to American Society of Testing and Materials specification A774 are included in the scope of this order.

Partial Rescission of Review

In the *Preliminary Results*, the Department issued a notice of intent to rescind the review with respect to Liang Feng Stainless Steel Fitting Co., Ltd. (“Liang Feng”), and Tru-Flow Industrial Co., Ltd. (“Tru-Flow”) as we found that there were no entries of subject merchandise during the POR. See *Preliminary Results* at 40638–40639. On September 17, 2003, the Department conducted a sales verification at the offices and production facilities of Tru-Flow and found no information inconsistent with their response that they had no shipments to the United States. See *Verification of Tru-Flow Industrial Co., Ltd. in the Antidumping Administrative Review of Certain Stainless Steel Butt-Weld Pipe Fittings from Taiwan*, (October 22, 2003). As the Department received no comments on this issue and no additional evidence has arisen, the Department is rescinding the review with respect to Liang Feng and Tru-Flow.

Analysis of Comments Received

All issues raised in the case briefs, as well as the Department’s findings, in this administrative review are addressed in the *Issues and Decision Memorandum for the Administrative Review of Stainless Steel Butt-Weld Pipe Fittings from Taiwan: June 1, 2001 through May 31, 2002* (“*Decision Memorandum*”), dated December 10, 2003, which is hereby adopted by this notice. A list of the issues raised and to which we have responded, all of which are in the *Decision Memorandum*, is attached to this notice as Appendix I. Parties can find a complete discussion of all issues raised in this review and the corresponding recommendations in this public memorandum which is on file at the U.S. Department of Commerce, in the Central Records Unit, in room B–099. In addition, a complete version of the *Decision Memorandum* can be accessed directly on the Web at

<http://www.ia.ita.doc.gov>. The paper copy and electronic version of the public version of the *Decision Memorandum* are identical in content.

Sales Below Cost in the Home Market

As discussed in more detail in the *Preliminary Results*, the Department disregarded home market below-cost sales that failed the cost test in the final results of review.

Changes Since the Preliminary Results

A list of the issues which parties have raised and to which we have responded, all of which are in the *Decision Memorandum*, is attached to this notice as Appendix I. Based on our analysis of the comments received, we have made certain changes in the margin calculation, as discussed in the *Decision Memorandum*, accessible in B–099. The changes are as follows:

- The Department has adjusted the values reported for home market packing and U.S. packing to reflect the minor correction to Ta Chen’s packing labor ratio.
- The Department has adjusted the values reported for home market indirect selling expenses for home market sales.
- The Department has included in the indirect expenses incurred in the home market for U.S. sales (“DINDIRSU”) that were reported but not used in the preliminary results of review. See Comment 8 of the *Decision Memorandum*.
- The Department has adjusted the reported values for marine insurance, harbor maintenance fee, and United States customs duty for one invoice in the U.S. sales listing to reflect a minor correction made at verification.
- The Department has adjusted the U.S. repacking expense and the warehouse expenses for all sales out of TCI inventory to reflect the minor correction made at verification.
- The Department has adjusted the imputed credit expense for U.S. sales that are shipped directly from Taiwan to the unaffiliated customer to reflect changes explained in Comment 7 of the *Decision Memorandum* accompanying this notice.
- The Department has adjusted the U.S. indirect selling expense calculation to include TCI’s cost of financing.

Final Results of the Review

We determine that the following percentage weighted-average margin exists for the period June 1, 2001 through May 31, 2002:

Taylor Forge Stainless, Inc., collectively (“petitioners”).