

NPA: The Advocacy and Resources Corp.
(ARC), Cookeville, Tennessee
Beverly L. Milkman,
Executive Director.
[FR Doc. 96-19700 Filed 8-1-96; 8:45 am]
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DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[Docket 61-96]

Foreign-Trade Zone 17—Kansas City, Kansas Area Application for Expansion

An application has been submitted to the Foreign-Trade Zones Board (the Board) by the Greater Kansas City Foreign Trade Zone, Inc., grantee of Foreign-Trade Zone 17, requesting authority to expand its zone in the Kansas City, Kansas area, adjacent to the Kansas City, Missouri, Customs port of entry. The application was submitted pursuant to the provisions of the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a-81u), and the regulations of the Board (15 CFR Part 400). It was formally filed on July 24, 1996.

FTZ 17 was approved on December 20, 1973 (Board Order 97, 39 FR 26, 1/2/74) and expanded on January 31, 1989 (Board Order 428, 54 FR 5992, 2/7/89) and January 15, 1993 (Board Order 631, 58 FR 6112, 1/26/93). The zone project currently consists of five sites in the Kansas City area: *Site 1* (405,000 sq. ft.)—6500 Inland Drive, Kansas City; *Site 2* (220,000 sq. ft.)—5203 Speaker Road, Kansas City; *Site 3* (5 acres, 26,000 sq. ft.)—30 Funston Road, Kansas City; *Site 4* (50,000 sq. ft.)—830 Kindleberger Road, Kansas City; and, *Site 5* (23 acres)—1800 South Second Street, Leavenworth.

The applicant is now requesting authority to expand the general-purpose zone to include two sites in Topeka, Kansas (proposed Sites 6 and 7): *Proposed Site 6* (2,400 acres)—Forbes Field Airport/Topeka Air Industrial Park, 6700 South Topeka Blvd., Topeka; and, *Proposed Site 7* (972 acres)—Philip Billard Airport/Industrial Park Complex, 3600 Sardue, Topeka. Both sites are owned and managed by the Metropolitan Topeka Airport Authority and include air cargo facilities and jet fuel storage/distribution facilities. No specific manufacturing requests are being made at this time. Such requests would be made to the Board on a case-by-case basis.

In accordance with the Board's regulations, a member of the FTZ Staff has been designated examiner to

investigate the application and report to the Board.

Public comment on the application is invited from interested parties. Submissions (original and 3 copies) shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is October 1, 1996. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period (to October 16, 1996).

A copy of the application and accompanying exhibits will be available for public inspection at each of the following locations:

U.S. Department of Commerce Export Assistance Center, 601 East 12th Street, Rm. 635, Kansas City, MO 64106.

Office of the Executive Secretary, Foreign-Trade Zones Board, Room 3716, U.S. Department of Commerce, 14th and Pennsylvania Avenue, NW., Washington, DC 20230.

Dated: July 25, 1996.

John J. Da Ponte, Jr.,
Executive Secretary.

[FR Doc. 96-19723 Filed 8-1-96; 8:45 am]
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INTERNATIONAL TRADE ADMINISTRATION

[A-427-812]

Calcium Aluminate Flux From France; Preliminary Results of Antidumping Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of preliminary results of antidumping duty administrative review.

SUMMARY: In response to a request from one respondent, Lafarge Fondu International (LFI) and its U.S. subsidiary, Lafarge Calcium Aluminates, Inc. (LCA) (collectively, Lafarge), the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on calcium aluminate (CA) flux from France. This review covers one manufacturer/exporter of the subject merchandise to the United States, Lafarge, for the period June 15, 1994 through May 31, 1995.

We have preliminarily determined that U.S. sales have been made below normal value (NV). If these preliminary results are adopted in our final results of administrative review, we will instruct the U.S. Customs Service

(Customs) to assess antidumping duties equal to the differences between the United States Price (USP) and NV.

Interested parties are invited to comment on these preliminary results. Parties who submit arguments in this proceeding are requested to submit with the argument (1) a statement of the issues, and (2) a brief summary of the argument.

EFFECTIVE DATE: August 2, 1996.

FOR FURTHER INFORMATION CONTACT: Maureen McPhillips or John Kugelman, Office 8 of the Deputy Assistant Secretary's Enforcement Group 3, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230, telephone: (202) 482-5253.

The Applicable Statute

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to the current regulations, as amended by the interim regulations published in the Federal Register on May 11, 1995 (60 FR 25130).

SUPPLEMENTARY INFORMATION:

Background

On June 13, 1994, the Department published in the Federal Register (59 FR 30337) the antidumping duty order on CA flux from France. On June 6, 1995 (60 FR 29821), the Department published in the Federal Register a notice of opportunity to request an administrative review of the antidumping duty order on CA flux from France. In accordance with 19 CFR 353.22(a)(1)(1995), we received a timely request for review from a respondent, Lafarge. We published a notice of initiation of this antidumping duty administrative review on July 14, 1995 (60 FR 36260), for the period June 15, 1994 through May 31, 1995.

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

Scope of the Review

Imports covered by this review are shipments of CA flux, other than white, high purity CA flux. This product contains by weight more than 32 percent but less than 65 percent alumina and more than one percent each of iron and silica.

CA flux is currently classifiable under the Harmonized Tariff Schedule of the United States (HTSUS) subheading 2523.10.0000. The HTSUS subheading is provided for convenience and U.S. Customs' purposes only. The written description of the scope of this order remains dispositive.

Constructed Export Price

In calculating Lafarge's USP, the Department treated respondent's sales as CEP sales, as defined in section 772(b) of the Act, because the subject merchandise was sold to the first unaffiliated purchaser after importation into the United States.

We calculated CEP based on packed or bulk, ex-U.S. warehouse or delivered prices to unaffiliated customers in the United States. We made deductions from the gross unit price, where appropriate, for the following movement charges: loading material at the Fos plant in France, foreign inland freight from plant to port, international freight, marine insurance, U.S. brokerage and handling, inland freight from port to U.S. warehouse, unloading costs, inland freight to processors, demurrage charges, and U.S. freight from the warehouse to the customer, in accordance with section 772(c)(2)(A) of the Act. Pursuant to section 772(d)(1)(B), we also deducted credit expenses, product liability insurance, and travel expenses for technical services. Pursuant to section 772(d)(1)(D), we deducted U.S. indirect selling expenses and inventory carrying costs incurred in the United States. We did not deduct indirect selling expenses (*i.e.*, administrative expenses, inventory carrying costs, personnel costs for technicians) incurred by LFI in France because we did not deem these expenses to be specifically related to commercial activity in the United States. We also deducted commissions in accordance with section 772(d)(1)(A) of the Act.

For reasons stated in the level-of-trade section of this notice, we granted Lafarge a CEP offset under section 773(a)(7)(B) of the Act. Where applicable, in accordance with 19 CFR § 353.56(b), we offset any commission paid on a U.S. sale by reducing the NV by any home market indirect selling expenses remaining after the deduction for the CEP offset.

Further Manufacture

In addition, we adjusted CEP, where appropriate, for all value added in the United States, including the proportional amount of profit attributable to the value added, pursuant to section 772(d)(2) and

772(d)(3) of the Act. The value added consists of the costs associated with the production of the further manufactured products, other than costs associated with the imported products. To determine the costs incurred to produce the further manufactured products, we included (1) the costs of manufacture, (2) movement and repacking expenses, (3) selling, general and administrative expenses, and interest expenses. Profit was calculated by deducting all applicable costs, charges, adjustments, and expenses from the sales price. The total profit was then allocated proportionally to all components of cost. We deducted only the profit attributable to the value added in the United States. No other adjustments to CEP were claimed or allowed.

Normal Value (NV)

A. Viability

Based on a comparison of the aggregate quantity of home market and U.S. sales, we determined that the quantity of the foreign like product sold in the exporting country by Lafarge was sufficient to permit a proper comparison with Lafarge's sales of the subject merchandise to the United States, pursuant to section 773(a)(1)(B)(i) of the Act. Therefore, in accordance with sections 773(a)(1)(B)(i) and 773(a)(5), we based NV on the prices at which the foreign like products were sold to the first unaffiliated purchaser for consumption in the exporting country.

B. Model Match

In accordance with section 771(16)(B) of the Act, we considered all products produced by the respondent, covered by the description in the Scope of the Review section above, and sold in the home market during the POR, to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. Since there were no sales of identical merchandise in the home market to compare to U.S. sales, we matched U.S. sales to the most similar foreign like product based on the physical characteristics reported by the respondent, Lafarge. Among similar products sold in the home market we chose that product with the least difference in variable costs of manufacture between the home market and the U.S. product. We did not use any home market product which, when compared to the U.S. model, had a variable cost of manufacture in excess of 20 percent of the total cost of manufacture of the U.S. model (see Certain Stainless Steel Cooking Ware from the Republic of Korea: Preliminary Results of Antidumping Duty

Administrative Review, 61 FR 8253, 8254 (March 4, 1996)).

C. Level of Trade

As set forth in section 773(a)(1)(B)(i) of the Act and in the Statement of Administrative Action (SAA) accompanying the URAA, at 829-831, the Department will, to the extent practicable, calculate NV based on sales at the same level of trade as the U.S. sales. When the Department is unable to find a sale of the foreign like product in the comparison market at the same level of trade as the U.S. sale, the Department may compare the U.S. sales to sales at a different level of trade in the comparison market.

In accordance with section 773(a)(7)(A) of the Act, if sales at different levels of trade are compared, the Department will adjust the NV to account for the difference in levels of trade if two conditions are met. First, there must be differences between the actual selling functions performed by the seller at the level of trade of the U.S. sale and at the level of trade of the comparison market sale used to determine NV. Second, the differences must affect price comparability as evidenced by a pattern of consistent price differences between sales at the different levels of trade in the market in which NV is determined.

Section 773(a)(7)(B) of the Act establishes that a constructed export price (CEP) "offset" may be made when two conditions exist: (1) NV is established at a level of trade which constitutes a more advanced stage of distribution than the level of trade of the CEP; and (2) the data available do not provide an appropriate basis for a level-of-trade adjustment.

To implement these principles in this review, we requested information on the selling activities associated with each channel of distribution in each of Lafarge's markets. We asked Lafarge to establish any claimed levels of trade based on the selling functions provided to each proposed customer group, and to document and explain any claims for a level-of-trade adjustment.

To determine whether a separate level of trade existed within or between the United States and the home market, we examined the selling functions performed by Lafarge for each of the customer groups. Since all of Lafarge's U.S. sales were CEP sales, we considered the selling functions reflected in the price after the deduction of expenses and profit under section 772(d) of the Act.

In the home market Lafarge claimed two customer groups: end-users and distributors. We reviewed the sales

functions between these two types of customers in the home market. There were no significant distinctions in the selling functions performed for end-users and distributors in the home market. The distribution systems, pricing policies, inventory maintenance, sales order processing, and sales agreements were very similar within customer groups in each market. We concluded, therefore, that Lafarge's home market sales were made at the same level of trade because the aggregate selling functions performed within each channel of distribution were essentially identical.

We then examined the level of trade of the CEP sale in the U.S. market (*i.e.*, the level of trade for sales from LFI to LCA). We determined that the selling functions of the level of trade of the home market sales were sufficiently different from the level of trade of Lafarge's CEP sales to establish a different level of trade. For example, the level of trade of the CEP sale did not involve extensive technical assistance, product liability, credit insurance, inventory maintenance, and sales administration costs. Since the same level of trade as that of the CEP did not exist in the home market, we could not match U.S. sales to home market sales at the same level of trade, nor could we determine whether there was a pattern of consistent price differences between

the levels of trade, in accordance with section 773(a)(7)(A) of the Act, based on Lafarge's home market sales of merchandise under review. However, the SAA states that "if information on the same product and company is not available, the adjustment may also be based on sales of other products by the same company. In the absence of any sales, including those in recent time periods, to different levels of trade by the exporter or producer under investigation, Commerce may further consider the selling experience of other producers in the foreign market for the same product or other products." SAA at 830. Accordingly, we examined the alternative methods for calculating a level-of-trade adjustment. In this review, we did not have information that would allow us to apply these alternative methods.

Because the data available do not provide an appropriate basis for making a level-of-trade adjustment, but the level of trade in the home market is at a more advanced stage than the level of trade of the CEP sales, a CEP offset is appropriate, in accordance with section 773(a)(7)(B) of the Act. We also determined NV at the same level of trade as the starting price for the CEP and made a CEP offset adjustment. We deducted from NV the general and administrative overhead expenses and inventory carrying costs reported by

Lafarge as home market indirect selling expenses. We limited the home market indirect selling expense deduction by the amount of indirect selling expenses incurred in the United States as determined under section 772(d)(1)(A).

D. Price to Price Comparisons

Pursuant to section 777(A)(d)(2) of the Act, we compared the CEPs of individual transactions to the monthly weighted-average price of sales of the foreign like product.

We based NV on the price at which the foreign like product is sold for consumption in the exporting country to the first unaffiliated party, in the usual commercial quantities and in the ordinary course of trade in accordance with sections 773(a)(1)(B)(i) and 773(a)(5) of the Act. Where appropriate, we deducted loading expenses, inland freight, credit, credit insurance, travel expenses incurred by technicians, product liability insurance, and packing. Prices were reported net of value-added taxes (VAT) and, therefore, no adjustment for VAT was necessary. No other adjustments were claimed or allowed.

Preliminary Results of Review

As a result of this review, we preliminarily determine that the following weighted-average dumping margin exists:

Manufacturer/exporter	Period of review	Margin (percent)
Lafarge Fondu Inter'l. Inc.	06/15/94–05/31/95	16.15
All Others	06/15/94–05/31/95	37.93

Parties to the proceeding may request disclosure within five days of the date of publication of this notice. Any interested party may request a hearing within 10 days of publication. Any hearing, if requested, will be held 44 days after the date of publication, or the first workday thereafter. Interested parties may submit case briefs within 30 days of the date of publication of this notice. Rebuttal briefs and rebuttals to written comments, limited to issues raised in the case briefs and comments, may be filed not later than 37 days after the date of publication. Parties who submit arguments in this proceeding are requested to submit with the argument (1) a statement of the issue and (2) a brief summary of the argument. The Department will issue the final results of this administrative review, including the results of its analysis of issues raised in any such written comments.

The Department shall determine, and Customs shall assess, antidumping duties on all appropriate entries. Individual differences between CEP and NV may vary from the percentage stated above. The Department will issue appraisal instructions directly to Customs. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the determination and for future deposits of estimated duties. Furthermore, the following deposit requirements will be effective upon the publication of the final results of this administrative review for all shipments of CA flux from France entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) The cash deposit rate for Lafarge will be the

rate established in the final results of this administrative review; (2) for merchandise exported by manufacturers or exporters not covered in these reviews but covered in the original LTFV investigation or a previous review, the cash deposit will continue to be the most recent rate published in the final determination or final results for which the manufacturer or exporter received a company-specific rate; (3) if the exporter is not a firm covered in this review, or the original less-than-fair-value investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) for all other producers and/or exporters of this merchandise, the cash deposit rate will be 37.93 percent, the rate established in the less-than-fair value investigation (59 FR 5994, February 9, 1994).

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 353.26 to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and 19 CFR 353.22.

Dated: July 26, 1996.

Robert. L. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 96-19726 Filed 8-1-96; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-602-803]

Certain Corrosion-Resistant Carbon Steel Flat Products From Australia: Amendment to Final Results of Antidumping Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of Amendment to Final Results of Antidumping Duty Administrative Review.

SUMMARY: On March 29, 1996, the Department of Commerce published the final results of its administrative review of the antidumping duty order on certain corrosion-resistant carbon steel flat products from Australia. The review covered one manufacturer/exporter and the period February 4, 1993, through July 31, 1994. Based on the correction of a ministerial error, we are amending the final results.

EFFECTIVE DATE: August 2, 1996.

FOR FURTHER INFORMATION CONTACT: Robert Bolling or Jean Kemp, Office of Agreements Compliance, International Trade Administration, U.S. Department of Commerce, Washington, DC 20230; telephone (202) 482-3793.

SUPPLEMENTARY INFORMATION:

Background

On March 29, 1996, the Department of Commerce (the Department) published in the Federal Register the final results

of its administrative review of the antidumping duty order on certain corrosion-resistant carbon steel flat products from Australia (61 FR 14049). The review covered one manufacturer/exporter, The Broken Hill Proprietary Company Ltd. (BHP), and the period February 4, 1993, through July 31, 1994.

After publication of our final results, we received a timely allegation from respondent that the Department had made ministerial errors in calculating the final results for corrosion-resistant steel from Australia. The petitioners (Bethlehem Steel Corporation, U.S. Steel Company, a Unit of USX Corporation, Inland Steel Industries, Inc., Geneva Steel, Gulf States Steel Inc. of Alabama, Sharon Steel Corporation, and Lukens Steel Company) filed a timely rebuttal to respondent's ministerial error allegation.

BHP alleges that the Department incorrectly applied a BIA credit rate for certain sales by BHP Steel Building Products USA (Building Products). BHP agrees that for sales in which respondent did not report payment dates it was appropriate for the Department to use a BIA rate for credit expenses. However, BHP states that in applying the BIA rate to all sales where the credit expense equaled zero, the Department applied the punitive rate to a certain number of sales for which a payment date was in fact reported. Petitioners argue that in correcting its program in response to BHP's allegation, the Department should ensure that BIA will only be applied to those sales which had missing payment and shipment dates. We agree with respondents that we incorrectly applied a BIA credit rate on certain sales by Building Products in which payment dates had been submitted. We also agree with petitioners' rebuttal that the Department must continue to apply BIA to those sales in which payment and shipment dates were not reported. Therefore, we have recalculated credit costs using BIA only for those sales where payment and shipment dates were inaccurately reported.

In addition, respondent alleges that the Department incorrectly used both the average foreign manufacturing cost and average profit as derived from Coated Steel Corp. (Coated) to calculate a surrogate further manufacturing cost for BHP Trading, Inc. (Trading). BHP stated that once Coated's average foreign manufacturing figure was derived in the Department's calculation of further manufacturing costs for Trading, an actual profit could have been calculated using Trading's data, and using a surrogate profit from Coating was unnecessary. Petitioners argue the

Department made a reasonable and correct decision to apply BIA (i.e., surrogate amounts for average foreign manufacturing cost and average profit) to certain of Trading's sales because respondent failed to provide the Department with the necessary information for calculating further manufacturing cost and profit for these sales. Petitioners state that the Department was correct to rely on Coated's further manufacturing cost and profit in calculating the same for Trading and that this is not a ministerial error as defined in 19 CFR section 353.28(d) as "an error in addition, subtraction, or other arithmetic function, clerical error resulting from inaccurate copying, duplication, or the like, and any other type of unintentional error which the Secretary considers ministerial."

The determination to calculate a surrogate profit on Trading's further manufactured sales of subject merchandise by relying on the average profit of Coating's sales of the same merchandise was intentional. The Department determined that since Trading had not submitted its cost of manufacturing and actual profit for each of these sales, calculating an average profit, then applied to each sale at issue, was an appropriate methodology, regardless of whether Trading made a profit on every sale. Respondent is correct in stating that the Department could have constructed Trading's actual profit on every sale in which Trading had a profit because the Department could have derived Trading's actual profit by using Coating's surrogate foreign manufacturing costs and Trading's gross unit price. However, the Department rejected this methodology as inappropriate under the circumstances. Therefore, using a surrogate profit was not a ministerial error and the Department will not amend its final results.

Amended Final Results of Review

As a result of our correction of the ministerial error, we have determined the following margin exists for the period February 4, 1993, through July 31, 1994:

Manufacturer/exporter	Margin (percent)
BHP	39.05

The Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. The Department shall issue appraisement instructions directly to the Customs Service. Furthermore, the