

Included within this review request are the Forms F-5, and F-5a from the Annual Survey of State Tax Collections. This survey was approved separately in the past under the OMB number 0067-0046. We are combining these two collections because the tax portion of the data will no longer be released separately. Although the data will be collected in the same manner by the Forms F-5 and F-5a, the data collected will be included as part of the annual survey releases. Canvass methodology consists of a questionnaire mailout/mail-back. Responses will be screened manually, then entered on a microcomputer. Other methods used to collect data and maximize response include central data collection, solicitation of printed reports in lieu of a completed questionnaire, and use of the Census Bureau's Federal Single Audit Clearinghouse.

*Affected Public:* State, local or tribal government.

*Frequency:* Annually.

*Respondent's Obligation:* Voluntary.

*OMB Desk Officer:* Jerry Coffey, (202) 395-7314.

Copies of the above information collection proposal can be obtained by calling or writing Linda Engelmeier, Acting DOC Forms Clearance Officer, (202) 482-3272, Department of Commerce, room 5312, 14th and Constitution Avenue, NW, Washington, DC 20230.

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to Jerry Coffey, OMB Desk Officer, room 10201, New Executive Office Building, Washington, DC 20503.

Dated: August 6, 1996.

Linda Engelmeier,

*Acting Departmental Forms Clearance Officer, Office of Management and Organization.*

[FR Doc. 96-20529 Filed 8-12-96; 8:45 am]

BILLING CODE 3510-07-F

### Submission For OMB Review; Comment Request

The Department of Commerce (DOC) has submitted to the Office of Management and Budget (OMB) for clearance the following proposal for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. chapter 35).

*Agency:* Bureau of the Census.

*Title:* 1997 Economic Census Covering Professional, Scientific, and Technical Services; Management, Support, Waste Management, and Remediation Services; Educational Services; Health and Social

Assistance; Arts, Entertainment, and Recreation; and Other Services, except Public Administration Sectors.

*Form Number(s):* SV-7201 thru SV-8999 (46 forms).

*Agency Approval Number:* None.

*Type of Request:* New collection.

*Burden:* 900,349 hours.

*Number of Respondents:* 1,443,072.

*Avg Hours Per Response:* 37 and one half minutes.

*Needs and Uses:* The economic census is the primary source of facts about the structure and functioning of the Nation's economy and features unique industry and geographic detail. Economic census statistics serve as part of the framework for the national accounts and provide essential information for government, business, and the general public. Further, the census provides sampling frames and benchmarks for current surveys of business which track short-term economic trends, serve as economic indicators, and contribute critical source data for current estimates of the gross domestic product. The economic census will produce basic statistics by kind of business for number of establishments, receipts/revenue, payroll, and employment. It also will yield a variety of subject statistics, including sources of receipts or revenue, receipts by class of customer, and other industry-specific measures, such as exported services or personnel by occupation. Basic statistics will be summarized for the United States, states, and metropolitan areas; for counties and places having 2,500 inhabitants or more; and for ZIP code areas. Tabulations of subject statistics also will present data for the United States and, in some cases, for states. The sectors of the economy covered under this request represent more than 2 million establishments classified in the North American Industry Classification System (NAICS). Data will be collected through a complete mail canvass supplemented by data from Federal administrative records. Other sectors of the economy included in the economic census will be covered through other clearance requests.

The notice published on February 29, 1996 announcing our intention to include these sectors in the economic census included a sector titled "Professional, Management, and Support Services." The industries included in this sector are now classified into two separate sectors titled "Professional, Scientific, and Technical Services" and "Management, Support, Waste Management, and Remediation Services." The new "Management, Support, Waste Management, and Remediation Services" sector includes

two additional industries—Waste Management and Remediation Services—which were not covered in the sectors listed in the notice mentioned above, due to changes in the NAICS system.

*Affected Public:* Individuals or households; Business or other for-profit institutions; Not-for-profit institutions; State, local or tribal government.

*Frequency:* One-time.

*Respondent's Obligation:* Mandatory.

*Legal Authority:* Title 13 USC, Sections 131 & 224.

*OMB Desk Officer:* Jerry Coffey, (202) 395-7314.

Copies of the above information collection proposal can be obtained by calling or writing Linda Engelmeier, Acting DOC Forms Clearance Officer, (202) 482-3272, Department of Commerce, room 5312, 14th and Constitution Avenue, NW, Washington, DC 20230.

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to Jerry Coffey, OMB Desk Officer, room 10201, New Executive Office Building, Washington, DC 20503.

Dated: August 6, 1996.

Linda Engelmeier,

*Acting Departmental Forms Clearance Officer, Office of Management and Organization.*

[FR Doc. 96-20530 Filed 8-12-96; 8:45 am]

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### International Trade Administration

[A-570-822]

#### Certain Helical Spring Lock Washers From The People's Republic of China; Final Results of Antidumping Administrative Review

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

**ACTION:** Notice of final results of the antidumping duty administrative review.

**SUMMARY:** On August 16, 1995, the Department of Commerce (the Department) published in the Federal Register the preliminary results of the administrative review of the antidumping duty order on certain helical spring lock washers (HSLWs) from the People's Republic of China (PRC) (60 FR 42519). This review covers shipments of this merchandise to the United States during the period October 15, 1993, through September 30, 1994. We gave interested parties an opportunity to comment on our

preliminary results. Based upon our analysis of the comments received we have changed the results from those presented in the preliminary results of review.

**EFFECTIVE DATE:** August 13, 1996.

**FOR FURTHER INFORMATION CONTACT:**

Donald Little or Maureen Flannery, Office of Antidumping Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington D.C. 20230; telephone (202) 482-4733.

**Background**

The Department published in the Federal Register the antidumping duty order on HSLWs from the PRC on October 19, 1993 (58 FR 53914). On October 7, 1994, the Department published in the Federal Register (59 FR 51166) a notice of opportunity to request administrative review of the antidumping duty order on HSLWs from the PRC covering the period October 15, 1993, through September 30, 1994.

In accordance with 19 CFR 353.22(a) (1994), the respondent, Zhejiang Wanxin Group Co. (ZWG), also known as Hangzhou Spring Washer Plant, requested that we conduct an administrative review. We published a notice of initiation of this antidumping duty administrative review on November 14, 1994 (59 FR 56459).

On August 16, 1995, the Department published in the Federal Register the preliminary results of this review of the antidumping duty order on HSLWs from the PRC (60 FR 42519). We held a hearing on October 3, 1995. The Department has now completed this review in accordance with section 751 of the Tariff Act of 1930, as amended (the Tariff Act).

**Applicable Statute and Regulations**

Unless otherwise indicated, all citations to the statute and the Department's regulations are in reference to the provisions as they existed on December 31, 1994.

**Scope of Review**

The products covered by this review are HSLWs of carbon steel, of carbon alloy steel, or of stainless steel, heat-treated or non heat-treated, plated or non-plated, with ends that are off-line. HSLWs are designed to: (1) Function as a spring to compensate for developed looseness between the component parts of a fastened assembly; (2) distribute the load over a larger area for screws or bolts; and (3) provide a hardened bearing surface. The scope does not include internal or external tooth washers, nor does it include spring lock

washers made of other metals, such as copper.

HSLWs subject to this review are currently classifiable under subheading 7318.21.0030 of the Harmonized Tariff Schedule of the United States (HTS). Although the HTS subheading is provided for convenience and Customs purposes, the written description of the scope of this proceeding is dispositive.

This review covers one exporter of HSLWs from the PRC, ZWG, and the period October 15, 1993, through September 30, 1994.

**Analysis of Comments Received**

We gave interested parties an opportunity to comment on the preliminary results. We received case briefs and rebuttals from Shakeproof Industrial Products of Illinois Works (petitioner), ZWG, and the American Association of Fastener Importers (AAFI), an interested party. At the request of the petitioner, we held a public hearing on October 3, 1995.

*Comment 1:* ZWG asserts that the Department may not use Indian import statistics because all of the values therein are for dumped or subsidized steel. ZWG states that all of the countries supplying steel bar and rod covered by the Indian import statistics are subject to antidumping or countervailing duty orders. ZWG states that the antidumping statute and court rulings prohibit the use of dumped or subsidized prices to value factors of production. ZWG cites the House Report to the Omnibus Trade and Competitiveness Act of 1988, with respect to factors of production: "In valuing such factors, Commerce shall avoid using any prices which it has reason to believe or suspect may be dumped or subsidized prices \* \* \*." ZWG states that, in the Final Determination of Sales at Less Than Fair Value: Certain Helical Spring Lock Washers from the People's Republic of China (Lock Washers), 58 FR 48833, the Department said it will not consider pricing information from any country found to be selling dumped or subsidized merchandise. ZWG also notes that, in Final Results of Antidumping Duty Administrative Review: Certain Iron Construction Castings from the People's Republic of China (Construction Castings), 57 FR 10644, the Department states it "has consistently refused to base foreign market value (FMV) upon surrogate countries prices for exports if those exports may benefit from subsidies or are being dumped." ZWG states that the Court of International Trade (CIT), in *Tehnoimportexport, UCF America Inc. v. U.S. (Tehnoimportexport)*, interpreted

the House Report's "believe or suspect" standard to mean that the Department correctly rejected export values that were affected by industry-wide subsidies. ZWG argues that the CIT upheld the Department's rejection of particular Yugoslavian export prices in part because those prices were tainted by industry-wide subsidies. ZWG argues that the Department's published findings with respect to steel bar and rod and with respect to generalized steel subsidies provide compelling reason to "believe or suspect" that the Indian import statistics consist of dumped and subsidized prices. ZWG contends that the findings of dumping and subsidization pertain directly to those countries whose exports constitute India's import data. ZWG states that the Department is therefore legally precluded from using the Indian import data.

AAFI also argues that the Department cannot use Indian import statistics from countries subject to past or current antidumping or countervailing duty findings for purposes of calculating FMV.

Petitioner asserts that the Indian import statistics are not tainted as claimed. Noting that ZWG cited *Tehnoimportexport* for the proposition that the Department should reject the Indian import prices as it rejected the use of Yugoslavian steel export prices, petitioner quotes the CIT in that case:

Commerce's decision in this case, however, was based on *final* antidumping determinations upon comparable merchandise and two *final* countervailing duty determinations in which Commerce determined that countervailable, non-product specific export subsidies were bestowed upon exports of steel products. Their decision was also based on several EC cases. In total, there was substantial evidence to allow a reasonable mind to conclude that there were dumping and subsidies favoring Yugoslavian steel exports.

Petitioner argues that in the case at hand the Department is not looking at Indian exports but at Indian imports. Petitioner asserts that the standard that the Department should use is whether the Indian imports in fact benefitted from dumped or subsidized prices. Petitioner argues that if India has imposed antidumping or countervailing duty measures against steel imports, the decision would be different. Noting a provision precluding the Department from using values because there are antidumping or countervailing duty decisions on the same product or there are countervailing duty decisions on general exports is not in the statute, petitioner argues that the legislative intent does not support the rigid

approach ZWG proposes. Petitioner argues that Congress was generally opposed to having American firms compete with imports that use dumped or subsidized inputs. Petitioner claims that, in the case of non-market economies (NMEs), the same condition would apply indirectly if the Department used dumped or subsidized prices to determine surrogate values. Petitioner argues that the Department should look at the date of any order, the nature of the subsidies, and the amount of the antidumping or countervailing duties. Petitioner further argues that, taken to its conclusion, ZWG's argument essentially restricts the Department from using import statistics for steel-related NME cases. Petitioner states that the Department rejected the argument that Indian import values should be disregarded in Lock Washers.

*Department's Position:* We agree with petitioner. There is no evidence that the Indian import statistics are "tainted" by dumping or subsidies. We agree with the petitioner that the question is whether Indian imports benefit from dumped or subsidized prices. There is no evidence that India has found dumping or subsidizing of steel imports into India. Although the Department determined there were sales to the United States at less than fair value of steel wire rod from Japan and Canada, these determinations alone are not sufficient bases for a belief or suspicion that those countries also dumped imports into India. Further, although the Department made affirmative countervailing duty determinations on flat-rolled steel products from several countries, there is no basis to conclude from those findings that the production or export of carbon steel wire rod from those countries is also subsidized. Therefore, we have no reason to "believe or suspect" that the Indian import statistics should not be used as a surrogate to value carbon steel wire rod.

*Comment 2:* ZWG argues that the domestic Indian prices of the Steel Authority of India Limited (SAIL) are preferable to Indian import prices according to the Department's criteria for selecting surrogate values. ZWG asserts that the Department is not obligated to use import statistics merely because they were used in the original investigation of sales at less than fair value (LTFV). ZWG argues that the Department has never expressed a preference for import statistics, nor has the Department ever announced a rule that it should adopt values from the original LTFV investigation merely to be consistent. ZWG argues that the Department's goal is to value non-

market economy factors in as fair and accurate a manner as possible. ZWG argues that, in *Lasko Metal Products v. United States*, 43 F.3d 1442 (*Lasko*), the court stated that the antidumping statute does not say anywhere that the factors of production must be ascertained in a single fashion, and that the statutory purpose is to facilitate the determination of dumping margins as accurately as possible. ZWG contends that blindly following past decisions in the name of consistency would violate the ruling in *Lasko*. ZWG also cites Final Results of Antidumping Duty Administrative Review: Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the Republic of Hungary, 56 FR 41819, wherein the Department stated that "simply because a particular source was used in previous reviews of this case does not preclude the Department from relying on alternate sources if the circumstances necessitate a change." ZWG argues that this case clearly necessitates a change.

ZWG states that the Department has adopted domestic Indian steel prices as publicly available published information (PAPI) on numerous occasions. ZWG argues that it has demonstrated that there is a stronger factual basis for using the SAIL data than for using the Indian import statistics. The record, ZWG claims, establishes that ZWG uses steel wire rod in the production of HSLWs. ZWG argues the SAIL data is size-specific price data for steel wire rods, while the import statistics encompass a wide variety of steel wire rods and bars. ZWG states that the Department has expressed a preference for PAPI that is specific to the inputs actually used in the production of subject merchandise. ZWG cites the Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Certain Partial-Extension Steel Drawer Slides with Rollers from the PRC (Drawer Slides), 60 FR 29571 (June 5, 1995), where the Department adopted the product-specific domestic Indian steel prices from the SAIL data, the same data ZWG proposes, and rejected Indian import statistics and domestic price data contained in a U.S. Embassy market research report that was not product-specific. ZWG states that, in Drawer Slides, the Department used domestic Indian prices from the same SAIL source ZWG has proposed instead of using the Indian import statistics that covered the period. According to ZWG, in Drawer Slides, the Department preferred the SAIL information, which preceded the period of investigation, because it was product-

specific. ZWG asserts that the SAIL data is also product-specific in this case. ZWG also argues that the SAIL data is virtually contemporaneous with the review period. ZWG asserts that surrogate information must be contemporaneous with the period under consideration rather than comprehensively cover the period under consideration.

ZWG argues that the Department has stated that the purpose of application of surrogate country information is to construct a value for the merchandise had it been manufactured in and exported from the surrogate country, or India in this case, citing Certain Cased Pencils from the People's Republic of China, 59 FR 55625, and Sebacic Acid from the People's Republic of China, 59 FR 28053. ZWG asserts that lock washer producers in India are far more likely to buy carbon steel wire rod produced by SAIL than they are to use imported steel wire rod. ZWG contends that SAIL accounts for 37.25 percent of the steel wire rod production in India. ZWG also asserts that the ratio of domestic production to imports of the same product is 132 to 1. ZWG argues the Department has expressed a preference for tax-exclusive public information and that the Department must deduct excise duties and statutory levies from the reported SAIL steel wire rod prices.

Petitioner argues that the Department has not used the SAIL prices in any case since the Omnibus Trade and Competitiveness Act of 1988, with the exception of the preliminary determination in Drawer Slides. Petitioner argues that the SAIL values are far below the Indian import values and other Indian steel prices. Petitioner further argues that the Department has found the Indian steel producers and exporters were being subsidized. Petitioner states that the Department determined that steel wire rope from India was being dumped and also that steel wire rope exports were being subsidized, citing Final Determination of Sales at Less Than Fair Value: Steel Wire Rope from India, 56 FR 46285, and Final Affirmative Countervailing Duty Determination: Steel Wire Rope from India, 56 FR 46292. Petitioner argues that the Department specifically addressed the issue of steel wire rod in the countervailing duty case. Petitioner contends that, while no countervailing duty order was issued, the Department clearly has reason to "believe or suspect" that the Indian prices for export are "subsidized prices." Petitioner asserts that the effect of the Indian subsidy argues against the Department's using the 1994 SAIL prices.

*Department's Position:* We disagree with ZWG. ZWG has not established that there is a stronger factual basis for using the SAIL data than there is for using the import statistics. The scope of this review covers HSLWs made from stainless steel, carbon alloy steel, or carbon steel. The grade or chemistry of the steel is an important consideration, as evidenced by the range of HSLWs covered by the order. The chemistry of the steel determines the mechanical and physical properties of the steel and therefore is the driving factor in determining the end use. Therefore, in this case, the grade of steel is a more important consideration for the Department than is size, when choosing between different PAPI sources. Although the SAIL data is more size-specific, it is less grade-specific than the Indian import statistics. The Department used the SAIL data in Drawer Slides because in that case the SAIL data provided prices for steel that most closely resembled the specifications of the product used by the respondents. Notice of Final Determination of Sales at Less Than Fair Value: Certain Partial-Extension Steel Drawer Slides with Rollers from the PRC, 60 FR 54472, 54475 (October 24, 1995). Although ZWG argues that a lock washers producer in India is far more likely to buy carbon steel wire rod produced by SAIL than to use imported steel, our objective is to value the surrogate steel at prices available to a producer in the surrogate country which most closely reflect the type of steel used by the PRC producer. As a result, ZWG's references to consumption of SAIL steel vis-a-vis imported steel do not address our concerns on the accuracy of the grades of steel in HSLW production. Therefore, we have continued to use the Indian import statistics to value steel wire rod.

*Comment 3:* ZWG states that, in the preliminary results, the Department assumed that the reported amount of ocean freight covered only the ocean freight from Hong Kong to the United States and, as a result, the Department incorrectly added an additional amount for transportation from Ningbo or Shanghai to Hong Kong. ZWG argues that this assumption contradicts verified information on the record confirming that ZWG's ocean freight charges cover the entire shipment from Ningbo or Shanghai to the United States. ZWG states that there is record evidence that confirms the value of ocean freight charges associated with the shipment from Hong Kong to the United States by market economy carriers. ZWG also argues that at verification the Department confirmed the amount of

ocean freight charges paid to the PRC carrier to bring an empty container from Hong Kong to Ningbo and to send a container laden with HSLWs from Ningbo to Hong Kong. ZWG argues that if the Department deducts the percentage of ocean freight costs associated with the shipment from the PRC to Hong Kong from the reported total ocean freight costs, the remainder will represent the Hong Kong-to-United States portion provided by a market economy carrier. These actual convertible currency expenses, ZWG argues, should be used for the portion of freight handled by market economy carriers. ZWG argues that the valuation of the PRC-to-Hong Kong ocean freight, handled by PRC carriers, should then be based on surrogate data.

Petitioner asserts that ZWG apparently did not establish that the price paid for the PRC-to-Hong Kong portion of the freight charge was market-derived. Petitioner argues that the Department appropriately assumed the entire shipping charge covered only the portion from the PRC port to Hong Kong. Petitioner also argues that ZWG's claim that a PRC carrier was also paid to bring an empty container from Hong Kong to Ningbo and return the filled container to Hong Kong should be reflected in any adjustment made by the Department.

*Department's Position:* We agree with ZWG in part. Ocean freight from Hong Kong to the United States was provided by market-economy carriers. We verified that the portion of the ocean freight expense from Ningbo to Hong Kong was market-derived. Therefore, we have used the reported total ocean freight expense for shipments from Ningbo to the United States. Because we are using the total of the actual expenses reported for ocean freight from Ningbo, the adjustment suggested by petitioner is unnecessary.

ZWG was not able to provide evidence during verification that the ocean freight expenses from Shanghai to Hong Kong were also market-derived. Moreover, the reported ocean freight expense was not broken down into Shanghai-to-Hong Kong and Hong Kong-to-the-United States segments. Therefore, for shipments from Shanghai, we have continued to treat the reported ocean freight expense as covering only the portion of the transportation provided on market-economy carriers from Hong Kong to the United States. We have calculated a separate charge using surrogate data based on Indian costs to value shipment services from Shanghai to Hong Kong provided by a PRC-owned carrier.

*Comment 4:* Petitioner argues that the Department used three steel subcategories, 7213.41, 7213.49, and 7213.50, to establish the surrogate value for steel wire rod in the LTFV investigation, and that these three categories remain correct. Petitioner contends that, according to industry standards, the steel grades used for lock washers range from AISI 1055 to 1065. Petitioner asserts that ZWG would buy steel available to meet specifications and that nominally referring to the steel as "1060 grade" does not mean zero tolerance. Petitioner argues that ZWG has not provided chemical analyses and established that the steel was only 1060 or above. Petitioner argues that nothing is on the record to indicate a change since the LTFV investigation where the Department used the three subcategories. Petitioner argues that the verification report does not mention the types of steel used to make specific types of lock washers. Petitioner asserts there is no support in the record to conclude that only 1060 grade steel was used.

ZWG argues that the Department did confirm that ZWG uses 1060 steel wire rod in the production of lock washers. ZWG provided a detailed description of the process for producing lock washers in its April 3, 1995 response. ZWG states that it provided the grades and concentration levels for all chemicals and materials used in the production of lock washers. ZWG states that at verification the Department examined the chemicals and other materials used by ZWG. ZWG argues that the grades and concentration levels were not among the items for which discrepancies were discovered during verification. ZWG argues that there is no reason to assume that there were discrepancies, merely because the Department did not explicitly state that the Department found nothing that contradicted ZWG's submissions. ZWG argues that the Department, rather than the petitioner, has the responsibility for confirming the accuracy of a response, citing *Micron Tech. v. United States*, Slip Op. 95-107, where the court stated that "it is not surprising that [petitioner] cannot duplicate Commerce's verification using record documents because not all documents examined at verification are normally made a part of the administrative record." ZWG contends that there is no requirement that the verification report and exhibits document elements of the response for which there is no controversy.

ZWG argues that the Department properly found that the alternative 7213.41 and 7213.49 subcategories suggested by the petitioner were not

specific to the 1060 steel wire rod used by ZWG. ZWG argues that, even if petitioner were somehow justified in claiming these subcategories should also be used in valuing 1060 carbon steel wire rod, the import statistics are unusable because the countries listed are either non-market economy countries or the imports are from countries which have been found by the Department to contain dumped or subsidized prices. ZWG asserts that the one remaining country from the import statistics accounts for only one ton and cannot be used because its exports are insignificant compared to the total quantity.

AAFI argues that, if the Department continues to use the Indian import statistics, it should continue to use the one HTS subcategory applicable to AISI 1060, which is the grade ZWG reported using. AAFI disagrees with petitioner's assertion that, because the Department did not verify ZWG's steel specifications for every purchase of steel and because there is no statement in the verification report that the Department specifically investigated the annealing, cleaning, coating, and other specifications, the Department should assume ZWG's submission was inaccurate and that all three categories of steel were purchased during the period of review. AAFI argues that it would be improper to assume that any element not specifically addressed in the verification report compels a presumption of deficiency or inaccuracy. AAFI states that no deficiencies were reported with respect to reported steel grades; therefore, AAFI contends that the questionnaire response was verified. AAFI argues that AISI grade 1060 non-alloy steel rod contains more than .6 percent carbon. Consequently, AAFI states, HTS 7213.50 most accurately describes the raw material actually used by ZWG. AAFI argues that the fact that three HTS categories were used in the original LTFV investigation does not require the Department to continue to use them, considering that there are apparent differences between grades reported in the period of investigation and this period of review.

*Department's Position:* We disagree with the petitioner that in this review we must continue to use the three HTS subcategories used in the LTFV investigation. If the circumstances necessitate a change, the Department is not precluded from changing its surrogate data simply because particular data were used in a previous segment of the proceeding. We disagree with petitioner's conclusion that, because the verification report does not mention the types of steel used, there was a

discrepancy with the grade reported in ZWG's response.

We verified ZWG's response and did not find any discrepancies with respect to its steel specifications. We agree with ZWG that there is no requirement that the verification report document the elements of the response for which there is no controversy. The 1060 wire rod used by ZWG is a high carbon steel. Although tolerance levels could allow a carbon content slightly below .6 percent, 1060 grade steel wire rod imports would be classified under HTS 7213.50. The HTS subcategories 7312.41 and 7213.49 suggested by the petitioner contain wire rod with a carbon content between .25 and .59 percent carbon. Therefore, for these final results we continued to use the HTS subcategory which contains 1060 steel wire rod.

*Comment 5:* Petitioner argues that the wholesale price indices (WPIs) the Department used to adjust the surrogate values to reflect prices during the period of review should not be rounded to one decimal point. Petitioner asserts that the effect of rounding is significant because the values to which the WPI is applied are large. Petitioner asserts that, since the Department makes its margin calculation to the multiple decimal point, the Department should not round off the inflation factor. Petitioner argues that it is imperative that the inflators be as accurate as possible.

*Department's Position:* We disagree with the petitioner. The WPIs published in the International Financial Statistics by the International Monetary Fund are given to only one decimal point. Therefore, it is most reasonable to round the average of the WPI for the period to one decimal point.

*Comment 6:* Petitioner argues that the Department erred when it rejected the selling, general and administrative (SG&A) figures, based on information regarding the company Forbes Gokak, supplied to the Department in a cable from the U.S. consulate in Bombay which the Department used in the LTFV investigation.

Petitioner argues that the Reserve Bank of India (RBI) data for 1992 that the Department used in the preliminary results for determining SG&A expenses are both less specific and less contemporaneous than the Forbes Gokak information. Petitioner argues that the main problem with the RBI data is that it does not reflect the experience of the specific industry subject to the review. Petitioner contends that firms included in the RBI data have different cost structures than lock washers producers. Petitioner asserts that, on the other hand, Forbes Gokak was producing lock washers in India in

1993, concurrent with the period of review. Petitioner further argues that expenses such as insurance and interest were missing from the Departments calculation, and that an Indian business would include these expenses in its SG&A.

ZWG argues that the Department properly discarded the Forbes Gokak information and instead used the RBI information. ZWG argues that the petitioners comment about the contemporaneity and specificity of the RBI data is inapposite. ZWG contends that the contemporaneity and specificity criteria only apply when the Department must select from alternative PAPI values submitted by interested parties. As the State Department cable regarding Forbes Gokak is not published information, ZWG asserts that the criteria do not apply in this case. ZWG argues that the Forbes Gokak cable data would still be inapplicable to this proceeding even if the contemporaneity and specificity criteria applied, since Forbes Gokak does not appear to manufacture lock washers. ZWG argues that there was no concrete evidence that Forbes Gokak has ever made lock washers, and that the information regarding Forbes Gokak's SG&A and overhead costs contained in the cable from the U.S. consulate in Bombay was never verified. ZWG asserts that, even if Forbes Gokak produced lock washers, its operations and the financial data based on its operations are overwhelmingly related to textile production, not lock washers production. ZWG argues that other Indian companies do manufacture lock washers.

Petitioner argues that the invalidity of the Forbes Gokak data has not been shown. Petitioner challenges ZWG's arguments that Forbes Gokak's primary business activities are in textile production and that the Department should not base calculations on the financial performance of only one of several lock washer producers. Petitioner argues that the Forbes Gokak information specifically applies to lock washers. Petitioner asserts that Forbes Gokak was identified as a producer and that the Department routinely and appropriately uses unverified information from State Department cables. Petitioner points out that in this case State Department cables are being used for transportation rates.

ZWG argues that the use of a separate State Department cable for transportation costs does not validate the overhead, SG&A and profit values of Forbes Gokak. ZWG explains that it proposed the use of the State Department cable in valuing

transportation costs for lack of any alternative PAPI. ZWG argues that the State Department cable information must fail when information demonstrating the factual infirmity of the cable and appropriate PAPI are on the record before the Department. ZWG argues that, unlike that of the transportation costs, the credibility of the overhead, SG&A and profit data are dependent on Forbes Gokaks status as a company devoted to the production of lock washers. ZWG states that the Department has used the RBI data in many proceedings subsequent to the LTFV investigation of lock washers. ZWG argues that in each decision the Department has held that the overhead, SG&A, and profit data from the RBI bulletin were sufficiently specific to the subject merchandise for use in the Departments dumping calculation.

With respect to petitioner's claim that the RBI data do not include certain expenses, ZWG asserts that the petitioner implies that the Department should tailor the SG&A surrogate value to fit the SG&A expenses paid by ZWG during the period of review. ZWG cites Drawer Slides to argue that the Department has a policy of not tailoring surrogate country values to reflect respondents actual experience: "in NME proceedings, the FMV is normally based on factors valued in a surrogate country (with regard to, for example, actual selling expenses) on the premise that the actual experience cannot be meaningfully considered." ZWG also cites Notice of Final Determination of Sales at Less Than Fair Value: Disposable Pocket Lighters from the PRC, 60 FR 22359: "we disagree that we are required to customize factor value to reflect conditions of certain PRC respondents."

AAFI agrees that the Department properly used the RBI data for overhead and SG&A in the preliminary results. AAFI argues that the SG&A figure provided in the State Department cable is deficient for several reasons, not the least of which is the fact that a 30 percent SG&A for a fastener manufacturer is so abnormally high that its credibility is manifestly suspect. AAFI argues that, while the Department stated in the LTFV investigation that it was using the Forbes Gokak data because that company was the only major producer of HSLWs in India, this premise has now been proven incorrect. AAFI argues that what has become less clear is the assertion that Forbes Gokak is even engaged in lock washer production. AAFI argues that it is appropriate to use the RBI data under these circumstances. AAFI argues further that it has been Department

policy to use alternative data when a particular surrogate value is deemed aberrational, citing Preliminary Determination of Sales at Less Than Fair Value: Sulfanilic Acid From the Republic of Hungary, 57 FR 48293. AAFI argues that the 30 percent figure is clearly aberrational when compared to the metal working industry average as a whole as reflected in the RBI data.

*Departments Position:* During the LTFV investigation, the Department used the Forbes Gokak information contained in the cable from the U.S. consulate in Bombay because it "indicate[d] that Forbes Gokak is the only major producer of helical spring lock washers in India." In the preliminary results of this review, we declined to use Forbes Gokak's data because information submitted on the record by ZWG indicated that Forbes Gokak was not a producer of lock washers. In response to comments by both petitioner and respondent, we decided to request clarifying information after the preliminary results. We received a letter from Forbes Gokak and the company's 1994/1995 consolidated annual report. This information indicated that Forbes Gokak did in fact produce lock washers. However, the proportion of lock washer sales in relation to sales of other products, mostly textiles, was minuscule. Because the SG&A, overhead, and profit figures in Forbes Gokak's financial statement were reported on a company-wide basis, and could not be segregated according to product line, we cannot determine whether the SG&A, overhead, and profit figures are representative of lock washer production. Therefore, we determine that information from the Reserve Bank of India is more appropriate in this case.

We agree with petitioner that an Indian producer would include interest and insurance in its SG&A. We have recalculated the surrogate SG&A percentage to include interest and insurance.

*Comment 7:* Petitioner argues that the overhead rate that the Department used, based on the RBI data, is also less specific and less contemporaneous than the Forbes Gokak information. Petitioner argues that the Forbes Gokak overhead figure is comparable to the RBI number, and that this shows that the Forbes Gokak information is reliable. Petitioner argues that ZWGs attempt, in its June 30, 1995 submission, to show that its machines are old and have little value avoids the question of what the situation would be in the surrogate country. Petitioner argues that the "cost" in the PRC is distinctly different from that in a market economy country

and that expenses incurred by ZWG are not relevant to determining the cost in a market economy country.

AAFI argues that ZWG made the point, in a submission filed prior to the preliminary results, that lock washer production is not capital-intensive or does not have high-R&D cost anywhere. AAFI argues that a manufacturer of this product in a country which has achieved a level of economic development comparable to that of the PRC will probably operate a lock washer facility of a nature comparable to that of a manufacturer in the PRC. AAFI argues that such a facility will likely not be characterized by high SG&A and overhead costs relative to output. AAFI argues that there is no indication that either Indian or Chinese lock washer production is so capital intensive that the discredited Forbes Gokak data should be used.

AAFI argues the Department should continue to use the RBI information, rather than the Forbes Gokak figure, for overhead in its final calculation. AAFI argues that consistency and logic dictate that, under the circumstances of record for this period of review, the same source should be used for the SG&A and overhead figures.

*Departments Position:* We disagree with the petitioner, in part. For the reasons stated in our response to Comment 6, we find that the RBI data is more appropriate to use than the Forbes Gokak information supplied in the cable from the consulate in India. We do not agree that the similarity between the RBI and Forbes Gokak overhead percentages support the use of the information in the cable. Further, there is no evidence to support petitioners assertion that the data in the cable is more contemporaneous with the period of review than is the RBI data. We do agree with the petitioner that the costs incurred between PRC parties are not relevant to costs in a market-economy country and have not made specific adjustments to overhead or SG&A for the experience of the PRC producer.

*Comment 8:* Petitioner argues that even if ZWG (or the plating factory) used its own trucks to pick up and deliver materials, the cost of these trips should have been reflected as part of transportation expenses and not included as part of overhead expenses. Petitioner argues that including the cost of transportation to and from the plating plant as part of factory overhead is at variance with the approach the Department has taken in this and other cases where deliveries are involved. Petitioner argues that, although the Department accepted ZWGs argument in

the LTFV investigation, the Department has not used this approach in any other proceeding of which petitioner is aware.

ZWG argues that petitioner erroneously criticizes the Department for its decision not to add inland freight costs for expenses associated with trucking lock washers to and from the plating subcontractor. ZWG argues that the Department properly found such expenses to be included in the overhead expenses of ZWG. ZWG argues that this is consistent with the use of the RBI data for overhead, which includes power and fuel, repairs to machinery, depreciation, and rates and taxes. ZWG argues that all of these expenses are associated with the operation of motor vehicles in India, the surrogate country. ZWG contends that the Department correctly did not add such transportation costs to the material costs, as in the original LTFV investigation.

**Departments Position:** We agree with ZWG. As in the LTFV investigation, we determined that the costs associated with this type of transportation are included in the surrogate value for factory overhead. Therefore, we did not calculate a separate transportation cost for trucking the lock washers to and from the plating subcontractor. See Notice of Preliminary Determination of Sales at Less Than Fair Value: Honey From the People's Republic of China, 60 FR 14725, 14729 (March 20, 1995).

**Comment 9:** FI argues that the Department used the per kilogram value of production and plating chemicals but made no apparent adjustments to reflect the difference between the concentration levels reported by respondents and those in the import statistics. AAFI argues that, in the amended final determination for the LTFV investigation of lock washers from the PRC, the Department adjusted certain chemical prices obtained from the Indian import statistics to reflect the concentrations reported by ZWG and verified by the Department. AAFI argues that similar adjustments were made in other cases, citing Notice of Final Determination of Sales at Less Than Fair Value: Certain Paper Clips from the PRC, 59 FR 51168.

Petitioner states that during the LTFV investigation several adjustments were made to reflect concentration levels. Petitioner argues that in this case neither AAFI nor ZWG has claimed on the record that specific adjustments reflecting concentration levels should be made.

**Departments Position:** We agree with AAFI in part. ZWG claimed in its June 6, 1995 submission that the surrogate values used by the Department should

be adjusted to the actual concentration levels used by ZWG. Where we have been able to determine the concentration of the surrogate input, we have adjusted for differences between the surrogate and the actual material. ZWG has not provided any information concerning the concentration levels of the surrogate values and the Department has been unable to determine the concentration levels of imports shown in the Indian import statistics. Therefore, we have made no adjustment for concentration levels where the surrogate concentration is not known.

#### Final Results of Reviews

As a result of the comments received, we have changed the results from those presented in our preliminary results of review:

Manufacturer/Exporter	Time period	Margin (per-cent)
Zhejiang Wanxin Group Co., Ltd. ....	10/15/93–09/30/94	26.08

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between U.S. price and FMV may vary from the percentage stated above. The Department will issue appraisal instructions directly to the Customs Service.

Furthermore, the following deposit rates will be effective upon publication of these final results of administrative review for all shipments of HSLWs from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(1) of the Tariff Act: (1) For ZWG, which has a separate rate, the cash deposit rate will be the company-specific rate established in these final results of review; (2) for all other PRC exporters, the cash deposit rate will be 128.63 percent, the PRC rate established in the LTFV investigation of this case; and (3) for non-PRC exporters of subject merchandise from the PRC, the cash deposit rate will be the rate applicable to the PRC supplier of that exporter.

These deposit rates shall remain in effect until publication of the final results of the next administrative review.

This notice also serves as a final 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 notice also serves as a reminder to parties subject to administrative protective orders (APOs) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 353.34(d)(1). Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

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

Dated: August 6, 1996.

Robert S. LaRussa,

*Acting Assistant Secretary for Import Administration.*

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[A-570-822]

#### **Certain Helical Spring Lock Washers From The People's Republic of China; Preliminary Results of Antidumping Administrative Review**

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

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

**SUMMARY:** The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain helical spring lock washers (HSLWs) from the People's Republic of China (PRC) in response to requests by the respondent, Zhejiang Wanxin Group Co., Ltd., (ZWG), and the petitioner, Shakeproof Industrial Products Division of Illinois Tool Works (petitioner). This review covers shipments of this merchandise to the United States during the period October 1, 1994, through September 30, 1995.

We have preliminarily determined that sales have been made below normal value (NV). If these preliminary results are adopted in our final results, we will instruct the U.S. Customs Service to assess antidumping duties equal to the difference between export price and NV.

Interested parties are invited to comment on these preliminary results. Parties who submit argument are