

engine manufacturing plant of Nissan Industrial Engine Manufacturing USA, Inc. (NIEM) (a Nissan Kohki Co., Ltd./Nissan Forklift Corporation, North America joint venture), located in Marengo, Illinois. 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 October 16, 1996.

The NIEM plant (11 acres/66,000 sq.ft.) is located at 19720 East Grant Highway (U.S. 20) in Marengo (McHenry County), some 66 miles west of Chicago, Illinois. The plant (28 employees) is used to produce spark ignition industrial engines (ranging from 40 to 70 hp) used in forklift trucks, construction equipment, generators, welders, and irrigation equipment (HTS# 8407.90.1010) for export and the domestic market. Most of the finished engines are shipped to U.S. forklift truck manufacturers. The production process involves assembly, testing, and warehousing. Components purchased from abroad (about 72% of total, by value) include: crankcases (blocks), cylinder heads, intake/exhaust manifolds, balancer shafts, connecting rods, piston sets, crankshafts, rocker arms, intake/exhaust valves, bearings, housings, flywheels, pulleys, gaskets, camshafts, timing chains, water pumps, magnetos, fasteners, spark plugs, gauges, electrical components, thermostats, oil filters, hoses and plastic molded parts (duty rate range: 0.4–9.1%). The application indicates that U.S.-sourced components will comprise some 29 percent of the finished engines' value within three years.

Zone procedures would exempt NIEM from Customs duty payments on the foreign components used in export production. On its domestic sales, the company would be able to choose the duty rate that applies to finished industrial engines (duty free) for the foreign inputs noted above. The application indicates that subzone status would help improve the plant's international competitiveness.

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 three copies) shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is December 24, 1996. Rebuttal comments in response to material submitted during the foregoing period

may be submitted during the subsequent 15-day period (to January 8, 1997).

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

U.S. Export Assistance Center—Branch Office, P.O. Box 1747, 515 North Court Street, Rockford, IL 61110.
Office of the Executive Secretary, Foreign-Trade Zones Board, U.S. Department of Commerce, Room 3716, 14th Street & Pennsylvania Avenue, NW, Washington, DC 20230–0002.

Dated: October 17, 1996.

John J. Da Ponte, Jr.,

Executive Secretary.

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International Trade Administration

[A–570–845, A–570–846]

Preliminary Determinations of Critical Circumstances: Brake Drums and Brake Rotors from the People's Republic of China

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

EFFECTIVE DATE: October 25, 1996.

FOR FURTHER INFORMATION CONTACT: Brian C. Smith or Michelle A. Frederick, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482–1766 or (202) 482–0186, respectively.

SUPPLEMENTARY INFORMATION:

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 Rounds Agreements Act.

Preliminary Determinations of Critical Circumstances

On October 3, 1996, the Department of Commerce (the Department) preliminarily determined, pursuant to section 733 of the Act, that brake drums and brake rotors from the People's Republic of China (PRC) are being, or are likely to be, sold in the United States at less than fair value (61 FR 53190 (October 10, 1996)). On September 18, 1996, the petitioner alleged that there is a reasonable basis to believe or suspect

that critical circumstances exist with respect to imports of brake drums and brake rotors. In accordance with 19 CFR 353.16(b)(2)(ii), since these allegations were filed later than 20 days before the scheduled date of the preliminary determinations, we must issue our preliminary critical circumstances determinations not later than 30 days after the allegations were submitted.

Section 733(e)(1) of the Act provides that the Department will determine that there is a reasonable basis to believe or suspect that critical circumstances exist if:

(A)(i) there is a history of dumping and material injury by reason of dumped imports in the United States or elsewhere of the subject merchandise, or

(ii) the person by whom, or for whose account, the merchandise was imported knew or should have known that the exporter was selling the subject merchandise at less than its fair value and that there was likely to be material injury by reason of such sales, and

(B) there have been massive imports of the subject merchandise over a relatively short period.

Brake Drums

History of Dumping and Importer Knowledge

(a) Selected respondents. To determine whether there is a history of dumping of the merchandise under investigation, the Department normally considers evidence of an existing antidumping order on brake drums in the United States or elsewhere to be sufficient. Currently, there are no antidumping orders on brake drums from the PRC. Therefore, there is no history of dumped imports of brake drums from the PRC. In determining whether an importer knew or should have known that the exporter was selling the brake drums at less than fair value and thereby causing material injury, the Department normally considers margins of 15 percent or more sufficient to impute knowledge of dumping and of resultant material injury for constructed export price (CEP) sales, and margins of 25 percent or more for export price (EP) sales. *See, e.g., Final Preliminary Critical Circumstances Determination: Honey from the People's Republic of China (PRC)*, 60 FR 29824 (June 6, 1995) (*Honey*).

Since the company-specific margins for EP sales in our preliminary determination for brake drums are below 25 percent for China National Machinery Import & Export Corporation; Yantai Import & Export Corporation; Qingdao Metals & Machinery Import &

Export Corporation (Qingdao); and Beijing Xinchangyuan Automobile Fittings Corporation, Ltd., we have not imputed knowledge of dumping and injury with respect to these four selected respondents. Therefore, we have not analyzed the shipment data for these companies and find that critical circumstances do not exist with respect to these four companies.

(b) Non-selected respondents. The Department is not analyzing data for certain cooperative respondents due to the Department's own administrative constraints. Therefore, we do not believe it is appropriate to find critical circumstances with regard to these companies not selected for analysis. This is the approach we took in *Honey*, 60 FR at 29826.

(c) China-wide companies. For companies subject to the China-wide rate, we are imputing knowledge of dumping based on the China-wide rate (which is above 25 percent). *See id.*

Massive Imports

For cooperating selected respondents and cooperating non-selected respondents, it is not necessary to consider whether there have been massive imports since we found there was no history of dumping or importer knowledge. For companies subject to the China-wide rate (*i.e.*, companies which did not respond to the Department's questionnaire and companies which responded but were preliminarily denied separate rates), we determine, based on the facts available in accordance with section 776(a) of the Act, that there were massive imports of brake drums. *See id.* Therefore, we preliminarily determine that critical circumstances exist with regard to these companies.

Conclusion

We find that critical circumstances do not exist for brake drum sales by the following PRC firms:

China National Machinery Import & Export Corporation
Yantai Import & Export Corporation
Qingdao Metals & Machinery Import & Export Corporation
Beijing Xinchangyuan Automobile Fittings Corporation, Ltd.
China National Automotive Industry Import & Export Corporation, Shandong Laizhou CAPCO Machinery Co., Ltd., and CAPCO International USA (collectively CAIEC/CAPCO)
Jiuyang Enterprise Corporation
Hebei Metals and Machinery Import & Export Corporation
Longjing Walking Tractor Works Foreign Trade Import & Export Corporation
Shanxi Machinery and Equipment Import & Export Corporation

For all firms not named above, we find that critical circumstances do exist with respect to brake drums from the PRC.

Brake Rotors

History of Dumping and Importer Knowledge

(a) Selected respondents. To determine whether there is a history of dumping of the merchandise under investigation, the Department normally considers evidence of an existing antidumping order on brake drums in the United States or elsewhere to be sufficient. Currently, there are no antidumping orders on brake rotors from the PRC. Therefore, there is no history of dumped imports of brake rotors from the PRC. In determining whether an importer knew or should have known that the exporter was selling the brake rotors at less than fair value and thereby causing material injury, the Department normally considers margins of 15 percent or more sufficient to impute knowledge of dumping and of resultant material injury for constructed export price (CEP) sales, and margins of 25 percent or more for export price (EP) sales.

Since the company-specific margins in the preliminary determination for brake rotors are below 15 percent for CAIEC/CAPCO's CEP sales and 25 percent for CAIEC/CAPCO's EP sales, and below 25 percent for EP sales of Yantai Import & Export Corporation and China National Machinery and Equipment Import & Export (Xinjiang) Corporation, Ltd., we have not imputed knowledge of dumping and injury with respect to these three selected respondents. Therefore, we have not analyzed the shipment data for these companies, and find that critical circumstances do not exist for their sales of brake rotors.

Since the company-specific margins in our preliminary determination for brake rotors are above 15 percent for the CEP sales of Shenyang Honbase Machinery Corporation, Ltd., Laizhou Luyuan Automobile Fittings Corporation, Ltd. (collectively Shenyang/Laizhou) and Southwest Technical Import & Export Corporation, Yangtze Machinery Corporation, and MMB International, Inc. (collectively Southwest), and above 25 percent for EP sales of Southwest, we have determined that there is knowledge of dumping and of material injury with respect to these two selected firms.

(b) Non-selected respondents. As stated above with respect to brake drums, the Department is not analyzing data for certain cooperative respondents

due to the Department's own administrative constraints. Therefore, we do not believe it is appropriate to find critical circumstances with regard to these companies not selected for analysis. This is the approach we took in *Honey*. *See* 60 FR at 29826.

(c) China-wide companies. For companies subject to the China-wide rate, we are imputing knowledge of dumping based on the China-wide rate (which is above 25 percent). *See id.*

Massive Imports

For the cooperating selected respondents (except for Shenyang/Laizhou and Southwest) and cooperating non-selected respondents, it is not necessary to consider whether there have been massive imports since we found there was no history of dumping or importer knowledge. However, for Shenyang/Laizhou and Southwest, because there is importer knowledge of dumping and resultant injury, we have examined whether there were massive imports of brake rotors by these two companies.

When examining the volume and value data, the Department typically compares the export volume for equal periods immediately preceding (*i.e.*, the pre-filing period) and following (*i.e.*, the post-filing period) the filing of the petition. Under 19 CFR 353.16(f)(2), unless the imports in the post-filing period have increased by at least 15 percent over the imports during the pre-filing period, we will not consider the imports to have been "massive." In order to determine whether there have been massive imports of brake rotors for the companies for which we have determined that there is knowledge of dumping and material injury, we compared shipments from August 1995 to February 1996 (the pre-filing period) to shipments from March 1996 to September 1996 (the post-filing period). The data we received indicates that the increase in Southwest's shipment of brake rotors to the United States during the post-filing period did not increase by more than 15 percent. Therefore, we preliminarily find that critical circumstances do not exist with respect to sales of brake rotors by Southwest. However, Shenyang/Laizhou's shipment of brake rotors to the United States during the post-filing period did increase by more than 15 percent.

For companies subject to the China-wide rate (*i.e.*, companies which did not respond to the Department's questionnaire and companies which responded but were preliminarily denied separate rates), we determine, based on the facts available in accordance with section 776(a) of the

Act, that there were massive imports of brake rotors. *See id.* Therefore, we preliminarily determine that critical circumstances exist with regard to these companies.

Other Factors

Selected respondents. Our analysis pursuant to 19 CFR 353.16(f)(1)(ii) indicates no evidence that seasonal trends were a significant factor leading to the increase in Shenyang/Laizhou's shipments. We were unable to consider the share of U.S. consumption represented by Shenyang/Laizhou, because we have insufficient information with regard to the Shenyang/Laizhou's market share of U.S. domestic consumption. Because we have determined that Shenyang/Laizhou's purchasers knew or should have known that Shenyang/Laizhou was dumping brake rotors and thereby causing injury, and because Shenyang/Laizhou had massive imports over a relatively short period of time, we preliminarily determine that critical circumstances exist with respect to Shenyang/Laizhou's sales of brake rotors to the United States.

Conclusion

We find that critical circumstances do not exist for the following PRC brake rotors firms:

China National Automotive Industry Import & Export Corporation, Shandong Laizhou CAPCO Machinery Co., Ltd., and CAPCO International USA (collectively CAIEC/CAPCO)
Yantai Import & Export Corporation
Southwest Technical Import & Export Corporation, Yangtze Machinery Corporation, and MMB International, Inc. (collectively Southwest)
China National Machinery and Equipment Import & Export (Xinjiang) Corporation, Ltd.
Qingdao Metals & Machinery Import & Export Corporation
Xianghe Zichen Casting Corporation
Jiuyang Enterprise Corporation
Hebei Metals and Machinery Import & Export Corporation
Yenhere Corporation
Longjing Walking Tractor Works Foreign Trade Import & Export Corporation
Jilin Provincial Machinery & Equipment Import & Export Corporation
Shanxi Machinery and Equipment Import & Export Corporation

We find that critical circumstances exist for Shenyang/Laizhou. In addition, for companies subject to the China-wide rate, we are imputing knowledge based on the China-wide rate (which is above 25 percent), and determine, based on the facts available, that there were massive imports of brake rotors by companies which did not respond to the Department's questionnaire (*see Honey,*

60 FR at 29826). Therefore, we preliminarily determine that critical circumstances exist with regard to these companies.

Suspension of Liquidation

In accordance with section 733(e)(2) of the Act, we are directing the Customs Service to suspend liquidation of all entries of brake drums from PRC firms found to have critical circumstances that are entered, or withdrawn from warehouse, for consumption on or after July 12, 1996 (*i.e.*, 90 days prior to the date of publication of our preliminary determination in the Federal Register).

For brake rotors, we are directing the Customs Service to suspend liquidation of all entries of brake rotors from Shenyang/Laizhou and all other PRC firms found to have critical circumstances that are entered, or withdrawn from warehouse, for consumption on or after July 12, 1996 (*i.e.*, 90 days prior to the date of publication of our preliminary determination in the Federal Register).

The Customs Service shall require a cash deposit or posting of a bond equal to the estimated preliminary dumping margins reflected in the preliminary determinations which were published in the Federal Register. This suspension of liquidation will remain in effect until further notice.

Final Critical Circumstances Determinations

We will make final determinations concerning critical circumstances when we make our final determinations of sales at less than fair value in these investigations, which will be by February 24, 1997.

ITC Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our determinations.

These determinations are published pursuant to section 733(f) of the Act.

Dated: October 18, 1996.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 96-27357 Filed 10-24-96; 8:45 am]

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[A-588-609]

Color Picture Tubes from Japan; Extension of Time Limit of Antidumping Duty Administrative Review

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

ACTION: Notice of extension of time limit of antidumping duty administrative review.

SUMMARY: The Department of Commerce (the Department) is extending the time limit for preliminary results in the administrative review of the antidumping duty order on color picture tubes (CPTs) from Japan, covering the period January 1, 1995, through December 31, 1995, because it is not practicable to complete the review within the time limits mandated by the Tariff Act of 1930 (the Act), as amended, 19 U.S.C. 1675(a)(3)(A).

EFFECTIVE DATE: October 25, 1996.

FOR FURTHER INFORMATION CONTACT: Charles Riggle or Kris Campbell, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th and Constitution Avenue, N.W., Washington, D.C. 20230, telephone: (202) 482-4733.

Applicable Statute

Unless otherwise indicated, all citations to the Act are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreement Act.

SUPPLEMENTARY INFORMATION:

Background

On February 20, 1996, the Department initiated an administrative review of the antidumping duty order on CPTs from Japan covering the period January 1, 1995, through December 31, 1995 (61 FR 6347). In our notice of initiation we stated that we intended to issue the final results of this review not later than January 31, 1997.

Postponement of Preliminary Results of Review

Section 751(a)(3)(A) of the Act requires the Department to issue preliminary results within 245 days after the last day of the anniversary month of an order for which a review is requested. However, if it is not practicable to issue the preliminary results in 245 days, section 751(a)(3)(A) allows the Department to extend this time period to 365 days.

We determine that it is not practicable to issue the preliminary results of this review within 245 days because the review involves collecting and analyzing data for a large volume of U.S. sales during the period of review. Given the volume of this data, we must address complicated issues related to further manufacturing and to our model match methodology. See Memorandum from Office Director for AD/CVD