Manufacturer exporter	Percent margin
Wing Tang Electrical Manufacturing Company	10.67

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

Further, the following cash deposit requirements will be effective for all shipments of the subject merchandise, entered, or withdrawn from warehouse, for consumption on or after the publication date of these final results of administrative review, as provided for by section 751(a)(1) of the Act: (1) the cash deposit rate for the reviewed firms will be the rates initiated above; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or in the original LTFV 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) if neither the exporter nor the manufacturer is a firm covered in this or any previous review or the original investigation, the cash deposit rate will be 6.93%, the all others rate established in the LTFV investigation.

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

This notice 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 order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 353.34(d). Timely written notification or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of the 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: November 4, 1996.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 96–29090 Filed 11–13–96; 8:45 am]

BILLING CODE 3510–DS–M

[A–580–807]

Polyethylene Terephthalate Film, Sheet, and Strip From the Republic of Korea; Final Results of Antidumping Duty Administrative Review and Notice of Revocation in Part

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

ACTION: Notice of final results of antidumping duty administrative review and notice of revocation in part.

SUMMARY: On July 9, 1996, the Department of Commerce (the Department) published the preliminary results of administrative review, intent to revoke in part, and termination in part of the antidumping duty order on polyethylene terephthalate (PET) film, sheet, and strip from the Republic of Korea. The review covers three manufacturers/exporters of the subject merchandise to the United States and the period June 1, 1994 through May 31, 1995.

As a result of comments we received, the dumping margins have changed from those we presented in our preliminary results.

EFFECTIVE DATE: November 14, 1996.

FOR FURTHER INFORMATION CONTACT: Michael J. Heaney or John Kugelman, AD/CVD Enforcement Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, telephone: (202) 482–4475 or 0649, respectively.

SUPPLEMENTARY INFORMATION:

Background

On July 9, 1996 (61 FR 36032), the Department published the preliminary results of administrative review, notice of intent to revoke in part, and termination in part of the antidumping duty order on PET film from the Republic of Korea (56 FR 25669, June 5, 1991).

Also, on July 9, 1996, we terminated the review with respect to Cheil Synthetics Inc. (Cheil) because we revoked the order with respect to Cheil on June 25, 1996.

This review covers three manufacturers/exporters of the subject merchandise to the United States: Kolon Industries (Kolon), SKC Limited (SKC), and STC Corporation (STC), and the period June 1, 1994 through May 31, 1995.

We are revoking the order for Kolon because Kolon has sold the subject merchandise at not less than normal value (NV) in this review and for at least three consecutive periods.

On the basis of no sales at less than NV for a period of three consecutive years, and the lack of any indication that such sales are likely in the future, the Department concludes that Kolan is not likely to sell the merchandise at less than NV in the future. Kolon has also submitted a certification that it will not sell at less than NV in the future and an agreement for immediate reinstatement, in accordance with 19 CFR 353.25(b). Therefore, the Department is revoking the order with respect to Kolon.

The Department has concluded this review in accordance with section 751 of the Tariff Act of 1930, as amended.

Scope of the Review

Imports covered by this review are shipments of all gauges of raw, pretreated, or primed polyethylene terephthalate film, sheet, and strip, whether extruded or coextruded. The films excluded from this review are metallized films and other finished films that have had at least one of their surfaces modified by the application of a performance-enhancing resinous or inorganic layer or more than 0.00001 inches (0.254 micrometers) thick. Roller transport cleaning film which has at least one of its surfaces modified by the application of 0.5 micrometers of SBR latex has also been ruled as not within the scope of the order.

PET film is currently classifiable under Harmonized Tariff Schedule (HTS) subheading 3920.62.00.00. The HTS subheading is provided for convenience and for U.S. Customs purposes. The written description remains dispositive as to the scope of the product coverage.

The review covers the period June 1, 1994 through May 31, 1995

Applicable Statute and Regulations

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 Tariff 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).

Analysis of Comments Received

We invited interested parties to comment on the preliminary results of this administrative review. We received timely comments from each of the three respondents.

Comment 1

Kolon contends that the Department should revoke the order with respect to Kolon based on the company having three consecutive years of *de minimis* margins. Kolon notes that it has provided a statement agreeing to immediate reinstatement of the order if the Department determines that Kolon sells merchandise at less than value (HV) subsequent to revocation.

Kolon further contends that in litigation involving the first review period (November 30, 1990–May 31, 1992) the Department has agreed to recalculate margins for Kolon using its current tax-adjustment methodology. Kolon argues that if the recalculated margins for the first review period *de minimis*, the Department should neither require nor rely upon a statement from Kolon agreeing to possible reinstatements in the order, since Kolon would never have been found to have sold the subject merchandise at less than NV.

Department's Position

We agree with Kolon that its tentative revocation should be made final based upon its having three consecutive years of zero or *de minimis* margins, and our determination that it is not likely that Kolon will in the future sell the merchandise at less than NV. Since we are issuing these final results prior to completion of litigation of the first review, a statement from Kolon, pursuant to 19 CFR 353.25(b)(2), is required.

Comment 2

SKC argues that B-grade film is a by-product of PET film rather than a co-product, and, therefore, the Department's reallocation of manufacturing costs between A-grade and B-grade film is contrary to Department practice and unreasonably overstates SKC's B-grade film costs. SKC asserts that as a by-product, B-grade film should not bear the same cost as A-grade film because B-grade film cannot be used by SKC's normal PET film customers. SKC contends that the Department's allocation of costs to B-grade film should reflect the economic value of the products manufactured.

SKC also claims that the Department's reallocation of manufacturing costs based on physical measures is inconsistent with the Department's treatment of jointly produced products in other cases. SKC notes that in the *Final Determination of Sales at Less Than Fair Value: Canned Pineapple Fruit from Thailand*, 60 FR 29533, 29560 (June 5, 1995) (*Pineapple Fruit from Thailand*) the Department did not use physical measures to allocate joint products but rather used an allocation methodology that recognized the significantly different economic values of the products. SKC also cites to *Elemental Sulphur from Canada; Final Results of Antidumping Finding Administrative Review*, 61 FR 8239, 8241–8243 (March 4, 1996), (*Sulphur*), and *Oil Country Tubular Goods from Argentina, Final Determination of Sales at Less Than Fair Value*, 60 FR 33539, 33547 (June 28, 1995), *OCTG from Argentina*, as two additional cases where the Department did not use physical measures to allocate costs.

SKC contends that these cases demonstrate that the Department has consistently rejected the use of physical allocation methodologies in cases where the one joint product has a significantly lower economic value than the other product. Based on the dissimilarity of A-grade and B-grade film, SKC asserts that the Department's joint allocation of costs between these two products is economically unreasonable. SKC contends that it reported costs for A-grade and B-grade film in accordance with widely accepted accounting principles; therefore, the Department should follow its well-established practice of using a company's normal accounting system unless that system results in an unreasonable allocation of costs.

SKC further argues that the Department's methodology of allocating yield losses equally between A-grade an B-grade film produces absurd results because that methodology allocates expenses associated with one type of scrap (B-grade film) to another type of scrap (PET film that is not saleable). SKC also contends that the physical defects inherent in B-grade film compel SKC to (1) sell B-grade film for non-PET film applications, and (2) assign B-grade film a lower value than A-grade film. Moreover, SKC asserts that the Department's decision to allocate yield losses equally between A-grade and B-grade film conflicts with the model-match and cost test methodologies employed in this review. SKC notes that for model-match purposes, the Department restricted comparisons of U.S. B-grade film to home market sales of B-grade film. SKC asserts that the Department cannot ignore differences between A-grade and B-grade film for purposes of its cost analysis.

Finally, SKC asserts that the Department should accept its cost methodology even if the Department determines that B-grade film is a co-product rather than a by-product of A-grade film. SKC asserts that its cost system is consistent with the decision in *Ipsco Inc.* v. *United States*, 965 F. 2d. 1056 (Fed. Cir. 1992) (*Ipsco Appeal*), because unlike the allocation methodology reversed in *Ipsco Appeal*, SKC does not rely upon sales value to allocate costs.

Department's Position

We disagree with SKC. As we explained in the final results for the second and third reviews of this order, we determine that A-grade and B-grade PET film have identical production costs, and accordingly, we continue to rely on an equal cost methodology for A-grade and B-grade film in this final determination. (*See Polyethylene Terephthalate Film, Sheet, and Strip from the Republic of Korea; Final Results of Review and Tentative Revocation in Part*, 61 FR 35177, 35182–83, July 5, 1996) (*Final Results of Second and Third Reviews*). Moreover, as noted in the *Final Results of Second and Third Reviews*, the Court of International Trade (CIT) has determined that our allocation of SKC's production costs between A-grade and B-grade film is reasonable. (*See E.I. DuPont de Nemours & Co., Inc. et al.* v. *United States*, 932 F. Supp. 296 (CIT 1996).)

As explained in the *Final Results of Second and Third Reviews*, we do not consider B-grade film to be a by-product because A-grade and B-grade film undergo an identical production process that involves an equal amount of material and fabrication expenses. The only difference in the resulting A-grade and B-grade film is that at the end of the manufacturing process a quality inspection is performed during which some of the film is classified as high quality A-grade product, while other film is classified as lower quality B-grade film. Accounting literature identifies by-products as separate and distinct products, not grades of the same product. (*See Final Results of Second and Third Reviews*, 35182.)

We continue to maintain that SKC's reliance on *Sulphur*, *Pineapple Fruit from Thailand*, and *OCTG from Argentina* is misplaced. Those cases

concerned the appropriate cost methodology for products manufactured from a joint production process.

SKC has mischaracterized the continuous production process of PET film as joint processing. A joint production process occurs when ''two or more products result simultaneously from the use of one raw material as production takes place.'' (*see Management Accountants' Handbook*, Keeler, et. al., Fourth Edition at 11:1.) A joint production process produces two distinct products and the essential point of a joint production process is that ''the raw material, labor, and overhead costs prior to the initial split-off can be allocated to the final product only in some arbitrary, although necessary, manner.'' *Id*. The identification of different grades of merchandise does not transform the manufacturing process into a joint production process which would require the allocation of costs. In this case, since production records clearly identify the amount of yield losses for each specific type of PET film, out allocation of yield losses to the films bearing those losses is reasonable, not arbitrary.

Moreover, in none of the cases cited by SKC were both products within the scope of the same antidumping order. The PET film production process produces two finished products, both of which are saleable, and both of which are PET film products covered by the order. B-grade PET film (like A-grade film) is sold as PET film and consumed as PET film. By contrast, the resulting joint products or by-products in the cases cited by SKC were of a different class or kind of merchandise than the products that the manufacturer set out to produce, and included both products covered by antidumping duty orders and products not covered by orders. Pineapple shells, cores, and ends are made into pineapple juice, which is not of the same class or kind as pineapple fruit. Natural gas was not of the same class or kind as elemental sulphur, nor were secondary OCTG products of the same class or kind as OCTG. In addition, we note that in the ordinary course of business SKC treats methanol, and not B-grade film, as the by-product of the PET film production process.

SKC's reported costs are not consistent with *Ipsco Appeal* simply because SKC has not allocated costs based on sales value. *Ipsco Appeal* involved the Department's use of an appropriate methodology for allocating costs between two grades of steel pipe, which were distinguishable on the basis of quality. *Ipsco Appeal*, 965 F.2d at 1058. The same production inputs for materials, labor, and overhead went into the manufacturing lot that yielded both grades of pipe. *Id*. Given these facts, in our final determination, we allocated production costs equally between those two grades of pipe. We reasoned that because they were produced at the same time. on the same production lines, and following the identical manufacturing process, the two grades of pipe in fact had identical production costs. *Id*. The Federal Circuit ruled that this methodology was consistent with the antidumping statute. As discussed above and in the *Final Results of Second and Third Reviews*, the same reasoning applies to A-grade and B-grade films and supports our determination that an equal cost methodology is appropriate to calculate costs of A-grade and B-grade film.

Finally, SKC's argument that matching A-grade and B-grade film to identical merchandise necessitates that each of these models have a unique cost is without merit. Two products that are not ''identical'' for model-match purposes may indeed have the same costs.

Comment 3

SKC contends that the computer program used to calculate its dumping margin contains a flaw in the product matching portion of the program. SKC contends that the program erroneously references the U.S. product code rather than the home market product code. SKC asserts that this error results in matches of U.S. products to dissimilar comparison products.

Department's Position

We agree with SKC. In these final results we have amended our calculations, and have used the home market code in the product matching portion of the program.

Comment 4

STC asserts that the Department's computer program failed to match certain U.S. sales to normal values in the 90/60-day window period. STC asserts that the computer program incorrectly matched these sales to constructed value instead of to a contemporaneous home market sale that occurred within the 90/60-day window.

Department's Position

We agree with STC. In these final results, we searched for a contemporaneous home market sale within the 90/60-day window before using constructed value.

Comment 5

STC asserts that in its preliminary calculations, the Department inconsistently calculated and applied the DV profit rate. STC contends that the Department calculated profit across a home market cost of production that included the sum of the cost of manufacturing (COM), general and administrative expenses (GNA) and interest expenses. STC notes that the Department applied profit to a COP that included the COM, GNA, indirect selling expenses reported by STC, and direct selling expenses reported by STC. STC argues that the Department should apply the CV profit rate on the same allocation basis as it was calculated.

Department's Position

We agree. In these final results we have applied the CV profit rate in the same allocation basis as we calculated it, and have allocated profit across the sum of COM, GNA and interest expenses.

Final Results of Review and Revocation in Part

Upon review of the comments submitted, the Department has determined that the following margins exist:

Company	Margin (percent)
Kolon	0.14
SKC	0.70
STC	4.95

Based upon the information submitted by Kolon during this review and the second and third administrative reviews, we determine that Kolon has met the requirements for revocation set forth in § 353.25(a)(2) and § 353.25(b) of the Department's regulations. Kolon has demonstrated three consecutive years of sales at not less than normal value and has submitted the certifications required under 19 CFR 353.25(b). The Department conducted a verification of Kolon as required under 19 CFR 353.25(c)(2)(ii).

The Customs Service shall assess antidumping duties on all appropriate entries. Individual differences between U.S. Price and NV may vary from the percentages stated above. The Department will issue appraisement instructions concerning each respondent directly to the U.S. Customs Service.

Furthermore, the following deposit requirements will be effective for all shipments of the subject merchandise, entered, or withdrawn from warehouse, for consumption on or after the publication date of these final results of administrative review, as provided for by section 751(a)(1) of the Tariff Act: (1)

The cash deposit rate for the reviewed firms will be the rates indicated above except for Kolon; because we are revoking the order with respect to Kolon, no cash deposit will be required for Kolon; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or in the original LTFV 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) if neither the exporter nor the manufacturer is a firm covered in this or any previous review conducted by the Department, the cash deposit rate will be 4.82 percent, the all-others rate established in the LTFV investigation.

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

This notice serves as the 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 these review periods. 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 order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 353.34(d). Timely written notification or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of the 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: November 6, 1996.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 96–29091 Filed 11–13–96; 8:45 am]

BILLING CODE 3510–DS–M

[C–412–811]

Certain Hot-Rolled Lead and Bismuth Carbon Steel Products From the United Kingdom; Final Results of Countervailing Duty Administrative Review

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

ACTION: Notice of final results of countervailing duty administrative review.

SUMMARY: On May 6, 1996, the Department of Commerce (the Department) published in the Federal Register its preliminary results of administrative review of the countervailing duty order on certain hot-rolled lead and bismuth carbon steel products from the United Kingdom for the period January 1, 1994, through December 31, 1994 (61 FR 20238). The Department has now completed this administrative review in accordance with § 751(a) of the Tariff Act of 1930, as amended. For information on the net subsidy for each reviewed company, and for all non-reviewed companies, please see the *Final Results of Review* section of this notice. We will instruct the U.S. Customs Service to assess countervailing duties as detailed in the *Final Results of Review* section of this notice.

EFFECTIVE DATE: November 14, 1996.

FOR FURTHER INFORMATION CONTACT: Melanie Brown or Christopher Cassel, Office of CVD/AD Enforcement VI, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone (202) 482–2786.

SUPPLEMENTARY INFORMATION:

Background

Pursuant to § 355.22(a) of the Department's *Interim Regulations,* this review covers only those producers or exporters of the subject merchandise for which a review was specifically requested. *See Antidumping and Countervailing Duties: Interim regulations; request for comments,* 60 FR 25130, 25139 (May 11, 1995) (*Interim Regulations*). Accordingly, this review covers United Engineering Steels Limited (UES) and British Steel plc (BS plc). BS plc stated that it did not produce or export the subject merchandise during the period of review (POR). Therefore, BS plc has not been assigned an individual company rate for this administrative review. This review also covers the period January 1, 1994, through December 31, 1994, and fourteen programs.

Since the publication of the preliminary results on May 6, 1996 (61 FR 20238), the following events have occurred. We invited interested parties to comment on the preliminary results. On June 5, 1996, case briefs were submitted by UES, producer of the subject merchandise which exported hot-rolled lead and bismuth carbon steel products to the United States during the POR (respondent), the Government of the United Kingdom (UK Government) and Inland Steel Bar Company (petitioner). On June 12, 1996, rebuttal briefs were submitted by respondent and petitioner. At the request of respondent, the Department held a public hearing on June 28, 1996.

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions of the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act (URAA) effective January 1, 1995 (the Act). References to the *Countervailing Duties: Notice of Proposed Rulemaking and Request for Public Comments,* 54 FR 23366 (May 31, 1989) (*Proposed Regulations*), are provided solely for further explanation of the Department's countervailing duty practice. Although the Department has withdrawn the particular rulemaking proceeding pursuant to which the *Proposed Regulations* were issued, the subject matter of these regulations is being considered in connection with an ongoing rulemaking proceeding which, among other things, is intended to conform the Department's regulations to the URAA. *See Advance Notice of Proposed Rulemaking and Request for Public Comments,* 60 FR 80 (January 3, 1995).

Scope of the Review

Imports covered by this review are hot-rolled bars and rods of non-alloy or other alloy steel, whether or not descaled, containing by weight 0.03 percent or more of lead or 0.05 percent or more of bismuth, in coils or cut lengths, and in numerous shapes and sizes. Excluded from the scope of this review are other alloy steels (as defined by the *Harmonized Tariff Schedule of the United States* (HTSUS) Chapter 72, note 1(f)), except steels classified as other alloy steels by reason of containing by weight 0.4 percent or more of lead or 0.1 percent or more of bismuth, tellarium, or selenium. Also excluded are semi-finished steels and flat-rolled products. Most of the products covered in this review are provided for under subheadings