

DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-811]

Steel Wire Rope From the Republic of Korea; Notice of Termination in Part of Antidumping Duty Administrative Review

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

ACTION: Notice of termination in part of antidumping duty administrative review.

SUMMARY: On April 24, 1997, the Department of Commerce (the Department) published in the **Federal Register** the notice of initiation of the administrative review of the antidumping duty order on steel wire rope from the Republic of Korea. As a result of revocation of the order in part with respect to Manho Rope Manufacturing Co., Ltd. and Chun Kee Steel Wire Rope Co., Ltd., the Department is now terminating the review in part with respect to Manho Rope Manufacturing Co., Ltd., and Chun Kee Steel Wire Rope Co., Ltd., covering the period March 1, 1996, through February 28, 1997.

EFFECTIVE DATE: May 15, 1997.

FOR FURTHER INFORMATION CONTACT: Matthew Rosenbaum or Thomas O. Barlow, 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.

SUPPLEMENTAL INFORMATION:**Applicable Statute**

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

Background

On March 31, 1997, the Committee of Domestic Steel Wire Rope and Specialty Cable Manufacturers, petitioner in this proceeding, requested an administrative review of the antidumping duty order on steel wire rope from the Republic of Korea for the review period March 1,

1996, through February 28, 1997. Petitioner included Manho Rope Manufacturing Co., Ltd. (Manho), and Chun Kee Steel Wire Rope Co., Ltd. (Chun Kee), in its request. On March 31, 1997, Manho and Chun Kee also requested administrative reviews. On April 24, 1997, the Department published in the **Federal Register** (62 FR 19988) the notice of initiation of this administrative review.

On April 9, 1997, the Department revoked the antidumping duty order on steel wire rope from the Republic of Korea in part with respect to Manho and Chun Kee, effective for entries of subject merchandise entered or withdrawn from warehouse on or after March 1, 1996 (see *Steel Wire Rope from the Republic of Korea; Final Results of Antidumping Duty Administrative Review and Revocation in Part of Antidumping Duty Order* (62 FR 17171)). Therefore, we are terminating this review with respect to Manho and Chun Kee, which covers shipments of subject merchandise from the Republic of Korea during the period March 1, 1996, through February 28, 1997. The Department will order the suspension of liquidation ended for all such entries and will instruct the Customs Service to release any cash deposits or bonds. The Department will further instruct Customs to refund with interest any cash deposits on entries made on or after March 1, 1996.

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

Dated: May 7, 1997.

Susan Kuhbach,

Acting Deputy Assistant Secretary for Import Administration.

[FR Doc. 97-12801 Filed 5-14-97; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-583-815]

Certain Welded Stainless Steel Pipe From Taiwan; Preliminary Results of Antidumping Duty Administrative Reviews

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

ACTION: Notice of preliminary results of administrative reviews.

SUMMARY: In response to requests by respondent Ta Chen Stainless Pipe Co., Ltd. (Ta Chen), the Department of Commerce (the Department) is conducting administrative reviews of

the antidumping duty order on certain welded stainless steel pipe from Taiwan (A-583-815). These reviews cover one manufacturer/exporter of the subject merchandise to the United States during the periods June 22, 1992 through November 30, 1993 and December 1, 1993 through November 30, 1994.

We preliminarily determine that Ta Chen made sales of welded stainless steel pipe (WSSP) below the foreign market value (FMV) for both periods of review (POR). If these preliminary results are adopted in our final results of administrative review, we will instruct the U.S. Customs Service to assess antidumping duties equal to the difference between United States price (USP) and the FMV.

We invite interested parties to comment on these preliminary results. Parties who submit comments are requested to submit with the argument (1) a statement of the issues and (2) a brief summary of the argument.

EFFECTIVE DATE: May 15, 1997.

FOR FURTHER INFORMATION CONTACT: Robert James at (202) 482-5222 or John Kugelman at (202) 483-0649, Antidumping and Countervailing Duty Enforcement Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

APPLICABLE STATUTE AND REGULATIONS: Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Tariff Act) and to the Department's regulations are in reference to the provisions as they existed on December 31, 1994.

SUPPLEMENTARY INFORMATION:**Background**

On December 30, 1992, the Department published in the **Federal Register** the antidumping duty order on WSSP from Taiwan (57 FR 62300). On November 26, 1993, the Department published the notice of "Opportunity to Request Administrative Review" for the period June 22, 1992 through November 30, 1993 (58 FR 62326). In accordance with 19 CFR 353.22(a)(1), Ta Chen requested that we conduct a review of its sales for this period. On January 18, 1994, we published in the **Federal Register** a notice of initiation of an antidumping duty administrative review covering the period June 22, 1992 through November 30, 1993. The Department subsequently published a notice of "Opportunity to Request Administrative Review" for the period December 1, 1993 through November 30, 1994 on December 6, 1994 (59 FR 62710). Again, Ta Chen requested a

review of its sales for this period. On January 13, 1995, we published in the **Federal Register** our notice of initiation of the second administrative review (60 FR 3192). The Department is now conducting these administrative reviews in accordance with section 751 of the Tariff Act.

Scope of the Review

The merchandise subject to this administrative review is certain welded austenitic stainless steel pipe (WSSP) that meets the standards and specifications set forth by the American Society for Testing and Materials (ASTM) for the welded form of chromium-nickel pipe designated ASTM A-312. The merchandise covered by the scope of the order also includes austenitic welded stainless steel pipes made according to the standards of other nations which are comparable to ASTM A-312.

WSSP is produced by forming stainless steel flat-rolled products into tubular configuration and welding along the seam. WSSP is a commodity product generally used as a conduit to transmit liquids or gases. Major applications of WSSP include, but are not limited to, digester lines, blow lines, pharmaceutical lines, petrochemical stock lines, brewery process and transport lines, general food processing lines, automotive paint lines, and paper process machines.

Imports of WSSP are currently classifiable under the following Harmonized Tariff Schedule of the United States (HTS) subheadings: 7306.40.1000, 7306.40.5005, 7306.40.5015, 7306.40.5145, 7306.40.5060, and 7306.40.5075. Although these subheadings include both pipes and tubes, the scope of this investigation is limited to welded austenitic stainless steel pipes. The HTS subheadings are provided for convenience and Customs purposes; the written description of the scope of this order remains dispositive.

Use of Best Information Available

We preliminarily determine that the use of best information otherwise available (BIA), in accordance with section 776(c) of the Tariff Act, is appropriate for Ta Chen for the period June 22, 1992 through November 30, 1993 and the period December 1, 1993 through November 30, 1994. We find that in each review Ta Chen mischaracterized and failed to fully disclose its relationships with certain U.S. customers and, as a result, did not report its first U.S. sale to an unrelated party. Therefore, Ta Chen failed to provide the Department with the U.S.

sales data necessary to calculate margins in these two reviews. Although the bases for this determination are discussed below, much of the relevant information is proprietary in nature and cannot be discussed in this public notice. A more detailed analysis is found in the Department's proprietary Analysis Memorandum, on file in Room B-099 of the Main Commerce Building.

The Department's definition of related parties is found at section 771(13) of the Tariff Act. Section 771(13) states, *inter alia*, that:

for purposes of determining United States price, the term "exporter" includes the person by whom or for whose account the merchandise is imported into the United States if—

* * * * *

(B) Such person owns or controls, directly or indirectly, through stock ownership or control or otherwise, any interest in the business of the exporter, manufacturer, or producer;

(C) The exporter, manufacturer, or producer owns or controls, directly or indirectly, through stock ownership or control or otherwise, any interest in the business conducted by such person * * *

See Section 771(13) of the Tariff Act (emphasis added).

Throughout the first and second administrative reviews Ta Chen insisted that it was not related to any U.S. customer. However, in a supplemental questionnaire response submitted in the third (1994–1995) administrative review (relevant portions of which have been incorporated into the records of these reviews), Ta Chen for the first time disclosed information which clearly indicates that Ta Chen was related to two U.S. customers, within the meaning of section 771(13) of the Tariff Act, during the first and second review periods. Section 771(13)(C) holds that the term "exporter" includes the person by whom or for whose account the merchandise is imported into the United States if the exporter "controls, directly or indirectly, through stock ownership or control or otherwise, any interest in the business conducted by such person." The record evidence leads us to conclude that Ta Chen exercised *de facto* operational control over these U.S. customers.

Our discussion below focuses on two parties, referred to here as Company A and Company B, which Ta Chen reported as unrelated customers. Prior to June, 1992 Ta Chen had sold pipe from the U.S. inventory of its wholly-owned subsidiary, Ta Chen International (TCI). In June 1992, after Ta Chen decided to stop selling its products from TCI's inventory, TCI and Company A (a U.S. company

established in 1988 by the president of a Taiwanese firm), signed an agreement whereby Company A would purchase all of TCI's considerable U.S. inventory and would effectively replace TCI as the principal distributor of Ta Chen pipe products in the United States. In a separate June 1992 agreement between Ta Chen and Company A, Company A also committed itself to purchasing very substantial, and rapidly increasing, dollar values of Ta Chen products over the following two years. In September 1993, a member of Ta Chen's board of directors sold all of his stock in Ta Chen, allegedly severed all ties with Ta Chen, and incorporated a new entity, Company B. This new Company B purchased all of Company A's assets, including inventory, and assumed all of Company A's obligations regarding its lease of space from Ta Chen's president, purchase commitments, credit arrangements, etc.

During the first (1992–1993) and second (1993–1994) periods of review Ta Chen controlled both Company A's and then Company B's disbursements through physical custody of their signature stamps, whereby officials of TCI were authorized to execute checks and other instruments on behalf of Company A and Company B. Ta Chen also shared common sales department personnel and office equipment with Company A and Company B. Furthermore, Ta Chen's sales manager also served as sales manager for both Company A and Company B. Ta Chen also had full and unrestricted access, via a dedicated telephone connection, to Company A's and Company B's computer accounting systems, including their accounts receivable, accounts payable, payroll, and other company books. Ta Chen indicated that it was the sole supplier of stainless steel pipe and pipe fittings to Company A and Company B and, further, that its president participated directly in negotiating the terms of certain sales Company A and Company B made to subsequent purchasers of WSSP in the United States. Finally, first Company A and, later, Company B, pledged their accounts receivable and inventory as security for a sizable line of credit obtained from a local bank by TCI. These companies also pledged their full cooperation in enforcing this lien in the event Ta Chen defaulted on its debt.

In addition, we note that for the first period of review, record evidence strongly indicates that Ta Chen and Company B were related parties as defined by section 771(13)(B) of the Tariff Act. At least for some portion of 1992 until the end of September 1993 (*i.e.*, during the first POR), Ta Chen's

board member simultaneously owned Company B and held equity interest in Ta Chen. Petitioners have supplied a Dun & Bradstreet report on Company B and a supporting affidavit which indicates that while Company B was incorporated in 1993, the board member actually founded the company and made sales in 1992.

Based on this evidence of Ta Chen's connections with Company A and Company B, in particular its control over operational functions such as disbursements, sales personnel, and Ta Chen's involvement in Company A's and Company B's sales activities, we preliminarily determine that Ta Chen had a substantial interest in Company A and Company B during the 1992-1993 and 1993-1994 periods of review. Therefore, Ta Chen was related to Company A and Company B within the meaning of section 771(13) of the Tariff Act. Because Ta Chen reported U.S. sales to Company A and Company B instead of the first sale to an unrelated party, the use of best information otherwise available is warranted.

In selecting BIA, the Department has established a "two-tier" hierarchy:

1. When a company refuses to cooperate with the Department or otherwise significantly impedes the proceedings we use as BIA the higher of (a) the highest of the rates found for any firm for the same class or kind of merchandise in the same country of origin in the LTFV investigation or a prior administrative review, or (b) the highest rate found in this review for any firm for the same class or kind of merchandise in the same country of origin.

2. When a company substantially cooperated with our requests for information, but failed to provide the information in a timely manner or in the form required, we use as BIA the higher of (a) the highest rate (including the "all others" rate) ever applicable to the firm for the same class or kind of merchandise from either the LTFV investigation or a prior administrative review, or (b) the highest rate calculated in this review for any firm for the class or kind of merchandise in the same country of origin. See *Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof From France, et al.*; *Final Results of Antidumping Duty Administrative Reviews* 57 FR 28360, 28379 (June 24, 1992); see also *Allied Signal v. United States*, 996 F.2d 1195 (Fed. Cir. 1993).

We find that because Ta Chen failed to provide accurate information on its relationships to other companies and misreported its sales in both the first and second administrative reviews, Ta

Chen failed to cooperate with the Department and has significantly impeded these proceedings. Accordingly, we are assigning Ta Chen a margin based on "first-tier," or uncooperative, BIA.

Preliminary Results of Review

As a result of our review, we preliminarily determine the weighted-average margin for Ta Chen for the periods June 22, 1992 through November 30, 1993 and December 1, 1993 through November 30, 1993 to be 31.90 percent, *i.e.*, the highest margin found for any respondent in the LTFV investigation. See Amended Final Determination and Antidumping Duty Order; *Certain Welded Stainless Steel Pipe From Taiwan*, 57 FR 62300, 62301 (December 30, 1992).

Parties to these proceedings may request disclosure within five days of publication of this notice and may request a hearing within ten days of publication. Any hearing, if requested, will be held 44 days after the date of publication, or the first business day thereafter. Interested parties may submit case briefs or written comments, or both, no later than 30 days after the date of publication. Rebuttal briefs and rebuttals to written comments, limited to issues raised in the case briefs and comments, may be submitted no later than 37 days after the date of publication of this notice. Parties who submit arguments in these proceedings are requested to submit with the argument (1) a statement of the issues and (2) a brief summary of the argument. The Department will issue final results of these administrative reviews, including the results of our analysis of the issues in any such written comments or at a hearing.

The Department shall determine, and the U.S. 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 requirements will be effective upon completion of the final results of these administrative reviews for all shipments of WSSP from Taiwan entered, or withdrawn from warehouse, for consumption on or after the publication of the final results of these administrative reviews, as provided in section 751(a)(1) of the Tariff Act:

(1) The cash deposit rate for Ta Chen will be the rate established in the final results of these administrative reviews;

(2) For previously reviewed or investigated companies other than Ta Chen, 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 these reviews, or the 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 these or any other review conducted by the Department, the cash deposit rate will be 19.84 percent. See Amended Final Determination and Antidumping Duty Order; *Certain Welded Stainless Steel Pipe From Taiwan*, 57 FR 62300 (December 30, 1992).

This notice serves as a preliminary reminder to importers of their responsibility to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during each 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. These administrative reviews and this 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: May 8, 1997.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

National Institute of Standards and Technology

Computer System Security and Privacy Advisory Board; Meeting

AGENCY: National Institute of Standards and Technology, Commerce.

ACTION: Notice of meeting.

SUMMARY: Pursuant to the Federal Advisory Committee Act, 5 U.S.C. App., notice is hereby given that the Computer System Security and Privacy Advisory Board will meet Wednesday, June 4, Thursday, June 5, and Friday, June 6, 1997, from 9:00 a.m. to 5:00 p.m. The Advisory Board was established by the Computer Security Act of 1987 (Pub. L. 100-235) to advise the Secretary of Commerce and the Director of NIST on security and privacy issues pertaining to