the Department is partially revoking these orders on cut-to-length carbon steel plate with respect to the plate described above, in accordance with sections 751(b) and 782(h) of the Act and 19 CFR 351.216(d). This partial revocation applies to all unliquidated entries of carbon cut-to-length steel plate with a maximum thickness of 80 mm in steel grades BS 7191, 355 EM and 355 EMZ, as amended by Sable Offshore Energy Project specification XB MOO Y 15 0001, types 1 and 2 not covered by the final results of an administrative review.

The Department will instruct the U.S. Customs Service to proceed with liquidation, without regard to antidumping or countervailing duties, of all unliquidated entries of cut-to-length carbon steel plate subject to these requests, as described above, in accordance with section 778 of the Act.

These changed circumstances administrative reviews, partial revocations of the antidumping duty and countervailing duty orders and notice are in accordance with sections 751(b) and 782(h) of the Act and sections 351.216, 351.221(c)(3) and 351.222(g)(1)(i) of the Department's regulations.

Dated: August 13, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 99–22086 Filed 8–24–99; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–122–601]

Brass Sheet and Strip From Canada: Final Results of Antidumping Duty Administrative Review and Notice of Intent Not To Revoke Order in Part

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

ACTION: Notice of Final Results of Antidumping Duty Administrative Review and Notice of Intent Not to Revoke Order in Part.

SUMMARY: In response to a request by the respondent, the Department of Commerce (the Department) has conducted an administrative review of the antidumping duty order on brass sheet and strip (BSS) from Canada. The review covers one manufacturer/exporter of this merchandise to the United States, Wolverine Tube (Canada), Inc. (Wolverine). The period covered is January 1, 1997 through December 31, 1997.

Upon consideration of the data on the record of this review, and of the case briefs and rebuttal briefs submitted by Petitioners' (Hussey Copper, Ltd.; The Miller Company; Olin Corporation; Revere Copper Products, Inc.; International Association of Machinists and Aerospace Workers; International Union, Allied Industrial Workers of America (AFL-CIO); Mechanics Educational Society of America, and United Steelworkers of America (AFL-CIO)) and by Wolverine, we have determined that a dumping margin exists. For the reasons discussed below, we are not revoking the order with respect to BSS from Canada manufactured by Wolverine.

EFFECTIVE DATE: August 25, 1999.

FOR FURTHER INFORMATION CONTACT: Paige Rivas or James Terpstra, Office of Antidumping/Countervailing Duty Enforcement, Office Four, Group II, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482–0651 or 482–3965, respectively.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

Unless otherwise stated, all citations to the Tariff Act of 1930, as amended (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 Agreements Act (URAA). In addition, unless otherwise indicated, all references to the Department's regulations are to 19 CFR part 351 (1998).

Background

The Department published an antidumping duty order on BSS from Canada on January 12, 1987 (52 FR 1217). On February 8, 1999, the Department published in the **Federal Register** the preliminary results of its administrative review of the antidumping duty order on BSS from Canada (64 FR 6039) (preliminary results).

Immediately prior to the preliminary results, Petitioners raised a number of issues with respect to Wolverine's questionnaire response (Petitioners' letter of January 12, 1999). Some of these issues we were able to consider for purposes of the preliminary results (*see* 64 FR at 6039–41/Further Developments Section). However, in order to address the remaining issues we needed to collect additional information from Wolverine in order to clarify the record. Thus, on February 23, 1999, we issued a supplemental questionnaire to which Wolverine responded on March 25, 1999. On April 12, 1999, Petitioners raised issues with this reported information which necessitated an additional supplemental questionnaire (April 18, 1999), to which Wolverine responded on April 30, 1999. On May 7, 1999, Petitioners raised issues with the information in the April 30, 1999, response. As a result, we sought further clarification in a supplemental questionnaire (May 14, 1999) to which Wolverine responded on June 3, 1999. We gave interested parties an opportunity to comment on our preliminary results. We received written comments from Petitioners and Wolverine. No hearing was requested.

Scope of Review

Imports covered by this review are shipments of BSS, other than leaded and tinned BSS. The chemical composition of the covered products is currently defined in the Copper Development Association (C.D.A.) 200 Series or the Unified Numbering System (U.N.S.) C2000. This review does not cover products the chemical compositions of which are defined by other C.D.A. or U.N.S. series. In physical dimensions, the products covered by this review have a solid rectangular cross section over 0.006 inches (0.15 millimeters) through 0.188 inches (4.8 millimeters) in finished thickness or gauge, regardless of width. Coiled, wound-on-reels (traverse wound), and cut-to-length products are included. The merchandise is currently classified under Harmonized Tariff Schedule (HTS) item numbers 7409.21.00 and 7409.29.00. Although the HTS item numbers are provided for convenience and customs purposes, the written description of the scope of this order remains dispositive. In our final affirmative determination of circumvention of the antidumping duty order, covering the period September 1, 1990, through September 30, 1991, we determined that brass plate used in the production of BSS falls within the scope of the antidumping duty order on BSS from Canada. *See Brass Sheet and Strip from Canada: Final Affirmative Determination of Circumvention of Antidumping Duty Order,* 58 FR 33610 (June 18, 1993).

Period of Review

The review period (POR) is January 1, 1997 through December 31, 1997. The review involves one manufacturer/exporter, Wolverine.

Normal Value Comparisons

To determine whether sales of subject merchandise from Canada to the United States were made at less than normal value, we compared the Export Price (EP) to the Normal Value (NV), as described in the ''Export Price'' and ''Normal Value'' sections of the preliminary results of review notice (*see* preliminary results, 64 FR at 6039). Therefore, in this proceeding, when making comparisons in accordance with section 771(16) of the Act, we considered all products sold in the home market as described in the ''Scope of Review'' section of this notice, above, that were sold in the ordinary course of trade, for purposes of determining appropriate product comparisons to U.S. sales. Where there were no sales of identical merchandise in the home market made in the ordinary course of trade to compare to U.S. sales, we compared U.S. sales to sales of the most similar foreign like product made in the ordinary course of trade, based on the characteristics listed in Sections B and C of our antidumping questionnaire.

Revocation in Part

Under the Department's regulations, the Department may revoke an order in part if the Secretary concludes that: (1) ''one or more exporters or producers covered by the order have sold the merchandise at not less than normal value for a period of at least three consecutive years''; (2) ''[i]t is not likely that those persons will in the future sell the subject merchandise at less than normal value...''; and (3) ''the exporter or producer agrees in writing to its immediate reinstatement in the order, as long as any exporter or producer is subject to the order, if the Secretary concludes that the exporter or producer, subsequent to the revocation, sold the subject merchandise at less than normal value.'' *See* 19 CFR 351.222(b)(2).

Upon review of the three criteria described above, and of the case briefs and rebuttal briefs, and on the basis of all of the evidence on the record, we determine for the final results of this review that the Department's requirements for revocation have not been met.

The Department found that Wolverine's sales reviewed during the eighth (1994) and ninth (1995) administrative reviews under this order were made at not less than NV. However, in the tenth (1996) and in this current eleventh review, we determined that Wolverine's sales were made at less than NV. Therefore, we are not revoking the antidumping duty order with respect Wolverine. *See Comment 1.*

Changes Since the Preliminary Results

Since the preliminary results we have made the following changes in our calculations. We recalculated Wolverine's reported warranty costs on a customer-specific basis (*see Comment 3*). We added home market indirect selling expenses to the COP calculation (*see Comment 7*). We included in the margin calculation a sale made in 1996 but entered in 1998 (*see Comment 8*). We used temper as a matching criterion, as in previous reviews of this product (see *Comment 9*). *See also Analysis Memo* dated August 9, 1999, on file in the Central Records Unit (CRU), located in Room B–099 of the main Commerce Department Building.

In addition, Wolverine, in response to post-preliminary supplemental questionnaires, presented several revisions to its reported information. We have accepted and used the following revisions: 1) recalculated general and administrative (G&A) expenses which accounted for certain one-time personnel related expenses (*see Comment 6*); 2) revised allocation of foreign exchange gains and losses to attribute the proper amounts to the reported cost information (*see Analysis Memo*); 3) recalculated freight expenses (*see Analysis Memo*); 4) recalculated packing expenses (*see Analysis Memo*); 5) revised interest expense which accounts for certain one-time debt-refinancing arrangements (*see Comment 10*); and 6) recalculated credit expenses (*see Analysis Memo*).

Analysis of Comments Received

Comment 1

Wolverine claims that the Department should revoke Wolverine from the antidumping order for the following reasons: 1) the Department found zero or *de minimis* dumping margins in the final results of the administrative reviews of subject merchandise entered during calender years 1994 and 1995, 2) Wolverine timely requested revocation from the order during the administrative review covering entries during calender year 1996, complied with all other prerequisites for requesting revocation, and submitted evidence demonstrating that it was unlikely that the Company would resume dumping if the antidumping order were revoked, 3) the Department's position in litigation with respect to the 1996 review shows that Wolverine has *de facto* achieved *de minimis* or zero dumping margins in the final results of three successive reviews, 4) the Department has issued preliminary results in the 1997 review indicating *de minimis* margins for that review period, and 5) the information regarding likelihood of resumption of dumping submitted in the 1996 review, and used as the basis for its preliminary decision in the instant review remains valid.

Petitioners state that Wolverine's request for revocation should be denied for the following reasons: 1) regardless of the Department's position before the NAFTA Panel with respect to the 1996 review, the margin found in that review remains in effect, 2) correcting the errors in Wolverine's sales and cost database will result in dumping margins above *de minimis* in this review, and 3) dumping is likely to recur in the future.

Department Position

We agree with Petitioners that Wolverine has not met the requirements for revocation in this review. Because the litigation in the 1996 review is not yet complete, the margin found in that review remains in effect. In addition, we have determined that Wolverine was dumping at an above *de minimis* rate during the 1997 POR. Because Wolverine does not meet the requirements of 19 CFR 351.222(b)(2)(i), Wolverine is not entitled to revocation in this review.

Comment 2

Petitioners claim that Wolverine incorrectly reported the width for one of Wolverine's U.S. sales. Petitioners request that the Department correct this error in Wolverine's U.S. sales database before making its final margin analysis. Additionally, Petitioners contend that Wolverine also failed to provide cost data for the product (*i.e.*, control number) sold pursuant to this invoice in its constructed value database.

Department Position

We agree with Petitioners that the width reported for this sale was inaccurate, and have adjusted our calculation accordingly. However, we disagree that the reported cost information is wrong and must be rejected. Wolverine reported the cost for producing the merchandise subject to this sale. That fact that the product code reported on the sales list for this merchandise was incorrect with respect to the width variable does not mean the reported cost for this merchandise is also incorrect. Accordingly, we accepted the reported cost. (*See also Analysis Memo.*)

Comment 3

Petitioners claim that Wolverine's reported U.S. warranty expense is understated and must be corrected to include all relevant costs. Petitioners state that warranty expenses should be

recalculated to include complete delivery costs for the returned goods. According to Petitioners, the Department's supplemental questionnaire directed Wolverine to include in its warranty expense value freight costs and the cost of manufacture associated with restoring merchandise returned under warranty. Petitioners claim that the reported warranty expenses should include the delivery cost of the damaged merchandise, as well as the return freight costs for this merchandise. Petitioners also argue that the fabrication portion of the reported warranty expense is understated because it only includes variable manufacturing costs and excludes fixed manufacturing costs. In addition, Petitioners argue that the Department erred by treating the reported direct warranty expenses as being in Canadian dollars, rather than in U.S. dollars. Finally, Petitioners generally contest the accuracy of the fabrication portion of the reported warranty expenses.

Wolverine asserts that the Department should accept its warranty cost data as submitted, because these costs are accurate and include all appropriate expenses. Specifically, Wolverine states, the freight cost for returned goods, plus the cost of fabricating returned material, is included in its market-specific warranty expense, and fixed manufacturing costs are properly excluded. Moreover, these costs were reported in Canadian dollars, the currency in which the expenses were incurred. According to Wolverine, Petitioners' criticisms regarding the justifications for Wolverine's warranty expense are unfounded. Wolverine rebuts Petitioners' assertion that warranty expenses should be increased by an amount for fixed overhead, arguing that the Department excludes such costs from its ''DIFMER'' analysis and should exclude them from warranty costs as well. Wolverine also argues that Petitioners' arguments with respect to the factual accuracy of the fabrication portion of its warranty expenses were raised too late in the proceeding and should not be considered.

Department Position

We agree with Petitioners that an adjustment to the margin calculation is needed to properly deal with the cost of re-working the defective merchandise; however, as explained below, this is not an adjustment to warranty costs, for which the fabrication element of warranty expense is already correctly reported. We also agree with Wolverine that the total amount of warranty expense, which includes the freight cost associated with returning defective merchandise and the manufacturing costs associated with re-working such merchandise to make it re-saleable, was accurately reported inclusive of all appropriate costs and expenses, and was reported in Canadian dollars.

We disagree with petitioners' claim that the overall warranty cost is understated because it does not include the cost of the outbound freight to the customer. This expense was properly excluded from the warranty expense. The outbound cost of freight on the transaction associated with the warranty claim was incurred by Wolverine as a freight cost outside of any warranty context, and therefore should continue to be treated as freight cost, not a warranty cost, for that sale. The reference to ''freight cost'' in the supplemental questionnaire was to the freight costs incurred as a direct result of the product defect associated with the warranty. Since in this case the re-worked brass was not returned after re-working to the customer filing the warranty claim, the only ''warranty'' freight was the cost of returning the defective product to Wolverine.

With respect to the fabrication element of warranty costs, in other words the cost of re-working the defective product so that it could be re-sold, we do not agree with Wolverine's claim that these expenses (which are now included in the reported warranty expense value) should be excluded from the reported warranty expenses. These expenses are clearly incurred as a direct result of the warranty claim, and thus should be treated as warranty expenses. We do, however, agree with Wolverine that double counting of these expenses must be avoided. Because the manufacturing costs associated with re-working defective merchandise reported for warranty expenses is part of the overall reported cost of production/constructed value (COP/CV) data for the POR, we need to make an adjustment to avoid double counting. Accordingly, we reduced the reported COP/CV to account for any portion of such costs associated with re-working defective merchandise returned under warranty (*see Analysis Memo*).

Regarding petitioners' claim that the fabrication element of Wolverine's overall warranty costs is understated because it includes only labor and variable overhead, with no fixed overhead component, we disagree. In calculating warranty expenses, the Department considers only variable expenses, because the fixed expenses associated with fabrication would, by definition, be incurred irrespective of the warranty claims at issue. In this respect, warranty expenses are similar to technical service expenses: any fixed portion of the cost at issue, *e.g.*, the salary of a technical service representative, would be considered an indirect selling expense. Similarly, any fixed overhead expenses which could be allocated to the cost of reworking the defective merchandise would also be considered indirect expenses. In addition, given the relatively minor amount of these costs, as compared to the overall production expenses, the portion of fixed overhead allocable to warranty expenses would be negligible and would have a *de minimis* effect on the calculations. Accordingly, we made no adjustment to direct warranty expenses for fixed overhead. *See Analysis Memo*.

With respect to the question of whether the warranty expenses reported by Wolverine were stated in U.S. dollar or Canadian dollar values, we agree with Wolverine that the reported values are Canadian dollar values reported in that currency. Wolverine originally indicated that it reported these expenses in U.S. dollars (August 14, 1998 questionnaire response, computer format sheet exhibit C1). Wolverine subsequently realized its oversight, however, and reported that these expenses were both incurred and reported in Canadian dollars (June 3, 1999 questionnaire response, at 2 and Exhibit 8 of Wolverine's December 28, 1998).

Finally, Petitioners attempt, in their case brief, to cast doubts on the overall accuracy of the fabrication cost element of Wolverine's warranty cost data, suggesting that Wolverine has not provided enough support for the Department to be sure of the accuracy of these costs as reported. We agree with Wolverine that these allegations are late, lack substance, and are not supported by the record.

Comment 4

During this review, Wolverine allocated its POR warranty expenses on U.S. and Canadian sales, respectively, over total quantity shipped in each market. During this POR, Wolverine's total U.S. warranty expense arose from a claim associated with a single defective brass coil that was returned. Petitioners argue that, whenever possible, warranty expenses must be allocated on a model-specific basis, or at a minimum, on a customer-specific basis. Thus, Petitioners argue, because it is possible to associate this warranty expense with the single transaction at issue, and because the Department's practice is to seek to allocate direct expenses such as warranties at a transaction-specific or model-specific

level, the Department should allocate this entire warranty expense either to the transaction at issue, or at least to the customer at issue. Wolverine argues that its U.S. warranty expenses should be allocated over total U.S. sales of subject merchandise, as currently reported, because Wolverine sets its prices in consideration of its average likelihood of defects. This is particularly true, Wolverine asserts, because BSS is a mature commodity-like product which is not highly customized, such that the defect rate tends to be generally consistent, even though Wolverine cannot predict on which units individual defects will occur. Wolverine also argues that, if the Department were to reject the basis on which Wolverines has allocated warranty expenses incurred during the POR, it should use the historical 3-year average warranty expense it reported.

Department Position

We disagree with Wolverine that the warranty expense should be allocated over all U.S. sales of the subject merchandise. Once we ascertained the correct total warranty expense we determined that these expenses should be allocated on as a specific a basis as possible, which in this case, for the reasons given below, is on a customer-specific basis.

Where feasible, the Department normally considers actual or historical warranty data on a model-by-model basis. *See, e.g.,* questions B34 and C44 of the questionnaire sent to Wolverine on March 31, 1998. Because certain warranty expenses are direct selling expenses, the Department asks respondents to associate these expenses with the individual sales which gave rise to them, to the extent that the company's record-keeping system permits them to do so. In some instances, the company's record-keeping system does not track direct expenses such as warranties to individual sales; in such cases, the Department normally will accept an allocation of these expenses on as specific a basis as possible, including a customer-specific basis. In this case, Wolverine's records kept in the normal course of business allow it to track warranty expenses on a more specific basis. (*See Analysis Memo.*) In this review, Wolverine changed its practice and allocated warranty expenses over all U.S. sales of subject merchandise. (We also note that Wolverine made no mention of this change in practice in the narrative portion of its questionnaire response, and gave no reason for the change until petitioners challenged the allocation.)

Wolverine argues that, in negotiating sales prices (and including in those prices an element for possible warranty expense) a manufacturer takes into account the ''average likelihood'' of product defects. Thus, Wolverine argues, the ''only logical basis'' for allocating warranty expenses is the average warranty expense that it has reported. This would be a more convincing argument had Wolverine chosen to allocate its warranty expenses in this fashion earlier. Furthermore, Wolverine has not argued that it was unforeseen that its warranty expenses could be so concentrated. When a company produces large products, such as coils of brass, it is clear that a single damaged product can result in a significant warranty expense, and this fact would be taken into consideration in setting prices. Despite this fact, Wolverine's earlier warranty-reporting has been more specific.

Companies often track warranty expenses on a customer-specific basis. This is because such expenses frequently tend to be clearly identified with specific customers. It is the individual customer whose warranty claims must be addressed. Producers and sellers have a fundamental need to be familiar with and satisfy their customers' needs in order to obtain repeat business. As a result, companies usually need to keep accurate records to assure that customer complaints, including but not limited to warranty expense claims, are dealt with. This gives rise to the requirement for accurate, customer-specific, record keeping. In addition, warranty expenses may, in fact, vary by customer. This is based not only on the different mix of models sold to individual customers, but also on differences in product applications, delivery conditions (time, distance, and method), product tolerance requirements individual customers specify as acceptable, and inspection practices. Moreover, Wolverine changed its practice with regard to warranty allocation and failed to identify or justify this change. In light of the above factors we continued to allocate warranty expenses on a customer-specific basis as we did in earlier review segments of this proceeding. *See Analysis Memo.*

Finally, we have not followed Wolverine's suggestion that if we do not accept its reported allocation of POR data, we use the historical three year average warranty expense, because we have more accurate POR-based data available. Average historical data are most commonly used in situations in which POR-specific data are not available because the product is one for which warranty claims may only be filed some years after merchandise is sold or in which POR-specific data are for some reason aberrational. Wolverine has not alleged that the warranty claim at issue was aberrational.

Comment 5

Petitioners argue that Wolverine improperly allocated its U.S. freight costs and thus, that Wolverine's U.S. freight costs for a small number of sales for which transaction-specific costs are available should be recalculated on a transaction-specific basis. Petitioners assert that, rather than allocating its freight costs on the most specific basis possible, as required by the Department's regulations, Wolverine diluted the BSS freight costs incurred on subject merchandise by allocating its freight costs, including those incurred on a substantial volume of sales of non-subject merchandise, over all brass sales. The result, Petitioners claim, was a significant reduction in Wolverine's reported U.S. freight expense for subject merchandise.

Wolverine argues that the use of a transaction-specific method for the sales in question would be distortive and that Wolverine's freight costs reported for the POR are based on the same method that the company has used in the past, and that the Department has accepted in prior segments of this proceeding. Wolverine states that its reported cost of freight reflects the average POR freight cost incurred to ship all merchandise to the same customer at the same location. According to Wolverine, this average reflects the delivery terms it negotiates with each customer, which are based on Wolverine's assessment of the delivery costs it will incur on sales of all products to an individual customer. Moreover, Wolverine argues that its freight records are not organized to allow freight costs to be easily attributed to specific invoices.

Department Position

We disagree with Petitioners that the freight costs associated with the particular sales in question should be re-calculated on a transaction-specific basis. To avoid a ''cherry-picking'' approach to price adjustments, the Department generally prefers to use a transaction-specific expenses or a single allocation methodology to quantify a given expense within a POR. As a consequence, while transaction-specific data may be available for certain transactions, the Department will not use the transaction-specific expenses when only allocated expense data is available for other transactions. Although the Department seeks to

obtain transaction-specific freight costs, the accounting records of respondent companies are frequently not organized in a way that lends itself to such reporting as a general matter. *See, e.g., Brother Industries, Ltd.* v. *United States,* 540 F. Supp. 1341, 1363 (1982); *see also Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof From [various countries]; Final Results of Antidumping Duty Administrative Reviews,* 63 FR 33320, 33340 (June 18, 1998). As a result, allocations of freight costs are common. As noted in this review, and as verified in prior reviews, Wolverine's freight expenses records are not organized in a manner that allows freight costs to be attributed easily to individual transactions. For example, it is common for a given Wolverine freight bill to cover multiple invoices and both subject and non-subject merchandise. Therefore, the Department has in the past determined that it is reasonable for Wolverine to calculate the average freight costs to each customer, and then allocate this amount over all sales to that customer. That is what Wolverine did in this review. Moreover, Commerce also has verified in past reviews that no distortion was introduced by allocating costs to ship both subject and non-subject merchandise to the same customer, and there is no indication on the record of this review of a change in that situation.

Comment 6

Petitioners argue that the Department should correct Wolverine's G&A expense ratio: (1) based on the formula in the Department's questionnaire, and (2) to reflect an ''even-handed and consistent treatment'' for income and expenses. Petitioners assert that Wolverine improperly excluded certain personnel costs in its calculation of G&A expenses. According to Petitioners, the Department should calculate a revised G&A expense ratio for Wolverine based on the total G&A expenses reported by Wolverine at Attachment 12 of Wolverine's March 25, 1999 questionnaire response, and the total cost of sales shown in Wolverine Tube Inc.''s 1997 financial statement.

Wolverine states that it reported G&A expense net of related income items generated at the manufacturing subsidiary, in compliance with the Department's questionnaire requirement. Wolverine contends that, in calculating the G&A ratios, it also added a proportionate amount of G&A expenses incurred at the corporate parent level that were not otherwise reflected in the subsidiary's expenses. According to Wolverine, the Department should use Wolverine's submitted G&A figures in its Final Results.

Department Position

We agree with Wolverine that its G&A expenses were appropriately reported. Contrary to Petitioners' assertion, Wolverine allocated an appropriate portion of its corporate parent's G&A to the production of subject merchandise. This allocation is typical of the kind we accept in antidumping cases where the corporate parent incurs certain G&A expenses on behalf of its subsidiary. *See, e.g., Final Determination of Sales at Less Than Fair Value: Welded Stainless Steel Pipe from Malaysia: Final Result of Antidumping Review,* 59 FR 4023, 4027 (January 28, 1994). *See also Analysis Memo.* We note that, based on issues raised by Petitioners, we asked Wolverine to revise its reported G&A expenses to include a portion of certain one-time charges which had not originally been included in the reported costs. Wolverine complied with this request in its March 30, 1999 questionnaire response. We have used the G&A expenses revised in this manner for the final results of this review.

Comment 7

Petitioners claim that the Department should include home market indirect selling expenses in its cost test due to the fact that Wolverine failed to report indirect selling expenses in its sales database and the Department incorrectly excluded indirect selling expenses from its cost test.

Wolverine agrees that the Department should add indirect selling expenses to COP.

Department Position

We agree and have adjusted our calculations accordingly.

Comment 8

Wolverine claims that the Department erroneously excluded from the 1997 POR margin calculation one U.S. sale. This sale involved merchandise that was sold prior to, but entered during, the POR. According to Wolverine, the U.S. sale in question was confirmed in 1996 but the merchandise was shipped in 1997. Wolverine notes that under section 751(a)(2)(A) of the Act, the Department is required to determine the normal value and U.S. price of each entry of subject merchandise made during the POR.

Petitioners did not comment on this issue.

Department Position

We have included this sale in our analysis. The Department's practice with respect to sales prior to importation has been to examine the sales of merchandise which entered the United States during the POR.

Comment 9

Petitioners argue that the Department should continue to reject Wolverine's original and revised temper codes. Petitioners state that temper has not been viewed as an appropriate model match criterion in the BSS proceedings generally, because it is not one of the primary or essential characteristics of C.D.A. 200-series BSS, the subject merchandise.

Wolverine claims that the Department must reject Petitioners' newly submitted factual information with respect to the use of temper as a product matching criterion (*i.e.,* statements regarding whether or not temper is ''generally identified in the industry'' as representing ''commercial reality''). Wolverine states that temper has been used by the Department as a matching criterion in the last 3 completed reviews; therefore, regardless of whether the Department accepts Petitioners' ''new factual information,'' temper should continue to be used as a matching criterion. Finally, Wolverine notes that Petitioners have reviewed this methodology in three prior reviews and have not previously objected to the use of temper as a matching criterion in any of those segments of the proceedings.

Department Position

We agree with Wolverine that temper is an appropriate matching criterion. We did not use Wolverine's submitted temper codes in the preliminary determination because its temper coding categories also involved a different criterion ''finish.'' In response to our supplemental questionnaire, however, Wolverine, has re-coded its products as to temper to resolve this problem. We have used temper as a matching criterion in previous reviews of this order. *See, e.g., Brass Sheet and Strip from Canada: Preliminary Results of Antidumping Duty Preliminary Review; Review of Notice of Intent To Revoke Order in Part,* 63 FR 6519, 6521 (February 9, 1998)((1996 review); *Brass Sheet and Strip from Canada; Results of Antidumping Duty Administrative Review,* 61 FR 1560, 1561 (January 22, 1996)(1993 review). We have found that temper is a measurable physical characteristic, which is recognized in the marketplace, and which results in cost and price differences. Moreover, we

disagree with Petitioners' claim that because temper was not used as a matching criterion in the investigation it cannot be a relevant criterion in this review. The Department may alter its approach over different segments of a proceeding if the facts so warrant. In fact, it is not uncommon for the Department to modify its approach through different segments of a proceeding as it learns more about the product, the industry, and the selling practices within that industry. Finally, we do not agree that Petitioners' assertions and argument with respect to the alleged ''commercial reality'' concerns as to temper codes rise to the level of ''factual information.'' Thus, they need not be excluded as ''new factual information.''

Comment 10

Petitioners argue that the Department should revise Wolverine's interest expense ratio to include the costs that Wolverine incurred during the POR to refinance and restructure its debt.

Wolverine states that the Department does not require that all interest expenses incurred by a company in one year be included in COP in the same year for antidumping analysis purposes, and that the Department has allocated exchange gains and losses associated with long-term debt over the remaining term of that debt, and not to the year in which the exchange gain/loss occurred.

Department Position

We agree with Petitioner that Wolverine's interest expense ratio should take these costs into account; however, we also agree with Wolverine that the debt restructuring costs, which were originally excluded from the reported costs, should be amortized over five years, the term of the credit arrangement. Wolverine resubmitted its interest cost incorporating this change and we have accepted it. *See also Analysis Memo.*

Final Results of the Review

As a result of our comparison of EP to NV, we determine that a dumping margin of 0.71 percent exists for Wolverine for the period January 1, 1997 through December 31, 1997. We also determine not to revoke in part the antidumping duty order with respect to imports of subject merchandise from Wolverine.

Cash Deposit Instructions

The following deposit requirements will be effective upon publication this notice of final results of administrative review for all shipments of the subject merchandise from Canada that are entered, or withdrawn from warehouse, for consumption on or after the publication date as provided by section 751(a)(1) of the Act: (1) The cash deposit rate for Wolverine will be the rate stated above; (2) if the exporter is not a firm covered in this review, a prior review, or the original less than fair value (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; (3) the cash deposit rate for all other manufacturers or exporters will continue to be rate, the ''all others'' rate established in the LTFV investigation, and (4) for any previously reviewed exporter, the cash deposit rate will be its company-specific rate established for the most recent period. These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

Assessment Instructions

The Department will determine, and the U.S. Customs Service shall assess, antidumping duties on all entries subject to this review. For assessment purposes, we have calculated importer-specific *ad valorem* duty assessment rates for the merchandise based on the ratio of the total amount of antidumping duties calculated for the examined entries during the POR to the total quantity of sales examined corresponding to such sales. The Department will issue appraisement instructions directly to the Customs Service.

Notification of Interested Parties

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) 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 the 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 sections 751(a)(1) and 777(i)(1) of the Act.

Dated: August 9, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 99–22087 Filed 8–24–99; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–506]

Porcelain-On-Steel Cooking Ware From the People's Republic of China: Postponement of Preliminary Results of Antidumping Duty Administrative Review

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

ACTION: Extension of time limit for preliminary results of antidumping duty administrative review.

SUMMARY: The Department of Commerce (''Department'') is extending by 120 days the time limit for the preliminary results of the antidumping duty administrative review of the antidumping duty order on porcelain-on-steel cooking ware from the People's Republic of China (''PRC'') covering the period December 1, 1997, through November 30, 1998, because it is not practicable to complete this review within the time limits mandated by the Tariff Act of 1930, as amended (''the Act'').

EFFECTIVE DATE: August 25, 1999.

FOR FURTHER INFORMATION CONTACT: Russell Morris, at (202) 482–1775, Office of AD/CVD Enforcement VI, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions of the Act, as amended, by the Uruguay Round Agreements Act (''URAA''), effective January 1, 1995. In addition, unless otherwise indicated, all references to the Department's regulations are to 19 CFR Part 351 (April 1998).

Postponement of Preliminary Results of Review

Section 751(a)(3)(A) of the Act requires the Department to make a