CDC's home-market sales. However, because there is only one level of trade in the home market, available data did not permit a level-of-trade adjustment.

Inflation

In the previous administrative review of this proceeding, we found that Mexico experienced significant inflation and we adjusted our dumping margin analysis to account for the effects of high inflation on prices in order to avoid the distortions caused by such inflation. In this review period, we found that Mexico experienced less than 5 percent inflation during each month of the period of review with an annual inflation rate of less than 16 percent. Because we did not find these inflation rates to be so significant that they cause distortions in our analysis, we have not adjusted our antidumping margin analysis to account for inflation during the instant period.

Currency Conversion

We made currency conversions in accordance with section 773A of the Act based on rates certified by the Federal Reserve Bank in effect on the dates of U.S. sales.

Preliminary Results of Review

As a result of our review, we preliminarily determine the dumping margin for CEMEX and CDC for the period August 1, 1997, through July 31, 1998, to be 45.39 percent.

The Department will disclose calculations performed in connection with these preliminary results to parties within five days of the date of publication of this notice. Interested parties may request a hearing by November 1, 1999. The Department will notify interested parties of the date of any requested hearing and the briefing schedule.

Upon completion of this review, the Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. The Department will issue appropriate appraisement instructions directly to the Customs Service upon completion of this review. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the determination and for future deposits of estimated duties. We will base the assessment of antidumping duties on the per-unit assessment amount for subject merchandise.

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the following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of review, as provided by section 751(a)(1) of the Act: (1) The cash deposit rate for the reviewed company will be the rate determined in the final results of review; (2) for previously reviewed or investigated companies not mentioned 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 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 manufacture of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will be 61.85 percent, the all-others rate from the LTFV investigation. These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice also serves as a preliminary 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 antidumping duties occurred and the subsequent assessment of double dumping duties.

We are issuing and publishing this notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: August 31, 1999.

Richard W. Moreland,

Acting Assistant Secretary for Import Administration.

[FR Doc. 99–23326 Filed 9–7–99; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–580–825]

Oil Country Tubular Goods From Korea: Preliminary Results of Antidumping Duty Administrative Review

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

ACTION: Notice of Preliminary Results of the Antidumping Duty Administrative Review of Oil Country Tubular Goods From Korea.

SUMMARY: In response to a request from SeAH Steel Corporation (''SeAH''), the Department of Commerce (''the Department'') is conducting an administrative review of the antidumping duty order on oil country tubular goods from Korea. This review covers one manufacturer/exporter of the subject merchandise to the United States, SeAH, and the period August 1, 1997 through July 31, 1998, which is the third period of review (''POR'').

We have preliminarily determined that SeAH made sales below normal value (''NV''). If these preliminary results are adopted in our final results of these administrative reviews, we will instruct the U.S. Customs Service to assess antidumping duties based on the difference between the constructed export price (''CEP'') and the NV. The preliminary results are listed below in the section entitled ''Preliminary Results of Review.''

EFFECTIVE DATE: September 8, 1999.

FOR FURTHER INFORMATION CONTACT: Jonathan Lyons or Steve Bezirganian, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–0374, or (202) 482–0162, respectively.

SUPPLEMENTARY INFORMATION:

The Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are 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 citations to the Department's regulations are to 19 CFR part 351 (62 FR 27379, May 19, 1997).

Background

On August 11, 1995, the Department published in the **Federal Register** (60 FR 41058) the antidumping duty order on oil country tubular goods from Korea. On August 11, 1998, the Department published in the **Federal Register** (63 FR 42821) a notice indicating an opportunity to request an administrative review of this order for the period August 1, 1997 through July 31, 1998. On August 31, 1998, both SeAH and petitioners (Maverick Tube Corporation, Lone Star Steel Company, and IPSCO Tubulars Inc.) requested an administrative review for SeAH entries during that period. On September 29, 1998, in accordance with Section 751 of the Act, we published in the **Federal Register** a notice of initiation of an administrative review of this order for the period August 1, 1997 through July 31, 1998 (63 FR 51893).

Under section 751(a)(3)(A) of the Act, the Department may extend the deadline for completion of an administrative review if it determines that it is not practicable to complete the review within the statutory time limit of 365 days. On February 17, 1999, the Department published a notice of extension of the time limit for the preliminary results in the review to August 13, 1999. *See Notice of Extension of Time Limit for Antidumping Duty Administrative Review of Oil Country Tubular Goods from Korea,* 64 FR 7855. On July 20, 1999, the Department published a notice of extension of the time limit for the preliminary results in the review to August 31, 1999. *See Notice of Extension of Time Limit for Antidumping Duty Administrative Review of Oil Country Tubular Goods from Korea,* 64 FR 38890.

The Department is conducting this review in accordance with section 751(a) of the Act.

Scope of Review

The products covered by this order are oil country tubular goods (''OCTG''), hollow steel products of circular cross-section, including only oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, whether or not conforming to American Petroleum Institute (''API'') or non-API specifications, whether finished or unfinished (including green tubes and limited service OCTG products). This scope does not cover casing or tubing pipe containing 10.5 percent or more of chromium, or drill pipe. The products subject to this order are currently classified in the Harmonized Tariff Schedule of the United States (''HTSUS'') under item numbers: 7304.29.10.10, 7304.29.10.20, 7304.29.10.30, 7304.29.10.40, 7304.29.10.50, 7304.29.10.60, 7304.29.10.80, 7304.29.20.10, 7304.29.20.20, 7304.29.20.30, 7304.29.20.40, 7304.29.20.50, 7304.29.20.60, 7304.29.20.80, 7304.29.30.10, 7304.29.30.20, 7304.29.30.30, 7304.29.30.40, 7304.29.30.50, 7304.29.30.60, 7304.29.30.80, 7304.29.40.10, 7304.29.40.20, 7304.29.40.30, 7304.29.40.40, 7304.29.40.50, 7304.29.40.60, 7304.29.40.80, 7304.29.50.15, 7304.29.50.30, 7304.29.50.45, 7304.29.50.60, 7304.29.50.75, 7304.29.60.15, 7304.29.60.30, 7304.29.60.45, 7304.29.60.60, 7304.29.60.75, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.20.10.30, 7306.20.10.90, 7306.20.20.00, 7306.20.30.00, 7306.20.40.00, 7306.20.60.10, 7306.20.60.50, 7306.20.80.10, and 7306.20.80.50. The HTSUS item numbers are provided for convenience and Customs purposes. The written description remains dispositive of the scope of this review.

Transactions Reviewed

SeAH produced OCTG in Korea and shipped it to the United States. Pusan Pipe America, Inc. (''PPA''), an affiliate of SeAH, was the importer of record for all U.S. sales. All of SeAH's U.S. sales are classified as CEP sales (*see* ''United States Price'' section below). The Department's questionnaire instructed the respondent to report CEP sales made after importation if the dates of sale fell in the period of review (*see* page C–1 of the Department's September 29, 1998 Questionnaire). Therefore, as it did in the 1996–1997 POR, the Department again reviewed U.S. sales in the POR if those sales involved subject merchandise that had entered the United States and been placed in the physical inventory of SeAH's U.S. affiliates. The questionnaire also instructed the respondent to report CEP sales made prior to importation if the entry dates fell in the period of review. Consequently, we have limited our U.S. database to these transactions. For the few CEP sales made through PPA but shipped directly from Korea to the unaffiliated U.S. customers, we reviewed U.S. entries in the POR.

Comparison Market

The Department determines the viability of a comparison market by comparing the aggregate quantity of comparison market sales to U.S. sales. An exporting country is not considered a viable comparison market if the aggregate quantity of sales of subject merchandise within it amounts to less than five percent of the quantity of sales of subject merchandise into the United States during the POR. Section 773(a)(1)(B) of the Act; 19 CFR 351.404. We found Korea was not a viable comparison market because the aggregate quantity of SeAH's sales of subject merchandise within Korea during the POR amounted to less than five percent of the quantity of sales of subject merchandise to the United States during the POR.

According to section 773(a)(1)(B)(ii) of the Act, the price of sales to a third country can be used as the basis for normal value only if such price is representative, if the aggregate quantity (or, where appropriate, value) of sales to that country is at least 5 percent of the quantity (or value) of total sales to the United States, and if the Department does not determine that the particular market situation in that country prevents proper comparison with the export price or constructed export price. The two potential third country markets are Myanmar and Japan. Sales to Myanmar, on both a value and a volume basis, were several times greater than sales to Japan. *See, e.g.,* Exhibit A–30 of SeAH's March 19, 1999, supplemental questionnaire response. In the previous administrative review the Department found the Myanmar sales to be representative, and found no reason to determine that the market situation in Myanmar would somehow prevent proper comparison between normal value and export price or constructed export price. *See Oil Country Tubular Goods From Korea: Preliminary Results of Antidumping Duty Administrative Review,* 63 FR 47469, 47470 (September 8, 1998), unchanged at *Oil Country Tubular Goods from Korea: Final Results of Antidumping Duty Administrative Review,* 64 FR 13169 (March 17, 1999). Likewise, in this administrative review we found Myanmar to be an appropriate comparison market. We utilized Myanmar sales in our analysis of petitioners' allegation regarding sales below cost (*see* ''Normal Value'' section below), and have used SeAH's sales to that market as the basis for normal value.

Product Comparisons

In accordance with section 771(16) of the Act, we considered all products produced by the respondent, covered by the description in the Scope of the Review section, above, and sold in the comparison market during the period of review (POR), to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. Where there were no contemporaneous sales of identical merchandise in the comparison market to compare to U.S. sales, we compared U.S. sales to the most similar foreign like product on the basis of the characteristics listed in Appendix V of the Department's September 29, 1998 antidumping questionnaire.

Normal Value Comparisons

To determine whether sales of subject merchandise to the United States were made at less than normal value, we compared the Constructed Export Price (CEP) to the NV, as described in the ''United States Price'' and ''Normal Value'' sections of this notice. In accordance with section 777A(d)(2) of the Act, we calculated monthly weighted-average prices for NV and

compared these to individual U.S. transaction prices.

United States Price

Typical sales proceeded as follows: after importation of the subject merchandise, PPA maintained the merchandise in inventory. PPA sold OCTG to the Panther division of State, a firm that is jointly owned by SeAH and PPA. State, in turn, sold OCTG to unaffiliated U.S. customers, typically after further manufacturing was performed by unaffiliated processors. Finally, State invoiced the unaffiliated customers and received payment. For a few sales, involving back-to-back sales by SeAH through PPA, SeAH produced subject merchandise to order and shipped the merchandise to the U.S. customer, with PPA fulfilling a number intermediary functions as discussed below.

In accordance with section 772(b) of the Act, we used CEP for calculation of price to the United States because either the first sales to unaffiliated customers in the United States were made after importation of the subject merchandise or, in the remaining instances, the U.S. affiliate, PPA, performed functions beyond what would be considered ancillary. For back-to-back sales, respondent confirmed that PPA performed a number of functions, including occasional negotiations with unaffiliated customers, forwarding orders and order changes (at times) from unaffiliated U.S. customers to SeAH for acceptance, acting as the importer of record, provision of marine insurance, clearing subject merchandise through U.S. customs, occasional handling of freight from the U.S. point of entry, preparing and issuing invoices to unaffiliated customers, receipt of payments from unaffiliated customers, and providing customer service when necessary. Finally, respondent reported that SeAH has no direct contact with unaffiliated U.S. customers. As noted on page 2 of SeAH's supplemental questionnaire response dated March 19, 1999, the respondent agreed to characterize these ''back-to-back'' sales as CEP sales, in part because such characterization was consistent with the Department's recent decision involving respondents with similar sales processes (*see Certain Cold-Rolled and Corrosion-Resistant Carbon Steel Flat Products from Korea: Final Results of Antidumping Duty Administrative Reviews,* 64 FR 12927, 12937–38 (March 16, 1999)).

The starting point for the calculation of CEP was the delivered price to unaffiliated customers in the United States. We made adjustments for early payment discounts and other discounts. In accordance with section 772(c)(2) of the Act, we made deductions for movement expenses, including foreign inland freight, ocean freight, marine insurance, foreign and U.S. brokerage and handling, U.S. inland freight, and U.S. customs duties. In accordance with section 772(d)(1) of the Act, we also deducted credit expenses, warranty expenses, warehousing expenses, other direct selling expenses (inspection expenses), and indirect selling expenses, including inventory carrying costs. In accordance with section 772(c)(1)(B) of the Act, we added duty drawback to the starting price. In accordance with section 772(d)(2) of the Act, we deducted the cost of further manufacturing where such deduction was appropriate. This deduction for further manufacturing was based on the fees charged by the unaffiliated U.S. processors; SeAH indicated that the reported further processors' charges included processing and repacking, and that it did not include separate G&A or interest expense information related to this further processing because all of the expenses incurred by State and PPA, including the minimal G&A and interest expense associated with their dealings with further processors, were reported as selling expenses. Finally, we deducted an amount of profit allocated to these expenses, when incurred in connection with economic activity in the United States, in accordance with section 772(d)(3) of the Act.

Normal Value

A. Model Match

In accordance with recent practice, we matched a given U.S. sale to comparison market sales of the next most similar model if all contemporaneous sales of the most comparable model were below cost and discarded from our analysis. *See Oil Country Tubular Goods From Korea: Preliminary Results of Antidumping Duty Administrative Review,* 63 FR 47469, 47471 (September 8, 1998), unchanged at *Oil Country Tubular Goods from Korea: Final Results of Antidumping Duty Administrative Review,* 64 FR 13169 (March 17, 1999). The Department uses CV as the basis for NV only when there are no sales that are suitable for comparison. Therefore, in this proceeding, in making comparisons in accordance with section 771(16) of the Act, we considered all products described in the ''Scope of Review'' section of this notice, above, sold in the comparison market 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 comparison 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. This methodology is pursuant to the ruling of the Court of Appeals for the Federal Circuit in *CEMEX* vs. *United States,* 133 F.3d 897 (Fed Cir. 1998).

B. Cost of Production and Constructed Value

1. Cost of Production

On December 21, 1998, petitioners alleged that SeAH made comparison market sales of OCTG at prices below the cost of production (''COP'') during the POR. After analyzing petitioners' allegation, on February 4, 1999, the Department initiated a COP investigation of SeAH (*see Analysis of Petitioners' Allegation of Sales Below the Cost of Production Memorandum* (February 4, 1999); a public version of this report is on file in the Central Record Unit, Room B–099, Department of Commerce). Using sales and COP information provided by the respondent, we compared sales of the foreign like product in the comparison market with the model-specific COP figure for the POR. In accordance with section 773(b)(3) of the Act, we calculated the COP based on the sum of the costs of materials and fabrication employed in producing the foreign like product, plus selling, general and administrative (SG&A) expenses, including all costs and expenses incidental to placing the foreign like product in condition packed and ready for shipment.

The API Specification 5CT, to which SeAH states it makes its OCTG, requires that a carload lot (considered to be a minimum of 40,000 pounds, or 18.14 metric tons) meet a negative weight tolerance of 1.75% (*i.e.,* the actual weight of the carload lot can be no less than 100% minus 1.75%, or 98.25%, of the theoretical weight of the carload, the latter being the weight basis for SeAH's sales). The weight tolerance for single lengths of pipe are plus 6.5% and minus 3.5% (*i.e.,* the actual weight of any given pipe must be between 96.5% and 106.5% of the theoretical weight). SeAH has reported weight conversion factors that indicate actual weight was less than 96.5% of theoretical weight, outside of its own interpretation of the specification's weight tolerance. Weight conversion factors are needed to convert

SeAH's production costs, which for most OCTG products are maintained on an actual weight basis, to a theoretical weight basis, so that the cost and sales data are on a comparable weight basis. *See Circular Welded Non-Alloy Steel Pipe From the Republic of Korea; Final Results of Antidumping Duty Administrative Review,* 63 FR 32833, 32836–37 (June 16, 1998).

In the prior review, we found that the minus 1.75% weight tolerance for carload lots applies for all OCTG produced to that specification, not simply to OCTG with an outside diameter of less than 1.660 inches. *See Oil Country Tubular Goods From Korea: Preliminary Results of Antidumping Duty Administrative Review,* 63 FR 47469, 47470 (September 8, 1998), unchanged in final. *See Notice of Final Results of Antidumping Duty Administrative Review of Oil Country Tubular Goods From Korea,* 64 FR 13169 (March 17, 1999). The specification states that ''{a}ll dimensions shown herein without tolerances are related to the basis for design and are not subject to measurement to determine acceptance or rejection of the product,'' and that ''{e}xceptions are Grades C90, T95, and Q125, which may be furnished in other sizes, weights, and wall thicknesses as agreed between the purchaser and the manufacturer'' (*see* API Specification 5CT at section 7.1, in Exhibit A–14 of SeAH's November 2, 1998, submission). The carload lot weight is a dimension (weight) with a tolerance (minus 1.75%), and none of SeAH's Myanmar or U.S. sales were of Grades C90, T95, or Q125.

Nevertheless, it does not appear that the API carload lot weight tolerance of 1.75% would apply to merchandise being transported by ship, which is the case for SeAH's Myanmar sales and for its sales to PPA. Rather, the 3.5% weight tolerance indicated by the specification would apply. Therefore, as we have determined in the prior review, there is no clear reason why the actual weight should be less than 96.5% of the theoretical weight if all of SeAH's OCTG is produced to the specification. Consequently, for our preliminary results we have used a conversion factor based on this assumption to calculate costs (except for products for which costs were maintained on a theoretical weight basis, which require no weight conversion), consistent with the last administrative review. *See Oil Country Tubular Goods From Korea: Preliminary Results of Antidumping Duty Administrative Review,* 63 FR 47469, 47472 (September 8, 1998), unchanged at *Oil Country Tubular Goods from Korea: Final Results of Antidumping Duty Administrative Review,* 64 FR 13169 (March 17, 1999).

After calculating COP, we tested whether comparison market sales of the foreign like product were made at prices below COP and, if so, whether the below-cost sales were made within an extended period of time in substantial quantities and at prices that did not permit recovery of all costs within a reasonable period of time. Because each individual price was compared to the POR average COP, any sales that were below cost were also determined not to be at prices which permitted cost recovery within a reasonable period of time. We compared model-specific COPs to the reported comparison market prices less any applicable movement charges, discounts, and rebates.

Pursuant to section 773(b)(2)(C) of the Act, where less than 20 percent of a respondent's sales of a given model were at prices less than COP, we did not disregard any below-cost sales of that model because the below-cost sales were not made in substantial quantities within an extended period of time. Where 20 percent or more of a respondent's sales of a given model during the POR were at prices less than the weighted-average COPs for the POR, we disregarded the below-cost sales because they were made within an extended period of time in substantial quantities in accordance with sections 773(b)(2) (B) and (C) of the Act, and were at prices which would not permit recovery of all costs within a reasonable period of time in accordance with section 773(b)(2)(D) of the Act.

2. Constructed Value

In accordance with section 773(a)(4) of the Act, we used constructed value (''CV'') as the basis for NV when there were no usable contemporaneous sales of such or similar merchandise in the comparison market. We calculated CV in accordance with section 773(e) of the Act. We included SeAH's cost of materials and fabrication (including packing), SG&A expenses, and profit. *See* section 773(e)(2)(A) of the Act. We applied the same conversion factor methodology as noted in the COP section above. In accordance with section 773(e)(2)(A) of the Act, we based SG&A expenses and profit on the amounts incurred and realized by the respondent in connection with the production and sale of the foreign like product in the ordinary course of trade for consumption in the comparison market.

C. Price-to-Price Comparison

Where appropriate, for comparison to CEP, we made adjustments to NV by deducting Korean inland freight, brokerage and handling, and packing, in accordance with section 773(a)(6)(B) of the Act and direct selling expenses (credit expenses), in accordance with section 773(a)(6)(C)(iii) of the Act. We also made adjustments for differences in costs attributable to differences in physical characteristics of merchandise, pursuant to section 773(a)(6)(C)(ii) of the Act.

In accordance with section 773(a)(1)(B) of the Act, to the extent practicable, we determine NV based on sales in the comparison market at the same level of trade (''LOT'') of the U.S. sales. The NV LOT is that of the starting-price sales in the comparison market or, when NV is based on CV, that of the sales from which we derive SG&A expenses and profit. For both EP and CEP, the relevant transaction for the level of trade analysis is the sale (or constructed sale) from the exporter to the importer.

To determine whether comparison market NV sales are at a different LOT than EP or CEP, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and unaffiliated customer. If the comparison-market sales are at a different level of trade and the difference affects price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison-market sales at the level of trade of the export transaction, we make a level-of-trade adjustment under section 773(a)(7)(A) of the Act. Finally, if the NV level is more remote from the factory than the CEP level and there is no basis for determining whether the difference in the levels between NV and CEP affects price comparability, we adjust NV under section 773(a)(7)(B) of the Act (the CEP-offset provision). *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa,* 62 FR 61731, 61732 (November 17, 1997).

The record does not indicate more than a minimal involvement by SeAH in either the marketing process or the selling functions associated with its Myanmar and U.S. sales. There does not appear to be any substantive difference between the functions performed by SeAH with respect to the sales to the Korean trading company which are destined for Myanmar and the functions performed by SeAH with respect to its

sales made to PPA, the affiliated U.S. importer of record. In both instances, SeAH made sales to resellers that in turn sold to end-users, and the record does not indicate any more than the most minimal interaction of SeAH with those resellers (the unaffiliated Korean trading company for Myanmar sales and PPA for U.S. sales) with respect to the sales process. Additionally, SeAH did not claim a LOT adjustment or a CEP offset in this POR. Consequently, we have preliminarily determined that the sales in both markets are at the same LOT. Therefore, neither a CEP offset nor a LOT adjustment is warranted.

Currency Conversion

Our preliminary analysis of Federal Reserve dollar-won exchange rate data shows that the won declined rapidly at the end of 1997, losing over 40% of its value between the beginning of November and the end of December. The decline was, in both speed and magnitude, many times more severe than any change in the dollar-won exchange rate during the previous eight years.

Had the won rebounded quickly enough to recover all or almost all of the initial loss, the Department might have been inclined to view the won's decline at the end of 1997 as nothing more than a sudden, but only momentary, drop, despite the magnitude of that drop. As it was, however, there was no significant rebound. Therefore, we have preliminarily determined that the decline in the won at the end of 1997 was so precipitous and large that the dollar-won exchange rate cannot reasonably be viewed as having simply fluctuated during this time, i.e., as having experienced only a momentary drop in value. Therefore, in making this preliminary determination, the Department used daily rates exclusively for currency conversion purposes for comparisons to U.S. sales occurring between November 1 and December 31, 1997. For sales occurring after December 31, but before March 1, 1998, the Department continued to rely on the standard exchange rate model, but used as the benchmark rate a (stationary) average of the daily rates over this period. In this manner, we used an ''up-to-date'' (post-precipitous drop) benchmark, but at the same time avoided undue day-to-day fluctuations in the exchange rates used. *See: Notice of Final Determination of Sales at Less Than Fair Value: Emulsion Styrene-Butadiene Rubber from the Republic of Korea,* 64 FR 14865, 14868 (March 29, 1999) and *Notice of Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review: Steel Wire Rope from Korea,* 63 FR 67662, 67665 (December 8, 1998), unchanged at *Steel Wire Rope from Korea; Final Results of Antidumping Duty Administrative Review and Partial Rescission of Antidumping Administrative Review* 64 FR 17995 (April 13, 1999).

Preliminary Results of Reviews

As a result of our review, we preliminarily determine the weighted-average dumping margin for the period August 1, 1997 through July 31, 1998 to be as follows:

Manufacturer/Exporter	Time period	Margin (percent)
SeAH	09/01/97–08/31/98	15.03

Pursuant to 19 CFR 351.224(b), the Department will disclose to parties to the proceeding any calculations performed in connection with these preliminary results within five days after the publication of this notice. Pursuant to 19 CFR 351.309, interested parties may submit written comments in response to these preliminary results. Case briefs must be submitted within 30 days after the date of publication of this notice, and rebuttal briefs, limited to arguments raised in case briefs, must be submitted no later than five days after the time limit for filing case briefs. Parties who submit argument in this proceeding are requested to submit with the argument: (1) A statement of the issue, and (2) a brief summary of the argument. Case and rebuttal briefs must be served on interested parties in accordance with 19 CFR 351.303(f). Also, pursuant to 19 CFR 351.310, within 30 days of the date of publication of this notice, interested parties may request a public hearing on arguments to be raised in the case and rebuttal briefs. Unless the Secretary specifies otherwise, the hearing, if requested, will be held two days after the deadline for submission of rebuttal briefs, that is, 37 days after the date of publication of these preliminary results.

The Department will issue the final results of this administrative review, including its analysis of issues raised in any case or rebuttal brief or at a hearing, not later than 120 days after the date of publication of this notice.

The Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. In accordance with 19 CFR 351.212(b), we have calculated exporter/importer-specific assessment rates. We divided the total dumping margins for the reviewed sales by the total entered value of those reviewed sales for each importer. We will direct the U.S. Customs Service to assess the resulting percentage margin against the entered customs values for the subject merchandise on each of that importer's entries under the relevant order during the review period.

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, as provided by section 751(a) of the Act: (1) The cash deposit rate for each reviewed company will be that established in the final results of review (except that no deposit will be required for firms with *de minimis* margins, i.e., margins less than 0.5 percent); (2) for exporters not covered in this review, but covered in the LTFV investigation or previous review, 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 previous review, or 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; (4) the cash deposit rate for all other manufacturers or exporters will continue to be the ''all others'' rate established in the LTFV investigation, which was 12.17 percent. These requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice serves as a preliminary 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 antidumping duties occurred and the

subsequent assessment of double antidumping duties.

This administrative review and notice are issued in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Richard W. Moreland,

Acting Assistant Secretary for Import Administration.

[FR Doc. 99–23322 Filed 9–7–99; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–815]

Sulfanilic Acid From the People's Republic of China; Preliminary Results of Antidumping Duty Administrative Review

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

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

SUMMARY: The Department of Commerce (''the Department'') is conducting an administrative review of the antidumping duty order on sulfanilic acid from the People's Republic of China. The review covers exports of this merchandise to the United States for the period August 1, 1997, through July 31, 1998, and thirteen firms: China National Chemical Import and Export Corporation, Hebei Branch (Sinochem Hebei); China National Chemical Construction Corporation, Beijing Branch; China National Chemical Construction Corporation, Qingdao Branch; Sinochem Qingdao; Sinochem Shandong; Baoding No. 3 Chemical Factory; Jinxing Chemical Factory; Zhenxing Chemical Factory; Mancheng Zinyu Chemical Factory, Shijiazhuang; Mancheng Xinyu Chemical Factory, Bejing; Hainan Garden Trading Company; Yude Chemical Company; and Shunping Lile. The preliminary results of this review indicate that there were dumping margins for the two responding parties: Yude Chemical Company/Xinyu Chemical Factory (''Yude/Xinyu'') and Zhenxing Chemical Factory/Mancheng Zhenxing Chemical Factory (''Zhenxing/Mancheng'') as well as for the ''PRC enterprise.'' The rates assigned to each company are listed below in the ''Preliminary Results of the Review'' section of this notice.

EFFECTIVE DATE: September 8, 1999.

FOR FURTHER INFORMATION CONTACT: Nithya Nagarajan, Linda Smiroldo Checchia or Sean Carey, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue N.W., Washington, DC 20230 at (202) 482–4243, (202) 482–6412, or (202) 482–3964, respectively.

SUPPLEMENTARY INFORMATION:

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 Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations codified at 19 CFR Part 351 (1998).

Background

On August 11, 1998, the Department published in the **Federal Register** (63 FR 42821) a notice of ''Opportunity to Request Administrative Review'' for the August 1, 1997, through July 31, 1998, period of review (POR) of the antidumping duty order on Sulfanilic Acid from the People's Republic of China, 57 FR 37524 (August 19, 1992). In accordance with 19 CFR 351.213, Zhenxing, Yude, PHT International, Inc. (''PHT''), and the petitioners, Nation Ford Chemical Company, requested a review for the aforementioned period. On September 29, 1998, we published a notice of ''Initiation of Antidumping Review.'' *See* 63 FR 51893. The Department is now conducting this administrative review pursuant to section 751(a) of the Act. On October 29, 1998, Zhenxing and Yude, two companies which are described as joint ventures between Chinese companies—namely, Mancheng and Xinyu, respectively—and a U.S.-based company named PHT, reported that they each had made sales of subject merchandise to the United States during the POR in their responses to Section A (Organization, Accounting Practices, Markets and Merchandise) of the Department's questionnaire. Zhenxing and Yude submitted responses to Sections C and D (Sales to the United States and Factors of Production, respectively) on November 25, 1998. Responses to two supplemental questionnaires by Zhenxing and Yude were received on January 25, 1999, and July 23, 1999.

Scope of Review

Imports covered by this review are all grades of sulfanilic acid, which include technical (or crude) sulfanilic acid, refined (or purified) sulfanilic acid and sodium salt of sulfanilic acid.

Sulfanilic acid is a synthetic organic chemical produced from the direct sulfonation of aniline with sulfuric acid. Sulfanilic acid is used as a raw material in the production of optical brighteners, food colors, specialty dyes, and concrete additives. The principal differences between the grades are the undesirable quantities of residual aniline and alkali insoluble materials present in the sulfanilic acid. All grades are available as dry, free flowing powders.

Technical sulfanilic acid, classifiable under the subheading 2921.42.24 of the Harmonized Tariff Schedule (HTS), contains 96 percent minimum sulfanilic acid, 1.0 percent maximum aniline, and 1.0 percent maximum alkali insoluble materials. Refined sulfanilic acid, also classifiable under the subheading 2921.42.24 of the HTS, contains 98 percent minimum sulfanilic acid, 0.5 percent maximum aniline and 0.25 percent maximum alkali insoluble materials.

Sodium salt (sodium sulfanilate), classifiable under the HTS subheading 2921.42.79, is a powder, granular or crystalline material which contains 75 percent minimum equivalent sulfanilic acid, 0.5 percent maximum aniline based on the equivalent sulfanilic acid content, and 0.25 percent maximum alkali insoluble materials based on the equivalent sulfanilic acid content.

Although the HTS subheadings are provided for convenience and customs purposes, our written description of the scope of this proceeding is dispositive.

Period of Review

The review period is August 1, 1997 through July 31, 1998.

Verification

Due to administrative constraints, verification prior to the issuance of this notice of preliminary results was not conducted. Section 351.307 of the Department's regulations stipulate that the Department must verify prior to issuing final results in an administrative review if (1) a domestic interested party, not later than 100 days after the date of publication of the notice of initiation of review, submits a written request for verification; and (2) no verification during either of the two immediately preceding administrative reviews was conducted. In this review, no such written request from a domestic interested party was received and verification was conducted during the immediately preceding 1996–1997 administrative review. However, for reasons stated below, the Department intends to conduct verification prior to