

requested, must submit a written request to the Assistant Secretary for Import Administration, Room B-099, within ten days of the date of publication of this notice. Requests should contain: (1) the party's name, address and telephone number; (2) the number of participants; (3) a list of issues to be discussed. In accordance with 19 CFR 353.38(b), issues raised in hearings will be limited to those raised in the respective case briefs and rebuttal briefs.

The Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between export price and NV may vary from the percentages stated above. The Department will issue appropriate appraisal instructions directly to the U.S. Customs Service upon completion of this review.

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the following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(1) of the Act: (1) The cash deposit rates for the reviewed companies will be those rates established in the final results of this review; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the original LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will be 15.16 percent, the "all others" rate made effective by the final determination of sales at LTFV, as explained below.

On March 25, 1993, the Court of International Trade (CIT) in *Floral Trade Council v. United States*, 822 F.Supp. 766 (CIT 1993) and *Federal-Mogul Corporation v. United States*, 822 F.Supp. 782 (CIT 1993) decided that once an "all others" rate is established for a company it can only be changed through an administrative review. The Department has determined that in order to implement these decisions, it is appropriate to reinstate the "all others" rate from the LTFV investigation (or that rate as amended for correction of clerical errors or as a result of litigation) in proceedings governed by antidumping duty orders. Therefore, the Department is reinstating the "all

others" rate made effective by the final determination of sales at LTFV (see *Antidumping Duty Order and Amendment to Final Determination of Sales at Less Than Fair Value; Certain Internal-Combustion, Industrial Forklift Trucks From Japan*, 53 FR 20882 (June 7, 1988)).

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 353.26 to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and notice are in accordance with section 751(a)(1) of the Act and 19 CFR 353.22(c)(5).

Dated: November 26, 1996.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 96-31355 Filed 12-9-96; 8:45 am]

BILLING CODE 3510-DS-P

[A-412-810]

Certain Hot-Rolled Lead and Bismuth Carbon Steel Products From the United Kingdom; Preliminary Results of Antidumping Administrative Review

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

ACTION: Notice of preliminary results of antidumping duty administrative review; certain hot-rolled lead and bismuth carbon steel products from the United Kingdom.

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain hot-rolled lead and bismuth carbon steel products from the United Kingdom in response to requests by respondent, British Steel Engineering Steels Limited (BSES), and petitioner, Inland Steel Bar Company. This review covers the period March 1, 1995 through February 29, 1996.

We have preliminarily determined that sales have been made below normal value (NV). Interested parties are invited to comment on these preliminary results. Parties who submit comments

are requested to submit with each comment (1) a statement of the issue and (2) a brief summary of the comment.

EFFECTIVE DATE: December 10, 1996.

FOR FURTHER INFORMATION CONTACT: G. Leon McNeill or Maureen Flannery, AD/CVD Enforcement, 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.

SUPPLEMENTARY 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

The Department published in the Federal Register the antidumping duty order on certain hot-rolled lead and bismuth carbon steel products from the United Kingdom on March 22, 1993 (58 FR 15324). On March 4, 1996, we published in the Federal Register (61 FR 8238) a notice of opportunity to request an administrative review of the antidumping duty order on certain hot-rolled lead and bismuth carbon steel products from the United Kingdom covering the period March 1, 1995 through February 29, 1996.

In accordance with 19 CFR 353.22(a)(1), BSES and the petitioner, Inland Steel Bar Company, requested that we conduct an administrative review of BSES's sales. We published a notice of initiation of this antidumping duty administrative review on April 25, 1996 (61 FR 18378). The Department is conducting this administrative review in accordance with section 751 of the Act.

Scope of the Review

The products covered by this review are hot-rolled bars and rods of nonalloy or other alloy steel, whether or not descaled, containing by weight 0.03 percent or more of lead or 0.05 percent or more of bismuth, in coils or cut lengths, and in numerous shapes and sizes. Excluded from the scope of this review are other alloy steels (as defined by the *Harmonized Tariff Schedule of the United States* (HTSUS) Chapter 72,

note 1 (f)), except steels classified as other alloy steels by reason of containing by weight 0.4 percent or more of lead, or 0.1 percent or more of bismuth, tellurium, or selenium. Also excluded are semi-finished steels and flat-rolled products. Most of the products covered in this review are provided for under subheadings 7213.20.00 and 7214.30.00.00 of the HTSUS. Small quantities of these products may also enter the United States under the following HTSUS subheadings: 7213.31.30.00, 60.00; 7213.39.00.30, 00.60, 00.90; 7214.40.00.10, 00.30, 00.50; 7214.50.00.10, 00.30, 00.50; 7214.60.00.10, 00.30, 00.50; and 7228.30.80.00. HTSUS subheadings are provided for convenience and Customs purposes. The written description of the scope of this order remains dispositive.

This review covers the subject merchandise manufactured by BSES, and the period March 1, 1995 through February 29, 1996.

Duty Absorption

On May 17, 1996, the petitioner requested that the Department determine whether antidumping duties had been absorbed by BSES during the period of review (POR) pursuant to section 751(a)(4) of the Act. Section 751(a)(4) provides for the Department, if requested, to determine, during an administrative review initiated two years or four years after publication of the order, whether antidumping duties have been absorbed by a foreign producer or exporter subject to the order, if the subject merchandise is sold in the United States through an importer who is affiliated with such foreign producer or exporter. Section 751(a)(4) was added to the Act by the URAA. The Department's interim regulations do not address this provision of the Act.

For transition orders as defined in section 751(c)(6)(C) of the Act, i.e., orders in effect as of January 1, 1995, section 351.213(j)(2) of the Department's proposed antidumping regulations provides that the Department will make a duty absorption determination, if requested, for any administrative review initiated in 1996 or 1998. See 61 FR 7308, 7366 (February 27, 1996). The preamble to the proposed antidumping regulations explains that reviews initiated in 1996 will be considered initiated in the second year and reviews initiated in 1998 will be considered initiated in the fourth year. *Id.* at 7317. Although these proposed antidumping regulations are not yet binding upon the Department, they do constitute a public statement of how the Department expects to proceed in construing section

751(a)(4) of the amended statute. This approach assures that interested parties will have the opportunity to request a duty absorption determination on entries for which the second and fourth years following an order have already passed, prior to the time for sunset review of the order under section 751(c). Because the order on certain hot-rolled lead and bismuth carbon steel products from the United Kingdom has been in effect since 1993, this is a transition order. Therefore, based on the policy stated above, the Department will first consider a request for an absorption determination during a review initiated in 1996. This being a review initiated in 1996, we are making a duty-absorption determination as part of this segment of the proceeding.

The statute provides for a determination on duty absorption if the subject merchandise is sold in the United States through an affiliated importer. In this case, BSES is itself the importer of record, i.e., the exporter and the importer are the same entity. Therefore, the importer and the exporter are "affiliated" within the meaning of 751(a)(4). Furthermore, we have preliminarily determined that there is a dumping margin for BSES on 50 percent of its U.S. sales during the POR. In addition, we cannot conclude from the record that the unaffiliated purchaser in the United States will pay the ultimately assessed duty. Under these circumstances, therefore, we preliminarily find that antidumping duties have been absorbed by BSES on 50 percent of its U.S. sales.

United States Price

We based United States price on export price (EP), as defined in section 772(a) of the Act, because the merchandise was sold directly by the exporter to unaffiliated U.S. purchasers prior to the date of importation and constructed export price was not indicated by other facts of record. BSES reported that EP was based on packed, delivered prices to customers in the United States. We made deductions, where applicable, for foreign inland freight, FOB charges in the United Kingdom, ocean freight, marine insurance, U.S. Customs duties, brokerage and handling charges, merchandising processing fees, and U.S. inland freight charges, in accordance with 19 CFR 353.41(d). We also made an adjustment for invoice corrections (billing adjustments) made after shipment.

BSES's sales in the United Kingdom and to the United States were made in quantities of less than 25 metric tons and 25 metric tons or more. As in all

prior segments of the proceeding, where possible we matched U.S. sales to U.K. sales within the same quantity group: 25 tons or more, or less than 25 tons. (See *Final Determination of Sales at Less Than Value; Certain Hot-Rolled Lead and Bismuth Carbon Steel Products from the United Kingdom*, 58 FR 6207, January 27, 1993; and *Preliminary Results of Antidumping Duty Administrative Review; Certain Hot-Rolled Lead and Bismuth Carbon Steel Products from the United Kingdom*, 50 FR 10063, February 23, 1995.)

No other adjustments to EP were claimed or allowed.

Normal Value

In order to determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating NV, we compared BSES's volume of home market sales of the foreign like product to the volume of U.S. sales of the subject merchandise, in accordance with section 773(a)(1)(B) of the Act. Because BSES's aggregate volume of home market sales of the foreign like product was greater than five percent of its aggregate volume of U.S. sales of the subject merchandise, we determined that the home market provides a viable basis for calculating NV for BSES.

Many of BSES's home market sales were made to affiliated original equipment manufacturers (OEMs). It is the Department's practice, in situations where home market sales are made to affiliated parties, to determine whether sales to affiliated parties might be appropriate to use as the basis of NV by comparing prices of those sales to prices of sales to unaffiliated parties, on a model-by-model basis. See *Final Results of Antidumping Duty Administrative Reviews, Partial Termination of Administrative Reviews, and Revocation in Part of Antidumping Duty Orders; Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof from France, et al.* 60 FR 10900, February 28, 1995. (See preliminary notice for discussion.) Because BSES made home market sales to affiliated OEMs during the POR, we tested these OEM sales to ensure that, on average, the affiliated-party sales were made at arm's length. To conduct this test, we compared the gross unit prices of sales to affiliated and unaffiliated customers net of all movement charges, direct selling expenses, invoice corrections, rebates and packing. As a result of our arm's-length test, we disregarded sales to the affiliated OEM customers in the home market because the prices charged to affiliated customers were less than 99.5 percent of the prices charged to

unaffiliated customers. We did not require respondent to provide downstream sales by these customers because these customers further manufactured the subject merchandise into merchandise not comparable to the merchandise covered by the order. BSES also sold through affiliated resellers to unaffiliated customers and reported these unaffiliated-customer transactions. We used these unaffiliated transactions in our determination of NV.

BSES did not report its home market sales of leaded rod produced by Scunthorpe Rod Mill (SRM), an affiliated party, because it claimed that such merchandise was not a match to its sales of leaded bar to the United States. BSES provided a list of all SRM's potential products, including their product characteristics and product identification control numbers. In addition, BSES provided a theoretical sales file that identified every leaded rod product that SRM could possibly have produced or sold in each of the months of the POR. Upon examination of this information, we determined that the leaded rod produced by SRM was never the identical or most similar match to BSES's sales of leaded bar to the United States during the POR.

Cost of Production Analysis

Pursuant to section 773(b) of the Act, in this review we initiated a COP investigation of BSES. We did this because, in the administrative review of BSES for the most recent period (as of the time our decision to initiate a COP investigation was made), we disregarded from our calculations BSES's home market sales found to be below the cost of production (COP). See *Final Results of Antidumping Administrative Review; Certain Hot-Rolled Lead and Bismuth Carbon Steel Products from the United Kingdom*, 60 FR 44009, August 24, 1995. Therefore, in accordance with section 773(b)(2)(A)(ii) of the Act, the Department had reasonable grounds to believe or suspect that sales below the COP may have occurred during this review period.

Before making any NV comparisons, we conducted the COP analysis described below.

A. Calculation of COP

We calculated the COP based on the sum of BSES's cost of materials and fabrication employed in producing the foreign like product, plus amounts for home market selling, general, and administrative expenses (SG&A) and packing costs in accordance with section 773(b)(3) of the Act. We relied on the home market sales and COP

information provided by BSES in its questionnaire responses.

B. Test of Home Market Prices

After calculating COP, we tested whether home market sales of lead and bismuth steel were made at prices below COP within an extended period of time in substantial quantities, and whether such prices permitted recovery of all costs within a reasonable period of time. We compared the model-specific COP to the reported home market prices less any applicable movement charges, rebates, and direct and indirect selling expenses.

C. Results of COP Test

Pursuant to section 773(b)(2)(C), where less than 20 percent of respondent's sales of a given product were at prices less than COP, we did not disregard any below-cost sales of that product because we determined that the below-cost sales were not made in "substantial quantities." Where 20 percent or more of a respondent's sales of a given product during the POR were at prices less than the COP, we disregarded the below-cost sales because we determined that the below-cost sales 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 because, based on our comparisons of prices to weighted-average COPs for the POR, we determined that the below-cost sales of the product were at prices which would not permit recovery of all costs within a reasonable period of time, as defined in section 773(b)(2)(D) of the Act. Based on this test, we disregarded below-cost sales made by BSES.

Price-to-Price Comparisons

Pursuant to section 777A(d)(2), we compared the EPs of individual transactions to the monthly weighted-average price of sales of the foreign like product where there were sales at prices above COP, as discussed above. We based NV on packed, delivered prices to unaffiliated purchasers in the home market. We made adjustments, where applicable, in accordance with section 773(a)(6) of the Act. Where applicable, we made adjustments to home market price for invoice corrections, rebates, and inland freight. We also made a circumstance-of-sale adjustment for differences in credit insurance and product liability insurance expenses pursuant to section 773(a)(6)(C)(iii) of the Act. Respondent claimed home market credit insurance expenses and product liability insurance expenses as direct adjustments to NV. Since such expenses are on a sale-by-sale basis and

directly related to sales of the foreign like product, we have treated these home market expenses as direct selling expenses. U.S. credit insurance and product liability insurance are U.S. direct selling expenses. Accordingly, we made the circumstance-of-sale adjustments by adding the amounts of U.S. credit insurance and product liability insurance for each U.S. sale to the NV, and subtracting the home market amounts from NV. We also added U.S. commissions for each U.S. sale to the NV. In order to adjust for differences in packing between the two markets, we increased home market price by U.S. packing costs and reduced it by home market packing costs. Prices were reported net of value added taxes (VAT) and, therefore, no deduction for VAT was necessary. We made adjustments, where appropriate, for physical differences in merchandise in accordance with section 773(a)(6)(C)(ii) of the Act.

Constructed Value

In accordance with section 773(e) of the Act, we calculated CV based on the sum of BSES's cost of materials and fabrication employed in producing the subject merchandise, SG&A and profit incurred and realized in connection with production and sale of the foreign like product, and U.S. packing costs. In accordance with section 773(e)(2)(A), we based SG&A and profit on the amounts incurred and realized by BSES in connection with the production and sale of the foreign like product in the ordinary course of trade, for consumption in the foreign country. We used the costs of materials, fabrication, and general and administrative expenses as reported in the CV portion of BSES's questionnaire response. We used the U.S. packing costs as reported in the U.S. sales portion of BSES's questionnaire response. We based selling expenses and profit on the information reported in the home market sales portion of BSES's questionnaire response. For selling expenses, we used the average per-unit home market selling expenses of home market sales of the foreign like product, exclusive of sales disregarded under the cost test, weighted by the total quantity sold for these sales. For actual profit, we first calculated the difference between the home market sales value and home market COP, for all above-cost home market sales of the foreign like product, exclusive of sales disregarded under the cost test, and divided the sum of these differences by the total home market COP for these sales. We then multiplied this percentage by the COP for each U.S. model to derive an actual profit.

Commission Offset

Because there are commissions on U.S. sales and not on home market sales, we made an adjustment for indirect selling expenses in the home market to offset the U.S. commissions, in accordance with 19 CFR 353.56(b)(1).

We based the commission offset amount on the amount of the home market indirect selling expenses. We limited the home market indirect selling expense deduction by the amount of the commissions incurred on sales to the United States.

Preliminary Results of the Review

As a result of our comparison of EP and NV, we preliminarily determine that the following weighted-average dumping margin exists:

Manufacturer/exporter	Period	Margin (percent)
British Steel Engineering Steels Limited (BSES) (formerly United Engineering Steels Limited)	3/1/95–2/29/96	2.84

Parties to the proceeding may request disclosure within 5 days of the date of publication of this notice. Any interested party may request a hearing within 10 days of publication. Any hearing, if requested, will be held 44 days after the publication of this notice, or the first workday thereafter. Interested parties may submit case briefs within 30 days of the date of publication of this notice. Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than 37 days after the date of publication. The Department will publish a notice of final results of this administrative review, which will include the results of its analysis of issues raised in any such comments.

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between EP and NV may vary from the percentage stated above. Upon completion of this review, the Department will issue appraisal instructions directly to the Customs Service.

Furthermore, the following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of certain hot-rolled lead and bismuth carbon steel products from the United Kingdom entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(c) of the Act: (1) The cash deposit rate for the reviewed company will be the rate established in the final results of this review; (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in the original less-than-fair-value (LTFV) investigation or a previous review, the cash deposit 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 or 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; and (4) for all other producers and/or exporters of this merchandise, the cash deposit rate shall be 25.82 percent, the "all others" rate established in the LTFV investigation (58 FR 6207, January 27, 1993).

These deposit rates, 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 353.26 to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

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

Dated: December 2, 1996.
Robert S. LaRussa,
Acting Assistant Secretary for Import Administration.
[FR Doc. 96-31250 Filed 12-9-96; 8:45 am]
BILLING CODE 3510-DS-P

[A-538-802]**Shop Towels From Bangladesh; 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: In response to a request from the petitioner, Milliken & Company (Milliken), the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on shop towels

from Bangladesh. The period of review (POR) is March 1, 1995, through February 29, 1996. This review covers four manufacturers/exporters. The preliminary results of this review indicate the existence of dumping margins during the period.

Interested parties are invited to comment on these preliminary results. Parties who submit arguments are requested to submit with each argument (1) a statement of the issue and (2) a brief summary of the argument.

EFFECTIVE DATE: December 10, 1996.

FOR FURTHER INFORMATION CONTACT: Matthew Rosenbaum, Kristie Strecker or Kris Campbell, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, Washington, D.C. 20230; telephone (202) 482-4733.

SUPPLEMENTARY 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).

Background

On March 4, 1996, the Department published a notice of "Opportunity to Request an Administrative Review" (61 FR 8238) of the antidumping duty order on shop towels from Bangladesh (57 FR 9688, March 20, 1992) for the period March 1, 1995, through February 29, 1996. On March 27, 1996, the petitioner, Milliken, requested an administrative review of four manufacturers/exporters: Greyfab (Bangladesh) Ltd. (Greyfab); Hashem International (Hashem); Khaled Textile Mills Ltd. (Khaled); and Shabnam Textiles (Shabnam). We published a notice of initiation of the review on May 24, 1996 (61 FR 26158). The Department is now conducting a review of these respondents pursuant to section 751 of the Act.