

	Period to be reviewed
Akai Impex, Ltd. Mukand, Ltd. India: Stainless Steel Bar, A-533-810 Mukand, Ltd. Ferro Alloys Corporation Limited	2/1/96-1/31/97
Japan: Mechanical Transfer Presses, A-588-810 Aida Engineering, Ltd. Hitachi Zosen Corporation Ishikawajima-Harima Heavy Industries	2/1/96-1/31/97
Japan: Melamine, A-588-056 Taiyo Ink Manufacturing Co. Nissan Chemical Industries, Ltd.	2/1/96-1/31/97
The People's Republic of China: Axes/Adzes,* A-570-803 Fujian Machinery & Equipment Import & Export Corporation Shandong Machinery Import & Export Corporation Tianjin Machinery Import & Export Company	2/1/96-1/31/97
The People's Republic of China: Bars/Wedges,* A-570-803 Fujian Machinery & Equipment Import & Export Corporation Liaoning Limeng Group Limited Company Shandong Machinery Import & Export Corporation Tianjin Machinery Import & Export Company Zibo Tool Factory	2/1/96-1/31/97
The People's Republic of China: Hammers/Sledges,* A-570-803 Fujian Machinery & Equipment Import & Export Corporation Shandong Machinery Import & Export Corporation Tianjin Machinery Import & Export Company	2/1/96-1/31/97
The People's Republic of China: Picks/Mattocks,* A-570-803 Fujian Machinery & Equipment Import & Export Corporation Shandong Machinery Import & Export Corporation Tianjin Machinery Import & Export Company	2/1/96-1/31/97
*All other exporters of hand tools from the People's Republic of China are conditionally covered by this review.	
The People's Republic of China: Manganese Metal,* A-570-840 China National Electronics Import & Export Hunan Company China Hunan International Economic Development (Group) Corporation China Metallurgical I/E Hunan Corp./Hunan Nonferrous Metal I/E Association Corp. Minmetals Precious & Rare Mineral Import & Export Corporation	6/14/95-1/31/97
*All other exporters of manganese metal from the People's Republic of China are conditionally covered by this review.	
The People's Republic of China: Paint Brushes,* A-570-501 Hebei Animal By-Products I/E Corp. Hunan Provincial Native Produce & Animal By-Products Import & Export Corporation	2/1/96-1/31/97
*All other exporters of paint brushes from the People's Republic of China are conditionally covered by this review.	
The People's Republic of China: Certain Cased Pencils, A-570-827 Shanghai Foreign Trade Corporation*	12/1/95-11/30/96
*Shanghai Foreign Trade Corporation was inadvertently identified as subject to administrative review request (January 17, 1997, (62 FR 2647). As all other exporters of certain cased pencils from the PRC, this company is conditionally covered by this review.	
COUNTERVAILING DUTY PROCEEDINGS	
None.	

If requested within 30 days of the date of publication of this notice, the Department will determine whether antidumping duties have been absorbed by an exporter or producer subject to any of these reviews if the subject merchandise is sold in the United States through an importer which is affiliated with such exporter or producer.

Interested parties must submit applications for disclosure under administrative protective orders in accordance with 19 CFR 353.34(b) and 355.34(b).

These initiations and this notice are in accordance with section 751(a) of the Tariff Act of 1930, as amended (19

U.S.C. 1675(a) and 19 CFR 353.22(c)(1) and 355.22(c)(1).

Dated: March 11, 1997.
Jeffrey P. Bialos,
Principal Deputy Assistant Secretary for Import Administration.
[FR Doc. 97-6684 Filed 3-17-97; 8:45 am]
BILLING CODE 3510-DS-M

[A-580-812]

Dynamic Random Access Memory Semiconductors of One Megabit or Above from the Republic of Korea; Preliminary Results of Antidumping Duty Administrative Review and Notice of Intent Not to Revoke Order

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

ACTION: Notice of preliminary results of antidumping duty administrative review and notice of intent not to revoke order.

SUMMARY: In response to requests from two respondents and one U.S. producer, the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on dynamic random access memory semiconductors of one megabit or above from the Republic of Korea. The review covers two manufacturers/exporters of the subject merchandise to the United States for the period of May 1, 1995 through April 30, 1996.

As a result of the review, the Department has preliminarily determined that no dumping margins exist for both respondents. We intend not to revoke the order on DRAMs from Korea.

If these preliminary results are adopted in our final results of administrative review, we will instruct the U.S. Customs Service not to assess antidumping duties. Interested parties are invited to comment on these preliminary results. Parties who submit arguments in this proceeding are requested to submit with the argument (1) a statement of the issue, and (2) a brief summary of the argument.

EFFECTIVE DATE: March 18, 1997.

FOR FURTHER INFORMATION CONTACT:

Thomas F. Futtner, AD/CVD Enforcement Office 4, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230, telephone: (202) 482-3814.

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 current regulations, as amended by the interim regulations published in the Federal Register on May 11, 1995 (60 FR 25130).

Background

On May 10, 1993, the Department published in the Federal Register (58 FR 27250) the antidumping duty order on dynamic random access memory semiconductors (DRAMs) from the Republic of Korea. On May 8, 1996, the Department published a notice of "Opportunity to Request an Administrative Review" of this antidumping duty order for the period of May 1, 1995, through April 30, 1996

(61 FR 20791). We received timely requests for review from two manufacturers/exporters of subject merchandise to the United States: Hyundai Electronics Industries, Co. (Hyundai), and LG Semicon Co., Ltd. (LGS, formerly Goldstar Electron Co., Ltd.). The petitioner, Micron Technologies Inc., requested an administrative review of these same two Korean manufacturers of DRAMs. On June 25, 1996, the Department initiated a review of the above Korean manufacturers (61 FR 32771). The period of review (POR) for all respondents was May 1, 1995, through April 30, 1996. The Department is conducting this review in accordance with section 751 of the Act.

In addition, on June 25, 1996, we automatically initiated an investigation to determine if Hyundai and LGS made sales of subject merchandise below the cost of production (COP) during the POR based upon the fact that we disregarded sales found to have been made below the COP in the original less-than-fair-value (LTFV) investigation, which was the most recent period for which final results were available when this review was initiated.

Scope of the Review

Imports covered by the review are shipments of DRAMs of one megabit or above from the Republic of Korea (Korea). Included in the scope are assembled and unassembled DRAMs of one megabit and above. Assembled DRAMs include all package types. Unassembled DRAMs include processed wafers, uncut die and cut die. Processed wafers produced in Korea, but packaged, or assembled into memory modules in a third country, are included in the scope; wafers produced in a third country and assembled or packaged in Korea are not included in the scope.

The scope of this review includes memory modules. A memory module is a collection of DRAMs, the sole function of which is memory. Modules include single in-line processing modules (SIPs), single in-line memory modules (SIMMs), or other collections of DRAMs, whether unmounted or mounted on a circuit board. Modules that contain other parts that are needed to support the function of memory are covered. Only those modules which contain additional items which alter the function of the module to something other than memory, such as video graphics adapter (VGA) boards and cards, are not included in the scope.

The scope of this review also includes video random access memory semiconductors (VRAMS), as well as

any future packaging and assembling of DRAMs.

The scope of this review also includes removable memory modules placed on motherboards, with or without a central processing unit (CPU), unless the importer of motherboards certifies with the Customs Service that neither it, nor a party related to it or under contract to it, will remove the modules from the motherboards after importation. The scope of this review does not include DRAMs or memory modules that are reimported for repair or replacement.

The DRAMs subject to this review are classifiable under subheadings 8542.11.0001, 8542.11.0024, 8542.11.0026, and 8542.11.0034 of the Harmonized Tariff Schedule of the United States (HTSUS). Also included in the scope are those removable Korean DRAMs contained on or within products classifiable under subheadings 8471.91.0000 and 8473.30.4000 of the HTSUS. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this review remains dispositive. The POR is May 1, 1995, through April 30, 1996.

Intent Not To Revoke

Both respondents submitted requests, in accordance with 19 CFR 353.25(b), to revoke the order covering DRAMs from Korea.

A threshold question here concerns the Department's responsibility in rendering a preliminary determination on revocation. The Department's regulations provide that in a preliminary determination on revocation, the Department "will * * * include [its decision] whether there is a reasonable basis to believe that the requirements for revocation or termination are met." 19 CFR 353.25(c)(2)(iii). In the respondents' view, the "reasonable basis" standard has been met once certain evidence on the record arguably supports a finding that a "reasonable basis" exists to believe that the requirements for revocation have been met. We disagree with this approach and believe that the Department is obligated to issue a preliminary determination which provides parties with its preliminary view, on the basis of *all* of the information on the record at that time, of whether the revocation requirements have been met. This provides the parties notice of the Department's initial views on revocation and affords them the opportunity to present arguments either supporting or opposing the Department's preliminary determination. See memorandum from Thomas G. Ehr to Robert S. LaRussa,

February 24, 1997. Thus, the question here is whether, on the basis of *all* of the evidence of record, the Department's requirements for revocation have been preliminarily met.

Under the Department's regulations, the Department may revoke an order in part if the Secretary concludes that, among other things: (1) "one or more producers or resellers covered by the order have sold the merchandise at not less than fair 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 merchandise at less than fair value * * *"; and (3) "the producers or resellers agree in writing to the immediate reinstatement of the order as long as any producer or reseller is subject to the order, if the Secretary concludes that the producer or reseller, subsequent to the revocation, sold the merchandise at less than fair value." 19 CFR 353.25(a)(1).

In this case, the first and third criteria for revocation have preliminarily been met. The Department has found that the two respondents, LGS and Hyundai, did not sell at less than normal value in the first and second reviews under this order. Also, in this review, LGS and Hyundai have preliminarily been found not to have made less than normal value sales. Further, both respondents have certified to immediate reinstatement of the order pursuant to the third criterion noted above. Accordingly, the key question here is whether the second revocation criteria—the "no likelihood" standard—has been met. In considering this issue, it is important to note that the standard for revocation is not whether the Department finds that there is a likelihood of future dumping. Rather, the standard is whether the Department has found that "no likelihood" of future dumping exists.

On the "no likelihood" issue, the Department has a considerable factual record before it. At the request of the parties, the Department established a process for the submission of factual information on the issue of whether no likelihood of future dumping exists. Both the petitioner and respondents have now made several submissions of information relevant to the likelihood issue, including various in-depth economic analyses. Accordingly, the Department has a full record before it on which to make a preliminary determination on this issue.

As discussed below, on the basis of this record, we preliminarily find that the evidence of record does not support a conclusion at this time that there is no likelihood of future dumping by the Korean respondents. Therefore, on this basis, we have preliminarily determined

not to revoke the Korean DRAM order. As this ruling is preliminary, all parties will have a full opportunity to present relevant arguments on the likelihood issue through briefs and a hearing, if one is requested.

As a threshold matter, the respondents argue that the Department's preliminary finding that LGS and Hyundai have not made less than normal value sales for three consecutive years is dispositive of the "no likelihood" issue. We note that the presence of no dumping for three years is germane to whether there is no likelihood that future dumping will occur. Indeed, in most cases, this is the only evidence on the record on the "likelihood" issue at the time of the Department's preliminary determination and, therefore, it often becomes determinative of whether the Department issues a notice of intent to revoke. In this case, however, as noted above, the Department has a much fuller record on this issue, with a wide range of economic information and analysis on other factors pertaining to revocation. The Department can, and has, considered other factors in its "no likelihood" analysis, such as "conditions and trends in the domestic and home market industries, currency movements, and the ability of the foreign entity to compete in the U.S. marketplace without LTFV sales." See Brass Sheet and Strip from Germany; Final Results of Antidumping Duty Administrative Review and Determination Not to Revoke in Part, 61 FR 49727 (September 23, 1996) ("Brass Sheet and Strip").

In this case, the Department has preliminarily examined the relevant market circumstances on the basis of the submissions of the parties and publicly available information. On the basis of this examination, we have preliminarily found the following: (1) The DRAM market is in a year-long downturn, with steep price declines in the DRAM market beginning in January 1996 and continued price declines forecasted; (2) the downturn has resulted in declines of sales and revenues in the DRAM market, growth in DRAM inventories, and the existence of significant DRAM oversupply; (3) the Korean respondents and other DRAM producers have continued to increase DRAM production during the downturn (which may further depress prices during such an oversupply period); (4) the Korean respondents will likely continue to maintain a substantial presence in the U.S. market during various phases of the business cycle (including periods of significant price decline) in light of substantial Korean capacity and large

U.S. demand; and (5) based on the information on the record, Korean pricing in the United States appears, according to price trends, to be at or near normal value, indicating that only a slight downward movement in U.S. price will likely result in dumping margins.

More specifically, DRAM prices declined severely starting in late 1995, and this decline in prices continued well into 1996, after the conclusion of the current POR (*i.e.*, April 30, 1996). For example, according to publicly available data, the average U.S. price for a 16 megabyte (MB) DRAM fell from approximately \$18.00 in May 1996 to approximately \$7.00 in December 1996. Similarly, the average U.S. price for a 4 MB DRAM fell from approximately \$5.25 in May 1996 to a low of approximately \$2.00 in December 1996. This represents a 61 percent decline in prices between the end of the third period of review (April 30, 1996) and December 1996. DRAM prices are still unstable and continue to fall. Since DRAMs are a commodity product, it is reasonable to expect that Korean producers will have to match prevailing market prices in the United States.

As prices have fallen, Korean DRAM producers have continued to increase DRAM production. Publicly available information indicates that Korea's three major integrated circuit companies (Hyundai, LGS, and Samsung Electronics Co. Ltd.) will increase their DRAM output by almost 30 percent in 1997, despite poor chip forecasts and increased production in Japan and Taiwan. Although the Korean producers have announced gradual production cutbacks, there is no evidence that these cutbacks have occurred. While some industry projections forecast increased demand, the existing DRAM oversupply is likely to cause prices to remain low or fall lower in the future.

Given these circumstances, we preliminarily find that it would be difficult for the Korean respondents to remain competitive without selling DRAMs at less than normal value. The history of the DRAM industry is one of dumping in periods of significant downturn. Various foreign producers were found to have dumped in the mid-1980s (see Dynamic Random Access Memory Devices from Japan, 51 FR 15943 (April 29, 1986)), and the Korean respondents in this case were found to have dumped during the period of downturn in 1991–1992 during the LTFV investigation. While Korean respondents did not dump in the three consecutive review periods, most of this period was marked by an expanding DRAM market. DRAMs prices stabilized

in mid-1992, and the industry experienced growth until late 1995. This third review period ended in April 1996, and there has been a continuing decline in global prices since that time. Further, we note that the price decline in 1996 was more severe than in prior downturns. These market trends indicate that respondents may have dumped in the post April 1996 period (*i.e.*, a period of continuing industry downturn) in the absence of the order. A comparison of U.S. market prices to Korean costs and projections of Korean costs indicates that Korean pricing would be likely to be at or below normal value in the absence of the order. For these reasons, we preliminarily find that there is no basis to conclude that there is no likelihood of future dumping by LGS and Hyundai. Therefore, we preliminarily intend not to revoke the antidumping order on DRAMS from Korea.

We welcome the views of all interested parties on this issue. In particular, we welcome the views of the parties on the extent to which, in current and projected market circumstances, the order is constraining LGS and Hyundai from dumping and the degree to which dumping would be likely to occur in the absence of the order.

United States Price

In calculating U.S. price, the Department used constructed export price (CEP), as defined in section 772(b) of the Act, when the merchandise was first sold to an unaffiliated U.S. purchaser after importation.

We calculated CEP based on packed, ex-U.S. warehouse prices to unrelated customers in the United States. We made deductions from the starting price, where appropriate, for discounts, rebates, foreign brokerage and handling, foreign inland insurance, air freight, air insurance, U.S. duties and direct and indirect selling expenses to the extent that they are associated with economic activity in the United States (these included U.S. credit expenses, warranty expenses, royalty payments, U.S. commissions, advertising and promotion expenses, and U.S. indirect selling expenses, including inventory carrying costs, incurred by respondents' U.S. subsidiary) in accordance with sections 772(c)(2) and 772(d)(1) of the Act. We added duty drawback, where applicable, pursuant to section 772(c)(1)(B) of the Act. Pursuant to section 772(d)(3) of the Act, we reduced the United States price by the amount of profit to derive the CEP.

For DRAMS that were further manufactured into memory modules

after importation, we deducted all value added in the United States, pursuant to section 772(e) of the Act. The value added consists of the costs of the materials, fabrication, and general expenses associated with the portion of the merchandise further manufactured in the United States. In determining the costs incurred to produce the memory module, we included materials, fabrication, and general expenses, including selling expenses and interest expenses, associated with the portion of the merchandise further manufactured in the United States, as well as a proportional amount of profit or loss attributable to the value added. Profit or loss was calculated by deducting from the sales price of the memory module all production and selling costs incurred by the company for the memory module. The total profit or loss was then allocated proportionately to all components of cost. Only the profit or loss attributable to the value added was deducted. No other adjustments were claimed or allowed.

Normal Value

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

Because LGS made some home market sales to related parties during the POR, we tested these sales to ensure that, on average, the related party sales were at "arms-length." To conduct this test, we compared the gross unit prices of sales to related and unrelated customers net of all movement charges, direct and indirect selling expenses, value-added tax and packing. Based on the results of that test, we discarded from LGS' home market database all sales made to a related party where that related party failed the "arm's-length" test.

We disregarded many of Hyundai's and LGS' sales found to have been made below the COP during the original LTFV investigation, the most recent period for which final results were available at the time of the initiation of this review. Accordingly, the Department, pursuant

to section 773(b) of the Act, initiated COP investigations of both respondents for purposes of this administrative review.

We calculated COP based on the sum of the costs of materials and fabrication employed in producing the foreign like product, plus selling, general, and administrative expenses (SG&A), and the cost of all expenses incidental to placing the foreign like product in condition packed ready for shipment, in accordance with section 773(b)(3) of the Act. We relied on the home market sales and COP information provided by respondents in the questionnaire responses.

In accordance with section 773(b)(1) of the Act, in order to determine whether to disregard home market sales made at prices below the COP, we examined whether, within an extended period of time, such sales were made in substantial quantities, and whether such sales were made at prices which permit the recovery of all costs within a reasonable period of time.

Pursuant to section 773(b)(2)(C)(i) of the Act, where less than 20 percent of home market sales of a given model were at prices less than the COP, we did not disregard any below-cost sales of that model because the below-cost sales were not made in "substantial quantities." Where 20 percent or more of home market sales of a given model were at prices less than the COP, we disregarded the below-cost sales because we determined that the below-cost sales were made in "substantial quantities" and at prices that would not permit recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Act. If we disregarded all contemporaneous sales of a comparison model pursuant to section 773(b)(1) of the Act, we based normal value on constructed value (CV).

In accordance with section 773(e) of the Act, we calculated CV based on respondents' cost of materials and fabrication employed in producing the subject merchandise, SG&A and profit incurred and realized in connection with the production and sale of the foreign like product, and U.S. packing costs. We used the costs of materials, fabrication, and G&A as reported in the CV portion of the questionnaire response. We used the U.S. packing costs as reported in the U.S. sales portion of respondents' questionnaire responses. We based selling expenses and profit on the information reported in the home market sales portion of respondents' questionnaire responses. See Certain Pasta from Italy; Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement

of Final Determination, 61 FR 1344, 1349 (January 19, 1996). For selling expenses, we used the average of above-cost per-unit HM selling expenses weighted by the total quantity of home market sales. For actual profit, we first calculated the difference between the home market sales value and home market COP, and divided the difference by the home market COP. We then multiplied this percentage by the COP for each U.S. model to derive an actual profit.

For both respondents, the Department relied on the submitted COP and CV information. There were no adjustments to respondents' reported COP and CV data.

For price-to-price comparisons, we based NV on the price at which the foreign like product is first sold for consumption in the exporting country, in the usual commercial quantities and in the ordinary course of trade, and to the extent practicable, at the same level of trade, as defined by section 773(a)(1)(B)(i) of the Act. We compared the U.S. prices of individual transactions to the monthly weighted-average price of sales of the foreign like product. We calculated NV based on delivered prices to unrelated customers and, where appropriate, to related customers in the home market. In calculating NV, we made adjustments, where appropriate, for inland freight, inland insurance, discounts, rebates, and Korean brokerage and handling charges.

Both respondents only had CEP sales during the POR. For comparisons to CEP sales, we made deductions to NV, where appropriate, for home market credit expenses, advertising expenses, royalty expenses, and bank charges in accordance with section 773(a)(6) of the Act, due to differences in circumstances of sale. We also reduced NV by packing costs incurred in the home market, in accordance with section 773(a)(6)(B)(i) of the Act. In addition, we increased NV for U.S. packing costs, in accordance with section 773(a)(6)(A) of the Act. We also made further adjustments, when applicable, to account for differences in physical characteristics of the merchandise, in accordance with 19 CFR 353.57 of the Department's regulations. Finally, in accordance with section 773(a)(6)(C)(iii) of the Act, we made an adjustment for differences in the circumstances of sale to account for any direct selling expenses associated with U.S. sales not deducted under the provisions of section 772(d)(1) of the Act.

Level of Trade and CEP Offset

As set forth in section 773(a)(2)(B)(i) of the Act and in the Statement of Administrative Action (SAA) accompanying the Uruguay Round Agreements Act, at 829-831, to the extent practicable, the Department will calculate NV based on sales at the same level of trade as the U.S. sale. When the Department is unable to find sale(s) in the comparison market at the same level of trade as the U.S. sale(s), the Department may compare sales in the U.S. and foreign markets at a different level of trade.

In order to determine whether sales in the comparison market are at a different level of trade than the export price or CEP, we examined whether the comparison sales were at different stages in the marketing process than the export price or CEP. We made this determination on the basis of a review of the distribution system in the comparison market, including selling functions, class of customer, and the level of selling expenses for each type of sale. Different stages of marketing necessarily involve differences in selling functions, but differences in selling functions, even substantial ones, are not alone sufficient to establish a difference in the level of trade. Similarly, while customer categories such as "distributor" and "wholesaler" may be useful in identifying different levels of trade, they are insufficient in themselves to establish that there is a difference in the level of trade. See *Certain Corrosion-Resistant Carbon Steel Flat Products and Certain Cut-to-Length Carbon Steel Plate from Canada: Preliminary Results of Antidumping Duty Administrative Review*, 61 FR 51891, 51896 (October 4, 1996).

Secondly, the differences must affect price comparability as evidenced by a pattern of consistent price differences between sales at the different levels of trade in the market in which normal value is determined. When constructed export price is applicable, section 773(a)(7)(B) of the Act establishes the procedures for making a constructed export price offset when: (1) NV is at a different level of trade, and (2) the data available do not provide an appropriate basis for a level of trade adjustment. Also, in accordance with section 773(a)(7)(B), to qualify for a CEP offset, the level of trade in the home market must constitute a more advanced stage of distribution than the level of trade of the CEP sales.

In order to identify levels of trade, the Department must review information concerning marketing stages and selling functions of the manufacturer/exporter.

We reviewed the questionnaire responses of both respondents to establish whether there were sales at different levels of trade based on marketing stages, selling functions performed, and services offered to each customer or customer class. For both respondents, we identified one level of trade in the home market with direct sales by the parent corporation to the domestic customer. These direct sales were made by both respondents to original equipment manufacturers (OEMs) and to distributors. In addition, all sales, whether made to OEM customers or to distributors, included the same marketing stage and selling functions. For the U.S. market, all sales for both respondents were reported as CEP sales. The level of trade of the U.S. sales is determined for the sale to the affiliated importer rather than the resale to the unaffiliated customer. We examined the marketing stage and selling functions performed by the Korean companies for U.S. CEP sales and preliminarily determine that they are at a different level of trade from the Korean companies' home market sales because the Korean companies engaged in a different marketing stage and had fewer selling functions for the adjusted CEP sales than for their home market sales. For instance, the Korean companies did not engage in any general promotion, marketing activities, or price negotiations for U.S. sales.

Because we compared CEP sales to home market sales at a different level of trade, we examined whether a level of trade adjustment may be appropriate. In this case, both respondents only sold at one level of trade in the home market; therefore, there is no basis upon which either respondent can demonstrate a consistent pattern of price differences between levels of trade. Further, we do not have information which would allow us to examine pricing patterns based on the respondents' sales of other products and there is no other record information on which such an analysis could be based. Because the data available do not provide an appropriate basis for making a level of trade adjustment but the level of trade in the HM is a more advanced stage of distribution than the level of trade of the CEP sales, a CEP offset is appropriate. Both respondents claimed a CEP offset. We applied the CEP offset to normal value or constructed value, as appropriate. The level of trade methodology employed by the Department in these preliminary results of review is based on the facts particular to this review. The Department will continue to examine its policy for

making level of trade comparisons and adjustments for its final results of review.

Because both respondents made sales at differing levels of trade in the home market and in the United States, and because we determined it was not possible to quantify the price differences resulting from the differing levels of trade, we made a CEP offset to NV for both respondents pursuant to section 773(a)(7)(B) of the Act. The CEP offset consisted of an amount equal to the lesser of the weighted-average U.S. indirect selling expenses and U.S. commissions or home market indirect selling expenses. No other adjustments were claimed or allowed.

Preliminary Results of the Review

As a result of this review, we preliminarily determine that the following weighted-average dumping margins exist for the POR:

Manufacturer/exporter	Percent margin
Hyundai Electronic Industries, Inc	0.01
LG Semicon Co., Ltd	0.02

The Department shall determine, and Customs shall assess, antidumping duties on all appropriate entries. Individual differences between United States price and NV may vary from the percentages stated above. The Department will issue appraisal instructions directly to Customs. 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.

Furthermore, the following deposit requirements will be effective upon completion of the final results of these administrative reviews for all shipments of DRAMs from Korea entered, or withdrawn from warehouse, for consumption on or after publication date of the final results of these administrative reviews, as provided by section 751(a)(1) of the Act: (1) The cash deposit rates for Hyundai and LGS, because their weighted-average margins were de minimis, will be zero percent; (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in the original LTFV investigation or a previous review, the cash deposit will continue to be the most recent rate published in the final determination or final results for which the manufacturer or exporter received a company-specific rate; (3) if the exporter is not a firm covered in this review, a previous review, or the original investigation, but

the manufacturer is, the cash deposit rate will be that established for the manufacturer of the merchandise in the final results of the most recent review, or the LTFV investigation; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous reviews, the cash deposit rate will be 3.85 percent, the "all-others" rate established in the LTFV investigation. These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

Interested parties may request disclosure within five days of the date of publication of this notice, and may request a hearing within ten days of the date of publication. Any hearing, if requested, will be held as early as convenient for the parties but not later than 44 days after the date of publication or the first work day thereafter. Case briefs or other written comments from interested parties may be submitted not later than 30 days after the date of publication of this notice. Rebuttal briefs and rebuttal comments, limited to issues in the case briefs, may be filed not later than 37 days after the date of publication of this notice. The Department will publish the final results of this administrative review, including the results of its analysis of issues raised in any such written comments.

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 353.26(b) 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 Tariff Act (19 U.S.C. 1675(a)(1)) and 19 CFR 353.22.

Dated: March 10, 1997.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 97-6679 Filed 3-17-97; 8:45 am]

BILLING CODE 3510-DS-P

Export Trade Certificate of Review

AGENCY: International Trade Administration, Commerce.

ACTION: Notice of revocation of Export Trade Certificate of Review No. 85-00004.

SUMMARY: The Secretary of Commerce issued an export trade certificate of review to Trust International Services Company, Inc. Because this certificate holder has failed to file an annual report as required by law, the Secretary is revoking the certificate. This notice summarizes the notification letter sent to Trust International Services Company, Inc.

FOR FURTHER INFORMATION CONTACT: W. Dawn Busby, Director, Office of Export Trading Company Affairs, International Trade Administration, 202/482-5131. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: Title III of the Export Trading Company Act of 1982 ("the Act") (Pub. L. 97-290, 15 U.S.C. 4011-21) authorizes the Secretary of Commerce to issue export trade certificates of review. The regulations implementing Title III ("the Regulations") are found at 15 CFR part 325 (1996). Pursuant to this authority, a certificate of review was issued on May 9, 1985 to Trust International Services Company, Inc.

A certificate holder is required by law to submit to the Department of Commerce annual reports that update financial and other information relating to business activities covered by its certificate (Section 308 of the Act, 15 U.S.C. 4018, § 235.14 (a) of the Regulations, 15 CFR 325.14 (a)). The annual report is due within 45 days after the anniversary date of the issuance of the certificate of review (§ 325.14 (b) of the regulations, 15 CFR 325.14 (b)). Failure to submit a complete annual report may be the basis for revocation (§§ 325.10(a) and 325.14(c) of the Regulations, 15 CFR 325.10(a) (3) and 325.14(c)).

On April 29, 1996, the Department of Commerce sent to Trust International Services Company, Inc. a letter containing annual report questions with a reminder that its annual report was due on June 23, 1996. Additional reminders were sent on October 28, 1996 and on January 3, 1997. The Department has received no written response from Trust International Services Company, Inc. to any of these letters.

On February 4, 1997, and in accordance with § 325.10 (c) (2) of the Regulations, (15 CFR 325.10 (c) (2)), the Department of Commerce sent a letter by certified mail to notify Trust International Services Company, Inc. that the Department was formally initiating the process to revoke its certificate for failure to file an annual