

rate for NKK will be the rate established in the final results of this administrative 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 44.20 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.

This notice 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.

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

Dated: May 5, 1997.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 97-12388 Filed 5-9-97; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-421-701]

Brass Sheet and Strip From The Netherlands; 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 by respondent Outokumpu Copper Strip B.V. (OBV) and its United States affiliate Outokumpu Copper (USA), Inc. (OCUSA), the Department of Commerce

(the Department) is conducting an administrative review of the antidumping duty order on brass sheet and strip from the Netherlands (A-421-701). This review covers one manufacturer/exporter of the subject merchandise to the United States during the period August 1, 1995 through July 31, 1996. We preliminarily determine that sales of brass sheet and strip (BSS) from the Netherlands have not been made below the normal value (NV). If these preliminary results are adopted in our final results of administrative review, we will instruct the U.S. Customs Service to assess antidumping duties with respect to the entries of OBV. Interested parties are invited to comment on these preliminary results. Parties who submit comments are requested to submit with the argument: (1) A statement of the issues; and (2) a brief summary of the argument.

EFFECTIVE DATE: May 12, 1997.

FOR FURTHER INFORMATION CONTACT: Karla Whalen or Lisette Lach, Office of Antidumping/Countervailing Duty Enforcement, Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC. 20230; telephone: (202) 482-0408 or (202) 482-6412, respectively.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations: Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Tariff Act), are to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff 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 August 12, 1988, the Department published in the **Federal Register** the antidumping duty order on BSS from the Netherlands (53 FR 30455). On August 12, 1996, the Department published the notice of "Opportunity to Request Administrative Review" for the period August 1, 1995 through July 31, 1996 on BSS from the Netherlands (61 FR 41768). In accordance with 19 CFR 353.22 (a)(1), OBV requested that we conduct a review of its sales. On September 17, 1996, we published in the **Federal Register** a notice of initiation of this antidumping administrative review (61 FR 48882).

Verification

From February 24 through February 28, 1997, in accordance with section 782(i) of the Act, we verified information provided by OBV using standard verification procedures including on-site inspection of the manufacturer's facilities, examination of relevant sales and financial records, and selection of original source documentation containing relevant information. Our verification results are outlined in the verification report, the public version of which is available in the Central Records Unit of the Department of Commerce, Room B-099.

Scope of the Review

Imports covered by this review are brass sheet and strip, other than leaded and tin brass sheet and strip, from the Netherlands. The chemical composition of the products under review is currently defined in the Copper Development Association (C.D.A.) 200 Series or the Unified Numbering System (U.N.S.) C20000 series. This review does not cover products the chemical compositions of which are defined by other C.D.A. or U.N.S. series. The physical dimensions of the products covered by this review are brass sheet and strip of solid rectangular cross section over 0.006 inch (0.15 millimeter) through 0.188 inch (4.8 millimeters) in gauge, regardless of width. Coiled, wound-on-reels (traverse wound), and cut-to-length products are included. The merchandise under investigation is currently classifiable under item 7409.21.00 and 7409.29.20 of the *Harmonized Tariff Schedule of the United States* (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Level of Trade

To the extent practicable, we determine NV for sales at the same level of trade as the U.S. sales (either export price (EP) or constructed export price (CEP)). When there are no sales at the same level of trade, we compare U.S. sales to home market (or, if appropriate, third-country) sales at a different level-of-trade. The NV level of trade is that of the starting-price sales in the home market. When NV is based on CV, the level of trade is that of the sales from which we derive selling, SG&A 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. While the starting price for CEP is that of a

subsequent resale to an unaffiliated buyer, the construction of the CEP results in a price that would have been charged if the importer had not been affiliated. We calculate the CEP by removing from the first resale to an independent U.S. customer the expenses under section 772(d) of the Tariff Act and the profit associated with these expenses. These expenses represent activities undertaken by the affiliated importer. Because the expenses deducted under section 772(d) represent selling activities in the United States, the deduction of these expenses normally yields a different level of trade for the CEP than for the later resale (which we use for the starting price). Movement charges, duties and taxes deducted under section 772(c) do not represent activities of the affiliated importer, and we do not remove them to obtain the CEP level of trade.

To determine whether home market sales are at a different level of trade than U.S. sales, we examine whether the home market sales are at different stages in the marketing process than the U.S. sales. The marketing process in both markets begins with goods being sold by the producer and extends to the sale to the final user, regardless of whether the final user is an individual consumer or an industrial user. The chain of distribution between the producer and the final user may have many or few links, and each respondent's sales occur somewhere along this chain. In the United States, the respondent's sales are generally to an importer, whether independent or affiliated. We review and compare the distribution systems in the home market and U.S. export markets, including selling functions, class of customer, and the extent and level of selling expenses for each claimed level of trade. Customer categories such as distributor, original equipment manufacturer (OEM), or wholesaler are commonly used by respondents to describe levels of trade, but, without substantiation, they are insufficient to establish that a claimed level of trade is valid. An analysis of the chain of distribution and of the selling functions substantiates or invalidates the claimed levels of trade. If the claimed levels are different, the selling functions performed in selling to each level should also be different. Conversely, if levels of trade are nominally the same, the selling functions performed should also be the same. Different levels of trade necessarily involve differences in selling functions, but differences in selling functions, even substantial ones, are not alone sufficient to establish a

difference in the levels of trade. A different level of trade is characterized by purchasers at different stages in the chain of distribution and sellers performing qualitatively or quantitatively different functions in selling to them.

When we compare U.S. sales to home market sales at a different level of trade, we make a level-of-trade adjustment if the difference in levels of trade affects price comparability. We determine any effect on price comparability by examining sales at different levels of trade in a single market, the home market. Any price effect must be manifested in a pattern of consistent price differences between home market sales used for comparison and sales at the equivalent level of trade of the export transaction. To quantify the price differences, we calculate the difference in the average of the net prices of the same models sold at different levels of trade. We use the average difference in net prices to adjust NV when NV is based on a level of trade different from that of the export sale. If there is a pattern of no consistent price differences, the difference in levels of trade does not have a price effect and, therefore, no adjustment is necessary.

The statute also provides for an adjustment to NV when NV is based on a level of trade different from that of the CEP if the NV level is more remote from the factory than the CEP and if we are unable to determine whether the difference in levels of trade between CEP level and NV level affects the comparability of their prices. This latter situation can occur where there is no home market level of trade equivalent to the U.S. sales level or where there is an equivalent home market level but the data are insufficient to support a conclusion on price effect. This adjustment, the CEP offset, is identified in section 773(7)(B) of the Tariff Act and is the lower of the following:

- The indirect selling expenses on the home market sale, or
- The indirect selling expenses deducted from the starting price used to calculate CEP. The CEP offset is not automatic each time we use CEP. The CEP offset is made only when the level of trade of the home market sale is more advanced than the level of trade of the U.S. (CEP) sale and there is not an appropriate basis for determining whether there is an effect on price comparability.

In the present review, OBV did not request an LOT adjustment. To ensure that no such adjustment was necessary, we examined information regarding OBV's distribution system in both the United States and the Netherlands,

including selling functions, class of customer and selling expenses. In the home market, OBV sold to two categories of customers, end-users and trading companies. However, OBV's HM sales were all manufactured to order and the merchandise was shipped directly from the mill to both types of customer. OBV's packing process was also similar for both markets, and the selling expenses for the POR were comparable for all sales, regardless of the type of customer. Evidence on the record also demonstrates that OBV did not have a formal policy for providing payment terms, including discounts to different types of customers. Based upon this evidence, we determine that the selling activities involved with these sales were the same, and that OBV's HM sales were all made at the same level of trade.

OBV's sales in the United States, all of which were EP sales, were also at the same level of trade. All of OBV's United States customers were end-users and the sales were all manufactured to order. The packing process was basically the same as that of the HM sales, as was OBV's customer-specific approach to payment terms. Therefore, we conclude that no level of trade adjustment is warranted.

Export Price

For sales to the United States, we used export price (EP) as defined in section 772(a) of the Act, because the subject merchandise was sold to an unaffiliated U.S. purchaser prior to the date of importation and the use of constructed export price was not indicated by the facts on the record. We calculated EP as the packed, delivered price to unaffiliated purchasers in the United States. In accordance with section 772(c)(2) of the Tariff Act, we reduced this price by post-sale warehousing, international freight, inland and marine insurance, U.S. brokerage and handling, U.S. duty, Customs Service fees, Department of Agriculture fees, and credit expenses, where appropriate.

Normal Value

A. Viability

Based upon (i) the Department's comparison of the aggregate quantity of home market and U.S. sales, (ii) the absence of any information that a particular marketing situation in the Netherlands does not permit a proper comparison, and (iii) the fact that OBV's quantity of sales in the home market exceeded five percent of its sales to the U.S. market, we determined that the quantity of foreign like product OBV

sold in the Netherlands was sufficient to permit a proper comparison with the sales of subject merchandise to the United States pursuant to section 773(a) of the Tariff Act. Therefore, in accordance with section 773(a)(1)(B)(i) of the Tariff Act, we based NV on the prices at which the foreign like products were first sold for consumption in the Netherlands.

B. Cost-of-Production Analysis

Because we disregarded sales below the cost of production in the most recently completed review, we had reasonable grounds to believe or suspect that sales of the foreign like product under consideration for determining NV in this review may have been at prices below the cost of production (COP), as provided in section 773(b)(2)(A)(ii) of the Tariff Act. See *Brass Sheet and Strip From the Netherlands; Final Results of Antidumping Duty Administrative Reviews* (57 FR 9534, March 19, 1992). Therefore, pursuant to section 773(b)(1) of the Tariff Act, we initiated a COP investigation of sales by OBV.

In accordance with section 773(b)(3) of the Tariff Act, we calculated COP based on the sum 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. We relied on the home market sales and COP information OBV provided in its questionnaire responses.

After calculating COP, we tested whether home market sales of subject BSS were made at prices below COP within an extended period of time in substantial quantities and whether such prices permitted the recovery of all costs within a reasonable period of time. We compared model-specific COP to the reported home market prices less any applicable movement charges and post-sale price adjustments (reported as early payments and credit adjustments), where appropriate.

Pursuant to section 773(b)(2)(C) of the Tariff Act, where less than twenty percent of home market sales for a model were at prices less than the COP, we did not disregard any below-cost sales of that model because we determined that the below cost sales were not made within an extended period of time in "substantial quantities." Where twenty percent or more of home market sales of a given product were at prices less than the COP, we determined that such sales were made within an extended period of time in substantial quantities in accordance with section 773(b)(2) (C) of

the Tariff Act. To determine whether such sales were at prices which would not permit the full recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Tariff Act, we compared home market prices to the weighted-average COPs for the POR.

The results of our cost test for OBV indicated that for certain home market models less than twenty percent of the sales of the model were at prices below COP. We therefore retained all sales of these models in our analysis and used them as the basis for determining NV, where applicable. Our cost test also indicated that within an extended period of time (one year, in accordance with section 773(b)(2)(B) of the Tariff Act) for certain other home market models, more than twenty percent of the sales were at prices below COP which would not permit the full recovery of all costs within a reasonable period of time. In accordance with section 773(b)(1) of the Tariff Act, we therefore disregarded the below-cost sales of these models and used the remaining above-cost sales as the basis for determining NV, where applicable.

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 sales of the foreign like product in the comparison market. We calculated CV in accordance with section 773(e) of the Act. We included the cost of materials and fabrication, SG&A expenses and profit. 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 foreign country. For selling expenses, we used the weighted average home market selling expenses. Where appropriate, we made adjustments to CV, in accordance with section 773(a)(8) of the Act and section 353.56(a) of the Department's regulations, for circumstances of sale (COS) differences. For comparisons to EP, we made COS adjustments by deducting home market direct selling expenses and adding U.S. direct selling expenses.

C. Product Comparisons

We compared OBV's U.S. sales with contemporaneous sales of the foreign like product in the home market. We compared BSS based on the following hierarchy of physical characteristics: (1) Grade (alloy); (2) gauge (thickness); (3) width; (4) temper; (5) coating; and (6) packed form. For purposes of these

preliminary results, we have used differences in merchandise adjustments based on the difference in the variable cost of manufacturing between each U.S. model and its most similar home market model.

D. Date of Sale

The Department examined a number of distinct events in OBV's sales process to determine the appropriate date of sale. These included the frame agreement date, order entry date, and invoice date. OBV's sales listing included data permitting use of any of these for the date of sale. OBV argued that the appropriate date of sale methodology should be the order entry date. Petitioners¹ argued that the appropriate date of sale methodology should be the date of the frame agreement, as that date was used in the immediately preceding review. However, for purposes of these preliminary results, the Department has used the invoice date as the date of sale in determining the appropriate sales universe for comparison based upon the information provided by respondent and our findings at verification. (See Memorandum to the File Regarding Verification, dated April 16, 1997, from Lisette Lach and Lisa Yarbrough; and Analysis Memorandum to the File Regarding Preliminary Determination Analysis, dated May 6, 1997, from Lisette Lach and Karla Whalen.)

E. Home Market Prices

We based home market prices on the packed, ex-factory or delivered prices to unaffiliated purchasers in the home market or on CV, where applicable. For matching to home market prices, we made adjustments for differences in packing and for movement expenses in accordance with sections 773(a)(6)(A) and (B) of the Tariff Act. In addition, we made adjustments for differences in cost attributable to differences in physical characteristics of the merchandise pursuant to section 773(a)(6)(C)(ii) of the Tariff Act, and for COS differences in accordance with section 773(a)(6)(C)(iii) of the Tariff Act and § 353.56(2) of the Department's regulations.

Duty Absorption

On October 3, 1996, petitioners requested that the Department

¹ Hussey Copper, Ltd.; The Miller Company; Olin Corporation; Revere Copper Products, Inc.; International Association of Machinists and Aerospace Workers; International Union, Allied Industrial Workers of America (AFL-CIO); Mechanics Educational Society of America (Local 56); and United Steelworkers of America (AFL-CIO/CLC).

determine whether OBV had absorbed antidumping duties during the period of review pursuant to section 751(a)(4) of the Tariff Act. Section 751(a)(4) requires 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 Tariff Act by the URAA. The Department's interim regulations do not address this provision of the Tariff Act. For transition orders as defined in section 751(c)(6)(C) of the Tariff Act, i.e., orders in effect as of January 1, 1995, § 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 Notice of Proposed Rulemaking, 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 regulations are not yet binding upon the Department, they do constitute a public statement of how the Department expects to proceed in applying 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 BSS from the Netherlands has been in effect since 1988, this qualifies as 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, OCUSA, OBV's wholly owned subsidiary, is the importer of record for OBV's U.S. sales. Therefore, the importer and the exporter are "affiliated" within the meaning of sections 751(a)(4) and 771(33) of the

Tariff Act. Furthermore, we have preliminarily determined that there is a dumping margin for OBV on 9.17 percent (by quantity) of its U.S. sales during the period of review. 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, we preliminarily find that there is a dumping margin on OBV's sales through its affiliate representing 1.13 percent of its total U.S. sales and that antidumping duties have been absorbed by OBV.

Fair Value Comparison

To determine whether OBV made sales of subject BSS in the United States at prices that were less than fair value, we compared the EP to NV, as described in the "Export Price" and "Normal Value" analysis sections of this notice. In accordance with section 777A(d)(2) of the Tariff Act, we calculated monthly weighted-average prices for NV or CV where appropriate, and compared these monthly averages to individual U.S. sales transactions.

Currency Conversion

We made currency conversions in accordance with 19 CFR 353.60(a). All currency conversions were made at the rates certified by the Federal Reserve Bank.

Preliminary Results of Review

As a result of our comparison of EP to NV, we preliminarily determine that the weighted-average dumping margin for OBV for this administrative review period is as follows:

Manufacturer/ exporter	Period	Margin
OBV	8/1/95-7/31/96	0.10

Parties to these proceedings may request disclosure within five days of the date of publication of this notice and may request a hearing within ten days of publication. Any hearing, if requested, will be held 44 days after the date of publication, or the first business day thereafter. Case briefs and/or written comments from interested parties may be submitted no later than 30 days after the date of publication. Rebuttal briefs and rebuttals to written comments, limited to issues raised in the case briefs and comments, may be submitted no later than 37 days after the date of publication of this notice.

Parties who submit arguments in these proceedings are requested to submit with the argument (1) a statement of the issues and (2) a brief summary of the argument. The Department will issue final results of

these administrative reviews, including the results of our analysis of the issues in any such written comments or at a hearing, within 180 days of issuance of these preliminary results.

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 percentage stated above. The Department will issue appraisement instructions directly to Customs.

Furthermore, the following deposit requirements will be effective upon completion of the final results of this administrative review for all shipments of BSS from the Netherlands entered, or withdrawn from warehouse, for consumption on or after the publication of the final results of this administrative review, as provided in section 751(a)(1) of the Tariff Act:

(1) The cash deposit rate for OBV will be the rate established in the final results of this administrative review;

(2) For previously reviewed or investigated companies other than OBV, 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 less-than-fair-value investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and

(4) If neither the exporter nor the manufacturer is a firm covered in this or any previous review conducted by the Department, the cash deposit rate will be the "all others" rate of 16.99 percent established in the less-than-fair-value investigation. See Antidumping Duty Order of Sales at Less-Than-Fair-Value; Brass Sheet and Strip From the Netherlands (53 FR 30455, August 12, 1988).

All U.S. sales by the respondent OBV will be subject to one deposit rate according to the proceeding. The cash deposit rate has been determined on the basis of the selling price to the first unrelated customer in the United States. For appraisement purposes, where information is available, we will use the entered value of the subject merchandise to determine the appraisement rate.

This notice serves as preliminary reminder to importers of their responsibility to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that

reimbursement of the antidumping duties occurred and the subsequent assessment of double antidumping duties. This administrative review and this notice are in accordance with section 751(a)(1) of the Tariff Act (19 U.S.C. 1675(a)(1)) and 19 CFR 353.22.

Dated: May 5, 1997.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 97-12386 Filed 5-9-97; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-827]

Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Collated Roofing Nails From Korea

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

EFFECTIVE DATE: May 12, 1997.

FOR FURTHER INFORMATION CONTACT: Everett Kelly or Ellen Grebasch, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-4194 or (202) 482-3773, respectively.

The Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all 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).

Preliminary Determination

We preliminarily determine that collated roofing nails ("CRN") from Korea are being, or are likely to be, sold in the United States at less than fair value ("LTFV"), as provided in section 733 of the Act. The estimated margins of sales at LTFV are shown in the "Suspension of Liquidation" section of this notice.

Case History

Since the initiation of this investigation (*Notice of Initiation of Antidumping Duty Investigations:*

Collated Roofing Nails from the People's Republic of China, the Republic of Korea, and Taiwan (61 FR 67306, December 20, 1996)), the following events have occurred:

On January 17, 1997, the United States International Trade Commission ("ITC") issued an affirmative preliminary injury determination in this case (see ITC Investigation Nos. 731-TA-757-759).

During November 1996 through January 1997, the Department obtained information from various sources identifying producers/exporters of the subject merchandise. (See Memo to the File, dated May 5, 1997, for a detailed explanation of the Department's search for producers/exporters of the subject merchandise.) During January, based on this information, the Department issued antidumping questionnaires to Kabool Metals ("Kabool"), Koram Steel Co., Ltd ("Koram"), Rewon Metals ("Rewon"), Jisco Steel, Han Duk Industrial Co. ("Han Duk"), New Korea, Jeil Steel, and Senco Korea ("Senco"). The questionnaire is divided into four sections: Section A requests general information concerning a company's corporate structure and business practices, the merchandise under investigation that it sells, and the sales of the merchandise in all of its markets. Sections B and C request home market sales listings and U.S. sales listings, respectively. Section D requests information on the cost of production ("COP") of the foreign like product and constructed value ("CV") of the subject merchandise.

The Department received responses to Section A of the questionnaire during February and March 1997. On March 13, 1997, pursuant to section 777A(c) of the Act, the Department determined that, due to the large number of exporters/producers of the subject merchandise, it would limit the number of mandatory respondents in this investigation. The Department determined that the resources available to it for this investigation and the two companion investigations limited our ability to analyze any more than the responses of the two largest exporters/producers of the subject merchandise in this investigation. Based on Section A questionnaire responses, the Department chose Kabool and Senco as mandatory respondents. (For detailed information regarding this issue, see memo to Lou Apple from the CRN team, dated March 13, 1997.)

Kabool and Senco submitted questionnaire responses in February and March 1997. We issued supplemental requests for information in March and April 1997, and received supplemental

responses to these requests in April 1997.

On March 28, April 21 and 23, 1997, the Paslode Division of Illinois Tool Works Inc. ("Petitioner") filed comments on the Kabool and Senco questionnaire responses.

Postponement of Final Determination and Extension of Provisional Measures

On May 1, 1997, Senco requested that, pursuant to section 735(a)(2)(A) of the Act, in the event of an affirmative preliminary determination in this investigation, the Department postpone its final determination until not later than 135 days after the date of publication of the affirmative preliminary determination in the **Federal Register**. In accordance with section 735(a)(2)(A) of the Act and 19 CFR 353.20(b), inasmuch as our preliminary determination is affirmative, Senco accounts for a significant proportion of exports of the subject merchandise under investigation, and we are not aware of the existence of any compelling reasons for denying the request, we are granting Senco's request and postponing the final determination. Suspension of liquidation will be extended accordingly. See *Preliminary Determination of Sales at Less Than Fair Value: Large Newspaper Printing Presses and Components Thereof, Whether Assembled or Unassembled, from Japan* (61 FR 8029, March 1, 1996).

Scope of Investigation

The product covered by this investigation is CR nails made of steel, having a length of $1\frac{3}{16}$ inch to $1\frac{13}{16}$ inches (or 20.64 to 46.04 millimeters), a head diameter of 0.330 inch to 0.415 inch (or 8.38 to 10.54 millimeters), and a shank diameter of 0.100 inch to 0.125 inch (or 2.54 to 3.18 millimeters), whether or not galvanized, that are collated with two wires.

CR nails within the scope of this investigation are classifiable under the Harmonized Tariff Schedule of the United States ("HTSUS") subheading 7317.00.55.05. Although the HTSUS subheading is provided for convenience and customs purposes, our written description of the scope of this investigation is dispositive.

Period of Investigation

The period of this investigation ("POI") comprises each exporter's four most recent fiscal quarters prior to the filing of the petition. In this case, the POI for both companies is October 1, 1995, through September 30, 1996.