

parties or the Department, the Department has determined that it would be reasonable to grant the withdrawal at this time. Therefore, in accordance with section 353.22(a)(5) of the Department's regulations, the Department has terminated this administrative review with respect to Dongbu.

Initiation of Changed Circumstances Review

On March 27, 1997, SeAH requested that the Department conduct a changed circumstances review to determine that SeAH is the successor firm of Pusan Steel Pipe (PSP), a company examined during the less-than-fair-value (LTFV) investigation (*see Final Determination of Sales at Less Than Fair Value: Circular Welded Non-Alloy Steel Pipe from the Republic of Korea*, 57 FR 42942 (September 29, 1992)). SeAH amended its request on May 13, 1997 by including certain documents examined by Department officials during verification for the first administrative review.

The information submitted by SeAH shows changed circumstances sufficient to warrant a review. Therefore, we are initiating a changed circumstances administrative review pursuant to section 751(b)(1) of the Act to determine whether or not SeAH is the successor firm to PSP and is, as a result, subject to PSP's cash deposit rate.

This notice is in accordance with section 751 of the Act and 19 CFR 353.22.

Dated: July 7, 1997.

Richard W. Moreland,

Acting Deputy Assistant Secretary for AD/CVD Enforcement.

[FR Doc. 97-18447 Filed 7-14-97; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-405-802]

Certain Cut-to-Length Carbon Steel Plate From Finland: 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 requests from the respondent, Rautaruukki Oy (Rautaruukki), and from petitioners (Bethlehem Steel Corporation, U.S. Steel

Company, a Unit of USX Corporation, Inland Steel Industries, Inc., Geneva Steel, Gulf States Steel Inc. of Alabama, Sharon Steel Corporation, and Lukens Steel Company), the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain cut-to-length carbon steel plate from Finland. This review covers the above manufacturer/exporter of the subject merchandise to the United States. The period of review (POR) is August 1, 1995, through July 31, 1996.

We preliminarily determine the dumping margin for Rautaruukki to be 1.39 percent during the POR. Interested parties are invited to comment on these preliminary results. Parties who submit argument in this proceeding should also submit with the argument (1) a statement of the issue, and (2) a brief summary of the argument.

EFFECTIVE DATE: July 15, 1997.

FOR FURTHER INFORMATION CONTACT:

Jacqueline Wimbush or Linda Ludwig, Enforcement Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1374 or (202) 482-3833, respectively.

SUPPLEMENTARY INFORMATION:

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 references to the Department's regulations are to 19 CFR part 353, as amended by the regulations published in the **Federal Register** on May 19, 1997 (62 FR 27296).

Background

On July 9, 1993, the Department published in the **Federal Register** (58 FR 37136) the final affirmative antidumping duty determination on certain cut-to-length carbon steel plate from Finland. We published an antidumping duty order on August 19, 1993 (58 FR 44165). On August 12, 1996, the Department published the Opportunity to Request an Administrative Review of this order for the period August 1, 1995-July 31, 1996 (61 FR 41768). The Department received requests for an administrative review of Rautaruukki's exports from Rautaruukki itself, a producer/exporter of the subject merchandise, and from the petitioners.

We initiated the review on September 17, 1996 (61 FR 48882).

Under section 751(a)(3)(A) of the Act, the Department may extend the deadline for completion of an administrative review if it determines that it is not practicable to complete the review within the statutory time limit of 365 days. On April 11, 1997, the Department extended the time limits for the preliminary results in this case. *See Extension of Time Limit for Antidumping Duty Administrative Reviews*, 61 FR 14291 (April 11, 1997).

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

Scope of the Review

The products covered by this administrative review constitute one "class or kind" of merchandise: certain cut-to-length carbon steel plate. These products include hot-rolled carbon steel universal mill plates (*i.e.*, flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 millimeters but not exceeding 1,250 millimeters and of a thickness of not less than 4 millimeters, not in coils and without patterns in relief), of rectangular shape, neither clad, plated nor coated with metal, whether or not painted, varnished, or coated with plastics or other nonmetallic substances; and certain hot-rolled carbon steel flat-rolled products in straight lengths, of rectangular shape, hot rolled, neither clad, plated, nor coated with metal, whether or not painted, varnished, or coated with plastics or other nonmetallic substances, 4.75 millimeters or more in thickness and of a width which exceeds 150 millimeters and measures at least twice the thickness, as currently classifiable in the Harmonized Tariff Schedule (HTS) under item numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, and 7212.50.0000. Included are flat-rolled products of non-rectangular cross-section where such cross-section is achieved subsequent to the rolling process (*i.e.*, products which have been "worked after rolling") for example, products which have been beveled or rounded at the edges. Excluded is grade X-70 plate. These HTS item numbers are provided for convenience and Customs purposes. The written description remains dispositive.

Verification

As provided in section 782(i) of the Act, we verified information provided by the respondent by using standard verification procedures, including on-site inspection of the manufacturer's facilities, the examination of relevant sales and financial records, and selection of original documentation containing relevant information. Our verification results are outlined in the verification reports, the public versions of which are available at the Department of Commerce, in Central Records Unit (CRU), Room B099.

Transactions Reviewed

In accordance with section 751(a)(2) of the Act, the Department is required to determine the normal value (NV) and export price (EP) or constructed export price (CEP) of each entry of subject merchandise during the relevant review period.

Based on a review of Rautaruukki's submissions and verification findings, the Department determined that Rautaruukki need not report its home market downstream sales because they would most likely not be needed in the calculation of normal value. See *Decision Memorandum on Reporting Downstream Sales*, July 2, 1997.

Product Comparisons

In accordance with section 771(16) of the Act, we considered all products produced by the respondent, covered by the description in the Scope of the Review section, above, and sold in the home market during the POR, to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. Where there were no sales of identical merchandise in the home market to compare to U.S. sales, we compared U.S. sales to the most similar foreign like product on the basis of the characteristics listed in Appendix III of the Department's antidumping questionnaire. We considered all shipbuilding Grade "A" steel other than ABA, the specification sold in the U.S. market, to be most similar to the U.S. specification.

Fair Value Comparisons

To determine whether sales of certain cut-to-length carbon steel plate by Rautaruukki to the United States were made at less than fair value, we compared the EP to the NV, as described in the "Export Price" and "Normal Value" sections of this notice. In accordance with section 777A (d)(2) of the Act, we calculated monthly weighted-average prices for NV and compared these to individual U.S. transactions.

Export Price

We used EP as defined in section 772(a) of the Act. We calculated EP based on packed prices to unaffiliated customers in the United States. Where appropriate, we made deductions from the starting price for brokerage and handling, international freight, marine insurance, other transportation expenses, certification charges and credit. We have made adjustments to international freight to include fees paid to affiliated parties. See *Sales Verification Report*, June 11, 1997. We have deducted estimated expenses to account for harbor maintenance and depreciation. See *Analysis Memorandum*, July 7, 1997.

Normal Value

Based on a comparison of the aggregate quantity of home market and U.S. sales, we determined that the quantity of the foreign like product sold in the exporting country was sufficient to permit a proper comparison with the sales of the subject merchandise to the United States, pursuant to section 773(a) of the Act. Therefore, in accordance with section 773(a)(1)(B)(i) of the Act, we based NV on the price at which the foreign like product was first sold for consumption in the home market, in the usual commercial quantities and in the ordinary course of trade, at the same level of trade as the export price. See "Level of Trade" section below.

Where appropriate, we deducted rebates, discounts, credit expenses, inland freight, certification charges, warranty and packing.

For comparison to EP, we increased NV by U.S. packing costs in accordance with section 773(a)(6)(A) of the Act. Where sales are made in the home market on a different weight basis than in the U.S. market (theoretical versus actual weight or where different theoretical weight factors are used), it is the Department's practice to convert all quantities to the same weight basis, using the conversion factors supplied by the respondents. However, we were unable to verify respondent's actual-to-theoretical weight conversion factors. See *Sales Verification Report*, June 10, 1997. For these preliminary results, we have adjusted for differences between the theoretical weight factors used in the two markets. We have also converted all figures based on actual weight to a theoretical weight basis using a facts available conversion factor (the lowest factor submitted by respondent). We made adjustments to NV for differences in cost attributable to differences in physical characteristics of the merchandise, pursuant to section

773(a)(6)(C)(ii) of the Act. For the difference in merchandise adjustment, we relied on cost of production (COP) and constructed value (CV) data. In accordance with the Department's practice, where the difference in merchandise adjustment for any product comparison exceeded 20 percent for the most similar product match, we based NV on CV.

Level of Trade

In accordance with section 773(a)(1)(B)(i) of the Act and in the Statement of Administrative Action (SAA) accompanying the URRA, to the extent practicable, the Department will calculate normal values based on sales at the same level of trade as the U.S. sales (either EP or CEP). When the Department is unable to find sales 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 different levels of trade, and adjust NV if appropriate. The NV level of trade is that of the starting-price sales in the home market. As the Department explained in *Gray Portland Cement and Clinker From Mexico: Final Results of Antidumping Duty Administrative Review*, 62 F.R. 17148, 17156 (April 9, 1997), for both EP and CEP, the relevant transaction for the level of trade analysis is the sale from the exporter to the importer.

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 the good being sold by the producer and extends to the sale to the final user. The chain of distribution between the producer and the final user may have many or few links, and each respondent's sales are generally to an importer, whether independent or affiliated. We review and compare the distribution systems in the home market and the United States, 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, retailer or end-user are commonly used by respondents to describe level 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 customer categorization levels. If the claimed levels are different, the selling functions performed in selling to each level should also be different. Conversely, if customer level 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 level of trade. Differences in levels of trade are characterized by purchasers at different stages in the chain of distribution and sellers performing qualitatively 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 level 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 (or the third-country market used to calculate NV when the aggregate volume of sales in the home market is less than five percent of the aggregate volume of U.S. sales). Any price effect must be manifested in a pattern of consistent price differences between home market (or third-country) sales used for comparison and sales at the equivalent level of trade of the export transaction. See *Granular Polytetrafluorethylene Resin From Italy; Preliminary Results of Antidumping Duty Administrative Review*, 62 FR 26283, 26285 (May 13, 1997); *Cement from Mexico*. 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 percentage difference between these net prices to adjust NV when the level of trade of NV is different from that of the export sale. If there is no pattern of price differences, then the difference in level of trade does not have a price effect and therefore, no adjustment is necessary.

Rautaruukki sold to a single customer in the U.S. market (a trading company). In the home market, Rautaruukki sold to two categories of customers (wholesalers/distributors and end-users) and performed the same selling functions between sales to all its U.S. and home market customers. Thus, our analysis of the questionnaire response leads us to conclude that sales within each market and between markets are not made at different levels of trade. Accordingly, we preliminarily find that all sales in the home market and the U.S. market are made at the same level of trade. Therefore, all price comparisons are at the same level of trade and no adjustment pursuant to section 773(a)(7)(A) is warranted.

Cost of Production Analysis

Based on the fact that the Department had disregarded below cost sales in the first administrative review (61 FR 2792) (the most recently completed investigation/review of Rautaruukki at the time of initiation of this review), in accordance with section 773(b)(2)(A)(ii) of the Act, the Department found reasonable grounds to believe or suspect that Rautaruukki made home market sales at prices below the cost of production. As a result, the Department initiated an investigation to determine whether the respondent made home market sales during this POR at prices below their COP within the meaning of section 773(b) of the Act. Before making any fair value comparisons, we conducted the COP analysis described below.

A. Calculation of COP

We calculated the COP based on the sum of respondent's cost of materials and fabrication for the foreign like product, plus amounts for home market general expenses and packing costs in accordance with section 773(b)(3) of the Act. Based on findings made at verification, we have recalculated Rautaruukki's general and administrative expenses and interest. See *Memorandum to Chris Marsh From Elizabeth Lofgren*, June 3, 1997.

B. Test of Home Market Prices

We used the respondent's weighted-average COP, as adjusted (see above), for the period August 1, 1995 to July 31, 1996. We compared the weighted-average COP figures to home market sales of the foreign like product as required under section 773(b) of the Act. In determining whether to disregard home-market sales made at prices below the COP, we examined whether (1) within an extended period of time, such sales were made in substantial quantities, and (2) such sales were made at prices which permitted the recovery of all costs within a reasonable period of time. On a product-specific basis, we compared the COP to the home market prices, less any applicable movement charges, rebates, discounts, 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 the 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 determined such sales to have been made in "substantial quantities," and within an extended period of time in accordance with section 773(b)(2)(B) of the Act. Where we determined that such sales were also not made at prices which would permit recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Act, we disregarded the below-cost sales. Where all sales of a specific product were at prices below the COP, we disregarded all sales of that product, and calculated NV based on CV.

D. Calculation of CV

In accordance with section 773(e) of the Act, we calculated CV based on the sum of respondent's cost of materials, fabrication, SG&A, U.S. packing costs, interest expenses and profit as reported in the U.S. sales database. As noted above, we recalculated Rautaruukki's general and administrative expenses and interest expenses based on our verification results. In accordance with § 773(e)(2)(A) of the Act, we based SG&A 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 we compared CV to EP, we deducted from CV the weighted-average home market direct selling expenses and added the weighted-average U.S. product-specific direct selling expenses, in accordance with § 353.56(a)(2) of the Department's regulations.

Currency Conversion

For purposes of the preliminary results, we made currency conversions based on the official exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank of New York. Section 773A(a) of the Act directs the Department to use a daily exchange rate in order to convert foreign currencies into U.S. dollars, unless the daily rate involves a "fluctuation." In accordance with the Department's practice, we have determined as a general matter that a fluctuation exists when the daily exchange rate differs from a benchmark by 2.25 percent. The benchmark is defined as the rolling average of rates for the past 40 business days. When we determine a fluctuation exists, we substitute the benchmark for the daily rate.

Preliminary Results of the Review

As a result of this review, we preliminarily determine that the

following weighted-average dumping margin exists:

Manufacturer/exporter	Period	Margin (percent)
Rautaruukki Oy	8/1/95-7/31/96	1.39

Parties to the proceeding may request disclosure within five 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 date of publication or the first business day thereafter. Case briefs from interested parties may be submitted not later than 30 days after the date of publication. Rebuttal briefs, limited to issues raised in those 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 its analysis of issues raised in the case and rebuttal briefs, not later than 120 days after the date of publication of this notice.

The following deposit requirements will be effective upon publication of the final results of this antidumping duty review for all shipments of certain cut-to-length carbon steel plate from Finland, entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a) of the Tariff Act: (1) The cash deposit rate for the reviewed company will be that established in the final results of review; (2) for exporters not covered in this review, but covered in the LTFV investigation or previous review, the cash deposit rate will continue to be the company-specific rate from the LTFV investigation; (3) if the exporter is not a firm covered in this review, a previous review, or the original LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; (4) the cash deposit rate for all other manufacturers or exporters will continue to be 32.80 percent, the "All Others" rate made effective by the LTFV investigation. These requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 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 published in accordance with section 751(a)(1) of the Act and 19 CFR 353.22.

Dated: July 7, 1997.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

[FR Doc. 97-18583 Filed 7-14-97; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

[A-351-824]

Silicomanganese From Brazil; Final Results of Antidumping Duty Administrative Review

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

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

SUMMARY: On January 9, 1997, the Department of Commerce ("the Department") published the preliminary results of its administrative review of the antidumping duty order on silicomanganese from Brazil. The review covers exports of this merchandise to the United States by one manufacturer/exporter, Companhia Paulista de Ferro-Ligas ("CPFL") and Sibra Eletro-Siderurgica Brasileira S.A. ("Sibra") (collectively "Ferro-Ligas Group"), for the period June 17, 1994 through November 30, 1995.

We gave interested parties an opportunity to comment on our preliminary results. Based on our analysis of the comments received, we have revised our calculations for these final results.

EFFECTIVE DATE: July 15, 1997.

FOR FURTHER INFORMATION CONTACT: Hermes Pinilla or Thomas Barlow, Office of Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW,

Washington, DC 20230; telephone: (202) 482-4733.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

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, all references to the Department's regulations are to 19 CFR 353 (1997).

Background

On January 9, 1997, the Department published in the **Federal Register** (62 FR 1320) the preliminary results of its administrative review of the antidumping duty order on silicomanganese from Brazil. The antidumping duty order on silicomanganese from Brazil was published on December 22, 1994 (59 FR 66003). This review covers the period June 17, 1994 through November 30, 1995. On May 8, 1997, we extended the final results of review (62 FR 25172).

Scope of the Review

The merchandise covered by this review is silicomanganese from Brazil. Silicomanganese, which is sometimes called ferrosilicon manganese, is a ferroalloy composed principally of manganese, silicon and iron, and normally contains much smaller proportions of minor elements, such as carbon, phosphorous and sulfur. Silicomanganese generally contains by weight not less than 4 percent iron, more than 30 percent manganese, more than 8 percent silicon and not more than 3 percent phosphorous. All compositions, forms and sizes of silicomanganese are included within the scope of this review, including silicomanganese slag, fines and briquettes. Silicomanganese is used primarily in steel production as a source of both silicon and manganese. This review covers all silicomanganese currently classifiable under subheading 7202.30.000 of the Harmonized Tariff Schedule of the United States ("HTSUS"). Some silicomanganese may also currently be classifiable under HTSUS subheading 7202.99.5040. Although the HTSUS subheadings are