hearing, if requested, will be held 44 days after the publication of this notice, or the first workday thereafter. Interested parties may submit case briefs within 30 days of the date of publication of this notice. Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than 37 days after the date of publication. Parties who submit argument are requested to submit with the argument (1) a statement of the issue and (2) a brief summary of the argument. The Department will publish a notice of final results of this administrative review, including its analysis of issues raised in any written comments or at a hearing, not later than 120 days after the date of publication of this notice.

Upon issuance of the final results of review, the Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. We calculated an importer-specific ad valorem duty assessment rate for the class or kind of merchandise based on the ratio of the total amount of antidumping duties calculated for the examined sales made during the POR to the total customs value of the sales used to calculate those duties. This rate will be assessed uniformly on all entries that particular importer made during the POR. (This is equivalent to dividing the total amount of the antidumping duties, which are calculated by taking the difference between statutory NV and statutory CEP, by the total statutory CEP value of the sales compared, and adjusting the result by the average difference between CEP and customs value for all merchandise examined during the POR).

Furthermore, the following deposit requirements will be effective for all shipments of PPD–T aramid from the Netherlands entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(c) of the Act: (1) The cash deposit rate for the reviewed company will be the rate established in the final results of this review; (2) if the exporter is not a firm covered in this 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 (3) for all other producers and/or exporters of this merchandise, the cash deposit rate shall be 66.92 percent, the ''all others'' rate established in the LTFV investigation (59 FR 32678, June 24, 1994), as explained before. These deposit rates, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and notice are published pursuant to section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and 19 CFR 353.22.

Dated: March 2, 1998.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 98–5992 Filed 3–6–98; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[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 result 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 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 and four ''third-country'' resellers from Singapore, Malaysia, Canada, and Hong Kong for the period of May 1, 1996 through April 30, 1997. As a result of the review, the Department of Commerce has preliminarily determined that dumping margins exist for both manufacturers/exporters and two of the third-country resellers. With respect to the third-county resellers, one did not respond, two stated that they made no sales of the subject merchandise to the U.S. during the period of review, and one reseller did not fully respond. If these preliminary results are adopted in our final results of administrative review, we will instruct the Customs Service to assess antidumping duties as appropriate. 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 9, 1998.

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 stated, 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 regulations of the Department of Commerce (the Department) are to 19 CFR part 353 (1997).

Background

On May 10, 1993, the Department published in the **Federal Register** (58 FR 27250) the antidumping duty order on DRAMs from the Republic of Korea. On May 2, 1997, the Department published a notice of ''Opportunity to Request an Administrative Review'' of this antidumping duty order for the period of May 1, 1996, through April 30, 1997 (62 FR 24081). 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 (L.G. formerly Goldstar Electronics Co., Ltd.). The petitioner, Micron Technologies Inc., requested an administrative review of these same two Korean manufacturers of DRAMs as well as four third-country resellers of DRAMS. The third-country resellers are Techgrow Limited (Hong Kong) (Techgrow), Singapore Resources Pte. Ltd. (Singapore), NIE Electronics Sdn. Bhd. (Malaysia, and Vitel Electronics Ottawa Office (Canada) (Vietel). On June 19, 1997, the Department initiated a review of the above-mentioned Korean manufacturers and third-country resellers (62 FR 33394). The period of review (POR) of all respondents is May

1, 1996, through April 30, 1997. The Department is conducting this review in accordance with section 751 of the Act.

In addition, on June 25, 1997, we initiated an investigation to determine if Hyundai and LG made sales of subject merchandise below the cost of production (COP) during the POR based upon the fact that we had 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 a final determination was available when this review was initiated. On January 12, 1998, the Department published in the **Federal Register** (63 FR 1824) a notice extending the time for the preliminary results from January 30, 1998, until March 2, 1998.

Scope of the Review

Imports covered by the review are shipments of Dynamic Random Access Memory Semiconductors (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 currently 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.

Intent Not To Revoke

Both Hyundai and LG submitted requests to revoke the order covering DRAMS from Korea pursuant to 19 CFR 353.25(b). Under the Department's regulations, the Department may revoke an order, in part, if the Secretary concludes that, among other things: (1) ''[o]ne or more producers or resellers covered by the order have sold the merchandise at not less than [normal] 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 normal 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 [normal] value.'' *See* 19 CFR 353.25(a)(2). In this case, neither respondent meets the first criterion for revocation. The Department has preliminarily found that the two respondents, LG and Hyundai, sold subject merchandise at not less than normal value in the two prior reviews under this order, but did sell at less than normal value during the instant review. Since neither respondent has met the first criterion for revocation, *i.e.,* or *de minimis* margins for three *consecutive* reviews, the Department need not reach a conclusion with respect to the ''not likely'' standard. Therefore, on this basis, we have preliminarily determined not to revoke the Korean DRAM antidumping duty order.

Facts Available

LG

Based on information obtained from the Customs Service, we have preliminarily determined that a number of sales LG had reported as being to a third country were actually sales to the United States. *See* Memorandum from Team to Thomas Futtner, February 25, 1998. The Department has preliminarily determined that in accordance with section 776(a) of the Act, the margin for LG should be based on facts available as it failed to report those U.S. sales. As facts available, the Department has calculated a dumping margin based on both the reported and the unreported sales to the United States which we were able to identify based on Customs Service data.

For LG's unreported sales, we used product-specific weighted average U.S. selling expenses based on reported expenses for identical products. Where there were no identical matches, we used weighted average selling expenses based on reported selling expenses.

Interested parties may submit comments regarding the application of facts available to LG due to unreported sales within 14 calendar days of publication of this notice. Rebuttal comments may be submitted from the 15th calendar day through and including the 21st calendar day. Comments submitted during this period may address the application of facts available due to LG's unreported sales only. Time limits for case briefs and rebuttal briefs, and the contents thereof, are not affected by the stipulations noted above. Requirements for the submission of case briefs and rebuttal briefs are described elsewhere in this notice.

Techgrow

On October 16, 1997, the Department notified Techgrow that under the Department's regulations Techgrow was affiliated with *Tech Perfect Inc.* and requested that Techgrow submit a response for sections B through E which included information covering Techgrow, Tech Perfect, and any other affiliated parties which sold subject merchandise during the POR. The Department reiterated this request on November 17, 1997. Techgrow submitted responses to sections A, B, and C only, and did not include the information requested for its affiliates. On November 26, 1997 and December 3, 1997, Tech Perfect, Inc. and Techgrow respectively, notified the Department that they would not participate in the instant review. Tech Perfect Inc. and Techgrow formally filed notices of withdrawal with the Department on December 16, 1997. Failure to submit the requested information, and withdrawal from this proceeding, has significantly impeded our review with respect to Techgrow. Thus in

accordance with section 776(a) of the Act, we must rely on facts available for sales to Techgrow and its affiliates.

Vitel

On August 12, 1997, Vitel confirmed it had received the questionnaire, but subsequently failed to submit a response. Since Vitel failed to submit a questionnaire response in accordance with section 776(a) of the Act, we are relying on facts available to establish an antidumping margin for Vitel.

Corroboration of Facts Available

As discussed above, Techgrow submitted responses to sections A, B, and C only, and did not include the information requested for its affiliates. Vitel confirmed it had received the questionnaire, but subsequently failed to submit a response. Section 776(a)(2) of the Act provides that if any interested party: (1) withholds information that has been requested by the Department; (2) fails to provide such information in a timely manner or in the form or manner requested; (3) significantly impedes an antidumping investigation; or (4) provides such information but the information cannot be verified, the Department is required to use facts otherwise available (subject to subsections 782(c)(1) and (e)) to make its determination. Because Techgrow failed to respond in full to the Department's questionnaire, and Vitel did not respond at all, we must use facts otherwise available to calculate their dumping margin.

Section 776(b) provides that adverse inferences may be used against a party that failed to cooperate by not acting to the best of its ability to comply with requests for information. *See also* the Statement of Administrative Action accompanying the URAA, H.R. Doc. No. 316, 103d Cong., 2d Sess. 870 (1994) (''SAA''). Techgrow's decision to respond only in part, and failure to provide affiliate information, demonstrates that Techgrow has failed to cooperate to the best of its ability in this review. Vitel failed to cooperate since it provided no questionnaire response at all. Therefore, the Department has determined that, in selecting among the facts otherwise available for Techgrow and Vitel, an adverse inference is warranted.

Section 776(b) states that an adverse inference may include reliance on information derived from the petition or any other information placed on the record. *See also* SAA at 829–831. Section 776(c) of the Act provides that, when the Department relies on secondary information (such as the petition) in using the facts otherwise available, it must, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal.

As adverse facts available, we are assigning to Techgrow and Vitel, individually, the highest margin calculated in these preliminary results, that rate calculated for Hyundai, 12.64 percent. The Department considers this rate corroborated and having probative value since it was calculated based on information collected and verified specifically for purpose of calculating a margin for a respondent in the instant review.

No Shipments

Singapore Resources Pte. Ltd. (Singapore) and NIE Electronics Sdn. Bhd. (Malaysia) reported that they made no U.S. sales of subject merchandise during the POR. Therefore, unless and until these companies sell subject merchandise to the U.S. and participate in an administrative review, any future shipments by these companies of subject merchandise to the U.S. will be subject to the all others rate established in the LTFV investigation.

Constructed Export Price

For LG and Hyundai, in calculating price to the United States, the Department used constructed export price (CEP), as defined in section 772(b) of the Act, because the merchandise was first sold to an unaffiliated U.S. purchaser after importation.

We calculated CEP based on packed, factory prices to unaffiliated 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 credit expenses, warranty expenses, royalty payments, commissions as applicable, advertising and promotion expenses paid by the respondent, and inventory carrying costs incurred by the respondents U.S. subsidiaries) in accordance with sections 772(c)(2) and 772(d)(1) of the Act. We added duty drawback paid on imported materials in the home market, where applicable, pursuant to section 772(c)(1)(B) of the Act.

For DRAMS that were further manufactured into memory modules after importation, we deducted all costs of further manufacturing in the United States, pursuant to section 772(b)(2) of the Act. These costs consisted of the costs of the materials, fabrication, and general expenses associated with the further manufacturing in the United States.

Pursuant to section 772(d)(3) of the Act, we also reduced the CEP United States price by the amount of profit allocated to the expenses deducted under section 772(d)(1) and (2).

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 normal value, we compared the 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)(C) of the Act. Because the aggregate volume of home market sales of the foreign like products for both Hyundai and LG was greater than five percent of the respective aggregate volume of U.S. sales of the subject merchandise, we determined that the home market provides a viable basis for calculating NV for all respondents.

We disregarded Hyundai's and LG's sales found to have been made below the COP during the 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 the 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 price 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.

On January 8, 1998, the Court of Appeals for the Federal Circuit issued a decision in CEMEX v. United States, 1998 WL 3626 (Fed Cir.). In that case, based on the pre-URAA version of the Act, the Court discussed the appropriateness of using constructed value (CV) as the basis for foreign market when the Department finds home market sales to be outside the ''ordinary course of trade.'' This issue was not raised by any party in this proceeding. However, the URAA amended the definition of sales outside the ''ordinary course of trade'' to include sales below cost. *See* Section 771(15) of the Act. Consequently, the Department has determined that it would be inappropriate to resort directly to CV, in lieu of foreign market sales, as the basis for NV if the Department finds foreign market sales of merchandise identical or most similar to that sold in the United States to be outside the ''ordinary course of trade.'' Instead, the Department will use sales of similar merchandise, if such sales exist. The Department will use CV as the basis for NV only when there are no above-cost sales that are otherwise suitable for comparison. Therefore, in this proceeding, when making comparisons in accordance with section 771(16) of the Act, we considered all products sold in the home market as described in the ''Scope of Review'' section of this notice, above, that were in the ordinary course of trade for purposes of determining appropriate product comparisons to U.S. sales. Where there were no sales in the ordinary course of trade of the identical or the most similar merchandise in the home market that were otherwise suitable for comparison, we compared U.S. sales to sales of the next most similar foreign like product, based on the characteristics listed in Section B and C of our antidumping questionnaire. We have implemented the Court's decision in this case, to the extent that the data on the record permitted.

In accordance with section 773(e) of the Act, we calculated CV based on the 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 cost 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 the respondents' questionnaire responses. For selling expenses, we used the average of the selling expenses reported for home market sales that survived the cost test, weighted by the total quantity of those 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, adjusted as necessary. As discussed below, we adjusted the respondents' reported COP and CV with respect to the following: (1) research and development (R&D), (2) depreciation, and (3) foreign exchange losses.

R&D

The Department recalculated the respondents' reported R&D expense based on the ratio of each company's total semiconductor expenses to the total semiconductor cost of goods sold. Due to the forward-looking nature of the R&D activities, the Department, in this review, cannot identify every instance where DRAM R&D may influence logic products or where logic R&D may influence DRAM products, but the Department's own semiconductor expert has identified areas where R&D from one type of semiconductor product has influenced another semiconductor product in the past. Dr. Murzy Jhabvala, a semiconductor device engineer at NASA with twenty-four years experience, was asked by the Department to state his views regarding cross-fertilization of R&D efforts in the semiconductor industry. In a July 14, 1995 Memorandum to Holly Kuga, ''Cross Fertilization of Research and Development Efforts in the Semiconductor Industry,'' Dr. Jhabvala stated that ''it is reasonable and realistic to contend that R&D from one area (*e.g.*, bipolar) applies and benefits R&D efforts in another area (*e.g.*, MOS memory).'' It is the Department's practice where costs benefit more than one product to allocate those costs to all the products which they benefit. This practice is consistent with section 773(f)(1)(A) of the Act because we have determined that the product-specific R&D accounts do not reasonably reflect the costs associated with the production and sale of DRAMS. Therefore, as semiconductor R&D benefits all semiconductor products, we allocated semiconductor R&D to all semiconductor products.

Depreciation

In contrast to the previous year, both respondents, for this POR, elected not to take special depreciation. This represents a failure to report depreciation expenses in a systematic and rational manner. As a result, disproportionately greater costs were attributed to products manufactured during the period for which the special depreciation was taken than for the subsequent period when it was not taken. Therefore, for these preliminary results, we are making an adjustment to the respondents' reported depreciation. We are adding special depreciation to the reported cost of production.

Foreign Exchange Losses

We have included the amortized portion of foreign exchange losses on long-term debt in the cost of production as part of interest expense. The translation gains and losses at issue are related to the cost of acquiring and maintaining debt. These costs are related to production and are properly included in the calculation of financing expense as a part of COP. In previous cases, we have found that translation losses represent an increase in the actual amount of cash needed by the respondents to retire their foreign currency denominated loan balances. *See Notice of Final Determination of Sales at Less than Fair Value: Fresh Cut Roses from Ecuador,* 24 FR 7019, 7039, (Feb. 6, 1995). Also, *see Notice of Final Determination of Sales at Less Than Fair Value: Static Random Access Memory Semiconductors From the Republic of Korea,* 63 FR 8937, (Feb. 23, 1998). Furthermore, the Department has amortized these expenses over the remaining life of the companies' loans in the past. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Steel Concrete Reinforcing Bars From Turkey*, 62 FR 9737, 9743, (Mar. 4, 1997). Also, *see Notice of Final Determination of Sales at Less Than Fair Value: Static Random Access Memory Semiconductors From the Republic of Korea,* 63 FR 8937, (Feb. 23, 1998). We have verified deferred foreign exchange translation gains and losses for both respondents. To reasonably reflect the cost of producing and selling the subject merchandise, it is necessary that the respondents' costs reflect the additional financial burden represented by the cash needed to retire foreign currency denominated loans.

Therefore, we are amortizing deferred foreign exchange translation gains and losses over the average remaining life of the loans on a straight-line basis and are including the amortized portion in net interest expense.

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, in accordance with 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 unaffiliated customers and, where appropriate, to affiliated customers in the home market.

In calculating NV for both CV and home market prices, we made adjustments, where appropriate, for inland freight, inland insurance, discounts, rebates, and Korean brokerage and handling charges. 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 section 773(a)(6)(c)(ii) of the Act. Finally, in accordance with section 773(a)(6)(C)(iii) of the Act, we made an adjustment for differences in the circumstances of sale by deducting home market direct selling expenses (credit expenses, advertising expenses, royalty expenses, and bank charges) and adding 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

In accordance with section 773(a)(1(B) of the Act, to the extent practical, we determined NV based on sales in the comparison market at the same level of trade as the EP or CEP sales. The NV level of trade is that of the starting-price sales in the comparison market or, when NV is based on constructed value (''CV''), that of the sales from which we derive selling, general and administrative (''SG&A'') expenses and profit. For EP, it is also the level of the starting-price sale, which is usually from exporter to importer. For CEP, it is the level of the constructed sale from the exporter to the importer.

To determine whether NV sales are at a different level of trade than EP or CEP sales, we examined stages in the marketing process and selling activities along the chain of distribution between the producer and the unaffiliated customer. If the comparison-market sales are at a different level of trade, and the difference affects price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison-market sales at the level of trade of the export transaction, we make a level of trade adjustment under section 773(a)(7)(A) of the Act. Finally, for CEP sales, if the NV level is more remote from the factory than the CEP level and there is no basis for determining whether the difference in the levels between NV and CEP affects price comparability, we adjust NV under section 773(a)(7)(B) of the Act (the CEP offset provision). See *Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to Length Carbon Steel Plate from South Africa,* 62 FR 61731 (November 19, 1997).

We reviewed the questionnaire responses of both respondents to establish whether there were sales at different levels of trade based on the distribution system, selling activities, and services offered to each customer or customer category.

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 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 selling functions performed by the Korean companies for U.S. CEP sales (as adjusted) and preliminarily determine that they are at a different level of trade from the Korean companies' home market sales because the companies' CEP transactions were at a less advanced stage of marketing. For instance, at the CEP level 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 more advanced 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 pattern of consistent 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 not 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 and the level of trade in the home market is at 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 adjusted home market prices or constructed value, as appropriate. 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 homemarket indirect selling expenses. No other adjustments were claimed or allowed. 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.

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 ..	12.64
LG Semicon Co., Ltd	7.61
Techgrow Limited (Hong Kong)	12.64
Vitel Electronics Ottawa Office (Canada)	12.64

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 appraisement 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. The Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. We have calculated importer-specific ad valorem duty assessment rates based on the ratio of the total amount of dumping margins calculated for the examined sales made during

POR to the total customs value of the sales used to calculate those duties. These rates will be assessed uniformly on all entries of each particular importer made during the POR. (This is equivalent to dividing the total amount of antidumping duties, which are calculated by taking the difference between statutory NV and statutory EP and CEP, by the total statutory EP or CEP value of the sales compared, and adjusting the result by the average difference between EP or CEP and customs value for all merchandise examined during the POR).

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, LG, Techgrow and Vitel will be the rates indicated above; (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 not later than 120 days after the date of publication of this notice.

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 this 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: March 2, 1998.

Robert S. LaRussa,

Assistant Secretary Import Administration.

[FR Doc. 98–5991 Filed 3–6–98; 8:45 am]

BILLING CODE 3510–DS–M

DEPARTMENT OF COMMERCE

International Trade Administration

[Docket No. 970424097–8019–03]

RIN 0625–ZA05

Market Development Cooperator Program

AGENCY: International Trade Administration (ITA), Commerce.

ACTION: Notice.

SUMMARY: ITA promotes U.S. exports and works to improve the global competitiveness of the United States, creating jobs for Americans. ITA has created the Market Development Cooperator Program (MDCP) to build public/private export marketing partnerships. The MDCP is a competitive matching grants program that provides federal assistance to non-profit export multipliers such as states, trade associations, chambers of commerce, world trade centers and other non-profit industry groups that are particularly effective in reaching small- and medium-size enterprises (SMEs). MDCP awards help to underwrite the start up costs of exciting new export promotion ventures which these groups are often reluctant to undertake without federal government support.

The MDCP aims to:

- Challenge the private sector to think strategically about foreign markets;
- Be the catalyst that spurs private sector innovation and investment in export marketing; and
- Increase the number of American companies, particularly SMEs, taking decisive export actions.

The advantage of a joint effort is that it permits the federal government to pool expertise and funds with non-federal sources so that each maximizes its market development resources. Partnerships of this sort also may provide a sharper focus on long-term export market development than do traditional trade promotion activities and serve as a mechanism for improving government-industry relations.

While the Department of Commerce sponsors, guides and partially funds the MDCP with a matching requirement by the recipient, the Department of Commerce expects applicants to develop, initiate and carry out market development project activities. As an active partner, ITA will, as appropriate, provide assistance identified by the applicant as being essential to the achievement of project goals and objectives. U.S. industry is best able to assess its problems and needs in the foreign marketplace and to recommend innovative solutions and programs that can be the formula to success in international trade.

Examples of activities that might be included in an applicant's project proposal are described below. No one or any combination of these activities must be included for a proposal to receive favorable consideration. The Department of Commerce encourages applicants to propose activities that (1) would be most appropriate to the market development needs of their industry or industries; and (2) display the imagination and innovation of the applicant working in partnership with the government to obtain the maximum market development impact.

A public meeting for parties considering applying for funding under the MDCP will be held on April 3. Attendance at this public meeting is not required of potential applicants. The purpose of the meeting is to provide general information to potential applicants regarding MDCP procedures, selection process, and proposal preparation. No discussion of specific proposals will occur at this meeting.

DATES: The public meeting will be held from 2–4 p.m, on April 3, in Room 6808, at the Herbert Clark Hoover Building, 14th and Constitution Avenue, N.W., Washington, D.C. Completed applications must be received no later than 5 p.m. Eastern Standard Time May 4, 1998. Late applications will not be