

U.S. sales to U.S. customers at particular prices that the dumping findings were made. Furthermore, petitioners state that the weighted-average margins resulting from the case reflect that Sammi accounted for the majority of U.S. sales of WSSP from Korea; therefore, petitioners argue that as the only other exporter of WSSP to the United States previously identified, SeAH is now supplying Sammi's former U.S. customer base. Thus, petitioners conclude that SeAH is not the successor to PSP.

Respondents state that PSP/SeAH sells the vast majority of its subject merchandise in the domestic market, and that petitioners have no basis for claiming that "SeAH is now supplying Sammi's former U.S. customer base." Moreover, respondents argue that Sammi did not, and could not, transfer its U.S. customers to PSP. In addition, respondents contend that it is unreasonable to assume that, among all of the potential suppliers to the U.S. customer, both domestic and foreign, that all of Sammi's former customers would choose PSP/SeAH.

Department's position: As noted above, PSP purchased only Sammi's production assets. PSP did not succeed to any rights or obligations Sammi had with its U.S. or domestic customers. With Sammi's absence from the market, it is natural that U.S. customers would seek business from other suppliers of subject merchandise in order to fill the void that was created. Further, as noted by respondents, PSP's/SeAH's U.S. sales consist of a small percentage of the total sales of WSSP, a fact admitted by petitioners as well.

Comment 7

Petitioners disagree with the agency's conclusion that the changes in suppliers were not "significant".

Department's position: The Department maintains the position that the changes in suppliers were not significant. For further elaboration of the Department's position, as it contains proprietary information, refer to the Memorandum to the File from Lesley Stagliano, dated March 30, 1998.

Comment 8

Petitioners argue that the Department incorrectly focused on the change in management following the name change and not on the acquisition of Changwon. In addition, petitioners assert that respondents' statement that "management dictates and controls the production of subject merchandise, and, most important, sets prices" is an unfounded overemphasis of just one factor and that production facilities,

suppliers, and customers are relevant factors as well.

Respondents argue that not only did the Department address the issue of management specifically with respect to the Changwon acquisition, but that it also analyzed management on a corporate-wide level. Consequently, respondents state that the Department verified all of the information pertaining to the period before and after the acquisition of Sammi's Changwon plant, and that such information is reflected in the verification report. Respondents quote the Department's verification report which states that there were "no significant organizational changes after the acquisition of the Changwon plant." See Verification Report at 5.

Department's position: The Department agrees with respondents. The Department did address the relevant changes in management. In the Memorandum to Joseph Spetrini from Edward Yang, dated January 29, 1998, the Department states, "[a]ll of the managers of the Changwon plant were transferred from PSP plants after the January 1, 1995 acquisition of the Changwon plant." In addition, the Department states, "(t)he headquarters for the sales and marketing division remained at the head office in Seoul, and very little changed with respect to the individuals holding these management positions." See Preliminary Results, (63 FR 6154). In its analysis, the Department specifically looked at the period following the acquisition as well as the name change with respect to management. Thus, the Department maintains its original position in the preliminary results regarding this issue.

Comment 9

Petitioners argue that SeAH attempted to circumvent the antidumping duty laws by combining operations with another company (Sammi) subject to a higher dumping rate, but nonetheless continued to produce and export subject merchandise to the United States without divulging this information and relying instead on the lower (PSP's) rate.

Respondents argue that PSP could in no way improve its position vis-a-vis the applicable cash deposit rate by purchasing Sammi's Changwon plant, a company with a higher deposit rate than PSP. Furthermore, respondents argue that for PSP to try to circumvent the antidumping order by purchasing the production facilities of the company with the highest cash deposit rate, when PSP already had the lowest cash deposit rate of any company subject to the antidumping order, would defy logic.

Department's position: The Department disagrees with petitioners. Petitioners cite to no evidence on the record to support their contention. The Department has thoroughly reviewed the facts on the record and did not find that Respondent has intentionally attempted to mislead the Department.

Final Results of the Review

After reviewing the comments received, we determine that SeAH is the successor to PSP for antidumping duty cash deposit purposes.

SeAH will, therefore, be assigned the PSP antidumping deposit rate of 2.67 percent.

The following deposit requirements will be effective upon publication of this notice of final results of administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date as provided by section 751(a)(2)(c) of the Act: The cash deposit rate for the reviewed company will be as outlined above.

These deposit rates, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice serves as a final 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 subsequent assessment of double antidumping duties.

This determination is issued and published in accordance with section 777(i)(1) of the Act and 19 CFR 353.22(f).

Dated: March 30, 1998.

Robert S. LaRossa,
Assistant Secretary for Import
Administration.

[FR Doc. 98-8973 Filed 4-6-98; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-583-815]

Certain Welded Stainless Steel Pipe From Taiwan; Preliminary Results of Changed Circumstances Antidumping Duty Administrative Review

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

ACTION: Notice of preliminary results of changed circumstances antidumping duty administrative review.

SUMMARY: Pursuant to a request from Chang Mien Industries Co., Ltd. (Chang Mien), the Department of Commerce (the Department) initiated a changed circumstances administrative review of the antidumping duty order on certain welded stainless steel pipe from Taiwan, 62 FR 30567, (June 4, 1997). Chang Mien requested that the Department determine that Chang Mien is the successor firm to Chang Tieh Industry, Co., Ltd. (Chang Tieh), a respondent excluded from the order in the less-than-fair-value (LTFV) investigation. See Notice of Amended Final Determination and Antidumping Duty Order; Certain Welded Stainless Steel Pipes From Taiwan, 59 FR 6619, (February 11, 1994); see also Amended Final Determination and Antidumping Duty Order; Certain Welded Stainless Steel Pipe From Taiwan, 57 FR 62300 (December 30, 1992). Based on the information Chang Mien provided in its responses to the Department's questionnaires and on the data obtained at verification, we have preliminarily determined that Chang Mien is the successor-in-interest to Chang Tieh.

EFFECTIVE DATE: April 7, 1998.

FOR FURTHER INFORMATION CONTACT: Maureen McPhillips at (202) 482-0193, or Linda Ludwig at (202) 482-3383, AD/CVD Enforcement Group III, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act. In addition, unless otherwise indicated, all references to the Department's regulations are to 19 CFR Part 353 (April 1, 1997).

Verification

As provided in section 776(b) of the Act, we verified information provided by Chang Mien using standard verification procedures, including the examination of relevant sales and financial records, and the selection of original source documentation containing relevant information.

SUPPLEMENTARY INFORMATION:

Background

On September 11, 1996, Chang Mien requested that the Department conduct

a changed circumstances administrative review pursuant to section 751(b) of the Act to determine whether Chang Mien should properly be considered the successor firm to Chang Tieh. In the LTFV investigation, the Department excluded Chang Tieh from the antidumping duty order on certain welded stainless steel pipe from Taiwan after calculating a margin of zero for Chang Tieh. Chang Mien maintains that, as Chang Mien and Chang Tieh were related at the time of the LTFV investigation, Chang Mien is entitled to Chang Tieh's exclusion from the order *ab initio*. Chang Mien further states that, since publication of the antidumping duty order on this product, Chang Mien has absorbed Chang Tieh, and asks that the Department issue a determination that Chang Mien is the successor firm to Chang Tieh and as such is entitled to Chang Tieh's exclusion from the antidumping duty order. Pursuant to Chang Mien's request, the Department initiated a changed circumstance review on June 4, 1997. See Certain Welded Stainless Steel Pipe from Taiwan; Invitation of Changed Circumstances Antidumping Duty Administrative Review, 62 FR 30567.

Scope of the Review

The merchandise subject to this antidumping duty order is welded austenitic stainless steel pipe (WSSP) that meets the standards and specifications set forth by the American Society for Testing and Materials (ASTM) for the welded form of chromium nickel pipe designated ASTM A-312. The merchandise covered by the scope of this order also includes austenitic welded stainless steel pipes made according to the standards of other nations which are comparable to ASTM A-312.

WSSP is produced by forming stainless steel flat-rolled products into a tubular configuration and welding along the seam. WSSP is a commodity product generally used as a conduit to transmit liquids or gases. Major applications include, but are not limited to, digester brewery process and transport lines, general food processing lines, automotive paint lines and paper process machines. Imports of WSSP are currently classifiable under the following Harmonized Tariff Schedule of the United States (HTS) subheadings: 7306.40.5005, 7306.40.5015, 7306.40.5040, 7306.40.5065 and 7306.40.5085. Although these subheadings include both pipes and tubes, the scope of this antidumping duty order is limited to welded austenitic stainless steel pipes. Although the HTS subheadings are

provided for convenience and Customs purposes, the written description of the scope of this order is dispositive.

Preliminary Results of Changed Circumstances Antidumping Duty Administrative Review

In accordance with section 751(b) of the Act, the Department initiated a changed circumstances administrative review on June 4, 1997, to determine whether Chang Mien is the successor company to Chang Tieh.

In determining whether a merged company is the successor to another for purposes of the antidumping duty law, the Department examines a number of factors including, but not limited to, changes in (1) management, (2) production facilities, (3) supplier relationships, and (4) customer base. See e.g., Brass Sheet and Strip from Canada; Final Results of Antidumping Duty Administrative Review, 57 FR 20460 (May 13, 1992). While no one or several of these factors will necessarily provide a dispositive indication, the Department will generally consider the company that merged with another company to be a successor to the previous company if its resulting operation is substantially similar to that of the predecessor. See e.g., Industrial Phosphoric Acid from Israel; Final Results of Changed Circumstances Review, 59 FR 6944 (February 14, 1994). Thus, if evidence demonstrates that, with respect to the production and sale of the subject merchandise, the successor company operates as the same business entity as the former company, the Department will treat the successor company the same as the predecessor for purposes of antidumping duty liability.

To determine whether Chang Mien is the successor-in-interest to Chang Tieh, we examined Chang Mien's initial request for a changed circumstances review, and Chang Mien's responses to the Department's supplemental questionnaires of October 27, 1997, and December 5, 1997. In addition, from January 21 through January 23, 1997, we verified Chang Mien's responses at its facilities in Kaoshung, Taiwan.

Chang Mien, founded in 1972, began sales operations in 1977, originally as a carbon steel coil center. In early 1984, Chang Mien formed a subsidiary, Chang Tieh, to produce and market stainless steel pipe. In 1989 Chang Mien acquired land adjacent to its steel coil centers for construction of its stainless steel pipe mill. Chang Tieh began producing non-

annealed pipe in 1990; the following year, Chang Tieh purchased and installed an annealing furnace permitting it to produce ASTM A312 heat-treated pipe, the subject merchandise of the antidumping duty order. While the non-annealed pipe was intended almost exclusively for domestic consumption, the addition of the annealing furnace allowed Chang Tieh to target export markets.

In 1993 Chang Mien sought to merge Chang Tieh and another firm, Jumbo Stainless Steel Corporation (Jumbo), into a single entity bearing the Chang Mien name. The merger was prompted by Chang Mien's desire to become a publicly-traded company on Taiwan's stock exchange. The merger of the affiliated companies into one larger, consolidated entity would make Chang Mien more attractive to investors in the market. Chang Mien's 1991-1992 audited financial statements noted that a resolution to absorb Chang Tieh and Jumbo with Chang Mien was adopted by the stockholders on October 16, 1992. The Company (*i.e.* Chang Mien) would be the continuing company, while Chang Tieh and Jumbo would be the merged companies and cease to exist. The merger of Chang Tieh and Jumbo was approved by the Fair Trade Commission of the Executive Yuan on March 16, 1993.

Chang Mien maintains that it was related to or affiliated with respondent Chang Tieh, since both companies were owned by the same individual. As such, Chang Mien asserts in its request for review that it should have been excluded from the antidumping duty order *ab initio* (see Chang Mien's Request for § 751(b) Review, September 11, 1996, Public Version, p. 2). Therefore, Chang Mien maintains that when it absorbed Chang Tieh, it assumed Chang Tieh's exclusion from the antidumping duty order.

Basing our analysis on the four criteria cited above and evidence on the record, we have preliminarily determined that Chang Mien is the successor-in-interest to Chang Tieh. First, during the LTFV investigation, the Department established Chang Tieh's relationship with Chang Mien by virtue of common ownership by the same individual. In addition, the management and organizational structure of the former Chang Tieh, while undergoing some changes since the Department's 1991 period of investigation, remained essentially intact in the time following the March 1993 merger. The production facilities, although upgraded to some extent, are virtually the same, maintaining the same production capacity. Although Chang Mien has

recently added new suppliers as the business environment changed, for the years immediately following the merger, Chang Mien continued to deal with essentially the same steel suppliers as those used by Chang Tieh prior to the merger. Chang Mien's customer base has changed considerably from the customers served by Chang Tieh, due to customer name changes, bankruptcy, new customers, etc. However, given that Chang Mien absorbed Chang Tieh more than four years ago we would expect change in the customer base. Moreover, changes in the U.S. customer base are understandable, given that Chang Tieh was a first-time entrant into the U.S. pipe market during the 1991 POI. Therefore, factors other than the merger of Chang Tieh with Chang Mien, contributed to the evolution to customer base.

As stated previously, we do not consider any one factor dispositive; our decision is based on the totality of the evidence. Our analysis of the evidence on the record leads us to preliminarily determine that Chang Mien is the successor-in-interest to Chang Tieh, since it essentially operates as the same entity as the former company, maintaining the same management, production facilities, and supplier relationships as did Chang Tieh prior to its merger with Chang Mien.

Interested parties may submit case briefs and/or written comments no later than 30 days after the date of publication of these preliminary results. Rebuttal briefs and rebuttals to written comments, limited to issues raised in such briefs or comments, may be filed no later than 37 days after the date of publication. The Department will publish the final results of this changed circumstances review which will include its analysis of any such written comments.

This notice is in accordance with section 751(b) of the Act, as amended (19 U.S.C. 1675(b)), and section 353.22(f) of the Department's regulations.

Dated: March 31, 1998.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

Case Western Reserve University, et al.; Notice of Consolidated Decision on Applications for Duty-Free Entry of Scientific Instruments

This is a decision consolidated pursuant to Section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89-651, 80 Stat. 897; 15 CFR part 301). Related records can be viewed between 8:30 A.M. and 5:00 P.M. in Room 4211, U.S. Department of Commerce, 14th and Constitution Avenue, N.W., Washington, D.C.

Comments: None received. *Decision:* Approved. No instrument of equivalent scientific value to the foreign instruments described below, for such purposes as each is intended to be used, is being manufactured in the United States.

Docket Number: 97-074. *Applicant:* Case Western Reserve University, Cleveland, OH 44106. *Instrument:* Stopped-Flow Spectrometer, Model SX.18MV. *Manufacturer:* Applied Photophysics Ltd., United Kingdom. *Intended Use:* See notice at 62 FR 47645, September 10, 1997. *Reasons:* The foreign instrument provides: (1) Sub-millisecond dead time, (2) two photomultipliers at different angles to allow detection of both fluorescence and absorbance on immediately subsequent reactions and (3) superior performance on test specimens to be used in the planned research. *Advice received from:* National Institutes of Health, March 4, 1998.

Docket Number: 97-099. *Applicant:* Indiana/Purdue University, Indianapolis, IN 46202. *Instrument:* Xenon Flashlamp, Model JML-C2. *Manufacturer:* Hi-Tech Scientific, United Kingdom. *Intended Use:* See notice at 63 FR 5504, February 3, 1998. *Reasons:* The foreign instrument provides a liquid light guide to focus light directly on the specimen with a pulse power of 240 kW for a 1 ms duration. *Advice received from:* National Institutes of Health, January 5, 1998.

Docket Number: 97-100. *Applicant:* University of California, San Diego, La Jolla, CA 92093-0931. *Instrument:* Digital Sleep Recorder, Model VitaPort 2. *Manufacturer:* TEMEC Instruments BV, The Netherlands. *Intended Use:* See notice at 63 FR 5504, February 3, 1998. *Reasons:* The foreign instrument provides: (1) Electronic measurement of electrophysical (e.g. EEG and EOG) and cardio-respiratory (e.g. ECG and RIP-