

days after the date of publication of these results. The Department will issue the final results of this changed circumstances review, which will include the results of its analysis of any issues raised in any such written comments, no later than 270 days after the date on which this review was initiated, or within 45 days if all parties agree to our preliminary results.

This notice is in accordance with section 751(b) of the Act (19 U.S.C. 1675(b)), and 19 CFR 351.216, 351.221, and 351.222.

Dated: June 30, 1998.

**Joseph A. Spetrini,**

*Acting Assistant Secretary for Import Administration.*

[FR Doc. 98-18112 Filed 7-7-98; 8:45 am]

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-401-040]

#### **Stainless Steel Plate from Sweden: 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 from the petitioners, the Department of Commerce (the Department) is conducting an administrative review of the antidumping finding on stainless steel plate from Sweden. The review covers two manufacturers/exporters of the subject merchandise to the United States and the period June 1, 1996 through May 31, 1997. We preliminarily determine that sales have been made below normal value ("NV"). If these preliminary results are adopted in our final results of administrative review, we will instruct U.S. Customs to assess antidumping duties based on the difference between export price ("EP") and NV.

Interested parties are invited to comment on these preliminary results. Parties which submit argument in this proceeding are requested to submit with the argument (1) a statement of the issue and (2) a brief summary of the argument (no longer than five pages, including footnotes).

**EFFECTIVE DATE:** July 8, 1998.

**FOR FURTHER INFORMATION CONTACT:** Heather Osborne or John Kugelman, Import Administration, International

Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone (202) 482-3019 (Osborne), 482-0649 (Kugelman).

#### **SUPPLEMENTARY INFORMATION:**

##### **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 references to the provisions codified at 19 CFR Part 351 (62 FR 27296, May 19, 1997).

##### **Background**

The Department of the Treasury published an antidumping finding on stainless steel plate from Sweden on June 8, 1973 (38 FR 15079). The Department of Commerce published a notice of "Opportunity To Request Administrative Review" of the antidumping finding for the 1996/1997 review period on June 11, 1997 (62 FR 31786). On June 28, 1997, the petitioners, Allegheny Ludlum Steel Corp., G.O. Carlson, Inc., and Washington Steel Corporation filed a request for review of Uddeholms AB (Uddeholm) and Avesta Sheffield AB (Avesta). We initiated the review on August 1, 1997 (62 FR 41339).

##### **Scope of the Review**

Imports covered by this review are shipments of stainless steel plate which is commonly used in scientific and industrial equipment because of its resistance to staining, rusting and pitting. Stainless steel plate is classified under Harmonized Tariff schedule of the United States (HTSUS) item numbers 7219.11.00.00, 7219.12.00.05, 1209.12.00.15, 7219.12.00.45, 7219.12.00.65, 7219.12.00.70, 7219.12.00.80, 8219.21.00.05, 7219.21.00.50, 7219.22.00.05, 7219.22.00.10, 7219.22.00.30, 7219.22.00.60, 7219.31.00.10, 7219.31.00.50, 7220.11.00.00, 7222.30.00.00, and 7228.40.00.00.

Although the subheadings are provided for convenience and customs purposes, the written description of the merchandise is dispositive.

On November 21, 1997, Avesta and Avesta Sheffield NAD, Inc. requested clarification to determine whether stainless steel slabs that are manufactured in Great Britain and rolled into hot bands in Sweden are

within the scope of the antidumping finding. On December 22, 1997, the Department determined that British slabs rolled into hot bands in Sweden are within the scope of the finding. The review covers the period June 1, 1996 through May 31, 1997. The Department is conducting this review in accordance within section 751 of the Act, as amended.

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. (See 19 C.F.R. 351.2139(g)(2).) On February 24, 1998, the Department extended the time limit for these preliminary results to June 30, 1998. See *Stainless Steel Plate from Sweden; Extension of Time Limits for Antidumping Duty Administrative Review* (63 FR 10590, March 4, 1998).

##### **United States Price (USP)**

In calculating USP, the Department treated sales as constructed export price (CEP) sales, as defined in section 772(b) of the Act, because the merchandise was first sold to unaffiliated U.S. purchasers, before or after importation, by an affiliated seller in the United States. There were no export price sales during the period of review.

We based CEP on the delivered price to unaffiliated customers in the United States. We made adjustments, where applicable, for ocean freight, U.S. inland freight, U.S. brokerage and handling expenses, U.S. customs duties, early payment discounts, and rebates. In accordance with section 772(d)(1) of the Act, we made deductions for warranty expenses, royalties, slitting and cutting expenses, credit expenses, and indirect selling expenses associated with economic activity in the United States.

With respect to merchandise to which value was added in the United States by Avesta prior to sale to unaffiliated customers, we deducted the cost of further manufacturing in accordance with section 772(d)(2) of the Act. To arrive at the CEP, the gross unit price was further reduced for both Avesta and Uddeholm by an amount for profit pursuant to section 772(d)(3) of the Act.

##### **Normal Value**

In order to determine whether there were sufficient sales of stainless steel plate in the home market (HM) to serve as a viable basis for calculating NV, we compared the volume of home market sales of subject merchandise to the volume of subject merchandise sold in the United States, in accordance with section 773(a)(1)(C) of the Act. Avesta's aggregate volume of HM sales of the

foreign like product was greater than five percent of its respective aggregate volume of U.S. sales of the subject merchandise. Therefore, for Avesta, we have based NV on HM sales. Uddeholm's aggregate volume of HM sales, on the other hand, was less than five percent of its U.S. sales of the subject merchandise. Therefore, we did not base NV for Uddeholm in its HM sales. Rather, because Canada constituted Uddeholm's largest third-country market, we based NV for Uddeholm on sales to that market.

Avesta made HM sales to both affiliated and unaffiliated distributors during the period of review. We included sales to affiliated distributors when we determined those sales to be at arms-length (i.e., at average prices that were 99.5 percent of more of prices to unaffiliated distributors). When prices to an affiliated distributor were, on average, less than 99.5 percent of the price to unaffiliated distributors, we excluded those sales to affiliated distributors from our calculation of NV. The Department's current policy is to consider transactions between affiliated parties as arm's-length if the prices to affiliated purchasers are on average at least 99.5 percent of the prices charged to unaffiliated purchasers. See e.g., *Certain Stainless Steel Wire Rods from France: Final Results of Antidumping Duty Administrative Review* (63 FR 30185, June 3, 1998).

For Avesta we made adjustments to NV for HM inland freight, quantity discounts, distributor discounts, credit expenses, and warranties.

For Uddeholm we made adjustments to NV for international freight, third-country inland freight, third-country inland insurance, third-country customs duties, early payment discounts, warehousing expenses, and credit expenses.

#### Level of Trade

In accordance with section 773(a)(7) of the Act, to the extent practicable, we determine NV based on sales in the comparison market at the same level of trade (LOT) as the EP or CEP transaction. The NV LOT is that of the starting price sales in the comparison market or, when NV is based on CV, that of the sales from which we derive selling, general, and administrative (SG&A) expenses and profit. For EP sales, the U.S. LOT is also the level of the starting-price sale, which is usually from exporter to importer. For CEP sales, 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 examine the stages in the

marketing process and selling functions along with the chain of distribution between the producer and the unaffiliated customer. If the comparison-market sales are at a different LOT, 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 LOT of the export transaction, we make a LOT 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 requested information concerning the selling functions associated with each phase of marketing, or the equivalent, in each of Uddeholm's and Avesta's markets. For Avesta, we determined that one LOT existed in the home market. Avesta offered the same selling terms and conditions, and provided the same level of marketing assistance, customer service, and technical service to all of its home market customers. We also determined that one LOT exists for Uddeholm's third-country sales. Uddeholm offered the same level of inventory maintenance, technical advice, and after-sale servicing to all of its Canadian customers.

To determine whether Avesta and Uddeholm's CEP and NV sales were at the same LOT, we reviewed information submitted in their questionnaire responses regarding selling functions and marketing processes associated with both categories of sales.

The U.S. subsidiaries of both Uddeholm and Avesta performed selling functions such as inventory maintenance, after-sales servicing, technical advice, advertising, freight and delivery arrangement, and warranties. Although Avesta's actual sales in the home market and Uddeholm's actual sales in Canada were made at a marketing stage similar to that in the United States, and entailed essentially the same functions as described above, our comparison of LOTs does not include these selling functions because, as explained above, we are using the CEP methodology in making price comparisons. Thus, in determining the LOT for the U.S. sales, we only considered the selling activities

reflected in the price after making the appropriate adjustments under section 772(d) of the Act. (Sec, e.g., *Certain Stainless Wire Rods from France: Final Results of Antidumping Duty Administrative Review* (61 FR 47874, September 11, 1996).)

Based on a comparison of the home market (or third-country market) and this CEP LOT, we find significantly different selling functions for both Avesta and Uddeholm. Avesta's and Uddeholm's CEP sales involve no sales administration beyond the processing of incoming production orders, no forward warehousing, no marketing calls to customers, no advertising or sales promotion, and no technical assistance or after-sale warranty expenses. We therefore determine that Avesta's and Uddeholm's CEP sales are at different LOTs than their respective home market or third-country sales.

As stated above, section 773(a)(7)(B) of the Act directs us to make an adjustment for differences in LOTs where such differences affect price comparability. However, because there is only a single LOT in the HM or third country market, we were unable to determine from information on the record whether differences in LOTs affected price comparability. Therefore, we did not make a LOT adjustment for Avesta and Uddeholm. Next, we examined whether a CEP offset is warranted in this case for Avesta and Uddeholm. As indicated above, in accordance with Section 773(a)(7)(B) of the Act, a CEP offset is warranted where NV is established at a LOT which constitutes a more advanced stage of distribution (or the equivalent) than the LOT or the CEP sale and the data available does not provide an appropriate basis to determine a LOT adjustment. We made a CEP offset pursuant to Section 773(a)(7)(B) of the Act because (1) we have determined that Avesta's and Uddeholm's respective home market or third-country LOT is different from the CEP LOT, but the data necessary to calculate the LOT adjustment is unavailable, and (2) for each company, NV has been established at a LOT which constitutes a more advanced state of distribution (or the equivalent) than its CEP LOT.

#### Sales Comparisons

To determine whether sales of stainless steel plate in the United States were made at less than NV, we compared USP to the NV, as described in the "United States Price" and "Normal Value" sections of this notice. In accordance with section 777(A) of the Act, we calculated monthly weighted-

average prices for NV and compared these to individual U.S. transactions.

#### *Preliminary Results of Review*

We preliminarily determine that the following margins exist for the period June 1, 1996 through May 31, 1997:

Avesta .....21.84 percent  
Uddeholm .....11.17 percent

Parties to this proceeding may request disclosure within five days of publication of this notice and any interested party may request a hearing within 10 days of publication. Any hearing, if requested, will be held 37 days after the date of publication, or the first working day thereafter. Interested parties may submit case briefs and/or written comments no later than 30 days after the date of publication. Rebuttal briefs and rebuttals to written comments, limited to issues raised in such briefs or comments, may be filed no later than 35 days after the date of publication. The Department will publish the final results of this administrative review, which will include the results of its analysis of issues raised in any such written comments or at a hearing, within 120 days after the publication of this notice.

The Department shall determine, and Customs shall assess, antidumping duties on all appropriate entries. Because the inability to link sales with specific entries prevents calculation of duties on an entry-by-entry basis, we have calculated an importer-specific *ad valorem* assessment rate for the merchandise based on the ratio of the total amount of antidumping duties calculated for the examined sales made during the POR to the total entered value of the sales used to calculate these duties. This rate will be assessed uniformly on all entries of that particular importer made during the POR. The Department will issue appraisal instructions directly to Customs. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the determination and for future deposits of estimated duties.

Furthermore, the following deposit requirements will be effective upon completion of the final results of these administrative reviews for all shipments of stainless steel plate from Sweden entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of these administrative reviews, as provided by section 751(a)(1) of the Act: (1) the cash deposit rate for reviewed firms will be the rate established in the final results of administrative review,

except if the rate is less than 0.50 percent, and therefore, *de minimis* within the meaning of 19 CFR 353.106, in which case the cash deposit rate will be zero; (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in the original less-than-fair-value (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, 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 these reviews, or the LTFV investigation; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review or the original fair value investigation, the cash deposit rate will be 4.46%.

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 353.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during these review periods. 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 determination is issued in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: June 30, 1998.

**Joseph A. Spetrini,**

*Acting Assistant Secretary for Import Administration.*

[FR Doc. 98-18113 Filed 7-7-98; 8:45 am]

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## DEPARTMENT OF COMMERCE

### International Trade Administration

#### Applications for Duty-Free Entry of Scientific Instruments

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), we invite comments on the question of whether instruments of equivalent scientific value, for the purposes for which the instruments shown below are intended to be used, are being manufactured in the United States.

Comments must comply with 15 CFR 301.5(a)(3) and (4) of the regulations and be filed within 20 days with the Statutory Import Programs Staff, U.S. Department of Commerce, Washington, D.C. 20230. Applications may be examined between 8:30 A.M. and 5:00 P.M. in Room 4211, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C.

Docket Number: 98-004R. Applicant: University of California at Los Angeles, Plasma Physics Laboratory, 405 Hilgard Avenue, P.O. Box 951547, Los Angeles, CA 90095-1547. Instrument: YAG Pumped Dye Laser. Manufacturer: Spectron Laser Systems, United Kingdom. Intended Use: Original notice of this resubmitted application was published in the **Federal Register** of February 18, 1998.

Docket Number: 98-032. Applicant: Massachusetts Institute of Technology, Center for Cancer Research, 77 Massachusetts Avenue, Cambridge, MA 02139. Instrument: Fish Tank System. Manufacturer: Klaus-Jurgen Schwarz, Germany. Intended Use: The instrument will be used for the study of the early development of the zebrafish embryo in order to identify genes that are required for a fish egg to develop normally into a perfect living fish embryo and ultimately into an adult fish. It is expected that the genes identified will help in understanding what goes wrong in human development that can lead to birth defects. Application accepted by Commissioner of Customs: June 19, 1998.

**Frank W. Creel,**

*Director, Statutory Import Programs Staff.*

[FR Doc. 98-18109 Filed 7-7-98; 8:45 am]

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## DEPARTMENT OF COMMERCE

### International Trade Administration

#### University of Michigan, Notice of Decision on Application for Duty-Free Entry of Scientific Instrument

This decision is made 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.

Docket Number: 98-024. Applicant: University of Michigan, Ann Arbor, MI 48109-2150. Instrument: (3) Sensor Sets, Model ODIN 4. Manufacturer: A.D.C. GmbH, Germany. Intended Use: