

**Register**, and the Board adopts the findings and recommendations of the examiner's report and finds that the requirements of the Act and the Board's regulations are satisfied, and that approval of the application is in the public interest;

Now, therefore, the Board hereby grants to the Grantee the privilege of establishing a foreign-trade zone, designated on the records of the Board as Foreign-Trade Zone No. 226, at the sites described in the application, subject to the Act and the Board's regulations, including Section 400.28, and subject to the standard 2,000-acre activation limit.

Signed at Washington, DC, this 22nd day of December, 1997.

Foreign-Trade Zones Board.

**William M. Daley,**

*Secretary of Commerce, Chairman and Executive Officer.*

**John J. Da Ponte, Jr.,**

*Executive Secretary.*

[FR Doc. 98-280 Filed 1-6-98; 8:45 am]

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-122-601]

#### **Brass Sheet and Strip From Canada; Notice of Rescission of Termination of Antidumping Duty Administrative Review**

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

**ACTION:** Notice of rescission of termination of antidumping duty administrative review.

**SUMMARY:** On October 29, 1997 the Department of Commerce (the Department) published in the **Federal Register** a notice of termination of the administrative review of brass sheet and strip from Canada covering imports of subject merchandise for the period January 1, 1993 through December 31, 1993. Due to a procedural oversight by the Department, the signature date of this notice of termination was October 21, 1997, one day prior to the date of the respondent's formal written request, which was submitted to the Department on October 22, 1997. In light of this procedural error, the Department is rescinding its termination of this review and is opening the administrative record of this proceeding for comments by interested parties on the question of termination of this review.

**EFFECTIVE DATE:** January 7, 1998.

**FOR FURTHER INFORMATION CONTACT:** Paul Stolz or Thomas Futtner, Office of AD/CVD Enforcement, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230, telephone: (202) 482-4474 or (202) 482-3814 respectively.

**Applicable Statute and Regulations:** Unless otherwise stated, all citations to the statute and to the Department's regulations are references to the provisions as they existed on December 31, 1997.

#### **SUPPLEMENTARY INFORMATION:**

##### **Background**

The Department published an antidumping duty finding on brass sheet and strip from Canada on January 12, 1987 (52 FR 1217). On January 5, 1994, the Department published in the **Federal Register** a notice of "Opportunity to Request an Administrative Review" of the antidumping duty finding on brass sheet and strip from Canada (59 FR 564). On January 21, 1994, a manufacturer/exporter, Wolverine Tube (Canada) Inc., (Wolverine) requested an administrative review of its exports of the subject merchandise to the United States for the period of review January 1, 1993 through December 31, 1993. In accordance with 19 CFR 353.22(c), we initiated the review on February 17, 1994 (59 FR 7979). On or about October 17, 1997, Wolverine notified the Department by telephone of its intent to request termination of this review. The Department then prepared a notice of termination for the **Federal Register** pending receipt of Wolverine's formal written request. This written request was dated and received by the Department on October 22, 1997. The notice of termination was published in the **Federal Register** on October 29, 1997. However, due to a procedural oversight, the signature date of the notice was October 21, 1997, one day prior to actual receipt of the written request for termination. In the interest of procedural integrity, the Department is hereby rescinding its termination of this review in order to afford interested parties the opportunity to comment as to whether this review should be terminated or not. Thus, interested parties may submit comments of on the issue of termination of this review only, within 10 calendar days of publication of this notice. Interested parties may submit rebuttal comments beginning on the eleventh calendar day after publication of this notice and no later than the twentieth day after publication

of this notice. The Department will then review any comments submitted and make a determination as to whether or not this review should be terminated.

Dated: December 30, 1997.

**Richard W. Moreland,**

*Acting Deputy Assistant Secretary, Group II, Import Administration.*

[FR Doc. 98-277 Filed 1-6-98; 8:45 am]

BILLING CODE 3510-DS-M

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-570-827]

#### **Certain Cased Pencils From the People's Republic of China; Final Results of Antidumping Administrative Review**

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

**ACTION:** Notice of final results of antidumping duty administrative review of certain cased pencils from the People's Republic of China.

**SUMMARY:** On September 5, 1997, the Department of Commerce published the preliminary results and partial rescission of administrative review of the antidumping duty order on certain cased pencils from the People's Republic of China covering the period of review of December 1, 1995, through November 30, 1996 (62 FR 46945). We gave interested parties an opportunity to comment on our preliminary results. We received one comment from the petitioners, the Pencil Section of the Writing Instrument Manufacturers Association and its members (domestic producers of pencils). We received no other comments from respondents or other interested parties. Based on our analysis of the comment received, there are no changes to these final results of review from the preliminary results of review, and the review indicates the existence of a country-wide dumping margin of 53.65 percent for this period.

**EFFECTIVE DATE:** January 7, 1998.

**FOR FURTHER INFORMATION CONTACT:** Jack Dulberger or Irene Darzenta, AD/CVD Enforcement Group II, Office Four, Import Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230, telephone (202) 482-5505/6320.

**APPLICABLE STATUTE:** 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 (URAA). In addition, unless otherwise indicated, all citations to the regulations of the Department of Commerce (the Department) are to the regulations set forth at 19 CFR part 353 (April 1997).

#### SUPPLEMENTARY INFORMATION:

##### *Scope of the Review*

The products covered by this review are certain cased pencils of any shape or dimension which are writing and/or drawing instruments that feature cores of graphite or other materials encased in wood and/or man-made materials, whether or not decorated and whether or not tipped (e.g., with erasers, etc.) in any fashion, and either sharpened or unsharpened (pencils). The pencils subject to this review are classified under subheading 9609.10.00 of the Harmonized Tariff Schedule of the United States (HTSUS). Specifically excluded from the scope of this investigation are mechanical pencils, cosmetic pencils, pens, non-case crayons (wax), pastels, charcoals, and chalks.<sup>1</sup> Although the HTSUS subheading is provided for convenience and customs purposes, our written description of the scope of this review is dispositive.

##### *Background*

The antidumping duty order on pencils from the People's Republic of China (PRC) was published on December 28, 1994 (59 FR 66909). On September 5, 1997, the Department published in the **Federal Register** the preliminary results of its review of this order for the period of review (POR) December 1, 1995 through November 30, 1996. In our preliminary results of September 5, 1997, we rescinded the review as to the companies which reported that they had no shipments of subject merchandise during the POR (i.e., China First Pencil Company, Ltd. (China First) and Guangdong Provincial Stationery & Sporting Goods Import and Export Corporation (Guangdong)). With respect to these companies, we confirmed by letter from the U.S. Customs Service dated August 19, 1997, that the only subject merchandise exported during the POR was merchandise excluded from the order (i.e., merchandise manufactured by the factories upon which zero margins in

the less-than-fair-value investigation were based).<sup>2</sup> See *Antidumping Duty Order: Certain Cased Pencils from the People's Republic of China*, 59 FR 66909 (December 28, 1994). Therefore, these final results apply only to the PRC-wide entity, which includes the remaining respondents in this review which did not reply to our questionnaire and show that they are entitled to a rate separate from the PRC entity. In response to an opportunity to comment on our preliminary results, the petitioners submitted a comment on October 6, 1997. We receive no other comments from respondents or other interested parties.

##### *Analysis of Comment Received* *Comment*

Petitioners assert that the Department's proposal to use the recalculated petition rate as the facts available (FA) is incorrect. Petitioners assert that agency practice and the applicable statutory provisions require that the FA charges be reliable and relevant. According to petitioners, the recalculated petition rate applied by the Department in the preliminary results fails to meet the reliability requirement because it is based on several legal errors. According to the petitioners, these errors include the selection of the surrogate market economy country to determine surrogate wood costs, the failure to exclude data which were untimely submitted, the failure to determine a surrogate value for factors of production (such as the transportation of raw materials from suppliers to producers and the transportation of pencils from producers to the ports of exportation), the failure to take into account information determined during the investigation concerning actual general expenses for the Indian pencil industry, and several errors the Department committed during

the remand determination that render the surrogate valuation of Chinese pencil slats, and thus the "PRC rate" which was premised on such valuation, unreliable.

##### *Department's Position*

We disagree with the petitioners. Where the Department must rely on FA because a respondent failed to cooperate to the best of its ability in responding to a request for information, section 776(b) of the Act authorizes the Department to make an inference adverse to the interests of that respondent in choosing FA. Section 776(b) of the Act also authorizes the Department to use as adverse FA information derived from the petition, the final determination in the investigation, a previous administrative review, or other information placed on the record. Because information from prior proceedings constitutes secondary information, section 776(c) of the Act provides that the Department shall, to the extent practicable, corroborate that secondary information from independent sources reasonably at its disposal. See also, Statement of Administrative Action (SAA) (H. Doc. 316, 103d Cong., 2nd Sess. 870), providing that "corroborate" means that the Department will satisfy itself that the secondary information to be used has probative value. The SAA, at page 870, clarifies that the petition is "secondary information."

The Department, as indicated in the preliminary results of review, has decided to use the petition in the LTFV investigation as the basis for adverse FA. The petition rate was "recalculated" for the first time during the LTFV investigation. Later, in litigation arising out of that investigation, we requested that the CIT remand to us two issues for further consideration: (1) Basswood prices; and (2) valuation of slats and logs. In performing this remand, the Department revised certain calculations; these revisions led to a change in the recalculated petition rate (from 44.66 percent to 53.65 percent). The newly recalculated petition rate was then affirmed by the CIT in *Writing Instrument Manufacturer's Ass'n Pencil Section, et al., v. United States*, Slip Op. 97-151 (CIT November 13, 1997). Consistent with a recent ruling by the U.S. Court of Appeals for the Federal Circuit in an unrelated action, we consider it to be inappropriate to use as FA a rate we have determined to be inaccurate. See *D&L Supply v. United States*, 1997 WL 230117, at 2 (Fed. Cir. May 8, 1997). We have therefore used the newly recalculated petition rate as the basis of FA.

<sup>1</sup> On September 15, 1997, the Department determined that "Bensia" pencils imported by Nadel Trading Corporation from the PRC are also excluded from the scope of the order. See *Final Scope Ruling—Antidumping Duty Order on Certain Cased Pencils from the People's Republic of China—Request by Nadel Trading Corporation for a Ruling on the Bensia Pencil*.

<sup>2</sup> China First exports of merchandise produced by China First itself were originally excluded from this order, and thus no suspension of liquidation of such entries was made prior to or during this POR (i.e., 1995-1996). However, in litigation brought to challenge the *Final Determination of Sales at Less Than Fair Value (LTFV)*, the Department issued a remand determination which was subsequently affirmed by the U.S. Court of International Trade (CIT). See *Writing Instrument Manufacturers Ass'n Pencil Section, et al. v. United States*, Slip Op. 97-151 (CIT November 13, 1997). In this remand determination, the Department determined, among other things, that merchandise exported and produced by China First is, in fact, covered by the order. Therefore, for entries of merchandise exported and produced by China First and entered on or after November 23, 1997, there will be suspension of liquidation pending final and conclusive disposition of the remand results. See also the Department's *Notice of Court Decision: Certain Cased Pencils from the People's Republic of China*, 62 FR 65243 (December 11, 1997).

There is no basis on the record of this case to question the probative value of the newly recalculated petition rate and we therefore consider it to be corroborated. Petitioners' claims against this rate, which are based on evidence which is contained in the administrative record of the LTFV investigation, are not properly before the Department in this segment of the proceeding.

#### *Final Results of the Review*

Based on our analysis of this comment, we have determined that no changes to the preliminary results are warranted for purposes of these final results, and a margin of 53.65 percent exists for the PRC entity for the period December 1, 1995 through November 30, 1996. This rate applies to all exports of pencils from the PRC other than those produced and exported by China First (because China First's exports produced by China First and entered during the POR were excluded from the order), those produced by Shanghai Three Star Stationery Company, Ltd. (Three Star) and exported by Guangdong (because Three Star's exports produced by Guangdong were also excluded from the order), and those exported by Shanghai Foreign Trade Corporation (SFTC) (an exporter which was previously determined to be entitled to a separate rate and for which the petitioners withdrew their request for this administrative review). The weighted-average dumping margin is as follows:

| Manufacturer/producer/exporter | Weighted average margin percent |
|--------------------------------|---------------------------------|
| PRC Rate .....                 | 53.65                           |

The U.S. Customs Service shall assess antidumping duties on all appropriate entries. Individual differences between United States price and normal value may vary from the percentage stated above. The Department will issue appraisal instructions concerning the respondent directly to the U.S. Customs Service. Furthermore, the following deposit requirements will be effective for all shipments of the subject merchandise, entered, or withdrawn from warehouse, for consumption on or after the publication date of these final results of administrative review, as provided for by section 751(a)(1) of the Act: (1) No cash deposit is required for entries of subject merchandise both produced by Three Star and exported by Guangdong; (2) the cash deposit rate for merchandise both produced and exported by China First is unaffected by this notice (see footnote 2, above); (3) the cash deposit rate for SFTC will be

8.31 percent (based on the December 28, 1994 antidumping duty order (59 FR 66909)); (4) the cash deposit rate for merchandise exported by China First and produced by any manufacturer other than China First, for merchandise exported by Guangdong and produced by any manufacturer other than Three Star, and merchandise exported by all other PRC exporters, will be the PRC rate of 53.65 percent; and (5) for non-PRC exporters of subject merchandise from the PRC, the cash deposit rate will be the rate of its supplier. These deposit requirements shall remain in effect until publication of the final results of the next administrative review.

Upon completion of this review, we will direct the U.S. Customs Service to assess an ad valorem rate of 53.65 percent against the entered value of each entry of subject merchandise during the POR for all firms except those firms excluded from the order or entitled to a separate rate.

This notice serves as the 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 the subsequent assessment of double antidumping duties.

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 353.34(d). Timely written notification or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of the APO is a sanctionable violation.

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

Dated: December 22, 1997.

**Robert S. LaRussa,**

*Assistant Secretary for Import Administration.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-580-815]

#### **Certain Cold-Rolled Carbon Steel Flat Products From Korea: Final Results of Antidumping Duty Administrative Review**

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

**ACTION:** Final results of antidumping duty administrative review.

**SUMMARY:** On December 19, 1995, the Department of Commerce ("the Department") published the preliminary results of the administrative review of the antidumping duty order on certain cold-rolled carbon steel flat products from Korea. This review covers two manufacturers/exporters of the subject merchandise to the United States and the period August 18, 1993, through July 31, 1994. We gave interested parties an opportunity to comment on our preliminary results. Based on our analysis of the comments received, we have changed the results from those presented in the preliminary results of review.

**EFFECTIVE DATE:** January 7, 1998.

**FOR FURTHER INFORMATION CONTACT:** Charles Rast (Dongbu), Alain Letort (Union), or Linda Ludwig, Office of Agreements Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230, telephone (202) 482-3793 or fax (202) 482-1388.

#### **SUPPLEMENTARY INFORMATION:**

##### **Background**

On July 9, 1993, the Commerce Department published in the **Federal Register** (58 FR 37176) the final affirmative antidumping duty determination on certain cold-rolled carbon steel flat products from Korea, for which we published an antidumping duty order on August 19, 1993 (58 FR 44159). On August 3, 1994, the Department published the "Notice of Opportunity to Request an Administrative Review" of this order for the period August 18, 1993 through July 31, 1994 (59 FR 39543). We received a request for an administrative review from Dongbu Steel Co., Ltd. ("Dongbu") and Union Steel Manufacturing Co., Ltd. ("Union"). We initiated the administrative review on September 8, 1994 (59 FR 46391).

In a letter dated February 1, 1995, petitioners formally requested that the