

Department”), pursuant to sections 751(c) and 752 of the Tariff Act of 1930, as amended (“the Act”), determined that revocation of the antidumping duty orders on granular polytetrafluoroethylene resin (“PTFE”) from Italy and Japan would likely lead to continuation or recurrence of dumping (64 FR 67865 (December 3, 1999)). On December 27, 1999, the International Trade Commission (“the Commission”), pursuant to section 751(c) of the Act, determined that revocation of the antidumping duty orders on PTFE from Italy and Japan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time (64 FR 72362 (December 27, 1999)). Therefore, pursuant to 19 CFR 351.218(f)(4), the Department is publishing this notice of the continuation of the antidumping duty orders on PTFE from Italy and Japan.

EFFECTIVE DATE: January 3, 2000.

FOR FURTHER INFORMATION CONTACT:

Darla D. Brown or Melissa G. Skinner, Office of Policy for Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Ave., NW, Washington, D.C. 20230; telephone: (202) 482–3207 or (202) 482–1560, respectively.

Background

On May 3, 1999, the Department initiated, and the Commission instituted, sunset reviews (64 FR 23596 and 64 FR 23677, respectively) of the antidumping duty orders on PTFE from Italy and Japan pursuant to section 751(c) of the Act. As a result of these reviews, the Department found that revocation of the antidumping duty orders would likely lead to continuation or recurrence of dumping and notified the Commission of the magnitude of the margin likely to prevail were the orders revoked.¹

On December 27, 1999, the Commission determined, pursuant to section 751(c) of the Act, that revocation of the antidumping duty orders on PTFE from Italy and Japan would likely lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.²

¹ See *Final Results of Expedited Sunset Reviews: Granular Polytetrafluoroethylene Resin from Italy and Japan*, 64 FR 67865 (December 3, 1999).

² See *Granular Polytetrafluoroethylene Resin from Italy and Japan*, 64 FR 72362 (December 27, 1999), and USITC Publication 3260 (December 1999), *Granular Polytetrafluoroethylene Resin from Italy and Japan: Investigations Nos. 731-TA-385-386 (Review)*.

Scope

The merchandise subject to these antidumping duty orders is PTFE from Italy and Japan. The subject merchandise is defined as granular PTFE resin, filled or unfilled. The order explicitly excludes PTFE dispersions in water and PTFE fine powders. Such merchandise is currently classifiable under the Harmonized Tariff Schedule (HTS) item number 3904.61.00. This HTS item number is provided for convenience and customs purposes only. The written description remains dispositive.

There has been one scope ruling with respect to the order on PTFE from Japan in which reprocessed PTFE powder was determined to be outside the scope of the order (57 FR 57420; December 4, 1992). The Department issued a circumvention determination in which it determined that PTFE wet raw polymer exported from Italy to the United States falls within the scope of the order on PTFE from Italy (58 FR 26100; April 30, 1993).

Determination

As a result of the determinations by the Department and the Commission that revocation of these antidumping duty orders would likely lead to continuation or recurrence of dumping and material injury to an industry in the United States, pursuant to section 751(d)(2) of the Act, the Department hereby orders the continuation of the antidumping duty orders on PTFE from Italy and Japan. The Department will instruct the U.S. Customs Service to continue to collect antidumping duty deposits at the rate in effect at the time of entry for all imports of subject merchandise.

Normally, the effective date of continuation of a finding, order, or suspension agreement will be the date of publication in the **Federal Register** of the Notice of Continuation. As provided in 19 CFR 351.218(f)(4), the Department will issue its determination to continue a finding, order, or suspended investigation not later than seven days after the date of publication in the **Federal Register** of the Commission’s determination concluding the sunset review and immediately thereafter will publish its notice of continuation in the **Federal Register**. In these instant cases, however, the Department’s publication of the Notice of Continuation was delayed. The Department has explicitly indicated that the effective date of continuation of these orders is January 3, 2000, seven days after the publication in the **Federal Register** of the Commission’s determination. As a

result, pursuant to section 751(c)(6)(A) of the Act, the Department intends to initiate the next five-year review of these orders not later than December 2004.

Dated: February 1, 2000.

Holly A. Kuga,

Acting Assistant Secretary for Import Administration.

[FR Doc. 00–2837 Filed 2–7–00; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–412–803]

Industrial Nitrocellulose From the United Kingdom; Notice of Final Results of Antidumping Duty Administrative Review

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

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

SUMMARY: On August 6, 1999, the Department of Commerce (“the Department”) published the preliminary results of its administrative review of the antidumping duty order on industrial nitrocellulose (“INC”) from the United Kingdom. This review covers one manufacturer/exporter of the subject merchandise to the United States during the period July 1, 1997, through June 30, 1998.

We gave interested parties an opportunity to comment on our preliminary results. Based on our analysis of the comments received, we have changed the final results from those presented in the preliminary results. The final results are listed below in the section *Final Results of the Review*.

EFFECTIVE DATE: February 8, 2000.

FOR FURTHER INFORMATION CONTACT: Ron Trentham or Thomas Futtner, AD/CVD Enforcement, Office IV, Group II, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482–6320 or 482–3814, respectively.

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 ("URAA"). In addition, unless otherwise indicated, all citations to the Department's regulations are to 19 CFR Part 351 (1999).

SUPPLEMENTARY INFORMATION:

Background

On August 6, 1999, the Department published in the **Federal Register** (64 FR 42908) the preliminary results of the administrative review of the antidumping order on industrial nitrocellulose (INC) from the United Kingdom, 55 FR 28270 (July 10, 1990). We gave interested parties an opportunity to comment on the preliminary results. On September 7, 1999, we received a case brief from Imperial Chemical Industries PLC ("ICI") ("respondent"). On September 8, 1999, we received a case brief from Hercules Incorporated ("petitioner"). On September 14, 1999, we received a rebuttal case brief from the respondent. Based on our analysis of the comments received, we changed the final results from those presented in the preliminary results as described below in "*Changes from the Preliminary Results*" and "*Interested Party Comments*" sections of this notice. The Department has now completed this administrative review in accordance with section 751(a) of the Act.

Scope of Review

Imports covered by this review are shipments of INC from the United Kingdom. INC is a dry, white amorphous synthetic chemical with a nitrogen content between 10.8 and 12.2 percent, and is produced from the reaction of cellulose with nitric acid. INC is used as a film-former in coatings, lacquers, furniture finishes, and printing inks. The scope of this order does not include explosive grade nitrocellulose, which has a nitrogen content of greater than 12.2 percent.

INC is currently classified under Harmonized Tariff System (HTS) subheading 3912.20.00. While the HTS item number is provided for convenience and Customs purposes, the written description remains dispositive as to the scope of the product coverage.

Changes From the Preliminary Results

1. We corrected an error in the model match program with regard to the physical characteristic viscosity. *See* Comment 5.

2. We corrected an error in the calculation of net interest expense used to determine the constructed export price ("CEP") profit ratio. *See* Comment 4.

Interested Party Comments

Comment 1: Categorization of U.S. Sales

The petitioner states that in the 1996–1997 administrative review of the subject antidumping duty order, the Department determined that sales to the United States by ICI were CEP, and not export price ("EP") transaction. *See Industrial Nitrocellulose From the United Kingdom; Notice of Final Results of Antidumping Duty Administrative Review*, 64 FR 6609 (February 10, 1999) ("1996–1997 Final Results"). According to the petitioner, ICI has failed to show any changes in the manner in which its merchandise is sold in the United States that would lead the Department to change its categorization. Thus, the petitioner contends that the Department was correct in finding ICI's U.S. sales to be CEP in this review as well, and should not alter such finding. In addition, the petitioner notes that ICI reported all of its U.S. sales as CEP transactions in response to the Department's instructions in its February 17, 1999 supplemental questionnaire.

In rebuttal ICI states that its action to acquiesce to the Department's determination that its U.S. sales in this review are CEP sales does not represent agreement with petitioner's comments and "is without prejudice to its position involving sales in future reviews."

Department's Position

We agree with the petitioner and for these final results we have continued to treat ICI's U.S. sales as CEP sales.

Comment 2: CEP Offset

The petitioner states that the Department incorrectly granted ICI a CEP offset. The petitioner contends that the Department's present methodology for determining the appropriateness of a CEP offset has been deemed "contrary to law" by recent Court of International Trade ("CIT") decisions, *Borden, Inc. v. United States*, 4 F. Supp. 2d 1221, 1241 (Ct. Intl. Trade 1998) ("Borden") and *Micron Technology v. United States*, 40 F. Supp. 2d 481, (Ct. Intl. Trade 1999) ("Micron").

In rebuttal ICI states that the Department has filed notice of appeal of *Borden* and the *Micron* decision is on remand to the Department. According to ICI, *Borden* and *Micron* are not final decisions because a decision of the CIT that has been appealed "is not a 'final court decision'." *See Timken Co. v. United States*, 893 F.2d 337, 339 (Fed. Cir. 1990). Thus, ICI contends that the Department's position to continue to apply its current methodology of adjusting CEP, as articulated in section

351.412 of the Department's regulations, is correct since the issue has not been fully judicially determined.

Department's Position

The Department has consistently stated that the statute and the Statement of Administrative Action ("SAA") support analyzing the level of trade ("LOT") of CEP sales at the constructed level, after expenses associated with economic activities in the United States have been deducted, pursuant to section 772(d) of the Act. In the preamble to our proposed regulations, we stated:

With respect to the identification of levels of trade, some commentators argued that, consistent with past practice, the Department should base level of trade on the starting price for both export price EP and CEP sales ... The Department believes that this proposal is not supported by the SAA. If the starting price is used for all U.S. sales, the Department's ability to make meaningful comparisons at the same level of trade (or appropriate adjustments for differences in levels of trade) would be severely undermined in cases involving CEP sales. As noted by other commentators, using the starting price to determine the level of trade of both types of U.S. sales would result in a finding of different levels of trade for an EP sale and a CEP sale adjusted to a price that reflected the same selling functions. Accordingly, the regulations specify that the level of trade analyzed for EP sales is that of the starting price, and for CEP sales it is the constructed level of trade of the price after the deduction of U.S. selling expenses and profit.

See Antidumping Duties; Countervailing Duties; Notice of Proposed Rule Making and Request for Public Comments, 61 FR 7308, 7347 (February 27, 1996).

Consistent with the above position, the Department evaluates the level of trade for CEP sales based on the price after adjustments are made under section 772(d) of the Act. *See, e.g., Large Newspaper Printing Presses and Components Thereof, Whether Assembled or Unassembled, From Japan: Notice of Final Determination of Sales at Less Than Fair Value*, 61 FR 38139, 38143 (July 23, 1996). We note that, in every case decided under the revised antidumping statute, we have consistently adhered to this interpretation of the SAA and of the Act. *See, e.g., Aramid Fiber Formed of Poly Para-Phenylene Terephthalamide from the Netherlands; Preliminary Results of Antidumping Duty Administrative Review*, 61 FR 15766, 15768 (April 9, 1996); *Certain Stainless Steel Wire Rods from France; Preliminary Result of Antidumping Duty Administrative Review*, 61 FR 8915, 8916 (March 6, 1996); *Antifriction Bearings (Other Than Tapered Roller*

Bearings) and parts Thereof from France, et. al., Preliminary Results of Antidumping Duty Administrative Review, 61 FR 25713, 35718–23 (July 8, 1996); and *Dynamic Random Access Memory Semiconductors of One Megabit or Above From the Republic of Korea: Final Results of Antidumping Duty Administrative Review and Determination Not To Revoke the Order in Part*, 64 FR 69694 (December 14, 1999).

In accordance with the above precedent, our instructions in the questionnaire issued to ICI for this case stated that constructed LOT should be used. ICI adequately documented the differences in selling functions in the home and in the U.S. markets. See Memorandum Regarding Industrial Nitrocellulose from the United Kingdom-LOT Analysis-Imperial Chemical Industries, PLC, August 2, 1999 (“LOT Analysis Memo”). Therefore, the Department’s decision to grant a CEP offset to ICI was consistent with the statute and the Department’s practice, and was supported by substantial evidence on the record.

We disagree with the petitioner’s interpretation of *Borden* and of its impact on our current practice. In *Borden*, the court held that the Department’s practice to base the LOT comparisons on CEP sales after CEP deductions is an impermissible interpretation of section 772(d) of the Act. See *Borden*, 4 F. Supp. 2d at 1236–38; see also *Micron*, 40 F. Supp. 2d at 485–86. The Department believes, however, that its practice is in full compliance with the statute. On June 4, 1999, the CIT entered final judgement in *Borden* on the LOT issue. See *Borden, Inc. v. United States*, Court No. 96–08–01970, Slip Op. 99–50 (CIT June 4, 1999). The government has filed an appeal of *Borden* which is pending before the U.S. Court of Appeals for the Federal Circuit. Consequently, the Department has continued to follow its normal practice of adjusting CEP under section 772(d) of the Act, prior to starting a LOT analysis, as articulated in the regulations at section 351.412. Accordingly, consistent with the preliminary results, we will continue to analyze the LOT based on adjusted CEP prices, rather than the starting CEP prices.

Comment 3: LOT Analysis

Notwithstanding its argument above, the petitioner contends that the respondent is not entitled to a CEP offset even on the basis of the Department’s LOT/CEP methodology. The petitioner states that in the 1996–1997 *Final Results*, the Department

denied a CEP offset to ICI using the same methodology as that used in the instant review. According to the petitioner, “even after removing many of ICI’s selling activities in the U.S. market, the Department nonetheless found that not only did significant selling functions remain in both the U.S. and home markets, but that these functions were “essentially identical” in both markets.”

The petitioner argues that in the present review, as in the prior segment, ICI is not entitled to the CEP offset. First, the channels of distribution are the same in both markets. Second, significant parallel selling functions “remain in both the U. S. and home markets” even after adjusting for selling functions occurring in the United States pursuant to section 772(d) of the Act.

The petitioner notes that in its LOT analysis the Department concludes that “the home market LOT includes significantly more selling functions and greater selling expenses than the CEP LOT.” See LOT Analysis Memo. However, the petitioner claims that in this review, as in the preceding one, significant selling functions continue to be carried out at the CEP LOT. Moreover, the petitioner contends that certain of the “selling functions” listed in the chart in the LOT Analysis Memo in order to differentiate ICI’s home market and CEP sales are distinctions without a difference.

According to the petitioner, the category “Technical Support Services” is insignificant for both home market and CEP sales. The petitioner argues that the Department has compared a “may-occasionally-answer-a-technical-question” in the home market with a “no-expense-incurred” answer regarding CEP sales. Moreover, the petitioner maintains that as one of only five categories of selling activities designed to show differences between home market and CEP sales significant enough to warrant a CEP offset, this item carries a full 20 percent of the “conceptual totality” of home market to CEP sales differences.

The petitioner contends that, in this manner, the Department has elevated an item of virtual non-difference to a level whereby it may significantly impact the CEP offset determination, and thus, ultimately, the dumping margin.

The petitioner notes that for the second of the chart’s five categories, “Sales Activities”, there is a “Yes” for home market sales and a “No” for sales CEP sales. However, the petitioner argues that despite the “No” grade, there are certain functions subsumed under the “Sales Activities” box on the chart with regard to CEP sales, such as

order processing, issuing confirmations, etc..

The fourth of the five categories on the chart, “Sales Support”, shows a “Yes” for the home market and a “No” for CEP sales. With regard to this category, the petitioner alleges that the respondent has failed to disclose that ICI entertained numerous U.S. customers and potential customers in Scotland.

According to the petitioner, it can be seen that the chart used in the LOT Analysis Memo to differentiate ICI’s home-market and CEP selling functions gives the erroneous impression that major differences exist between the two. However, the petitioner argues that the differences in the functions are very few.

In rebuttal, ICI states that the petitioner’s argument that ICI is not entitled to a CEP offset in the present review because it was denied a CEP offset in the 1996–1997 review is legally flawed. ICI argues that each administrative review is a separate proceeding, conducted and based upon its own record. ICI maintains that as preliminarily determined by the Department, the record in this administrative review fully supports the allowance of a CEP offset. According to ICI, it is this record that is determinative and not the record from the previous review or for that matter the determination that was based on the prior record.

ICI contends that virtually the entire argument submitted by the petitioner under its category “sales support” is based on assertions made at the time its case brief was filed. According to ICI, the Department should not accept this information into the record and should not consider it in its analysis. Further, ICI notes that throughout its factual analysis comments the petitioner attempts to assign a 20 percent numerical value to each of the five categories listed in the chart and attempts to find minor flaws with the Department’s factual analysis in each category. ICI contends that this biased approach seems absurd on its face and that there is no basis to claim that each of the summary categories carries the same weight. Moreover, ICI claims that the petitioner’s critiques are extremely selective and limited and, for the most part, do not address the record as a whole.

ICI asserts that in its “sales activities” table the petitioner seems to criticize the Department for not taking into account ordering and freight functions in sales to the U.S. affiliate. However, ICI argues that these categories of activities were considered and analyzed by the

Department with regard to the sales administration and sales services section of the chart. Further, ICI notes that although the petitioner "pays lip service to the notion" that selling functions for respondent's U.S. sales and related expenses associated with economic activity in the United States are removed from the analysis, its comments consistently seem to use such functions as support for its argument.

Department's Position:

We disagree with the petitioner's claim that ICI is not entitled to a CEP offset in the present review because it was denied a CEP offset in a preceding segment of the proceeding. Each review is a separate segment of the proceeding with a separate and distinct factual record. *See 1996-1997 Final Results*, 64 FR at 6612.

Section 773(a)(7)(A) of the Act provides for a LOT adjustment 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 sales on which normal value (NV) is based and comparison market sales at the LOT of the export transaction. Section 351.412(c)(2) of the Department's regulations states that the Secretary will determine that sales are made at different LOTs if they are made at different marketing stages (or their equivalent). To make this determination, the Department reviews such factors as selling functions, classes of customer, and the level of selling expenses for each type of sale. Different stages of marketing necessarily involve differences in selling functions, but differences in selling functions, even substantial ones, are not alone sufficient to establish a difference in the LOT.

Similarly, while customer categories such as "distributor" and "wholesaler" may be useful in identifying different LOTs, they are insufficient in themselves to establish that there is a difference in the LOT. In addition, the Department bases the LOT of CEP sales on the transaction to the affiliate in the United States after making CEP deductions under section 772(d) of the Act, as amended. *See Gray Portland Cement and Clinker from Mexico; Final Results of Antidumping Duty Administrative Review*, 64 FR 13148 (March 17, 1999) ("Gray Portland Cement"); *Notice of Final Determination of Sales at Less Than Fair Value; Certain Cut-to-Length Carbon Steel Plate from South Africa*, 62 FR 61631 (November 19, 1997); *Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof From France, Germany, Italy, Japan,*

Singapore, and the United Kingdom; Final Results of Antidumping Duty Administrative Reviews, 62 FR 2081 (January 15, 1997).

Based upon our analysis of the record, we determine, as in the preliminary results of review, that ICI's home market sales occurred at a different and more advanced stage of distribution than ICI's sales to its U.S. affiliate. The record demonstrates that ICI performs sales activities, sales support, and technical service support for its sales in the home market but not for its CEP sales to the U.S. affiliate after deducting the expenses pursuant to section 772(d) of the Act. Thus, contrary to the petitioner's assertions, we find adequate basis on the record to conclude that ICI performs three of its five selling functions with respect to only its home market sales and not with respect to its CEP sales.

In addition, based on our analysis of sales administration and sales services, we find that ICI performs these selling functions at a higher level of intensity for its home market sales than for its CEP sales. Contrary to the petitioner's assertion, selling functions do not carry the same weight. In the Department's questionnaire, respondents are asked to describe the degree to which each selling activity was performed on its reported sales. Thus, when we compare the CEP level of trade to the home market level of trade, we analyze selling functions on the basis of not only function but intensity, as well. *See Gray Portland Cement*, 64 FR at 13161; *Professional Electric Cutting Tools from Japan; Preliminary Results of Antidumping Duty Review*, 63 FR 30706, 30708 (June 5, 1998).

Thus, as the record demonstrates, ICI performs the majority of its selling functions with respect to its home market sales and not with respect to its CEP sales. In addition, ICI does not perform any services for its CEP sales which it does not perform for its home market sales. Accordingly, we determine that ICI's home market sales occur at a different and more advanced stage of distribution than its CEP sales. We also determine that a LOT adjustment cannot be calculated because the data provided do not provide an appropriate basis upon which to determine a LOT adjustment. Therefore, in accordance with section 773(a)(7)(B) of the Act, a CEP offset is appropriate for these final results.

Finally, we agree with ICI that the petitioner's assertions regarding the entangling of U.S. market customers and potential customers by ICI in Scotland are unsubstantiated by factual information on the record and we have

disregarded these assertions for the purposes of these final results.

Comment 4: CEP Profit Ratio

The petitioner alleges that the Department has incorrectly calculated the CEP profit ratio by looking to ICI's net operating income as the numerator, instead of ICI's total U.S. expenses. According to the petitioner, under section 772(f) of the Act, CEP profit is determined by multiplying total actual profit by the applicable percentage, which is determined pursuant to section 772(f)(2)(A) of the Act, by dividing total U.S. expenses by total expenses. The CEP profit ratio should be stated as "[p]rofit on ordinary activities before taxation" divided by operating costs plus net interest payable.

In rebuttal, ICI contends that the petitioner is confusing the terms "applicable percentage" and "CEP profit ratio" as having the same meaning. According to ICI, the "applicable percentage" consists of the ratio of U.S. total expenses divided by the total expenses, whereas, the "CEP profit ratio" is a percentage derived from a two-step calculation: (1) calculation of a total actual profit by deducting total expenses from total revenue, and (2) dividing the total actual profit by the total expenses. This CEP ratio is then applied to the CEP selling expenses to derive an actual CEP profit for the CEP sales. ICI maintains that this is the formula used by the Department in its calculation of the CEP profit for the CEP sales.

ICI argues that the numerator used by the petitioner in calculating the CEP profit ratio, *i.e.*, profit on ordinary activities before taxation, is incorrect. According to ICI, the profit figure used by the petitioner does not consist of profit before ordinary activities; rather, it takes into account profit realized on activities which have nothing to do with income derived from ICI's main core business.

ICI maintains that the Department's calculation of the total actual profit and CEP ratio is correct because it deducts the total revenue derived from operations from the total expenses. According to ICI, this methodology reflects the actual profit earned by ICI from the operations of its main core business.

Department's Position

We agree with respondent that the correct methodology was used in the calculation of CEP profit in our preliminary results and thus, we have used the same methodology for calculating CEP profit in these final results.

Section 772(d)(3) of the Act provides that CEP shall be reduced by the profit allocable to selling, distribution, and further manufacturing activities in the United States.

Section 772(f) of the Act provides three alternative methods for determining total expenses for purposes of computing CEP profit. These alternatives form a hierarchy where the use of any one of the methods depends on the data available to the Department from the case record. We were unable to apply the first alternative (section 772(f)(2)(C)(i)) because the Department is not conducting a sales below cost investigation and, therefore, ICI did not report COP or CV information for the home market and U.S. products. In addition, we were unable to apply the second alternative (section 772(f)(2)(C)(ii)) because the financial statements of ICI are not specific to the production costs and sales information of merchandise sold only in the U.S. and home market. Therefore, we calculated CEP profit using alternative three (section 772(f)(2)(C)(iii)). Under this alternative, we calculated the profit percentage based on ICI's financial statement of 1997 for merchandise produced and sold by the respondent in all countries.

Pursuant to the Department's policy as embodied in Policy Bulletin 97.1, "Calculation of Profit for Constructed Export Price Transactions," we determined the CEP profit ratio by using ICI's income before taxes which we calculated by subtracting total expenses (cost of sales, distribution costs, research and development, administrative expenses and net interest expense) from net sales revenue. We then divided income before taxes by total expenses to arrive at a CEP profit ratio which we then multiplied by CEP selling expenses to arrive at CEP profit.

During the course of our analysis, we discovered that an incorrect amount for net interest expense was used in the calculation of the CEP profit ratio. Therefore, for these final results, we have recalculated the CEP profit ratio to include the correct net interest expense. See Calculation Memorandum of the Final Results for the 1997-1998 Administrative Review of Imperial Chemical Industries, February 2, 2000 ("Final Calculation Memo").

Comment 5: Clerical Error in Model Match Program

ICI states that the Department should correct a clerical error in its model match program that resulted in the failure of the program to match certain U.S. sales transactions with the most similar home market sales. According to

ICI, the Department's model match computer program was based on six physical characteristics reported in both the U.S. and home market sales files. With regard to the physical characteristic viscosity, the Department ranked the viscosity ranges for each U.S. and home market control number (CONNUM) by assigning a code. ICI contends that the Department's program contains a computer programming error in the ranking of the viscosity codes for both home market and U.S. products. ICI argues that this error resulted in matching one U.S. product with a home market product that is not the most similar match in terms of physical characteristics to the U.S. product. No comments were submitted by the petitioner on this issue.

Department's Position

We agree with ICI and have made the appropriate modifications to the Department's model match program for these final results. See Final Calculation Memo.

Comment 6: Error in Preliminary Results

ICI noted that in the preliminary determination the Department states that " * * * all sales to the first unaffiliated purchaser took place after importation." See 64 FR at 42909. ICI alleges that based on the factual record and the Department's own analysis this statement appears to be in error and should be corrected. No comments were submitted by the petitioner on this issue.

Department's Position

We agree with ICI. In our preliminary determination we stated that in calculating price to the United States for ICI, we used CEP, as defined in section 772(b) of the Act because all sales to the first unaffiliated purchaser in the United States took place after importation. This statement was incorrect. In the instant review, as in the previous segment of this proceeding, we determined that ICI's U.S. sales were CEP transactions even though the sales took place before importation because ICI's U.S. selling agent was substantially involved in the sales process in the United States on behalf of or for the account of ICI. See 1996-1997 Final Results, 64 FR at 6611-12.

Final Results of Review

As a result of this review, we have determined that the following margin exists for the period of July 1, 1997 through June 30, 1998:

Manufacturer/exporter	Margin (percent)
Imperial Chemical Industries PLC	18.49

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. The Department shall issue appraisal instructions directly to the Customs Service.

For assessment purposes, we have calculated an importer-specific duty assessment rate based on the ratio of the total amount of antidumping duties calculated for the examined sales to the total entered value of the same sales. The rate will be assessed uniformly on all entries made by the relevant importer during the POR.

The following deposit requirements shall be effective upon publication of this notice of final results of review for all shipments of industrial nitrocellulose from the United Kingdom entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(1) of the Act: (1) The cash deposit rate for the reviewed company will be the rate listed above; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value (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 (4) for all other producers and/or exporters of this merchandise, the cash deposit rate shall be 11.13 percent, the "all others" rate established in the LTFV investigation (55 FR 21058, May 22, 1990). These deposit requirements 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 351.402(f) of the Department's regulations 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 doubled antidumping duties.

This notice also serves as the only reminder to parties subject to

administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with Sections 351.305 and 351.306 of the Department's regulations. Timely notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This administrative review and notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: February 2, 2000.

Holly A. Kuga,

Acting Assistant Secretary, Import Administration.

[FR Doc. 00-2850 Filed 2-7-00; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-588-850, A-588-851, A-791-808]

Notice of Postponement of Final Antidumping Duty Determinations and Extension of Provisional Measures: Certain Large Diameter Carbon and Alloy Seamless Standard, Line and Pressure Pipe from Japan and Certain Small Diameter Carbon and Alloy Seamless Standard, Line and Pressure Pipe from Japan and the Republic of South Africa

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

EFFECTIVE DATE: February 8, 2000.

FOR FURTHER INFORMATION CONTACT: Charles Riggle at (202) 482-0650 or Constance Handley at (202) 482-0631, AD/CVD Enforcement, Office V, DAS Group II, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230.

Postponement of Final Determinations

The Department of Commerce (the Department) is postponing the final determinations in the antidumping duty investigations of certain large diameter carbon and alloy seamless standard, line and pressure pipe from Japan and certain small diameter carbon and alloy seamless standard, line and pressure pipe from Japan and the Republic of South Africa.

On December 14, 1999, the Department published its preliminary determinations in these investigations. See "Notice of Preliminary

Determinations of Sales at Less Than Fair Value: Certain Large Diameter Carbon and Alloy Seamless Standard, Line and Pressure Pipe from Japan and Certain Small Diameter Carbon and Alloy Seamless Standard, Line and Pressure Pipe from Japan and the Republic of South Africa", 64 FR 69718 (December 14, 1999). The notice stated that the Department would issue its final determinations no later than 75 days after the date of issuance of the notice.

Pursuant to section 735(a)(2)(A) of the Act, on January 13, 2000, Sumitomo Metal Industries (Sumitomo), a respondent in the investigations involving Japan, and Iscor Ltd. (Iscor), the sole respondent in the investigation involving South Africa, requested that the Department postpone its final determinations. Further to those requests, the respondents requested that the Department extend by 60 days the application of the provisional measures prescribed under paragraphs (1) and (2) of section 773(d) of the Act. In accordance with 19 CFR 351.210(b), because: (1) these preliminary determinations are affirmative; (2) the requesting exporters account for a significant proportion of exports of the subject merchandise in their respective investigations; and (3) no compelling reasons for denial exist, we are granting the respondents' requests and are postponing the final determinations until no later than 135 days after the publication of the preliminary determinations in the **Federal Register** (i.e., until no later than April 27, 2000). Suspension of liquidation will be extended accordingly.

This extension is in accordance with section 735(a)(2)(A) of the Act, and 19 CFR 351.210(b)(2).

Dated: January 31, 2000.

Holly A. Kuga,

Acting Assistant Secretary, Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-351-505]

Certain Malleable Cast Iron Pipe Fittings From Brazil: Preliminary Results of Antidumping Administrative Review

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

ACTION: Notice of preliminary results of antidumping administrative review.

SUMMARY: The Department of Commerce is conducting an administrative review of the antidumping duty order on certain malleable cast iron pipe fittings from Brazil in response to a request from a respondent, Industria de Fundicao Tupy Ltda. This review covers the period May 1, 1998, through April 30, 1999.

We preliminarily determine that sales have been made below normal value. Interested parties are invited to comment on these preliminary results. 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.

EFFECTIVE DATE: February 8, 2000.

FOR FURTHER INFORMATION CONTACT:

Thomas Schauer or Richard Rimlinger, Office of AD/CVD Enforcement, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-0410 or (202) 482-4477, respectively.

SUPPLEMENTARY INFORMATION:

The 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 Department of Commerce's (the Department's) regulations are to 19 CFR Part 351 (1998).

Background

On May 28, 1999, the Department received a request from Industria de Fundicao Tupy Ltda. (Tupy) to conduct an administrative review of the antidumping duty order on certain malleable cast iron pipe fittings from Brazil. On June 30, 1999, the Department published a notice of initiation of an administrative review of Tupy, covering the period May 1, 1998, through April 30, 1999, in the **Federal Register** (64 FR 14860).

Scope of Review

Imports covered by this review are shipments of certain malleable cast iron pipe fittings, other than grooved, from Brazil. In the original antidumping duty order, these products were classifiable in the Tariff Schedules of the United States, Annotated, under item numbers 610.7000 and 610.7400. These products are currently classifiable under item