

Furthermore, imports covered by this review include OCTG with non-standard size wall thickness greater than the minimum identified for a given outer diameter as published in the API or proprietary specifications for OCTG, with surface scabs or slivers, irregularly cut ends, ID or OD weld flash, or open seams; OCTG may be bent, flattened or oval, and may lack certification because the pipe has not been mechanically tested or has failed those tests. This merchandise is currently classifiable under the Harmonized Tariff Schedules (HTS) item numbers 7304.20, 7305.20, and 7306.20. The HTS item numbers are provided for convenience and U.S. Customs purposes. The written description remains dispositive.

Verification

As provided in section 782(i) of the Act, we conducted verifications of the information provided by Atlas. We used standard verification procedures, including: On-site inspection of the manufacturers' facilities, examination of relevant sales and financial records, and selection of relevant source documentation as exhibits. Our verification findings are detailed in the memoranda dated March 8, 2000, the public versions of which are on file in the Central Records Unit, Room B-099 of the Main Commerce building (B-099).

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this new shipper review are addressed in the "Issues and Decision Memorandum" ("Decision Memorandum") from Holly A. Kuga, Acting Deputy Assistant Secretary, Import Administration, to Troy H. Cribb, Acting Assistant Secretary for Import Administration, dated June 1, 2000, which is hereby adopted by this notice. A list of the issues parties have raised and to which we have responded, all of which are in the Decision Memorandum, is attached to this notice as an Appendix. Parties will find a complete discussion of all issues raised in this review and the corresponding recommendations in this public memorandum which is on file in room B-099. In addition a complete version of the Decision Memo can be accessed directly on the Web at www.ita.doc.gov/import_admin/records/frn/, under the heading "Applicable Country." The paper copy and electronic version of the Decision Memorandum are identical in content.

Changes Since the Preliminary Results of Review

The Department, at verification, found certain errors in the reported values for inland freight in the home market and U.S. sales databases. The Department adjusted for these errors in these final results of new shipper review. *See Sales Verification Report*, dated March 8, 2000; *see also Final Calculation Memorandum*, dated June 1, 2000. No other changes were made to our margin calculation program.

Final Results of Review

We determine that the following percentage weighted-average margins exist for the period June 1, 1998, through November 30, 1998:

Manufacturer/exporter	Margin (percent)
Atlas Tube, Inc	0.88

The Department shall determine, and Customs shall assess, antidumping duties on all appropriate entries. In accordance with 19 CFR 351.212(b), we have calculated an importer-specific duty assessment rate. With respect to both export price and constructed export price sales, we divided total dumping margins for the reviewed sales by the total entered value of those reviewed sales for each importer. We will direct Customs to assess the resulting percentage margins against the entered Customs values for the subject merchandise on each of that importer's entries under the order during the review period.

Cash Deposit Requirements

The following deposit requirements will be effective upon completion of the final results of this administrative review for all shipments of OCTG from Canada entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this new shipper review, as provided by section 751(a)(1) of the Act: (1) The cash deposit rate for Atlas will be the rate shown 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, in a prior review, or the original 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) the cash deposit rate for all other manufacturers or exporters will continue to be 16.65 percent. This rate is the "All-Others"

rate established in the less than fair value investigation.

These deposit requirements shall remain in effect until publication of the final results of administrative review for a subsequent review period.

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

This notice also serves as the only reminder to parties subject to administrative protective orders ("APO") of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305 or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

This administrative review and notice are in accordance with sections 751(a)(2) and 771(i) of the Act.

Dated: June 1, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration.

Appendix—Issues in Decision Memo

Comments and Responses

1. Cost of Production and Constructed Value
 - A. Product Specific Costs
2. Date of Sale
 - A. Contract Date vs. Invoice Date
3. Home Market Sales and Export Price
 - A. Billing Adjustments

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-122-506]

Notice of Preliminary Results of Antidumping Duty Administrative Review: Oil Country Tubular Goods From Canada

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 respondent, Atlas Tube, Inc. ("Atlas"), the Department of Commerce (the "Department") is conducting an administrative review of the antidumping duty order on oil country tubular goods ("OCTG") from Canada. This review covers one manufacturer/exporter, Atlas, and the period December 1, 1998 through May 31, 1999. The period of review specified by the Department's opportunity to request administrative review was June 1, 1998 through May 31, 1999. However, due to the fact that the Department is conducting a concurrent new shipper review of the same manufacturer/exporter for the period June 1, 1998 through November 30, 1998, this administrative review only covers the remainder of the period, December 1, 1998 through May 31, 1999. *See Notice of Initiation of Administrative Review* 64 FR 47167 (August 30, 1999).

We have preliminarily determined the dumping margin for Atlas to be 4.41 percent during the period December 1, 1998 through May 31, 1999. Interested parties are invited to comment on these preliminary results. Parties who 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.

EFFECTIVE DATE: June 8, 2000.

FOR FURTHER INFORMATION CONTACT:

Mark Manning or Nithya Nagarajan, AD/CVD Enforcement Group II, Office IV, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone (202) 482-3936 or (202) 482-5253 respectively.

SUPPLEMENTARY INFORMATION:

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's regulations are to the current regulations at 19 CFR part 351 (1999).

Background

The Department published an antidumping duty order on OCTG from Canada on June 16, 1986 (51 FR 21782) and an amended order on August 19, 1986 (51 FR 29579). On June 9, 1999, the Department published an Opportunity to Request Review (64 FR 30,962). On June 30, 1999, Atlas Tube

Inc., requested the Department initiate an administrative review pursuant to section 751(a)(1) of the Act, and 19 CFR 351.213(b)(2). We initiated this administrative review on August 30, 1999, (64 FR 47167) for the period December 1, 1998 through May 31, 1999.

The Department issued its questionnaire on September 1, 1999, and received Atlas' response to Section A on September 20, 1999, Sections B and C on November 5, 1999, and supplemental responses on January 31, 2000. After an analysis of Atlas' Section A, B, and C responses, and upon receipt of an allegation of below-cost sales from petitioners, Lone Star Steel Company and Maverick Tube Corporation, the Department initiated on January 6, 2000, an investigation to determine whether Atlas made sales below the cost of production ("COP"). Respondent submitted its Section D response on January 31, 2000, and supplemental Section D response on February 10, 2000.

The Department is conducting this administrative review in accordance with section 751(a)(1) of the Act. Concurrent with the instant administrative review, the Department is also conducting a new shipper review of Atlas under section 751(a)(2)(B) of the Act. Pursuant to respondent's request, due to the fact that the new shipper review covers shipments through November 30, 1999, the administrative review of Atlas (which would normally cover the period June 1, 1998 through May 31, 1999) is limited to the examination of shipments during the period December 1, 1998 through May 31, 1999. *See* 19 CFR 351.214(j).

Scope of the Review

The products covered by this review include shipments of OCTG from Canada. This includes American Petroleum Institute ("API") specification OCTG and all other pipe with the following characteristics except entries which the Department determined through its end-use certification procedure were not used in OCTG applications: Length of at least 16 feet; outside diameter of standard sizes published in the API or proprietary specifications for OCTG with tolerances of plus 1/8 inch for diameters less than or equal to 8 5/8 inches and plus 1/4 inch for diameters greater than 8 5/8 inches, minimum wall thickness as identified for a given outer diameter as published in the API or proprietary specifications for OCTG; a minimum of 40,000 PSI yield strength and a minimum 60,000 PSI tensile strength; and if with seams, must be electric resistance welded.

Furthermore, imports covered by this review include OCTG with non-standard size wall thickness greater than the minimum identified for a given outer diameter as published in the API or proprietary specifications for OCTG, with surface scabs or slivers, irregularly cut ends, ID or OD weld flash, or open seams; OCTG may be bent, flattened or oval, and may lack certification because the pipe has not been mechanically tested or has failed those tests. This merchandise is currently classifiable under the Harmonized Tariff Schedules (HTS) item numbers 7304.20, 7305.20, and 7306.20. The HTS item numbers are provided for convenience and U.S. Customs purposes. The written description remains dispositive.

Verification

As provided in section 782(i) of the Act, we conducted verifications of the information provided by Atlas. We used standard verification procedures including; on-site inspection of the manufacturers' facilities, examination of relevant sales and financial records, and selection of relevant source documentation as exhibits. Our verification findings are detailed in the memoranda dated March 8, 2000, the public versions of which are on file in the Central Records Unit, Room B099 of the Main Commerce building (CRU—Public File).

United States Price

Atlas reported all United States sales of subject merchandise, as export price ("EP") transactions sold to unaffiliated U.S. customers prior to importation.

We calculated EP, in accordance with section 772(a) of the Act, because the merchandise was sold in the exporting country to the first unaffiliated purchaser in the United States prior to importation and constructed export price ("CEP") methodology was not otherwise warranted, based on the facts of record. We based EP on the delivered price to unaffiliated purchasers in the United States. We adjusted the starting price by the amount Atlas reported for billing adjustments and made deductions from the starting price for discounts. We also made deductions for movement expenses in accordance with section 772(c)(2)(A) of the Act; these included foreign inland freight, U.S. inland freight, and U.S. brokerage and handling charges.

Normal Value

After testing: (1) Home market viability and (2) whether home market sales were at below-cost prices, we calculated normal value ("NV") as

noted in the "Price-to-Price Comparisons" section of this notice.

1. Home Market Viability

In order to determine whether there is a sufficient volume of sales in the home market to serve as a viable basis for calculating NV (*i.e.*, the aggregate volume of home market sales of the foreign like product is equal to or greater than five percent of the aggregate volume of U.S. sales), we compared Atlas' volume of home market sales of the foreign like product to the volume of U.S. sales of the subject merchandise, in accordance with section 773(a)(1) of the Act. Because Atlas' aggregate volume of home market sales of the foreign like product was greater than five percent of its aggregate volume of U.S. sales for the subject merchandise, we determined that the home market was viable for Atlas.

2. Cost of Production Analysis

On November 24, 1999, petitioners filed an allegation that Atlas made home market sales at prices that were below the COP. Our analysis of the allegation indicated that there were reasonable grounds to believe or suspect that Atlas had sold OCTG in the home market at prices less than the COP. As a result, pursuant to section 773(b) of the Act, we initiated a COP investigation on January 6, 2000, with respect to Atlas to determine whether sales were made at prices below the COP.

We conducted the COP analysis described below.

A. Calculation of COP

In accordance with section 773(b)(3) of the Act, we calculated COP based on the sum of Atlas' cost of materials and fabrication for the foreign like product, plus an amount for home market selling, general and administrative expenses ("SG&A"), including interest expenses, and packing costs.

B. Test of Home Market Sales Prices

We compared the weighted-average COP figures to home market sales of the foreign like product as required under section 773(b) of the Act, in order to determine whether these sales had been made at prices below COP. In determining whether to disregard home market sales made at prices less than the COP, we examined whether: (1) Within an extended period of time, such sales were made in substantial quantities; and (2) such sales were made at prices which permitted the recovery of all costs within a reasonable period of time. On a product-specific basis, we compared the COP to the home market

prices, less any applicable movement charges and rebates.

C. Results of the COP Test

Pursuant to section 773(b)(2)(C), where less than 20 percent of respondent's sales of a given product were at prices less than the COP, we did not disregard any below-cost sales of that product because we determined that the below-cost sales were not made in "substantial quantities." Where 20 percent or more of respondent's sales of a given product during the POR were at prices less than the COP, we determined such sales to be made in "substantial quantities" within an extended period of time in accordance with section 773(b)(1)(A) of the Act. In the instant case, we compared Atlas' home market prices to weighted-average COPs for the POR, and determined that such sales were below cost and were not made at prices which would permit recovery of all costs within a reasonable period of time, in accordance with section 773(b)(1)(B) of the Act. Therefore, we disregarded such below-cost sales.

Level of Trade

In accordance with section 773(a)(1)(B) 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 constructed value ("CV"), that of the sales from which we derive SG&A expenses and profit. With respect to U.S. price for EP transactions, the LOT is also the level of the starting-price sale, which is usually from the exporter to the importer.

To determine whether NV sales are at a different LOT than the U.S. sales, we examined stages in the marketing process and selling functions along 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 home market sales at the LOT of the export transaction, we make a LOT adjustment under section 773(a)(7)(A) of the Act. *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).

Atlas reported one customer category and one channel of distribution (*i.e.*, sales to unaffiliated distributors) for its home market sales. For its EP sales, Atlas also reported one customer

category and one channel of distribution (*i.e.*, direct sales to unaffiliated distributors). Atlas claimed in its response that its EP sales were made at the same LOT as home market sales to unaffiliated distributors. For this reason, Atlas has not asked for a LOT adjustment to NV for comparison to its EP sales.

In determining whether separate LOTs actually existed in the home market and U.S. market, we examined whether Atlas' sales involved different marketing stages (or their equivalent) based on the channel of distribution, customer categories and selling functions. Atlas reported that its selling functions for home market sales are arranging for freight, warehousing, and warranty service; however, we noted that Atlas did not report any warehouse or warranty expenses for home market sales during the POR. After reviewing the record evidence, we agree with Atlas that its home market sales comprise a single LOT.

In analyzing Atlas' selling activities for its EP sales, we noted that the sales generally involved the same selling functions associated with the home market LOT described above. Atlas reported that these selling activities included arranging for freight, warehousing, and warranty services; however, we noted that Atlas did not report any warehouse or warranty expenses for U.S. market sales during the POR. Based upon the record evidence, we have determined that there is one LOT for all EP sales and that it is the same LOT as in the home market. Therefore, because we find the U.S. sales and home market sales are at the same LOT, we determine that a LOT adjustment under section 773(a)(7)(A) is not warranted.

Price-to-Price Comparisons

We calculated NV based on delivered prices to unaffiliated customers. The NV price was reported on a Goods and Services Tax-exclusive basis. We adjusted the starting price by the amount Atlas reported for billing adjustments. We made deductions from the starting price for rebates, inland freight, and inland freight insurance. We made adjustments for differences in merchandise in accordance with section 773(a)(6)(C)(ii) of the Act. We made further adjustments, under section 773(a)(6)(C)(iii) of the Act, for differences in circumstances of sale for imputed credit expenses. Finally, we deducted home market packing costs and added U.S. packing costs in accordance with sections 773(a)(6)(A) and (B) of the Act.

Currency Conversion

Pursuant to section 773A(a) of the Act, we made currency conversions into U.S. dollars based on the exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank.

Preliminary Results of Review

As a result of this review, we preliminarily determine that a 4.41 percent dumping margin exists for Atlas for the period December 1, 1998, through May 31, 1999.

The Department will disclose calculations performed within five days of the date of publication of this notice to the parties of this proceeding in accordance with 19 CFR 351.224(b). An interested party may request a hearing within thirty days of publication of these preliminary results. *See* 19 CFR 351.310(c). Any hearing, if requested, will be held 44 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 of these preliminary results of review. 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 issue the final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, within 120 days of publication of these preliminary results.

Upon completion of this administrative review, the Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. There was only one importer during the POR for merchandise sold by Atlas. 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 examined sales. Atlas reported entered value by subtracting discounts, freight, and brokerage and handling costs from the its reported U.S. price. This rate will be assessed uniformly on all entries made during the POR. The Department will issue appraisement instructions directly to Customs.

Furthermore, the following deposit requirements will be effective upon completion of the final results of this administrative review for all shipments of OCTG from Canada entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by

section 751(a)(1) of the Act: (1) The cash deposit rate for Atlas will be the rate established in the final results of this administrative review; (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 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, or the original LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review, the cash deposit rate will be 16.65 percent, the "all-others" rate established in the LTFV investigation.

These deposit requirements, when imposed, shall remain in effect until publication of the final results of administrative review for a subsequent review period.

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

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

Dated: June 1, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

Export Trade Certificate of Review

ACTION: Notice of Issuance of an Amended Export Trade Certificate of Review, Application No.97-3A003.

SUMMARY: The Department of Commerce has issued an amended Export Trade Certificate of Review to The Association for the Administration of Rice Quotas, Inc. ("AARQ") on June 1, 2000. Notice of issuance of the original Certificate

was published in the **Federal Register** on January 28, 1998 (63 FR 4223).

FOR FURTHER INFORMATION CONTACT:

Morton Schnabel, Director, Office of Export Trading Company Affairs, International Trade Administration, (202) 482-5131. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: Title III of the Export Trading Company Act of 1982 (15 U.S.C. Sections 4001-21) authorizes the Secretary of Commerce to issue Export Trade Certificates of Review. The regulations implementing Title III are found at 15 CFR part 325 (1998).

The Office of Export Trading Company Affairs ("OETCA") is issuing this notice pursuant to 15 CFR 325.6(b), which requires the Department of Commerce to publish a summary of a Certificate in the **Federal Register**. Under Section 305(a) of the Act and 15 CFR 325.11(a), any person aggrieved by the Secretary's determination may, within 30 days of the date of this notice, bring an action in any appropriate district court of the United States to set aside the determination on the ground that the determination is erroneous.

Description of Amended Certificate

Export Trade Certificate of Review No. 97-00003, was issued to The Association for the Administration of Rice Quotas, Inc. ("AARQ") on January 21, 1998 (63 FR 4223, January 28, 1998) and lastly amended on September 25, 1998 (63 FR 53013, October 2, 1998).

AARQ's Export Trade Certificate of Review has been amended to:

1. Add the following companies as new "Members" of the Certificate within the meaning of section 325.2(1) of the Regulations (15 CFR 325.2(1)): ADM Latin, Inc., Decatur, Illinois, and ADM Rice, Inc., Tarrytown, New York (subsidiaries of Archer Daniels Midland Company); AFE (USA), Inc., Houston, Texas; California Commodity Traders, LLC, Sacramento, California; California Pacific Rice Milling, Ltd., Arbuckle, California; Family & Sons, Inc., Miami, Florida; Far West Rice, Inc., Durham, California; Glencore Ltd., Stamford, Connecticut (a subsidiary of Glencore International AG), for the activities of Glencore Grain Division and Glencore Ltd.'s subsidiary, LaGrain International Inc., Baton Rouge, Louisiana; Incomar Texas, Ltd. and its subsidiary, Gulf Rice Arkansas, LLC, Houston, Texas; International Grain Brokerage, LLC, Yuba City, California; JFC International Inc., San Francisco, California (a subsidiary of Kikkoman Corp.); Kitoku America, Inc., Davis, California (a subsidiary of Kitoku Co., Ltd.);