DOC Position

We agree with the petitioners. The Department's practice has been not to include investment-related gains, losses and expenses in the calculation of G&A for purposes of COP or CV calculations. The Department's purpose in COP and CV situations is to determine the cost to produce the subject merchandise. The cost to produce the subject merchandise does not include unrelated production or investment activities. The Department accounts for investment activities which relate to financing a company's working capital as part of the financial expense. The financial expense is calculated on a consolidated company-wide basis. Therefore, we have recalculated G&A expenses by excluding HSP's company-wide investment related items.

Comment 12—Allocation Based on Standard Vs. Actual Hours for Overhead

The petitioners argue that the respondent, by using standard hours rather than actual hours for the allocation of overhead, has miscalculated the allocation of actual costs between subject and non-subject merchandise. The petitioners further argue that if the overhead costs cannot be recalculated on the basis of actual hours, then the submitted cost data should be rejected.

The respondent argues that in Final Determination of Sales at Less Than Fair Value: Circular Welded Non-Alloy Steel Pipe From the Republic of Korea (57 FR 42942, September 17, 1992) (Circular Pipe), the Department did not question the use of standard hours as the basis for the allocation of fabrication costs, only depreciation and G&A expenses. The respondent states that, in the instant case, the standard hours approximate the actual hours which were provided at verification. In any event, the respondent provided actual hours.

DOC Position

We agree with the petitioners. The Department's strong preference is to use actual costs for purposes of calculating COM whenever possible. See Final Determination of Sales at Less Than Fair Value: Fresh Chilled Atlantic Salmon from Norway (58 FR 37915, July 14, 1993). After a thorough review of Circular Pipe, it is clear that neither party raised the issue regarding the use of standard hours. Since HSP reported actual hours and we verified these hours, we applied the actual hours to the actual variable and fixed overhead costs to calculate the COM.

Comment 13—Double Use of Conversion Factor

The petitioners argue that HSP has applied the conversion factor which converts the costs of production from an actual to nominal basis, twice: First to material costs and then to total COP and CV. The petitioners maintain that this action causes costs to be understated.

The respondent states that it applied the conversion factor only once at the end of the total cost calculation.

DOC Position

We agree with the respondent that the conversion factor was applied only once. An examination of the cost verification exhibits show that the conversion factor was applied once to the actual material costs to derive the nominal material costs which were then converted to nominal terms. Thus, we agree with the respondent that no adjustment has to be made.

Continuation of Suspension of Liquidation

In accordance with section 733(d)(1) of the Act (19 USC 1673b(d)(1)), we directed the Customs Service to suspend liquidation of all entries of OCTG from Korea, as defined in the ''Scope of Investigation'' section of this notice, that are entered, or withdrawn from warehouse, for consumption on or after February 2, 1995.

The Customs Service shall require a cash deposit or posting of a bond equal to the estimated dumping margin, as shown below for entries of OCTG from Korea that are entered, or withdrawn from warehouse, for consumption from the date of publication of this notice in the **Federal Register**. The suspension of liquidation will remain in effect until further notice.

Producer/manufacturer/exporter	Margin percentage
Hyundai Steel Pipe Company, Ltd	00.00
Union Steel Manufacturing Company	12.17
All Others	12.17

International Trade Commission (ITC) Notification

In accordance with section 735(d) of the Act, we have notified the ITC of our determination. The ITC will make its determination whether these imports materially injure, or threaten injury to, a U.S. industry within 45 days of the publication of this notice. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all securities posted as a result of the suspension of liquidation will be refunded or cancelled. However, if the ITC determines that material injury or threat of material injury does exist, the Department will issue an antidumping duty order.

Notification to Interested Parties

This notice serves as the only reminder to parties subject to administrative protective order (APO) in this investigation of their responsibility covering the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 353.34(d). Failure to comply is a violation of the APO.

This determination is published pursuant to section 735(d) of the Act (19 U.S.C. 1673d(d)) and 19 CFR 353.20.

Dated: June 19, 1995.

Susan G. Esserman,

Assistant Secretary for Import Administration.

[FR Doc. 95–15620 Filed 6–27–95; 8:45 am]

BILLING CODE 3510–DS–P

[A–201–817]

Final Determination of Sales at Less Than Fair Value: Oil Country Tubular Goods from Mexico

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

EFFECTIVE DATE: June 28, 1995.

FOR FURTHER INFORMATION CONTACT: John Beck or Jennifer Stagner, Office of Antidumping Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482–3464 or (202) 482–1673, respectively.

Final Determination:

Department of Commerce (the Department) determines that oil country tubular goods (OCTG) from Mexico are being, or are likely to be, sold in the United States at less than fair value, as provided in section 735 of the Tariff Act of 1930, as amended (the Act). The estimated margins are shown in the ''Suspension of Liquidation'' section of this notice.

Case History

Since the preliminary determination on January 26, 1995, (60 FR 6510, February 2, 1995), the following events have occurred.

In March and April 1995, the Department verified the cost and sales questionnaire responses of Tubos de Acero de Mexico, S.A. (TAMSA).

Verification reports were issued in April and May, 1995. On May 9 and 16, 1995, the interested parties submitted case and rebuttal briefs, respectively. TAMSA submitted revised sales and cost tapes that corrected clerical errors discovered at verification on May 18 and 23, 1995. A public hearing was held on May 19, 1995.

Scope of Investigation

For purposes of this investigation, OCTG are hollow steel products of circular cross-section, including oil well casing, tubing, and drill pipe, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished or unfinished (including green tubes and limited service OCTG products). This scope does not cover casing, tubing, or drill pipe containing 10.5 percent or more of chromium. The OCTG subject to this investigation are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers:

7304.20.10.10, 7304.20.10.20, 7304.20.10.30, 7304.20.10.40, 7304.20.10.50, 7304.20.10.60, 7304.20.10.80, 7304.20.20.10, 7304.20.20.20, 7304.20.20.30, 7304.20.20.40, 7304.20.20.50, 7304.20.20.60, 7304.20.20.80, 7304.20.30.10, 7304.20.30.20, 7304.20.30.30, 7304.20.30.40, 7304.20.30.50, 7304.20.30.60, 7304.20.30.80, 7304.20.40.10, 7304.20.40.20, 7304.20.40.30, 7304.20.40.40, 7304.20.40.50, 7304.20.40.60, 7304.20.40.80, 7304.20.50.15, 7304.20.50.30, 7304.20.50.45, 7304.20.50.60, 7304.20.50.75, 7304.20.60.15, 7304.20.60.30, 7304.20.60.45, 7304.20.60.60, 7304.20.60.75, 7304.20.70.00, 7304.20.80.30, 7304.20.80.45, 7304.20.80.60, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.20.10.30, 7306.20.10.90, 7306.20.20.00, 7306.20.30.00, 7306.20.40.00, 7306.20.60.10, 7306.20.60.50, 7306.20.80.10, and 7306.20.80.50.

After the publication of the preliminary determination, we found that HTSUS item numbers 7304.20.10.00, 7304.20.20.00, 7304.20.30.00, 7304.20.40.00, 7304.20.50.10, 7304.20.50.50, 7304.20.60.10, 7304.20.60.50, and 7304.20.80.00 were no longer valid HTSUS item numbers. Accordingly, these numbers have been deleted from the scope definition.

Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of this investigation is dispositive.

Period of Investigation

The period of investigation (POI) is January 1, 1994, through June 30, 1994.

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Statute and to the Department's regulations are in reference to the provisions as they existed on December 31, 1994.

Such or Similar Comparisons

We have determined for purposes of the final determination that OCTG covered by this investigation comprises a single category of ''such or similar'' merchandise within the meaning of section 771(16) of the Act. Where there were no sales of identical merchandise in the third country [1] to compare to U.S. sales, we made similar merchandise comparisons on the basis of the characteristics listed in Appendix V of the Department's antidumping questionnaire. We made adjustments, where appropriate, for differences in the physical characteristics of the merchandise, in accordance with section 773(a)(4)(C) of the Act.

Fair Value Comparisons

To determine whether TAMSA's sales of OCTG from Mexico to the United States were made at less than fair value, we compared the U.S. price (USP) to the foreign market value (FMV), as specified in the ''United States Price'' and ''Foreign Market Value'' sections of this notice.

United States Price

We calculated USP according to the methodology described in our preliminary determination, with the following exceptions:

1. We applied the net financial expense of the consolidated parent to the further manufacturing costs of the related U.S. company, Texas Pipe Threaders (TPT).
2. We made deductions from gross unit price for movement variances that represent the difference between the accrual and actual movement costs.
3. We recalculated inventory carrying cost for the inventory time in the United States using a U.S. interest rate, in accordance with the Department's practice to use the interest rate applicable to the currency of the transaction (see Final Determination of Sales at Less Than Fair Value: Certain Carbon Steel Butt-Weld Pipe Fittings from Thailand (60 FR 10552, February 27, 1995)).

Foreign Market Value

As stated in the preliminary determination, under 19 CFR 353.48, we found that the home market was not viable for sales of OCTG and based FMV on sales to Saudi Arabia. During the course of this investigation the petitioner questioned the legitimacy of certain transactions made by TAMSA to the Saudi Arabian market. The Department closely examined these transactions at verification and found no reason to alter its decision to use Saudi Arabia as the appropriate market for determining FMV (see Comment 1 in the ''Interested Party Comments'' section of this notice).

Cost of Production Analysis

Based on information contained in the petitioner's allegation that TAMSA is selling OCTG in Saudi Arabia at prices below its cost of production (COP), the Department initiated a COP investigation for the Saudi Arabian sales of TAMSA, under 19 CFR 353.51. This COP investigation was initiated on December 22, 1994. Because TAMSA submitted its cost information on February 1, 1995, which was after the preliminary determination, the Department was unable to use this information for purposes of the preliminary determination.

In order to determine whether the third-country prices were below the COP, we calculated the COP based on the sum of TAMSA's reported cost of materials, fabrication, and general expenses, in accordance with 19 CFR 353.51(c). After computing COP, we compared product-specific COP to reported third-country prices, net of movement charges and direct and indirect selling expenses. We accepted TAMSA's COP data, with the following exceptions:

1. We revised TAMSA's financing expense rate to reflect the first two quarters of 1994 consolidated results (see Interested Party Comment 6).
2. We revised costs for TAMSA's allocation methodology for fixed costs and variances based on standard cost (see Interested Party Comment 7).
3. We revised TAMSA's general and administrative (G&A) expenses to reflect 1994 unconsolidated results (see Interested Party Comment 8).

Results of COP Analysis

Under our standard practice, when we find that less than 10 percent of a

[1] The home market in this case is not viable. Sales to Saudi Arabia are being used as the basis for foreign market value and cost of production analysis.

company's sales are at prices below the COP, we do not disregard any below-cost sales because that company's below-cost sales were not made in substantial quantities. When we find between 10 and 90 percent of the company's sales are at prices below the COP, and the below-cost sales are made over an extended period of time, we disregard only the below-cost sales. When we find that more than 90 percent of the company's sales are at prices below the COP, and the sales were made over an extended period of time, we disregard all sales for that product and calculate FMV based on constructed value (CV), in accordance with 773(b) of the Act.

In accordance with section 773(b)(1) of the Act, in order to determine whether below-cost sales were made over an extended period of time, we compare the number of months in which below-cost sales occurred for each product to the number of months of the POI in which that product was sold. If a product was sold in three or more months of the POI, we do not exclude below-cost sales unless there were below-cost sales in at least three months of the POI. When we find that all sales of a product only occurred in one or two months, the number of months in which the sales occurred constitutes the extended period of time; *i.e.*, where sales of a product were made in only two months, the extended period of time is two months, where sales of a product were made in only one month, the extended period of time is one month (see Preliminary Results and Partial Termination of Antidumping Duty Administrative Review: Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan (58 FR 69336, 69338, December 10, 1993)).

Following the above type of analysis, we determine that sales below cost were in substantial quantities over an extended period of time, and that there were no remaining sales above cost. Accordingly, we compared USP to CV.

Constructed Value

In accordance with section 773(e) of the Act, we calculated CV based on the sum of TAMSA's cost of materials, fabrication, general expenses, and profit. In accordance with section 773(e)(1)(B)(i) and (ii) of the Act, we included in CV: (1) TAMSA's revised general expenses because they were greater than the statutory minimum of ten percent of the COM, and (2) for profit, the statutory minimum of eight percent of the sum of COM and general expenses because it was greater than the actual profit, as calculated on a market-specific basis.

We made the same adjustments to TAMSA's reported CV data as to TAMSA's COP data, as described above.

For CV to U.S. price comparisons, we made deductions from CV, where appropriate, for the weighted-average third country direct selling expenses, in accordance with 19 CFR 353.56. We also deducted the weighted-average third country indirect selling expenses. We limited this adjustment by the amount of indirect selling expenses incurred on U.S. sales, in accordance with 19 CFR 353.56(b)(2).

Currency Conversion

Because certified exchange rates for Mexico were unavailable from the Federal Reserve, we made currency conversions for expenses denominated in Mexican pesos based on the official monthly exchange rates in effect on the dates of the U.S. sales as published by the International Monetary Fund, in accordance with 19 CFR 353.60(a).

Verification

As provided in section 776(b) of the Act, we verified the information used in making our final determination.

Interested Party Comments

Comment 1: Date of Sale Methodology and Home Market Viability.

The petitioner argues that the date of shipment, rather than the date of purchase order, is the appropriate date of sale for all home market transactions. It notes that the Department verified that TAMSA had home market sales that were shipped prior to TAMSA receiving an order, and that this was not revealed prior to verification. The petitioner contends that in Final Determination of Sales at Less Than Fair Value: Certain Forged Stainless Steel Flanges from India (58 FR 68853, December 29, 1993), the Department found significant discrepancies between a company's response and the randomly selected documents and, thus, determined that the response had not been verified. It also notes that in the Final Results of Administrative Review of Roller Chain, Other Than Bicycle, from Japan (Roller Chain from Japan) (54 FR 3099, January 23, 1989), the Department used the shipment date as the date of sale since orders were taken by phone and generally shipped before issuance of the sales documentation.

The petitioner further argues that the home market becomes viable when the date of shipment serves as the date of sale. Because TAMSA did not report home market sales, the Department should therefore reject TAMSA's third country sales and use the best information available (BIA) in its final determination. Because the Department has previously recognized that the misreporting of the date of sale warrants the use of BIA, the petitioner asserts that the Department should use the highest margin provided in the petition, 45.22 percent, as BIA (see Final Determination of Certain Corrosion-Resistant Carbon Steel Flat Products and Certain Cut-to-Length Carbon Steel Plate from Mexico (58 FR 37192, July 9, 1993) and Final Determinations of Sales at Less Than Fair Value: Calcium Aluminate Cement, Cement Clinker and Flux from France (59 FR 14136, March 25, 1994)).

TAMSA contends that the Department verified the actual volume and value of TAMSA's home market and third country sales and the basis for the non-viability determination. It argues that the reported date of sale methodology was appropriate because the purchase order date is the date when all substantive terms of sale are finalized.

TAMSA argues that there were a few pre-order shipments in the POI, and those were the result of an ''aberrational'' request by the customer for shipment before the customer issued the written order. It asserts that the Department verified that shipment before receipt of an order is against company policy and is unusual. TAMSA argues that, in the rare instance where shipment occurred prior to the order, it properly reported the date of shipment as the date of sale pursuant to the Department's instructions and precedent that the date of sale cannot be later than the date of shipment.

DOC Position

We agree with TAMSA. The Department generally defines the date of sale as the date when all substantive terms of the sale, particularly price and quantity terms, are agreed to by interested parties (see Final Determination of Sales at Less Than Fair Value: Certain Forged Steel Crankshafts from the United Kingdom (52 FR 18992, July 28, 1987)). At verification, we thoroughly examined TAMSA's home market sales process, including numerous sales documents, and found that the price and quantity terms did not change between the date of the purchase order and the date of shipment.

Furthermore, Roller Chain from Japan is not applicable to this investigation because, in that investigation, the Department revised the date of sale because most sales were taken over the phone and shipped prior to the issuance of a purchase order. We verified that, in its home market, TAMSA normally ships merchandise after receipt of a

purchase order and found that, only rarely, were sales shipped prior to receipt of the purchase order.

Thus, based on our findings at verification, we determine that the date of purchase order is the appropriate date of sale, except when date of shipment occurred prior to the purchase order, which occurred rarely. In those instances, date of shipment was the appropriate date of sale. TAMSA, therefore, properly reported its POI sales.

Comment 2: Cancellations.

The petitioner asserts that, in the instances where purchase orders were received prior to the shipment date, a substantial number of those purchase orders in Mexico were cancelled. The petitioner contends that TAMSA erred in its reconciliation of its reported sales to its financial statements at verification because the pre-shipments cancelled orders would not have been recorded as shipments in the financial statements, thus, arguing that TAMSA must have sold and shipped this merchandise during the POI prior to issuing the unexplained cancellations.

In 64K Dynamic Random Access Memory Components from Japan: Final Determination of Sales at Less Than Fair Value (DRAMs from Japan) (51 FR 15943, April 29, 1986), the Department determined that no binding agreement had been entered into as of the purchase order date (because there were significant cancellations) and found that the appropriate date of sale was the shipment date since this was the earliest point in the transaction at which any sort of binding commitment could be inferred. The petitioner thus argues that the purchase order does not constitute a binding commitment between the parties; and, consequently, the Department should find that the shipment date represents the date of sale as it did in DRAMs from Japan.

Moreover, the petitioner contends that if the Department accepts the order date as the basis for determining home market sales and if the Department disallows post-petition credit memos and order cancellations, the home market was viable during the POI. It notes that disallowing post-petition credit memos and order cancellations is consistent with the Department's policy of not allowing rebates which are instituted retroactively after the filing of a petition (see Antidumping Manual and Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Antidumping Duty Investigation of Color Negative Photographic Paper from Japan (59 FR 16177, April 6, 1994)).

TAMSA argues that the invoice cancellations did not affect the terms of the purchase order and had no contractual significance. TAMSA states that the amounts in question represent credit memos, corrections to the booking and invoicing processes, or cancelled invoices, not cancellations in the orders, and that they had no effect on the quantity ordered.

TAMSA asserts that DRAMs from Japan does not support the petitioner's date of sale argument. In that investigation, the Department determined that neither party to the purchase order intended it to be a binding agreement or treated it as such. TAMSA argues that this situation does not apply to its home market sales process because the customer's order constitutes the binding sales agreement between the parties, and the Department found there were no changes in the sales terms from the order date to the invoice date. Thus, its date of sale methodology is correct.

DOC Position

We agree with TAMSA. At verification, we found that these ''cancellations'' were, for the most part, changes to invoices (*e.g.*, correcting for a wrong shipment date) or were credit memoranda; they were not similar to post-petition rebates as the petitioner claims.

DRAMs from Japan is inapposite because, in that case, the respondent argued that it did not normally acknowledge purchase orders, but instead stated that its normal acceptance of an order occurs when the order is actually shipped. Furthermore, the Department found, in that case, in addition to cancellations by both parties, that there were frequent price revisions.

At verification, we thoroughly examined TAMSA's sales process and found that the purchase order is the binding agreement; the terms did not change between the order date and the shipment date. Thus, we determine that the order date, when used as the basis for date of sale, was appropriate.

Comment 3: Possible Exclusion of a Certain Saudi Arabian Transaction.

The petitioner argues that a certain Saudi Arabian transaction should be excluded because the date of sale was misreported and incorrectly included in the POI. Because the essential terms of sale, specifically the payment terms, for this transaction were not fixed on the reported date of sale, the Department should determine that the date of sale is outside the POI. The petitioner notes that it is the Department's policy to determine the date of sale to be the date on which all substantive or material terms of sale are agreed upon by the parties (see Antidumping Manual). In Roller Chain from Japan, the Department found that the shipping documents were the first written evidence of the merchandise, price, quantity, and payment terms and, therefore, determined that the shipment date was the appropriate date of sale.

The petitioner also contends that its claim is supported by Mexican Commercial Law and notes that the Department has recognized that this type of foreign contract law analysis is relevant in determining when a sale occurs for the purposes of the antidumping laws (see DRAMs from Japan).

TAMSA argues that the verification report acknowledged that the purchase order by the Saudi customer is the ''culmination of the negotiating process,'' establishing the essential terms of sale, which did not change between order and shipment. It argues that communications between the parties between the quote and the order normally are not referenced in the order, and that it is ''not unusual for negotiation during this period to take place.''

In addition, TAMSA contends that the Department verified that the customer's order constitutes the contract between the parties and that before the order is issued (including the time between bid and order), the parties may conduct negotiations. Since the purchase order is the earliest date of agreement between the parties on the terms of sale, the purchase order date is the proper date of sale.

TAMSA states that the Department normally finds that the purchase order constitutes the date of sale, focusing on the intent of the parties to be bound by the order (see Final Determination of Sales at Less Than Fair Value: Certain Small Business Telephone Systems and Subassemblies Thereof from Taiwan (54 FR 42543, October 17, 1989)). TAMSA notes that, in Notice of Final Determination of Sales at Less Than Fair Value: Disposable Pocket Lighters from the People's Republic of China (60 FR 22359, May 5, 1995), the Department considered the date of sale to be the date on which all substantive terms of sale (normally price and quantity) are agreed to by the parties, and that, in Roller Chain from Japan, the Department found that payment terms are not an essential term of sale.

In DRAMs from Japan, TAMSA maintains that the Department based its date of sale determination on the intent of the parties. TAMSA argues that the opinion by the Mexican lawyer on

Mexican law provided by the petitioner omitted the fact, which the Department verified, that between the quotation and the order there were additional negotiations on the key sales terms in the order, and that the action of the parties illustrate an intent by the parties to contract on the order date.

DOC Position

We agree with TAMSA. The issue regarding the price and quantity differences between the quotation and purchase order was argued extensively by the parties and was examined thoroughly by the Department at verification. At verification, the Department found no written evidence of changes in the sales terms after the purchase order.

The Department normally considers the essential terms of sale to be price and quantity. We believe that, in this case, the term of payment is not an essential term of sale because the terms of payment are similar for all of TAMSA's sales to Saudi Arabia. Furthermore, at verification, the Department examined all relevant sales documentation of the transaction, including the quotation, purchase order, invoices, and letters of credit. We did not find any discrepancies with the documentation. Thus, we are not excluding this transaction from our analysis.

Comment 4: Whether a Certain Saudi Arabian Transaction Was Made Outside the Ordinary Course of Trade.

The petitioner argues that a certain Saudi Arabian transaction should be excluded because it was made outside the ordinary course of trade (i.e., was not made under normal conditions and practices). It cites to Final Determination of Sales at Less Than Fair Value: Sulfur Dyes, including Sulfur Vat Dyes, from the United Kingdom (Sulfur Dyes from the U.K.) (58 FR 3253, January 8, 1993) to support its argument.

TAMSA argues that this Saudi Arabian transaction was consistent with its terms and processes for all of its other Saudi Arabian transactions; thus, it was made in the ordinary course of trade. At verification, the Department examined documentation for the reported Saudi sales and confirmed that they were made with a large, unrelated customer. TAMSA further asserts that the Department verified sales prior and subsequent to the POI, and found that the transaction in question was consistent with the terms and process for other Saudi Arabian sales.

TAMSA argues that this Saudi Arabian transaction was consistent with its practice for other Saudi Arabian transactions. TAMSA argues that the actions of the parties illustrate that the purchase order finalizes the sales terms and concludes the sale; specifically, once it receives an order, it secures a letter of credit guaranteeing payment and begins production based on the terms in the order. Although after the order there are no further contractual communications between the parties until shipment and invoicing, the customer plans and arranges for delivery and payment, and there are no changes to the terms of sale between order and shipment, which TAMSA argues was verified by the Department as the common practice for all Saudi sales.

In Sulfur Dyes, TAMSA maintains that the Department found a sale to be outside the ordinary course of trade because it was larger than other sales and was made at a lower price pursuant to a special agreement. Because the transaction in question was similar to other Saudi Arabian transactions, TAMSA argues that Sulfur Dyes is not applicable to this investigation.

DOC Position

We agree with TAMSA. Under 19 CFR 353.46(b), in determining whether a sale was made in the ordinary course of trade, the Department considers the ''conditions and practices'' which have been normal in the trade of the subject merchandise. At verification, we found no abnormalities in the sales terms as compared to other Saudi Arabian sales. We also verified that the procedures followed in this transaction were consistent with the procedures in other Saudi Arabian transactions. Regarding the delivery time, we do not believe that differences in average time between order and shipment is evidence that the sales were outside the ordinary course of trade. The shipments were made within the period stipulated in the purchase order.

Furthermore, Sulfur Dyes from the U.K. does not apply to this investigation because the sales terms of the transaction in question are not significantly different than the sales terms of TAMSA's other Saudi Arabian transactions. For these reasons, we are not excluding this sale from our analysis.

Comment 5: Possible Extension of the POI.

The petitioner argues that the Department's decision not to extend the POI to capture TAMSA's sales in the home market contradicts the antidumping statute and regulations. The statutory and regulatory provisions establish a preference for the home market as the basis for FMV, and permits the Department to use third country sales data or constructed value only if it has determined that home market sales are small with respect to third country sales.

The petitioner notes that the Department's regulations state that it can extend the POI ''for any additional or alternative period'' that it determines is appropriate. The Department has extended the POI in prior proceedings where the six-month period ''did not adequately reflect the sales practices of the firms subject to the investigation'' (see Preliminary Determination of Sales at Not Less Than Fair Value: Thermostatically Controlled Appliance Plugs and Internal Probe Thermostats Therefor from Hong Kong (Thermostats from Hong Kong) (53 FR 50064, December 13, 1988) and Notice of Final Determination of Sales at Less Than Fair Value: Defrost Timers from Japan (59 FR 1928, January 13, 1994)). If the Department expanded the POI an additional six months, TAMSA's home market sales would be viable.

TAMSA argues that the Department's preference for the home market simply means that it should look first to home market prices, and only select alternatives when the home market is not viable. TAMSA asserts that the Department has already determined that the home market is not viable in its November 3, 1994, memorandum from Richard W. Moreland to Barbara R. Stafford. *SKF USA, Inc.* v. *United States,* 762 F. Supp. 344, page 352 (CIT 1991) acknowledged that ''as home market sales are the statutorily preferred choice for comparison in FMV calculations, the ITA cannot use third country sales without first making a definitive determination that the home market is not viable'' (see also *U.H.F.C. Co.* v. *United States,* 916 F.2d 689, page 696 (Fed. Cir. 1990)).

TAMSA further asserts that the cases cited by the petitioner concern long-term contracts and U.S. and third country sales and do not involve the extension of the POI solely to change home market viability, thus, arguing that those cases do not apply to this investigation.

DOC Position

We agree with TAMSA. According to 19 CFR 353.42(b), the POI will normally include the month in which the petition is filed and the five months prior to the filing of the petition, but the Department has the discretion to examine any other period which it concludes is appropriate.

The Department has previously expanded the POI. In Thermostats from Hong Kong, the home market sales were

inadequate and the Department expanded the POI in order to base FMV on third country sales rather than on constructed value. In Defrost Timers from Japan, the Department extended the POI to include a long-term contract. However, the Department has never extended the POI to change the home market viability ratio.

This investigation is unlike Thermostats from Hong Kong and Defrost Timers from Japan because we have determined that sales to Saudi Arabia is the appropriate basis for calculating FMV and there are no sales made pursuant to long-term contracts.

According to 19 CFR 353.48(a), if the quantity of the subject merchandise sold in the home market is so small in relation to the quantity sold for exportation to third countries (normally less than five percent of the amount sold to third countries) that it is an inadequate basis for FMV, the Department will calculate FMV based on third country sales or constructed value.

We have verified TAMSA's reported home market and third country sales volumes and have determined that the home market is not viable during the POI because the home market sales were less than five percent of sales to countries other than the United States.

For these reasons, we are not extending the period of investigation.

Comment 6: Appropriate Financial Expense.

The petitioner argues that the 1994 financial statements were critically important to this investigation and TAMSA systematically withheld these statements from the Department. The petitioner further asserts that the 1994 financial statements were undeniably available at the time of verification. As proof of this, the petitioner submitted, with its case brief, TAMSA's 1994 financial statements filed with the Mexican securities oversight agency and the Mexico Stock Exchange prior to the completion of verification. The petitioner argues that TAMSA refused to provide 1994 financial statement information because it reflected considerably higher costs than the amounts reported in the submission which were based on 1993 results.

Therefore, the petitioner contends that the Department must use uncooperative BIA in this situation. The petitioner argues that as BIA the COP and CV interest expense should be based on the interest costs of 95 percent from TAMSA's 1994 consolidated financial statements without any adjustment for the extraordinary costs associated with the devaluation of the Mexican currency.

TAMSA asserts that it has fully cooperated with the Department's requests for financial statements. TAMSA refutes the Department's cost verification report, claiming that company officials did not state that 1994 financial statements would be available at a particular time. TAMSA notes that the unaudited, unconsolidated trial balance was presented at the cost verification. At the further manufacturing verification, TAMSA presented a press release which provided summarized unaudited 1994 financial results. Thus, TAMSA contends, it has provided accurate responses to the Department's requests. TAMSA argues that the Department should follow its practice and rely on the most recently available audited financial statements, which in this case would be the 1993 statements, to calculate financial and general and administrative (G&A) expenses. TAMSA notes that in the final determination of Final Determination of Sales at Less Than Fair Value: Furfuryl Alcohol from Thailand (Furfuryl Alcohol from Thailand) (60 FR 22557, May 8, 1995) the Department used the most recent fiscal year for which the respondent had complete and audited financial statements. TAMSA further argues that the dramatic devaluation in the Mexican currency reflected in the 1994 financial statements occurred well after the period of investigation and is not representative of the comparatively stable period experienced in 1993 and the first half of 1994. Finally, TAMSA believes that it would be arbitrary and unjustified to use BIA in this situation.

DOC Position

We agree, in part, with petitioner. In antidumping investigations, we require respondents to provide accurate responses to our requests for information. In this case, the record demonstrates that the Department requested TAMSA's 1994 financial statements. Although the financial statements were not available when TAMSA filed its initial responses to the Department's questionnaires, these statements did become available during the course of the investigation. Indeed, although unaudited, these financial statements were filed with the Mexican Securities Exchange. However, TAMSA failed to provide the 1994 financial data to the Department when it became available, even though the Department specifically requested the information at verification. We believe that a failure to be forthcoming with information during verification is a serious problem.

Section 776(c) of the Act states that the Department will use BIA ''whenever a party or any other person refuses or is unable to produce information requested in a timely manner and in the form required'' (see also 19 CFR 353.37). Accordingly, because TAMSA withheld information requested by the Department, the statute requires us to use BIA for this information.

As BIA, we calculated interest expense using TAMSA's financial statements for the first two quarters of 1994. The January—June 1994 financing expense is substantially higher than the 1993 amount, in part due to the fact that the Mexican peso lost approximately nine percent of its value during the POI. Our finding is adverse because the full effect of the change in the value of the currency that occurred during the POI is reflected in the cost of financing for the first two quarters of the fiscal year. Had it not been necessary to resort to BIA, our calculation methodology would have resulted in a lower financing expense.

However, contrary to petitioner's request, we have not calculated TAMSA's financial expense based on the annual statements for 1994 because (1) the sudden and severe devaluation in December 1994—a drop of over 50 percent in the value of the Mexican peso—makes TAMSA's annual financial results unrepresentative of the POI and severely distortive, and (2) the devaluation occurred well after the POI.

Thus, we reject TAMSA's request that we use 1993 financial data. This information is not the most current information available, is not indicative of the expenses incurred during the POI, and would reward the respondent for not fully cooperating in the investigation.

Finally, TAMSA's reliance on Furfuryl Alcohol from Thailand to support the use of financial expense from the 1993 audited financial statements is misplaced. In that case, respondents fully cooperated with respect to the Department's request for available information, unlike the situation in this investigation.

Comment 7: Allocation Methodology for Nonstandard Costs.

In its normal accounting system, TAMSA calculates, in total, the amount of the price variances, efficiency variance, total depreciation and other fixed costs. It does not normally allocate these costs to individual products. For financial statement purposes, TAMSA includes the total nonstandard costs in the cost of goods sold. For purposes of responding to the Department's questionnaire, TAMSA developed a methodology to allocate nonstandard costs to its submitted per unit COPs and

CVs based on machine time for a single process (the finishing line).

The petitioner argues that TAMSA's allocation methodology for variances, depreciation and other fixed costs (termed ''nonstandard'' costs) distorts actual production costs because it shifts overhead expenses to products which undergo more finishing. This allocation methodology may also shift costs to products purchased from Siderca S.A.I.C., a related entity, if TAMSA is finishing the Siderca-produced products. Furthermore, the relative finishing line time TAMSA used as the allocation basis for variances and fixed costs is the least accurate method for allocating these costs to specific products. The petitioner asserts that finishing costs are only a fraction of the costs incurred in other production processes. The differences resulting from the finishing process will have little or no relationship to product-specific cost differences in the other processes.

As a result, the petitioner argues that the Department should apply BIA. As BIA, the Department should allocate the costs on a per-ton basis over all production. The petitioner discounts the usage of standard costs as a basis for allocation since the major component of standard costs is materials.

TAMSA argues that machine time at the finishing line is the most appropriate basis for allocating nonstandard costs according to accounting theory. Production, and therefore costs, are dependent on the slowest machine in the entire production process. TAMSA asserts that the finishing line is the slowest process and argues that the alternative of allocating nonstandard costs on a per-ton basis ignores all differences in machine usage and physical differences between products. Similarly, it contends that allocating nonstandard costs based on standard costs would ignore the relationship of machine usage for physically different types of products.

DOC Position

We agree with the petitioner that TAMSA's allocation methodology for fixed costs and variances distorts actual production costs because it shifts overhead expenses to products which undergo more finishing. The basic premise that machine time can be a reasonable and appropriate allocation basis for depreciation costs is well substantiated in both accounting (Davidson & Weil, Handbook of Cost Accounting, Prentiĉe Hall, 1978) and Departmental practice (Final Determination of Sales at Less Than Fair Value; Steel Wire Rope from Korea (58 FR 11029, February 23, 1993)). However, TAMSA did not rely on total machine time as the basis for allocation. Instead, TAMSA based its allocation on the standard time for only one production step, the finishing line. Thus, TAMSA's allocation basis did not reflect the machine time for other processes performed. TAMSA's methodology allocated more than just depreciation expenses based on the finishing line time. It also allocated material and energy price variances, efficiency variance, and other fixed costs on the basis of standard finishing line. TAMSA's chosen allocation methodology ignored the cost drivers for the price variances, efficiency variance and other fixed costs. These costs are not driven by machine time, as they are more closely associated with material and transformation costs. For these reasons, machine time is not the appropriate allocation basis for costs other than depreciation.

The petitioner's recommendation of allocating nonstandard costs on a per-ton basis would allocate the same nonstandard cost to each ton produced. This type of allocation would not accurately reflect the processes needed to produce each product, or the differences in the machine time and labor hours for each product. Similarly, it does not capture the specific costs of the materials required to produce different products.

The petitioners argument against using standard cost as the allocation basis for the variances and fixed costs because a large part of the standard costs is material cost is unfounded. The variances being allocated include material price and material efficiency variances. Therefore, the appropriate cost driver for the material variances (materials) is included in the standard costs.

We have used total standard cost as the appropriate allocation basis for the nonstandard costs. Total standard cost factors in machine time, labor hours, direct and indirect material cost and usage, labor cost and usage, energy cost and usage, other variable costs, maintenance, and other services. Therefore, we revised the COP and CV to include nonstandard costs as a percent of total standard costs.

Comment 8: Calculation of G&A Expenses.

TAMSA submitted G&A expenses based upon 1993 financial statements. The petitioner argues that TAMSA should have used G&A expenses from its 1994 financial statements since they encompass the POI. Further, the petitioner argues that the Department should base G&A expenses on BIA because TAMSA has systematically withheld its 1994 consolidated financial statements from the Department (see complete discussion at Comment 6). As BIA, the petitioner recommends that the Department rely on the reported amounts in the company's consolidated 1994 financial statements which were filed with the Mexican securities oversight agency.

TAMSA refutes the petitioner's arguments saying it has fully cooperated with all Department requests. TAMSA asserts that the different format and form of the information filed on the public record with the U.S. and Mexican authorities and the time lag between publication in the United States and filing with the SEC has led to some confusion.

DOC Position

We agree, in part, with the petitioner that it is inappropriate to use the 1993 G&A expenses. (See DOC position regarding Comment 6.) We disagree with the petitioner, however, that BIA is appropriate because TAMSA provided us with the 1994 G&A information that the Department requested. As indicated in the questionnaire, it is the Department's standard practice to calculate G&A based on the financial statements of the producing company that most closely relates to the POI, which, in this investigation, is January 1, 1994 through June 30, 1994. Therefore, the appropriate financial statement for TAMSA's G&A calculation is TAMSA's unconsolidated 1994 financial statement. We used the 1994 G&A expenses from the unconsolidated producing entity.

All other comments concerning G&A are moot, as they concerned the calculation of G&A using the 1993 financial statements.

Comment 9: Depreciation Expenses.

The petitioner argues that TAMSA's reported depreciation expense was based on overstated useful lives and that TAMSA's appraised value of assets was less than the acquisition cost adjusted for inflation. Therefore, the petitioner argues that the submitted depreciation expense was understated. The petitioner contends that TAMSA's depreciation methodology is contradictory to U.S. practice and distorts the POI actual costs. The petitioner concludes that the Department should increase TAMSA's depreciation expense to reflect the difference between TAMSA's average useful life of all assets and its purported U.S. useful life.

TAMSA argues that its method of reporting depreciation expenses is consistent with Mexican GAAP. TAMSA argues that the petitioner has

not provided any evidence to support its assertion that Mexican GAAP distorts costs. The Department verified the asset values and useful lives at the cost verification and has accepted Mexican GAAP's treatment of assets in Porcelain-on-Steel Cooking Ware from Mexico; Final Results of Antidumping Administrative Review (Cooking Ware from Mexico)(60 FR 2378, January 9, 1995).

DOC Position

We agree with TAMSA. The Department has relied on the revaluations required by Mexican GAAP in other cases, such as Cooking Ware from Mexico. We made no adjustment for the useful life of the assets because there is no evidence that the lives used in the depreciation calculation were overstated. In fact, as reflected in the cost verification report, the Department reviewed the depreciation schedules and calculations and found them to be reasonable. Mexican GAAP requires an annual revaluation of assets. The annual revaluation was performed by an independent appraiser and it calculates the useful life remaining for depreciation expense calculation, and the valuation of the asset. Therefore, the petitioner's assertion that we should use the asset life as prescribed for U.S. income tax depreciation as a surrogate for the asset life determined by the independent appraiser is unfounded.

Comment 10: Periodic Maintenance and Shut-Down Costs.

The petitioner argues that TAMSA's reported costs fail to capture the variance associated with the actual shutdown costs.

The Department should increase the nonstandard costs for the difference between the POI efficiency variance and the entire year efficiency variance. It claims that, since the actual shutdown occurs in August, the appropriate efficiency variance is the annual variance, not the POI variance as used by TAMSA.

TAMSA argues that it properly captured the periodic maintenance and shut-down costs for the POI. TAMSA argues that its accrual for repair and maintenance in the POI was carefully established through a thorough analytical process over a series of months and was approved by plant engineers and management.

DOC Position

We agree with TAMSA. TAMSA accrues a monthly amount for the annual shutdown which occurs in August. The difference between the accrued shutdown expenses and the actual expenses was captured in the efficiency variance. There is no evidence on the record indicating any difference between the accrued and actual plant shutdown costs. The actual expenses for the annual shutdown could be either higher or lower than the accrued amount. The efficiency variance includes elements other than the difference between accrued and actual shutdown costs. It also reflects all other variances in efficiency. The petitioner's argument to use the annual efficiency variance to capture the variance in shutdown costs would have the effect of capturing other variances that did not relate to production in the POI.

Comment 11: CV Interest Offset.

The petitioner asserts that TAMSA improperly included raw materials and semi-finished products and non-customer accounts receivables in the CV interest offset. The petitioner argues that the Department should revise the CV interest offset for the final determination.

TAMSA did not comment on this issue.

DOC Position

We agree with the petitioner. TAMSA's calculation of the CV interest offset was in error. As part of the Department's normal methodology, we allow only finished goods inventory and customer accounts receivable as an offset to CV interest expense. This offset avoids double counting interest expense captured in the imputed inventory carrying cost and the imputed credit expense. We revised the CV financial expense ratio to reflect only the finished goods inventory and the customer accounts receivable as an offset.

Comment 12: Rental Payments in Further Manufacturing Costs.

The petitioner argues that TAMSA's related company which performs further manufacturing in the United States, TPT, reduced its general expenses by net rental income received from Siderca Corp. The petitioner contends that this is inappropriate and the income should be removed.

TAMSA disagrees with the petitioner's assertion and clarifies that the gross rental payments received by TPT are net rental income in excess of expenses. In addition, TAMSA argues that the rental income is directly offset by rent expenses reported on the books of Siderca Corp. TAMSA argues that the petitioner's request would overstate expenses by recognizing the rental expense as a selling expense and by not recognizing the offsetting rental revenue as a reduction to further manufacturing G&A.

DOC Position

We agree with TAMSA. The Department verified that the rental payments made by Siderca are reflected as a selling expense on its books. The depreciation, utilities, taxes, and other expenses associated with the rental property are reflected on TPT's books. If we disallowed the rental income offset, the expenses of the entities as a whole would be overstated.

Comment 13: Financial Expenses in Further Manufacturing Costs.

The petitioner argues that TAMSA failed to add financial expenses to the further manufacturing cost of unrelated companies. The petitioner argues that the consolidated interest expense of TAMSA should be applied to the amount charged to TAMSA by the unrelated further manufacturer.

TAMSA argues that it properly reported the amount charged by the unrelated further manufacturers. The fee it was charged includes an amount for financial expense, because it must be assumed that the unrelated further manufacturer charges an amount that would cover all of its costs, including financial costs. TAMSA also argues that it properly included the financial expenses of TIC and Siderca Corp. as selling expenses and TPT's financial expense as a further manufacturing cost on merchandise processed by TPT.

DOC Position

We agree with TAMSA. We verified that TAMSA included the amount charged by the unrelated further manufacturers in its submitted costs. This fee includes financing and G&A costs incurred by the unrelated further manufacturer. If we added TAMSA's financing costs to the costs reported for the unrelated company, we would be burdening an arm's-length transaction with inappropriate costs. For products further manufactured by TPT, TAMSA included TPT's G&A, and we added the consolidated parents financial expense, pursuant to the Department's practice (see Final Determination of Sales at Less Than Fair Value: New Minivans from Japan (57 FR 21937, May 26, 1992)).

Suspension of Liquidation

Pursuant to section 735(c)(1)(B) of the Act, we will instruct the Customs Service to require a cash deposit or posting of a bond equal to the estimated final dumping margins, as shown below for entries of OCTG from Mexico that are entered, or withdrawn from warehouse, for consumption from the date of publication of this notice in the **Federal Register**. The suspension of liquidation will remain in effect until further notice.

Manufacturer/producer/exporter	Weighted-average margin percentage
Tubos Acero de Mexico, S.A. ..	23.79
All Others	23.79

International Trade Commission (ITC) Notification

In accordance with section 735(d) of the Act, we have notified the ITC of our determination. The ITC will make its determination whether these imports materially injure, or threaten injury to, a U.S. industry within 75 days of the publication of this notice, in accordance with section 735(b)(3) of the Act. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all securities posted as a result of the suspension of liquidation will be refunded or cancelled. However, if the ITC determines that material injury or threat of material injury does exist, the Department will issue an antidumping duty order.

Notification to Interested Parties

This notice serves as the only reminder to parties subject to administrative protective order (APO) in this investigation of their responsibility covering the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 353.34(d). Failure to comply is a violation of the APO.

This determination is published pursuant to section 735(d) of the Act and 19 CFR 353.20(a)(4).

Dated: June 19, 1995.

Susan G. Esserman,

Assistant Secretary for Import Administration.

[FR Doc. 95–15621 Filed 6–27–95; 8:45 am]

BILLING CODE 3510–DS–P

[A–469–806]

Final Determination of Sales at Less Than Fair Value: Oil Country Tubular Goods from Spain

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

EFFECTIVE DATE: June 28, 1995.

FOR FURTHER INFORMATION CONTACT: Magd Zalok or William Crow, Office of Antidumping Investigations, Import Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone (202) 482–4162 or 482–0116, respectively.

Final Determination

We determine that oil country tubular goods (OCTG) from Spain are being sold in the United States at less than fair value, as provided in section 735 of the Tariff Act of 1930, as amended (''the Act''). The estimated margins are shown in the ''Suspension of Liquidation'' section of this notice.

Case History

Since the preliminary determination of sales at less than fair value in this investigation on January 26, 1995 (60 FR 6516, February 2, 1995), the following events have occurred. On February 8, 1995, (60 FR 8632, February 15, 1995) the Department postponed the final determination in accordance with section 735(a)(2) of the Act and 19 CFR 353.20(b)(1).

In March 1995, the Department conducted its sales and cost verifications of the respondent, Tubos Reunidos (''TR'') in Spain. Verification reports were issued in April and May 1995.

On May 9, 1995, the petitioners and TR submitted case briefs. Rebuttal briefs were submitted by both parties on May 16, 1995. On May 17, 1995, the Department held a public hearing.

Scope of the Investigation

For purposes of this investigation, OCTG are hollow steel products of circular cross-section, including oil well casing, tubing, and drill pipe, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished or unfinished (including green tubes and limited service OCTG products). This scope does not cover casing, tubing, or drill pipe containing 10.5 percent or more of chromium. The OCTG subject to this investigation are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers:

7304.20.10.10, 7304.20.10.20, 7304.20.10.30, 7304.20.10.40, 7304.20.10.50, 7304.20.10.60, 7304.20.10.80, 7304.20.20.10, 7304.20.20.20, 7304.20.20.30, 7304.20.20.40, 7304.20.20.50, 7304.20.20.60, 7304.20.20.80, 7304.20.30.10, 7304.20.30.20, 7304.20.30.30, 7304.20.30.40, 7304.20.30.50, 7304.20.30.60, 7304.20.30.80, 7304.20.40.10, 7304.20.40.20, 7304.20.40.30, 7304.20.40.40, 7304.20.40.50, 7304.20.40.60, 7304.20.40.80, 7304.20.50.15, 7304.20.50.30, 7304.20.50.45, 7304.20.50.60, 7304.20.50.75, 7304.20.60.15, 7304.20.60.30, 7304.20.60.45, 7304.20.60.60, 7304.20.60.75, 7304.20.70.00, 7304.20.80.30, 7304.20.80.45, 7304.20.80.60, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.20.10.30, 7306.20.10.90, 7306.20.20.00, 7306.20.30.00, 7306.20.40.00, 7306.20.60.10, 7306.20.60.50, 7306.20.80.10, and 7306.20.80.50.

After the publication of the preliminary determination, we found that HTSUS item numbers 7304.20.10.00, 7304.20.20.00, 7304.20.30.00, 7304.20.40.00, 7304.20.50.10, 7304.20.50.50, 7304.20.60.10, 7304.20.60.50, and 7304.20.80.00 were no longer valid HTSUS item numbers. Accordingly, these numbers have been deleted from the scope definition.

Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of this investigation is dispositive.

Period of Investigation

The period of investigation (POI) is January 1, 1994, through June 30, 1994.

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Statute and to the Department's regulations are in reference to the provisions as they existed on December 31, 1994.

Best Information Available (BIA)

We have determined that TR's questionnaire responses provide an inadequate basis for estimating dumping margins. At verification, we discovered significant omissions, discrepancies, and a large number of errors in TR's responses, as well as an overall lack of support for certain of TR's sales data. Instead of reporting the actual prices charged to the first unrelated U.S. customers, as requested by the Department, TR incorrectly reported the U.S. prices invoiced to its related subsidiary, and failed to provide adequate support documentation at verification for the actual prices invoiced to the U.S. customers. TR omitted reporting all charges in the U.S. market for freight, guarantee and return credits and did not provide adequate support documentation at verification for these charges. TR also omitted reporting the sale of certain OCTG products, and provided no evidence at verification that the sales of these products were not covered by the scope of this investigation. In its responses, TR stated that its home market was not viable with respect to the sale of the