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 section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and section 353.22 of the Department's regulations.

Date: May 9, 1996.

Paul L. Joffe,

*Acting Assistant Secretary for Import Administration.*

[FR Doc. 96–12517 Filed 5–17–96; 8:45 am]

**BILLING CODE 3510–DS–P**

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**[A–588–604; A–588–054]**

## Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan; Preliminary Results of Antidumping Duty Administrative Reviews and Termination in Part

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

**ACTION:** Notice of Preliminary Results of Antidumping Duty Administrative Reviews and Termination in Part.

**SUMMARY:** In response to requests by the petitioner and two respondents, the Department of Commerce (the Department) has conducted administrative reviews of the antidumping duty order on tapered roller bearings and parts thereof, finished and unfinished, from Japan (A–588–604), and of the finding on tapered roller bearings, four inches or less in outside diameter, and components thereof, from Japan (A–588–054). The review of the A–588–054 finding covers four manufacturers/exporters and ten resellers/exporters of the subject merchandise to the United States during the period October 1, 1993, through September 30, 1994, and one manufacturer/exporter for the period October 1, 1992, through September 30, 1993. The review of the A–588–604 order covers five manufacturers/exporters, ten resellers/exporters, and seventeen firms identified by the petitioner in this case as forging producers, and the period October 1, 1993, through September 30, 1994. The A–588–604 review also covers one manufacturer/exporter for the period October 1, 1992, through September 30, 1993.

We have preliminarily determined that sales of tapered roller bearings (TRBs) have been made below the foreign market value (FMV). If these preliminary results are adopted in our final results of administrative review, we will instruct the U.S. Customs Service to assess antidumping duties equal to the difference between the United States price (USP) and the FMV.

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:** May 20, 1996.

**FOR FURTHER INFORMATION CONTACT:** Valerie Turoscy or Robert James, Office of Antidumping Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230, telephone: (202) 482–5253.

**SUPPLEMENTARY INFORMATION:**

### 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.

### Background

On August 18, 1976, the Treasury Department published in the Federal Register (41 FR 34974) the antidumping finding on TRBs from Japan, and on October 6, 1987, the Department published the antidumping duty order on TRBs from Japan (52 FR 37352). On October 7, 1994 (59 FR 51166), the Department published the notice of ''Opportunity to Request an Administrative Review'' for both TRB cases. The petitioner, the Timken Co., and two respondents requested administrative reviews. We initiated the A–588–054 and A–588–604 administrative reviews for the period October 1993 through September 1994 on November 14, 1994 (59 FR 56459).

The Department has now conducted these reviews in accordance with section 751 of the Tariff Act of 1930, as amended (the Tariff Act). However, we have not conducted a review of Honda Motor Co., Ltd. (Honda) for either the A–588–054 or the A–588–604 case. In our preliminary results notice for the 1992–93 administrative reviews, we published our intent to revoke the A–588–054 finding as to Honda and explained that our final determination concerning Honda's revocation would be published in our final results notice for the 1992–93 administrative reviews (*see Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from Japan and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, from Japan; Preliminary Results of Antidumping Duty Administrative Reviews, Termination in Part, and Intent to Revoke in Part,* 60 FR 22349 (May 5, 1995)). We have not yet completed those final results and our final determination concerning Honda's revocation has not yet been made. Upon our determination concerning Honda's revocation and the publication of our final results of review for the 1992–93 administrative review period, we will proceed accordingly for Honda in both the A–588–054 and A–588–604 cases.

This notice also includes, along with our 1993–94 preliminary results of review for Koyo Seiko Co., Ltd. (Koyo), our 1992–93 preliminary results of review for Koyo for both the A–588–054 finding and the A–588–604 order. Because our scope proceeding regarding Koyo's rough forgings was concurrent with our 1992–93 preliminary results analysis, we determined that, rather than delay our 1992–93 preliminary results of review for all other reviewed firms, we would conduct Koyo's 1992–93 reviews in both cases after making our final scope determination concerning Koyo's rough forgings. On February 2, 1995, we published in the Federal Register our final scope decision concerning Koyo's rough forgings (60 FR 6519), in which we determined that Koyo's rough forgings are within the scope of the A–588–604 order. We provided Koyo additional time to submit its sales and cost information concerning its rough forgings for both the 1992–93 and 1993–94 administrative reviews and have now conducted our review of Koyo for both these periods in accordance with section 751 of the Tariff Act.

### Scope of the Review

Imports covered by the A–588–054 finding are sales or entries of TRBs, four inches or less in outside diameter when assembled, including inner race or cone assemblies and outer races or cups, sold either as a unit or separately. This merchandise is classified under the Harmonized Tariff Schedule (HTS) item numbers 8482.20.00 and 8482.99.30.

Imports covered by the A–588–604 order include TRBs and parts thereof, finished and unfinished, which are flange, take-up cartridge, and hanger units incorporating TRBs, and tapered roller housings (except pillow blocks) incorporating tapered rollers, with or without spindles, whether or not for automotive use. Products subject to the A–588–054 finding are not included within the scope of this order, except for those manufactured by NTN Toyo Bearing Co., Ltd. (NTN). This merchandise is currently classifiable under HTS item numbers 8482.99.30, 8483.20.40, 8482.20.20, 8483.20.80, 8482.91.00, 8484.30.80, 8483.90.20, 8483.90.30, and 8483.90.60. These HTS item numbers and those for the A–588–054 finding are provided for convenience and Customs purposes. The written description remains dispositive.

The period for each 1993–94 review is October 1, 1993, through September 30, 1994. These reviews cover TRB sales by five TRB manufacturers/exporters (Koyo, NSK Ltd. (NSK), NTN, Nachi-Fujikoshi Corporation (Nachi), and Maekawa Bearing Mfg. Co., Ltd. (Maekawa)), and ten resellers/exporters (Honda, Fuji Heavy Industries, Ltd. (Fuji), Kawasaki Heavy Industries, Ltd. (Kawasaki), Yamaha Motor Co., Ltd. (Yamaha), Sumitomo Corporation (Sumitomo), Itochu Co., Ltd. (Itochu), Suzuki Motor Co., Ltd. (Suzuki), Nigata Converter Co., Ltd. (Nigata), Toyosha Co., Ltd. (Toyosha), and MC International (MC Int'l)). These reviews also cover U.S. sales/importations of forgings by Koyo, NTN, and seventeen firms identified by the petitioner as Japanese forging producers (Daido Steel Co., Ltd. (Daido Steel), Asakawa Screw Co., Ltd. (Asakawa), Fuse Rashi Co., Ltd., Hamanaka Nut Mfg. Co., Ltd., Ichiyanagi Tekko, Isshi Nut Industries (Isshi Nut), Kawada Tekko, Kinki Maruseo Nut Kogyo Kumiai, Kitazawa Valve Co., Ltd. (Kitz Corp.), Nittetsu Bolten, Shiga Bolt, Shinko Bolt, Sugiura Seisakusho, Sumikin Seiatsu, Toyo Valve Co., Unytite Fastener Mfg. Co., Ltd. (Unytite Kogyo), and Showa Seiko Co., Ltd. (Showa)). We are terminating our review for eleven of the seventeen firms as described in the ''Termination in Part'' section of this notice.

The period for the 1992–93 reviews is October 1, 1992, through September 30, 1993. The 1992–93 reviews of both the A–588–054 and A–588–604 cases included in this notice cover TRB sales by one manufacturer/exporter, Koyo.

Verification

As provided for in section 776(b) of the Tariff Act, we verified information provided by NTN for the 1993–94 review period and information provided by Koyo for the 1992–93 review period. We used standard verification procedures in each of the verifications, including on-site inspection of the manufacturer's facilities, the examination of relevant sales and financial records, and selection of original documentation containing relevant information. Our verification results are outlined in the public versions of our NTN and Koyo verification reports.

Best Information Available (BIA)

*Total BIA*

For these preliminary results, in accordance with section 776(c) of the Tariff Act, for several firms we used BIA, which we determined according to the two-tier BIA methodology outlined in *Antifriction Bearings; Final Results of Antidumping Administrative Reviews and Revocation in Part of Antidumping Duty Order,* 58 FR 39729, 39739 (July 26, 1993) (*AFBs*). Based on this methodology we used BIA as follows:

1. When a company refused to cooperate with the Department or otherwise significantly impeded these proceedings, we used as total BIA the higher of (1) the highest rate found for any firm for the same class or kind of merchandise in the same country of origin in the less-than-fair-value (LTFV) investigation or prior administrative reviews; or (2) the highest rate found in this review for any firm for the same class or kind of merchandise in the same country of origin.

2. When a company substantially cooperated with our requests for information and substantially cooperated at verification, but failed to provide requested information in a timely manner or in the form required or was unable to substantiate it, we used as total BIA the higher of (1) the highest rate ever applicable to that firm for the same class or kind of merchandise from either the LTFV investigation or a prior administrative review (or if the firm had never before been investigated or reviewed, the ''all others'' rate from the LTFV investigation), or (2) the highest calculated rate in this review for the class or kind of merchandise for any firm from the same country of origin.

Thus, for first-tier (non-cooperative) BIA in these reviews we have used for the A–588–604 review the highest calculated rate for any firm in the history of the order (*i.e.,* 40.37 percent, the rate for NSK in the 1988–89 A–588–604 review), and for the A–588–054 review we have used the highest calculated rate for any firm in the history of the finding (*i.e.,* 47.63 percent, the rate for Koyo in the 1987–88 A–588–054 review).

Listed below is a company-by-company summary of the total BIA used in these reviews.

A. First-Tier (Non-Cooperative) BIA

(i) Maekawa, Yamaha, Toyosha, Nigata, and Suzuki: None of these firms responded to our questionnaire in either the A–588–054 or the A–588–604 review. Therefore, based on the criteria set forth above, as first-tier BIA for each of these firms in the A–588–604 review we used 40.37 percent and for each of these firms in the A–588–054 review, we used 47.63 percent.

(ii) Nachi: In a letter responding to our questionnaire Nachi indicated that it declined to provide the information requested in our questionnaire for both the A–588–604 and A–588–054 reviews. As a result, we used for Nachi first-tier BIA rates of 40.37 percent in the A–588–604 review and 47.63 percent in the A–588–054 review.

(iii) Daido Steel, Kawanda Tekkosho, Asakawa, Ichiyanagi Tekko, and Isshi Nut: These five firms, which were identified as forging producers and which are involved only in the A–588–604 review, did not respond to our questionnaire. As a result, for each firm we used a first-tier BIA rate of 40.37 percent.

(iv) While Kawasaki did respond to our questionnaire, its response contained only general information and a statement indicating that it declined to provide any of the sales-specific information we requested in our questionnaire. The information Kawasaki failed to provide was necessary for our analysis, and Kawasaki's failure to provide this information impeded our ability to conduct the review for Kawasaki. We have therefore used a first-tier BIA rate of 40.47 percent for Kawasaki in the A–588–604 review, and a first-tier BIA rate of 47.63 percent in the A–588–054 review.

*Partial BIA*

While conducting our 1992–93 and 1993–94 preliminary analysis for Koyo, we discovered that in both reviews Koyo did not report the actual further-processing costs for certain of its U.S. further-processed models. Rather, Koyo reported further-processing costs for these models which were based on the further-processing costs of other U.S. models which Koyo identified as most similar. As a result, the actual further-processing costs requested by the Department for these U.S. models were not reported by Koyo. Furthermore, our review of both Koyo's 1992–93 and 1993–94 questionnaire responses revealed that Koyo failed to indicate in its responses that it reported something other than the actual further-processing costs for certain U.S. models.

In those cases where the overall integrity of a respondent's questionnaire response warrants a calculated rate, but the firm failed to provide certain information, or certain information it provided was inaccurate, it is the Department's practice to use partial BIA *(see, e.g., AFBs* at 10907). Therefore, for these 1992–93 and 1993–94 preliminary results for Koyo, we have used partial BIA for the further-processing costs Koyo failed to accurately report for these particular U.S. models. After making an initial adjustment to all of Koyo's further-processing costs based on information we discovered at verification (see the Office of Accounting's preliminary results calculation memorandum dated October 12, 1995), we determined the single highest ratio between further-processing costs and the gross unit price for all of Koyo's further-manufactured U.S. models. We then applied this ratio to the unit prices for the models in question and used the resulting further-processing cost amounts as partial BIA for these models.

*No Shipments*

Two resellers, Fuji and MC Int'l, made no shipments of A–588–604 subject merchandise during the review period. Furthermore, neither of these firms was a party to the A–588–604 LTFV investigation or any prior administrative reviews of the A–588–604 case. Because their shipments have never been reviewed individually, we have not assigned a rate to these two firms for the A–588–604 case. If these firms begin shipping subject merchandise at some future date, the entries will be subject to the cash deposit rates attributable to the manufacturer(s) of the subject merchandise.

Concerning those firms identified by the petitioner as forging producers, only one of the 17 firms, Showa, reported that it actually produced forgings used in the manufacture of TRBs. However, Showa also indicated that it did not sell these forgings to the United States, but rather only sold such merchandise to companies in Japan. Because this firm had no U.S. shipments of this merchandise during the review period and has never been involved in an A–588–604 review or the LTFV investigation, we have not assigned an individual rate to Showa for the A–588–604 case. If Showa were to begin shipping at some future date, the entries will be subject to the A–588–604 LTFV ''all others'' cash deposit rate of 36.52 percent.

*Termination in Part*

Eleven of the seventeen firms identified by the petitioner as forging producers reported that they did not produce the forgings which have been found to be within the scope of the order, but rather only produced non-scope merchandise such as nuts, bolts, and valves. As a result, because these firms do not produce or sell subject merchandise, we are terminating the A–588–604 review for the following eleven firms: Fuse Rashi Co., Ltd., Hamanaka Nut Mfg. Co., Ltd., Kinki Maruseo Nut Kogyo Kumiai, Kitz Corp., Shiga Bolt, Shinko Bolt, Sugiura Seisakusho, Toyo Valve Co., Nittetsu Bolten, Sumikin Seiatsu, and Unytite Kogyo.

Our termination of the A–588–604 review for these eleven firms does not constitute a revocation of the order as to these firms. If any of the above eleven firms ever become manufacturers/exporters of TRBs or forgings used in the production of TRBs, their merchandise will be subject to the order.

*Resellers/Shippers*

Of the ten resellers covered by these reviews, we have determined that two of these resellers, Sumitomo and Itochu, are mere shippers of the subject merchandise and do not warrant their own margin. Itochu and Sumitomo contract with larger Japanese companies/suppliers to ship TRBs from the suppliers to the suppliers' U.S. subsidiaries. Because these suppliers knew at the time of the transfer of merchandise to Itochu and Sumitomo that these TRBs were destined for the United States, and because Itochu and Sumitomo had no influence over the sales prices or quantities of these shipments, we have determined that the suppliers' rates, and not unique Sumitomo or Itochu rates, should be applied for cash deposit and appraisement purposes. See, for example, *Antifriction Bearings (Other than Tapered Roller Bearings) and Parts thereof from Germany, et al.; Final Results of Antidumping Duty Administrative Review,* 56 FR 31692, 31747 (July 11, 1991).

*United States Price (USP)*

The Department used exporter's sales price (ESP) for Koyo, NSK, NTN, Fuji, and MC Int'l, and purchase price for certain of Fuji's and NTN's sales, as defined in section 772 of the Tariff Act, to calculate USP. ESP was based on the packed, delivered price to unrelated purchasers in the United States. We made adjustments, where applicable, for foreign pre-sale inland freight, foreign inland freight, air freight, ocean freight, marine insurance, export inspection fees, brokerage and handling, U.S. inland freight, U.S. duty, commissions to unrelated parties, U.S. credit, discounts, rebates, sales allowances, billing adjustments, technical service expenses, warranties, packing expenses incurred in the United States, and indirect selling expenses (which include inventory carrying costs, warehouse transfer expenses, advertising, other U.S.—incurred selling expenses, and export selling expenses). For NTN and Koyo, we also adjusted ESP for value added in further manufacturing, including an allocation of profit earned on U.S. sales. In addition, based on our verification of Koyo's reported 1992–93 further manufacturing information, and Koyo's response to our 1993–94 supplemental questionnaire, we made adjustments to Koyo's reported 1992–93 and 1993–94 further-manufacturing costs.

NTN's and Fuji's purchase price sales were based on the sales price to the first unrelated purchaser in the United States. We made adjustments to purchase price, where appropriate, for rebates and the following movement expenses: foreign pre-sale inland freight, foreign inland freight, ocean freight, marine insurance, brokerage and handling, U.S. duty, U.S. inland freight, and export inspection fees.

In light of the decision by the United States Court of Appeals for the Federal Circuit (the Federal Circuit) in *Federal-Mogul* v. *United States,* CAFC No. 94–1097, we have changed our treatment of home market consumption taxes. For these preliminary results, where merchandise exported to the United States was exempt from the consumption tax, we added to the U.S. price the absolute amount of such taxes charged on the comparison sales in the home market. This is the same methodology that we adopted following the decision of the Federal Circuit in *Zenith* v. *United States,* 988 F. 2d 1573, 1582 (1993), and which was suggested by the Federal Circuit in footnote 4 of its decision. The Court of International Trade (CIT) overturned this methodology in *Federal-Mogul* v. *United States,* 834 F. Supp. 1391 (1993), and we acquiesced to the CIT's decision. We then followed the CIT's preferred methodology, which was to calculate the tax to be added to U.S. price by multiplying the adjusted U.S. price by the foreign market tax rate; we made adjustments to this amount so that the tax adjustment would not alter a ''zero'' pre-tax dumping assessment.

The foreign exporters in the *Federal-Mogul* case, however, appealed the decision to the Federal Circuit, which reversed the CIT and held that the statute did not preclude Commerce from using the ''*Zenith* footnote 4'' methodology to calculate tax-neutral dumping assessments (*i.e.*, assessments that are unaffected by the existence or amount of home market consumption taxes). Moreover, the Federal Circuit recognized that certain international agreements of the United States, in particular the General Agreement on Tariffs and Trade (GATT) and the Tokyo Round Antidumping Code, required the calculation of tax-neutral dumping assessments. The Federal Circuit remanded the case to the CIT with instructions to direct Commerce to determine which tax methodology it will employ.

We have determined that the ''*Zenith* footnote 4'' methodology should be used. First, as we have explained in numerous administrative determinations and court filings over the past decade, and as the Federal Circuit has now recognized, Article VI of the GATT and Article 2 of the Tokyo Round Antidumping Code required that dumping assessments be tax-neutral. This requirement continues under the new Agreement on Implementation of Article VI of the GATT. Second, the Uruguay Round Agreements Act (URAA) explicitly amended the antidumping law to remove consumption taxes from the home market price and to eliminate the addition of taxes to U.S. price, so that no consumption tax is included in the price in either market. The Statement of Administrative Action (p. 159) explicitly states that this change was intended to result in tax neutrality.

While the ''*Zenith* footnote 4'' methodology is slightly different from the URAA methodology, in that section 772(d)(1)(C) of the pre-URAA law required that the tax be added to U.S. price rather than subtracted from home market price, it does result in tax-neutral duty assessments. In sum, we have elected to treat consumption taxes in a manner consistent with our longstanding policy of tax-neutrality and with the GATT.

No other adjustments were claimed or allowed.

## Foreign Market Value (FMV)

In accordance with 19 CFR 353.48(a), we determined that the home market was viable for NTN, NSK, Koyo, and Fuji. Therefore, we compared U.S. sales with sales of such or similar merchandise in the home market.

In general, the Department relies on monthly weighted-average prices in the calculation of FMV. For reasons of simplification, consistent with section 777A of the Tariff Act, we used an average of respondents' home market sales for each review period. To determine whether an annual average was representative of the transactions under consideration, we performed the following three-step test (see *AFBs*). First, we compared the annual weighted-average home market price for each model with each of its 12 monthly weighted-average prices for each review period. We calculated the proportion of each model's sales whose annual weighted-average price did not vary more than plus or minus 10 percent from the monthly weighted-average prices. Second, we compared the volume of sales of all models whose annual weighted-average prices did not vary more than plus or minus 10 percent from the monthly weighted-average prices with the total volume of sales of TRBs. If the annual weighted-average price of at least 90 percent of the sales of TRBs did not vary more than plus or minus 10 percent from the monthly weighted-average price, we considered the annual weighted-average price to be representative of the transactions under consideration for that firm. Third, we tested whether there was any correlation between fluctuations in price and time for each model. Where the correlation coefficient was less than 0.05 (where a coefficient approaching 1.0 indicates a direct relation between price and time), we concluded that there was no significant relation between price and time. Because the annual weighted-average prices for each model sold by Koyo, NSK, Fuji, MC Int'l, and NTN during each review period did not vary meaningfully from the monthly weighted-average prices of sales, and because there was no correlation between price and time, we considered the annual weighted-average prices for each review period to be representative of the transactions under consideration. Therefore, we calculated a single FMV for each model sold by Koyo, NSK, Fuji, and NTN on an annual weighted-average basis.

Based on petitioner's allegations and the Department's previous TRB determinations of sales made below the cost of production (COP), in accordance with section 773(b) of the Tariff Act, we determined that there were reasonable grounds to believe or suspect that, for these review periods, NTN, Koyo, and NSK made sales of subject merchandise in the home market at prices less than COP. As a result, we investigated whether NTN, Koyo, or NSK sold such or similar merchandise in the home market at prices below COP. In accordance with 19 CFR 353.51(c), we calculated COP for NTN, NSK, and Koyo as the sum of reported materials, labor, factory overhead, and general expenses, and, where appropriate, compared COP to home market prices net of direct price adjustments and discounts.

In accordance with section 773(b) of the Tariff Act, in determining whether to disregard home market sales made at prices below the COP, we examined whether such sales were made in substantial quantities over an extended period of time, and whether such sales were made at prices which permit recovery of all costs within a reasonable period of time in the normal course of trade.

In accordance with our normal practice, for each model for which less than 10 percent, by quantity, of the home market sales during the period of review (POR) were made at prices below the COP, we included all sales of that model in the computation of FMV. For each model for which 10 percent or more, but less than 90 percent, of the home market sales during the POR were priced below the merchandise's COP, we excluded from the calculation of FMV those home market sales which were priced below the merchandise's COP, provided that these below-cost sales were made over an extended period of time. For each model for which 90 percent or more of the home market sales during the POR were priced below the COP and were made over an extended period of time, we disregarded all sales of that model in our calculation and, in accordance with section 773(b) of the Tariff Act, we used the constructed value (CV) of those models, as described below. *See, e.g., Mechanical Transfer Presses from Japan, Final Results of Antidumping Duty Administrative Review,* 59 FR 9958 (March 2, 1994).

In accordance with section 773(b)(1) of the Tariff Act, to determine whether sales below cost had been made over an extended period of time, we compared the number of months in which sales below cost occurred for a particular model to the number of months in which that model was sold. If the model was sold in fewer than three months, we did not disregard below-cost sales unless there were below-cost sales of that model in each month sold. If a model was sold in three or more months, we did not disregard below-cost sales unless there were sales below cost in at least three of the months in which the model was sold. We used CV as the basis for FMV when an insufficient number of home market sales were made at prices above COP. *See Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan; Final Results of Antidumping Duty Administrative Reviews,* 58 FR 64720, 64729 (December 8, 1993).

In the case of NTN, Koyo, and NSK, we compared each firm's individual home market prices with annual COPs. We tested each firm's home market prices on a model-specific basis and found for each firm, (1) models where more than 90 percent of the home market sales were made at below-COP prices and were made over an extended period of time, (2) other models where between 10 and 90 percent of home market sales were made at below-COP prices and over an extended period of time, and (3) yet other models where less than 10 percent of home market sales were made at below-COP prices. *See Polyethylene Terephthalate Film, Sheet, and Strip from Korea,* 56 FR 16306 (April 22, 1991).

Because NTN, NSK, and Koyo provided no indication that their below-cost sales of models within the ''greater than 90 percent'' and the ''between 10 and 90 percent'' categories were at prices that would permit recovery of all costs within a reasonable period of time and in the normal course of trade, we disregarded those sales of models in the ''10 to 90 percent'' category which were made below cost over an extended period of time. In addition, as a result of our COP test for home market sales of models within the ''greater than 90 percent'' category, we based FMV on CV for all U.S. sales for which there were insufficient sales of the comparison home market model at or above COP. Finally, where we found, for certain of NTN's, NSK's, and Koyo's models, home market sales for which less than 10 percent were made at below-COP prices, we used all home market sales of these models in our comparisons.

In accordance with section 773(c) of the Tariff Act, we used CV as FMV for those U.S. sales for which there were insufficient sales of the comparison home market model at or above COP, and for those U.S. sales for which there was no sale of such or similar merchandise in the home market. We calculated CV in accordance with section 773(e) of the Tariff Act. We included the cost of materials, labor, and factory overhead in our calculations. Where the actual selling, general, and administrative expenses (SG&A) were less than the statutory minimum of ten percent of the cost of manufacture (COM), we calculated SG&A as ten percent of the COM. Where the actual profits were less than the statutory minimum of eight percent of the COM plus SG&A, we calculated profit as eight percent of the sum of COM plus SG&A. We also adjusted NSK's and NTN's reported COP and CV to reflect the actual COP of related-party inputs.

In accordance with section 773 of the Tariff Act, for those U.S. models for which we were able to find a home market or third-country such or similar match that had sufficient above-cost sales, we calculated FMV based on the packed, F.O.B., ex-factory, or delivered prices to related purchasers (where an arm's-length relationship was demonstrated) and unrelated purchasers in the home market. We made adjustments, where applicable, for post-sale inland freight, credit, commissions, and warranties. We also made adjustments for discounts, rebates, and differences in physical characteristics. In addition, for comparison to ESP sales, we adjusted FMV for indirect selling expenses (which include advertising, inventory carrying costs, pre-sale inland freight, and other selling expenses) in the home market, limiting the home market indirect selling expense deductions by the amount of indirect selling expenses incurred in the United States. In situations where a U.S. sale with no commission was compared to a home market sale with a commission, we limited the deduction from FMV for home market indirect selling expenses by the amount of U.S. indirect selling expenses less the home market commission amount. In those instances where a commission was granted on the U.S. sale only, we increased the amount classified as U.S. indirect selling expenses for comparison to home market indirect selling expenses by the amount of the U.S. commission. We then limited the deduction from FMV for home market indirect selling expenses by the amount of the enhanced U.S. indirect selling expenses. For NTN, NSK, Koyo, and Fuji, all of which reported consumption tax-exclusive home market gross prices, we adjusted FMV for the Japanese consumption tax by adding the absolute amount of home market tax to FMV in accordance with our tax-neutral methodology described above. Finally, after deducting home market packing from FMV, we added to FMV packing expenses incurred in Japan for U.S. sales.

For comparison to purchase price sales, pursuant to section 773 of the Tariff Act, we added to FMV, where applicable, U.S. packing, credit, and direct advertising. We adjusted FMV for the Japanese consumption tax as described above, and for comparison to both ESP and purchase price sales, NTN requested and received a level-of-trade adjustment to FMV based on certain home market indirect expenses.

Because MC Int'l did not sell TRBs in the home market during the review period, but rather only exported TRBs to the United States and other third-country markets, in accordance with section 773(a)(1) of the Tariff Act, we determined that, for MC Int'l, the home market was not viable. Therefore, pursuant to 19 CFR 353.48, for MC Int'l we based FMV on third-country sales.

In selecting the appropriate third-country market to use for comparison purposes, we first determined which third-country markets had adequate volumes of sales within the meaning of 19 CFR 353.49(b)(1). We determined that the volume of sales to a third-country market was adequate if the quantity of sales of such or similar merchandise equalled or exceeded five percent of the quantity of sales in the United States. We then selected the third-country market with the largest volume of sales, and whose organization and development is most like that of the United States, as the most appropriate market for comparison, in accordance with 19 CFR 353.49(b)(2). Therefore, for MC Int'l's sales of TRBs to the first unrelated customer in the United States, we based FMV on MC Int'l's sales to unrelated customers in the United Kingdom. In addition, we applied to MC Int'l's sales in the United Kingdom the identical price stability test described above, and because the annual weighted-average prices for TRBs sold by MC Int'l in the United Kingdom did not vary meaningfully from the monthly weighted-average prices of sales, and because there was no correlation between price and time, we considered the annual weighted-average prices in the United Kingdom to be representative of the transactions under consideration. Therefore, we calculated a single FMV for each model sold by MC Int'l in the United Kingdom on an annual weighted-average basis.

No other adjustments were claimed or allowed.

## Preliminary Results of Review

As a result of our comparison of USP to FMV we preliminarily determine that the following margins exist for Koyo for the period October 1, 1992, through September 30, 1993:

| Manufacturer/exporter | Margin (Percent) |
|---|---|
| For the A–588–054 Review:Koyo Seiko | 38.64 |
| For the A–588–604 Review: Koyo Seiko | 46.03 |

In addition, we preliminarily determine that the following margins exist for the period October 1, 1993, through September 30, 1994 for the following firms:

| Manufacturer/Reseller/Exporter | Margin (percent) |
|---|---|
| For the A–588–054 Review: | |
| Koyo Seiko | 34.68 |
| Nachi | 47.63 |
| NSK | 7.61 |
| Fuji | 6.08 |
| Kawasaki | 47.63 |
| Yamaha | 47.63 |
| MC International | 2.36 |
| Maekawa | 47.63 |
| Toyosha | 47.63 |
| Nigata Converter | 47.63 |
| Suzuki | 47.63 |
| For the A–588–604 Review: | |
| NTN | 19.73 |
| Koyo Seiko | 41.21 |
| Nachi-Fujikoshi Corp. | 40.37 |
| NSK Ltd. | 7.15 |
| Fuji | (1) |
| Kawasaki | 40.37 |
| Yamaha | 40.37 |
| MC International | (1) |
| Maekawa | 40.37 |
| Toyosha | 40.37 |
| Nigata Converter | 40.37 |
| Suzuki | 40.37 |
| Showa Seiko | (1) |
| Daido | 40.37 |
| Ichiyanagi Tekko | 40.37 |
| Kawada Tekkosho | 40.37 |
| Asakawa Screw Co. | 40.37 |
| Isshi Nut | 40.37 |

[1] No shipments or sales subject to this review. The firm has no rate from any prior segment of this proceeding.

Interested parties may request disclosure within 5 days of the date of publication of this notice and may request a hearing within 10 days of publication. Any hearing, if requested, will be held 44 days after the date of publication or the first business day thereafter. Case briefs and/or written comments from interested parties may be submitted no later than 30 days after the date of publication. Rebuttal briefs and rebuttals to written comments, limited to issues raised in those comments, may be filed not later than 37 days after the date of publication of this notice. The Department will publish the final results of these administrative reviews including the results of its analysis of issues raised in any such written comments or at a hearing.

The Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between the USP and FMV may vary from the percentages stated above.

Furthermore, the following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of these administrative reviews, as provided for by section 751(a)(1) of the Tariff Act. A cash deposit of estimated antidumping duties shall be required on shipments of TRBs from Japan as follows:

(1) The cash deposit rates for the reviewed companies will be those rates established in the final results of these reviews. For Koyo, the cash deposit rates will be those rates established in the final results for the 1993–94 administrative reviews;

(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 these reviews, a prior review, or the original less-than-fair-value (LTFV) investigations, 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 these or any previous reviews conducted by the Department, the cash deposit rate for the A–588–054 case will be 18.07 percent and 36.52 percent for the A–588–604 case (*see Preliminary Results of Antidumping Duty Administrative Reviews; Tapered Roller Bearings, Finished and Unfinished, and Parts Thereof, From Japan and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan*, 58 FR 51058, 51061 (September 30, 1993)).

All U.S. sales by each respondent will be subject to one deposit rate according to the proceeding.

The cash deposit rate has been determined on the basis of the selling price to the first unrelated customer in the United States. For appraisement purposes, where information is available, the Department will use the entered value of the merchandise to determine the appraisement rate.

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 353.26 to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

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

Dated: May 10, 1996.

Paul L. Joffe,

*Acting Assistant Secretary for Import Administration.*

[FR Doc. 96–12519 Filed 5–17–96; 8:45 am]

BILLING CODE 3510–DS–P

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[C–549–501]

## Certain Circular Welded Carbon Steel Pipes and Tubes From Thailand; Preliminary Results of Countervailing Duty Administrative Review

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

**ACTION:** Notice of Preliminary Results of Countervailing Duty Administrative Review.

**SUMMARY:** The countervailing duty order on certain circular welded carbon steel pipes and tubes from Thailand was revoked effective January 1, 1995, pursuant to section 753 of the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act (the Act) (60 FR 40568). The Department of Commerce (the Department) is conducting an administrative review of this order to determine the appropriate assessment rate for entries made during the last review period prior to the revocation of the order (January 1, 1994, through December 31, 1994). We preliminarily determine the net subsidy to be *de minimis* or zero for all companies for the period January 1, 1994 through December 31, 1994 (*see* ''Preliminary Results of Review'' section). If the final results of this review remain the same as these preliminary results, the Department intends to instruct the U.S. Customs Service to liquidate, without regard to countervailing duties, shipments of the subject merchandise from all companies exported on or after January 1, 1994 and entered on or before December 31, 1994. Because this order has been revoked, the Department will not issue further instructions with respect to cash deposits of estimated countervailing duties.

**EFFECTIVE DATE:** May 20, 1996.