

limited the indirect expense deduction on home market sales by the amount of the indirect selling expenses incurred in the United States in accordance with 19 CFR 353.56(b)(2). Pursuant to section 773(a)(4)(C) of the Act and 19 CFR 353.57, we made further adjustments to the home market price to account for differences in the physical characteristics of the merchandise.

We used CV as FMV for those U.S. sales for which there were no contemporaneous sales of the comparison home market model or insufficient sales at or above the COP. We calculated CV, in accordance with section 773 (e) of the Act, as the sum of the cost of manufacture (COM) of the product sold in the United States, home market selling, general and administrative (SG&A) expenses, home market profit and U.S. packing. Pursuant to 19 CFR 353.51, the COM of the product sold in the United States is the sum of direct material, direct labor, and variable and fixed factory overhead expenses. For home market SG&A expenses, and in accordance with section 773(e)(1)(B)(i) of the Act, we used the larger of the actual SG&A expenses reported by Toyota or 10 percent of the COM, the statutory minimum for general expenses. For home market profit, and in accordance with section 773(e)(1)(B)(ii) of the Act, we used the larger of the actual profit reported by the respondents or the statutory minimum of eight percent of the sum of COM and general expenses. We deducted home market direct selling expenses and added U.S. direct selling expenses to CV.

Preliminary Results of Review

As a result of our comparison of United States price to foreign market value, we preliminarily determine that the following margins exist for the period June 1, 1993 through May 31, 1994:

Manufacturer	Margin (percent)
Toyota Motor Corporation	43.41
Nissan	17.36
Toyo Umpanki, Ltd.	14.48

¹ No shipments or sales subject to this review. Rate is from the last relevant segment of the proceeding in which the firm had shipments/sales.

Parties to this proceeding may request disclosure within 5 days of the date of publication of this notice. Any interested party may request a hearing within 10 days of the date of publication of this notice. A hearing, if requested, will be held 44 days from the date of publication of the preliminary results at

the main Commerce Department building.

Issues raised in hearings will be limited to those raised in the respective case briefs and rebuttal briefs. Case briefs from interested parties and rebuttal briefs, limited to the issues raised in the respective case briefs, may be submitted not later than 30 days and 37 days, respectively, from the date of publication of these preliminary results. Parties who submit case briefs or rebuttal briefs in this proceeding are requested to submit with each argument (1) a statement of the issue and (2) a brief summary of the argument.

The Department will subsequently publish the final results of this administrative review, including the results of its analysis of issues raised in any such written briefs or hearing.

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. Because the inability to link sales with specific entries prevents calculation of duties on an entry-by-entry basis, we have calculated an importer-specific *ad valorem* duty assessment rate for the merchandise based on the ratio of the total amount of antidumping duties calculated for the examined sales made during the POR to the total customs value of the sales used to calculate those duties. This rate will be assessed uniformly on all entries of that particular importer made during the POR. (This is equivalent to dividing the total amount of antidumping duties, which are calculated by taking the difference between foreign market value and United States price, by the total United States price value of the sales compared, and adjusting the result by the average difference between United States price and customs value for all merchandise examined during the POR.) The Department will issue appropriate appraisement instructions directly to the Customs Service upon completion of this review.

Furthermore, the following deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of certain internal-combustion, industrial forklift trucks from Japan entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(1) of the Tariff Act: (1) the cash deposit rate for TMC will be the rate established in the final results of this administrative review, unless these final results are preceded by the final results in the 1994/1995 administrative review; (2) for previously reviewed companies not listed above, the cash deposit rate will continue to be the company-

specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, or a prior review, or the original LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) the cash deposit rate for any future entries from all other manufacturers or exporters who are not covered in this review, or a prior administrative review, and who are unrelated to the reviewed firm or any previously reviewed firm will be 39.45 percent, the "all others" rate established in the amended final notice of the investigation by the Department (53 FR 20882, June 7, 1988).

This notice 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.

This administrative review 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(c)(5).

Dated: July 29, 1996.

Robert S. LaRussa,
Acting Assistant Secretary for Import Administration.

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[A-475-031]

Large Power Transformers From Italy; Preliminary Results of Antidumping Duty Administrative Review and Intent To Revoke Antidumping Finding in Part

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

ACTION: Notice of Preliminary Results of Antidumping Duty Administrative Review and Intent to Revoke Antidumping Finding in Part.

SUMMARY: In response to requests by the petitioner, ABB Power T&D Co., Inc. (ABB), and by Tamini Costruzioni Elettromeccaniche (Tamini), a manufacturer/exporter of transformers, the Department of Commerce (the Department) is conducting an administrative review of the antidumping finding on large power

transformers from Italy. The review covers exports of subject merchandise by Tamini to the United States during the period from June 1, 1994, through May 31, 1995.

We have preliminarily determined that Tamini did not make sales at prices below normal value (NV) during the period of review (POR). If these preliminary results are adopted in our final results of administrative review, we intend to revoke the antidumping duty order with respect to Tamini based on three years of sales at not less than normal value. *See Intent to Revoke, infra*. Interested parties are invited to comment on these preliminary results. Parties who submit comments in this proceeding are requested to submit with each argument (1) a statement of the issue, and (2) a brief summary of the argument.

EFFECTIVE DATE: August 6, 1996.

FOR FURTHER INFORMATION CONTACT: Andrea Chu or Kris Campbell, Import Administration, International Trade Administration, U.S. Department of Commerce, Washington, D.C. 20230; telephone: (202) 482-4733.

SUPPLEMENTARY INFORMATION:

The Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended, (the Act) are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA).

Background

On June 6, 1995, the Department published a notice of "Opportunity to Request Administrative Review" (60 FR 29821) of the antidumping finding on large power transformers from Italy (37 FR 11772, June 14, 1972). ABB and Tamini both requested administrative reviews on June 30, 1995. We published a notice of initiation of the review on July 14, 1995 (60 FR 36260), covering the period June 1, 1994, through May 31, 1995. The Department is conducting this review in accordance with section 751 of the Act.

Scope of the Review

Imports covered by the review are shipments of large power transformers (LPTs); that is, all types of transformers rated 10,000 kVA (kilovolt-amperes) or above, by whatever name designated, used in the generation, transmission, distribution, and utilization of electric power. The term "transformers" includes, but is not limited to, shunt reactors, autotransformers, rectifier transformers, and power rectifier

transformers. Not included are combination units, commonly known as rectiformers, if the entire integrated assembly is imported in the same shipment and entered on the same entry and the assembly has been ordered and invoiced as a unit, without a separate price for the transformer portion of the assembly. This merchandise is currently classifiable under the Harmonized Tariff Schedule (HTS) item numbers 8504.22.00, 8504.23.00, 8504.34.33, 8504.40.00, and 8504.50.00. The HTS item numbers are provided for convenience and Customs purposes. The written description remains dispositive.

The review covers shipments of transformers by Tamini during the period June 1, 1994, through May 31, 1995.

Verification

In accordance with section 782(i) of the Act, we conducted a verification of the information Tamini submitted during the review at Tamini's headquarters in Melegnano, Italy, from May 20-24, 1996.

United States Price

We reviewed three U.S. sales that entered into the United States during the POR. In calculating U.S. prices, the Department used export price (EP), as defined in section 772(a) of the Act, because the subject merchandise was sold by the producer or exporter outside the United States to unaffiliated U.S. purchasers prior to the date of importation. We calculated EP based on the packed price to the U.S. customer. We made adjustments to EP for transportation expenses and duty drawback.

Normal Value

Although the home market is viable, based on a review of product specifications, we have preliminarily determined that the LPTs sold in the home market during the period of review are not appropriate matches to the LPTs involved in the three U.S. sales. *See Memorandum from Andrea M. Chu to File: Preliminary Analysis Memo for Tamini Costruzioni Elettromeccaniche, 1994-95 Administrative Review* (July 27, 1996). Therefore, pursuant to section 773(a)(4) of the Act, we calculated NV based on the constructed value of the model sold in the United States.

In accordance with section 773(e) of the Act, the constructed value includes the costs of (1) materials and fabrication, (2) selling, general, and administrative (SG&A) expenses, (3) profit, and (4) packing for shipment to the United

States. Where possible, we use an amount based on sales of the foreign like product, in the ordinary course of trade, for consumption in the home market. *See* section 773(e)(2)(A) of the Act. If such information is not available, we calculate profit using one of three non-hierarchical alternatives. The third alternative is any other reasonable method, capped by the amount normally realized on sales in the foreign country of the general category of products. *See* section 773(e)(2)(B)(iii) of the Act. The Statement of Administrative Action states that, if the Department does not have the data to determine this profit cap, it may apply alternative three on the basis of "the facts available."

Tamini stated in its questionnaire response that it was unable to provide a profit rate attributable to sales made for consumption in Italy because it does not maintain records of the profitability of LPTs by market. At verification, we confirmed that Tamini does not maintain market-, product-, or sale-specific profit information. We also calculated estimated profits on selected home market sales, all of which were less than Tamini's worldwide profit rate. *See Memorandum from Andrea M. Chu to File: Cost Verification Report of Tamini Costruzioni Elettromeccaniche, 1994-95 Administrative Review*. As a result of our analysis of the information submitted by Tamini, as well as our findings at verification, we have preliminarily determined that the use of Tamini's worldwide profit rate for transformer sales, as derived from its 1994 financial statements, is a reasonable method for calculating profits given the facts available in this case. Although we do not have the data to determine the profit cap regarding profits normally realized by LPT producers in Italy, we have preliminarily determined that the use of this rate is a reasonable method of calculating profit, within the meaning of section 773(e)(2)(B)(iii), based on the facts available. *See* section 776(a) of the Act.

In accordance with sections 773(a)(6)(C) and 773(a)(8) of the Act, we made circumstance-of-sale adjustments for differences in credit expenses, direct bank charges, warranty expenses, technical service expenses, and commissions. Since commissions were granted only in the home market, we offset the commission adjustment by adding U.S. indirect selling expenses to the constructed value in accordance with section 353.56 of our regulations.

Intent To Revoke

Tamini requested, pursuant to 19 C.F.R. 353.25(b), revocation of the order with respect to its sales of the merchandise in question and submitted the certification required by 19 C.F.R. 353.25(b)(1). Tamini was not required to provide the certification required by 19 C.F.R. 353.25(b)(2) (a statement in writing agreeing to its immediate reinstatement in the order if the Department concludes, subsequent to revocation, that the respondent sold merchandise at less than normal value) because the Department has not previously determined that Tamini sold subject merchandise in the United States at less than NV. Based on the preliminary results in this review and the two preceding reviews (see *Large Power Transformers from Italy: Final Results of Antidumping Duty Administrative Review*, 59 FR 48851 (September 23, 1994), and *Large Power Transformers from Italy: Final Results of Antidumping Duty Administrative Review*, 61 FR 37443 (July 18, 1996)), Tamini has demonstrated three consecutive years of sales at not less than NV.

Given the results of the two preceding reviews, if the final results of this review demonstrate that Tamini sold the merchandise at not less than NV, and if we determine that it is not likely that Tamini will sell the subject merchandise at less than NV in the future, we intend to revoke the order with respect to merchandise produced and exported by Tamini.

Preliminary Results of Review

As a result of our comparison of USP to NV, we preliminarily determine that a weighted-average margin of zero percent exists for sales of LPTs made to the United States by Tamini during the period June 1, 1994, through May 31, 1995.

Parties to this proceeding may request disclosure within 5 days 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 not later than 30 days after the date of publication of this notice. 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. Parties who submit comments in this proceeding are requested to submit with each argument (1) a statement of the issue, and (2) a

brief summary of the argument. Service of all briefs and written comments must be in accordance with 19 C.F.R. 353.38(e). The Department will publish the final results of the administrative review, including the results of its analysis of any such comments or hearing, within 180 days of publication of these preliminary results of review.

The Department will issue appropriate appraisal instructions directly to the Customs Service upon completion of this review. 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 this administrative review, as provided by section 751(a)(1) of the Act: (1) for Tamini, if we revoke the order with respect to its merchandise, suspension of liquidation and cash deposits will no longer be required; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; (4) the cash deposit rate for all other manufacturers or exporters will be 92.47 percent, which is the "new shipper" rate established in the first final results of review of this finding. See *Large Power Transformers from Italy: Notice of Final Results of Administrative Review*, 49 FR 31313 (August 6, 1984). For a further explanation of our policy concerning the all other deposit rate in this case, see *Large Power Transformers from Italy: Notice of Final Results of Administrative Review*, 59 FR 48851 (September 23, 1994). These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

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

This administrative review and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and 19 C.F.R. 353.22(c)(5).

Dated: July 26, 1996.

Robert S. LaRussa,
Acting Assistant Secretary for Import Administration.

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[A-570-847]

Initiation of Antidumping Duty Investigation: Persulfates From the People's Republic of China

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

EFFECTIVE DATE: August 6, 1996.

FOR FURTHER INFORMATION CONTACT: James Terpstra, Irene Darzenta, or Howard Smith at (202) 482-3965, 482-6320, and 482-5193 respectively, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

Initiation of Investigation

The Applicable Statute

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 ("the Act") by the Uruguay Round Agreements Act ("URAA").

The Petition

On July 11, 1996, the Department of Commerce ("the Department") received a petition filed in proper form by FMC Corporation ("FMC" or "petitioner"). On July 22 and 25, 1996, the petitioner submitted a supplement to the petition in response to the Department's request for additional information. The supplement contained updated normal values and revised margin calculations.

In accordance with section 732(b) of the Act, the petitioner alleges that imports of persulfates from the People's Republic of China ("PRC") are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, the U.S. industry.

Because the petitioner is an interested party, as defined under section 771(9)(C) of the Act, it has standing to file the petition.