

Public comment on the application is invited from interested parties. Submissions (original and three copies) shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is August 16, 1999. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period (to August 30, 1999).

A copy of the application and the accompanying exhibits will be available for public inspection at each of the following locations:

U.S. Department of Commerce Export Assistance Center, Suite 2650, 36 East 7th Street, Cincinnati, OH 45202.

Office of the Executive Secretary, Foreign-Trade Zones Board, U.S. Department of Commerce, Room 3716, 14th Street & Pennsylvania Avenue, NW, Washington, DC 20230.

Dated: June 3, 1999.

**Diane Finver,**

*Acting Executive Secretary, Foreign-Trade Zones Board.*

[FR Doc. 99-15179 Filed 6-14-99; 8:45 am]

BILLING CODE 3510-DS-U

## DEPARTMENT OF COMMERCE

### Foreign-Trade Zones Board

[Docket 15-99]

#### **Foreign-Trade Zone No. 122—Corpus Christi, TX, Application for Subzone, Equistar Chemicals, LP (Oil Refinery), Nueces County, TX; Correction**

The **Federal Register** notice (64 FR 25477, 5/12/99) describing the application submitted to the Foreign-Trade Zones Board (the Board) by the Port of Corpus Christi Authority, grantee of FTZ 122, requesting special purpose subzone status for the petrochemical complex of Equistar Chemicals, LP, located in Nueces County, Texas, is corrected as follows: the word "leased" should be deleted from that portion of paragraph 2, sentence 1, describing the tanks at Site 2.

Dated: June 2, 1999.

**Dennis Puccinelli,**

*Acting Executive Secretary.*

[FR Doc. 99-15180 Filed 6-14-99; 8:45 am]

BILLING CODE 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-583-824]

#### **Polyvinyl Alcohol From Taiwan: Final Results of Second Antidumping Duty Administrative Review**

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

**SUMMARY:** On February 8, 1999, the Department of Commerce published in the **Federal Register** the preliminary results of the second administrative review of the antidumping duty order on polyvinyl alcohol from Taiwan (64 FR 6042). The review covers two manufacturers/exporters of the subject merchandise to the United States, Chang Chun Petrochemical and E.I. duPont de Nemours & Co. The period of review is May 1, 1997, through April 30, 1998.

We gave interested parties an opportunity to comment on our preliminary results. Based on our analysis of the comments received, we have made certain changes as described below in the "Interested Party Comments" section of this notice, but those changes did not result in final margins that were different from those calculated in our preliminary results. The final results are listed below in the section "Final Results of Review."

**EFFECTIVE DATE:** June 15, 1999.

#### **FOR FURTHER INFORMATION CONTACT:**

Brian Smith at (202) 482-1766 or Brian Ledgerwood at (202) 482-3836, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230.

#### **SUPPLEMENTARY INFORMATION:**

##### **Background**

On February 8, 1999, the Department of Commerce ("the Department") published in the **Federal Register** its preliminary results of the 1997-1998 administrative review of the antidumping duty order on polyvinyl alcohol ("PVA") from Taiwan (64 FR 6042) ("Preliminary Results"). The period of review ("POR") for this administrative review is May 1, 1997, through April 30, 1998.

On February 18, 1999, E.I. duPont de Nemours & Co. ("DuPont") withdrew its request that the Department apply the special rule for value added in this case. On March 10, 1999, the Department requested Chang Chun Petrochemical Co., Ltd. ("Chang Chun") to provide information clarifying the methodology it used to allocate production costs between acetic acid and PVA. Chang

Chun provided this data on March 17, 1999. The petitioner, Air Products and Chemicals Inc., and DuPont submitted case briefs on April 8, 1999. Chang Chun did not submit a case brief. Chang Chun submitted a rebuttal brief on April 15, 1999. Since the petitioner did not comment on DuPont in its case brief, DuPont did not submit a rebuttal brief. Neither the petitioner nor the respondents requested a hearing in this case. On May 19, 1999, we placed on the record of this review information from the record of the first administrative review pertaining to the allocation of joint production costs between acetic acid and PVA. On May 24, 1999, the petitioner submitted comments on the use of this information in this review.

The Department has now completed this administrative review, in accordance with section 751(a) of the Act.

##### **Applicable Statute and Regulations**

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 ("the Act") by the Uruguay Round Agreements Act ("URAA"). In addition, unless otherwise indicated, all references are made to the Department's regulations at 19 CFR Part 351 (1998).

##### **Scope of Review**

The product covered by this review is PVA. PVA is a dry, white to cream-colored, water-soluble synthetic polymer. Excluded from this review are PVAs covalently bonded with acetoacetyl, carboxylic acid, or sulfonic acid uniformly present on all polymer chains in a concentration equal to or greater than two mole percent, and PVAs covalently bonded with silane uniformly present on all polymer chains in a concentration equal to or greater than one-tenth of one mole percent. PVA in fiber form is not included in the scope of this review.

The merchandise under review is currently classifiable under subheading 3905.30.0000 of the *Harmonized Tariff Schedule of the United States* ("HTSUS"). Although the HTSUS subheading is provided for convenience and customs purposes, our written description of the scope is dispositive.

##### **Changes Since the Preliminary Results**

We have made changes in these final results only to the margin calculation for Chang Chun. For Chang Chun, we adjusted its joint production costs between PVA and acetic acid using the relative sales value of each product

calculated on the basis of a two-year period prior to the period of the less-than-fair-value investigation ("LTFV investigation") (see Comment 1 in the "Interested Party Comments" section of this notice, Memorandum to the File dated May 19, 1999, and Final Results Calculation Memorandum dated June 8, 1999, for further discussion).

### Interested Party Comments

#### Chang Chun

##### Comment 1: Cost Allocation Methodology

The petitioner contends that Chang Chun's cost methodology produces inexplicable and unreasonable results because the sales quantities of acetic acid and PVA were less than their production quantities. In particular, the petitioner maintains that unless Chang Chun made significant changes to its production process, Chang Chun's average annual yield ratio of acetic acid to PVA for the POR should be representative of the average three-year yield ratio of acetic acid and PVA for which Chang Chun reported sales data (see Exhibit 7 of Chan Chun's January 19, 1999, submission). The petitioner goes on to state that because Chang Chun has sold PVA and acetic acid in unequal quantities, Chang Chun must have over-allocated its production costs to acetic acid. Finally, the petitioner maintains that although Chang Chun has used a unit value ratio to allocate costs in the prior antidumping duty administrative review, the Department is not precluded from examining the reasonableness of Chang Chun's methodology in subsequent reviews.

Chang Chun states that its sales quantities are lower than its production quantities because Chang Chun excluded the internal transfers of acetic acid and PVA from the weighted-average sales prices of acetic acid and PVA as internal transfers do not reflect any revenue raised by these products, thereby refuting the petitioner's claim that the difference which exists between sales and production quantities has a distortive impact when applying the cost allocation methodology. In addition, Chang Chun maintains that most of the sales and production data the petitioner is questioning was verified by the Department in the first administrative review. Therefore, Chang Chun contends that its reported sales and production data should be accepted by the Department in this review. Chang Chun maintains that its value-based cost allocation methodology is appropriate and requests that the Department confirm this fact, as well as confirm that the cost allocation methodology

correctly reflects the Department's prior determinations. Finally, Chang Chun states that the petitioner has offered no evidence which would warrant the Department to reexamine the reasonableness of Chang Chun's value-based allocation methodology in future reviews.

**DOC Position:** We agree with Chang Chun, in part. The Department confirms, generally, that it is appropriate and in accordance with the Department's practice for Chang Chun to maintain a value-based methodology for allocating joint production costs between PVA and acetic acid. However, the Department has not adopted Chang Chun's particular value-based cost allocation methodology in its entirety. Our review of Chang Chun's allocation methodology indicates that Chang Chun relied upon POR sales prices of PVA as a basis for allocating costs between PVA and acetic acid. While we determined in the LTFV investigation that a relative-sales-value-based allocation methodology is appropriate, we expressed concern that the sales value for PVA, used in our calculation, be representative of a period prior to allegations of dumping for the subject merchandise (see *Notice of Final Determination of Sales at Less Than Fair Value: Polyvinyl Alcohol from Taiwan*, 61 FR 14064, 14071 (March 29, 1996) ("PVA Final Determination"). In the final determination of the LTFV investigation and first administrative review of the antidumping duty order on PVA from Taiwan, we allocated joint production costs between PVA and acetic acid using each product's relative sales value from a two-year period prior to the initial period of investigation ("POI") (see *Polyvinyl Alcohol from Taiwan: Final Results of Antidumping Duty Administrative Review*, 63 FR 32810, 32815 (June 16, 1998) ("PVA 1st Admin Review").

Consistent with our methodology established in the LTFV determination and first administrative review, we consider it inappropriate in this review to rely exclusively on PVA sales prices relevant during a period of alleged dumping as a basis to allocate costs to PVA, particularly when these allocated costs are used as a means to measure the fairness of the selling prices for the same product. We believe that by adjusting the POR sales figures with sales of PVA and acetic acid over an extended period prior to the original investigation, the total relative sales value can reasonably be relied upon to form the basis for allocating joint production costs, particularly in this case where acetic acid and PVA are commodity products, and their selling

prices are influenced by world market forces of supply and demand. In order to reallocate Chang Chun's joint production costs in the manner discussed above, we adjusted Chang Chun's POR sales values to reflect the relative sales values for the two-year period prior to the POI based on data obtained from the record of the first administrative review which has been placed on the record of this proceeding (see Memorandum to the File, dated May 19, 1999).

Chang Chun defends its use of POR sales values for acetic acid and PVA as the basis for allocating its costs between these two products based on the fact that the Department found no sales below the cost of production in the first administrative review. Although the Department found no below-cost sales of PVA during the first administrative review for Chang Chun, we continue to find it appropriate to adjust the POR relative sales values to reflect the relative sales values for the two-year period prior to the POI as we did in the first administrative review. This adjustment is appropriate because the manipulation of pricing patterns, even slight in nature as a result of future antidumping duty proceedings, still may result.

Accordingly, for this second administrative review, we continue to accept Chang Chun's relative-sales-value-based cost allocation methodology in general. However, we have applied the same adjustment methodology as that in first administrative review in order to allocate Chang Chun's joint production costs between PVA and acetic acid (see "Final Calculation Memorandum for Chang Chun" dated June 8, 1999).

##### Comment 2: PVA and Acetic Acid Calculated Profitability Margins

The petitioner contends that Chang Chun's methodology used for allocating production cost between PVA and acetic acid produces distortive results because the profit margins for PVA and acetic acid are not the same.

Chang Chun maintains that its methodology correctly allocates its production costs between acetic acid and PVA based on relative sales value. Chang Chun states that the Department has never specified that the profit margins be exactly the same for PVA and acetic acid for the methodology to be acceptable. In fact, Chang Chun contends that the Department has specified only that the methodology should yield "approximately the same" profit margins for PVA and acetic acid. In this review, Chang Chun maintains that the profit rates for PVA and acetic acid are "approximately the same."

Therefore, Chang Chun requests the Department to dismiss the petitioner's argument and find that Chang Chun's methodology correctly allocates its production costs between acetic acid and PVA based on the respective sales values of each product. Chang Chun cites to *PVA 1st Admin Review*, 63 FR at 32815 in support of its argument.

**DOC Position:** We agree, in part, with Chang Chun. We have re-examined Chang Chun's methodology for the calculation of the profit rate for acetic acid and PVA and found that the sales revenues upon which those profitability margins were based generally reflect relative sales values for acetic acid and PVA. As discussed in Comment 1 above, in the LTFV investigation and first administrative review, application of a relative-sales-value-based allocation methodology was considered appropriate (see *PVA Final Determination*, 61 FR at 14071 and *PVA 1st Admin Review*, 63 FR at 32815). Accordingly, in this review we find that Chang Chun's general methodology is appropriate.

Furthermore, we agree with Chang Chun's argument that its profit rates for acetic acid and PVA are approximately the same. As the Department stated in the first administrative review, a relative-sales-value-based allocation should yield approximately the same profit rates for acetic acid and PVA (see *PVA 1st Admin Review*, 63 FR 32815). However, for the reasons stated in the LTFV determination, the first administrative review, and Comment 1 above, the Department has adjusted Chang Chun's production costs by relative sale values representative of a two-year period prior to the POI. We note that any differences in the resulting POR profit rates for PVA and acetic acid are effectively compensated through the Department's adjustment of the POR cost data on the basis of the relative sales values representative of a two-year period prior to the POI in which there was no allegation of dumping for the subject merchandise (see Attachment 2 of the "Final Calculation Memorandum for Chang Chun" dated June 8, 1999). This adjustment is appropriate for allocating joint production costs and calculating the profit rates between PVA and acetic acid (see *PVA Final Determination*, 61 FR at 14071, and *PVA 1st Admin Review*, 63 FR at 32815).

**Comment 3: Acetic Acid Sales Prices and the Major Input Rule**

The petitioner alleges that Chang Chun's reported acetic acid sales prices are problematic. Based on a comparison of acetic acid sales prices contained in Exhibits 5 and 7 of Chang Chun's January 19, 1999, supplemental section

D response, the petitioner purports that Chang Chun under-reported its average sales price of acetic acid to unaffiliated purchasers of acetic acid. Furthermore, the petitioner argues that these sales prices warrant close scrutiny in future administrative reviews because Chang Chun uses these prices for the allocation of costs between PVA and acetic acid. Finally, the petitioner questions whether Dairen, Chang Chun's affiliated vinyl acetate monomer ("VAM") supplier, has properly reported its costs for producing VAM, which is a major input used in the production of PVA. Specifically, the petitioner takes issue with the acetic acid price that Dairen paid Chang Chun and included in its reported VAM production costs.

Chang Chun urges the Department to reject the petitioner's arguments because they are untimely and are not supported by record evidence. Chang Chun notes that the petitioner's argument for applying the major input rule to VAM production was untimely under 19 CFR 351.301(d)(3). Moreover, Chang Chun maintains that the major input rule under section 773(f)(3) of the Act does not apply to acetic acid sales transactions between Chang Chun and Dairen because acetic acid is not a major input of the subject merchandise; rather, the major input to PVA in this case is the VAM produced by Dairen. Specifically, Chang Chun maintains that the Department verified the sales prices of acetic acid reported in Chang Chun's submission in the first administrative review of PVA. Furthermore, in support of its argument that the Department may rely on knowledge of a respondent's records and data acquired from past reviews in determining the reasonableness of its reporting methodologies used in a current review, Chang Chun cites to *Timken Co. v. United States*, 16 F. Supp. 2d 1102 (CIT 1998).

**DOC Position:** We agree with petitioner, in that Chang Chun's acetic acid prices may be problematic. However, because this issue was raised for the first time in the petitioner's case brief, there is insufficient information on the record that would allow the Department to address the differences that exist among Chang Chun's per-unit market price for acetic acid, Chang Chun's per-unit transfer price for acetic acid, or Chang Chun's per-unit COP for acetic acid. Based on the record of the current review, we are unable to determine what impact, if any, this issue may have on the final margin calculation. However, we will consider this issue, if raised in a timely manner, in future reviews as appropriate.

With respect to Chang Chun's untimeliness argument under 19 CFR 351.301(d)(3), we note that application of this regulation is inappropriate because we conducted a cost investigation in this review. Specifically, the Department's normal practice is to analyze an affiliated supplier's production cost data for major inputs whenever it conducts a cost investigation. Thus, the cited regulation is only applicable where the Department has determined to base normal value on constructed value, but there is no cost investigation (see *Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR at 27296, 27336 (May 19, 1997)).

**Comment 4: U.S. Customs Investigation**

The petitioner requests that the Department obtain and review the results of an investigation conducted by the U.S. Customs Service ("Customs Service") which involved examining shipments of PVA to the U.S. market to determine whether sales of merchandise claimed to be outside the scope of the antidumping duty order were properly classified.

Chang Chun claims that, since it has reported all of its U.S. sales of subject merchandise during this review period, the Department should reject the petitioner's request.

**DOC Position:** To establish the accuracy of the petitioner's allegation regarding whether Chang Chun or DuPont properly reported all sales of PVA during the POR, we would have had to conduct verifications of the two firms' sales data. Because the petitioner did not raise the allegation until it presented its case brief on April 8, 1999, we could not verify in this administrative review.

In accordance with the petitioner's suggestion, we made a request that the Customs Service provide us with the status of any investigation into whether imports of subject PVA had been declared improperly as being outside the scope of the antidumping duty order (see Memorandum to the Customs Service dated April 16, 1999). In a May 13, 1999, reply to our request, the Customs Service stated it had "conducted an analysis of shipments of PVA," but it could not disclose whether any shipments of PVA were found to be non-compliant with the antidumping duty order (see Memorandum to the file dated May 13, 1999). Instead, the Customs Service said that if there were any shipments of PVA found to be non-compliant, it would have notified the importer and corrective action would have been taken. Based on the record of this proceeding, we cannot conclude

that the respondents have improperly reported sales of PVA during the POR. We will review this issue, if it is raised in a timely manner, in a future administrative review.

#### DuPont

*Comment 1:* Application of the Special Rule for Value Added

DuPont withdrew its request that the Department apply the special rule for value added in this case and therefore exclude its sales of further manufactured PVA from the analysis. However, DuPont maintains that although it has withdrawn its request in this particular review, applying the special rule is an important issue in the calculation of DuPont's dumping margin and should be considered without prejudice in future reviews.

The petitioner did not comment on this issue.

*DOC Position:* Because DuPont withdrew its request that the Department apply the special rule in this case shortly after the preliminary results, the Department has not considered further application of the special rule for these final results. However, if DuPont should request in a timely manner that the Department apply the special rule in a subsequent proceeding, the Department will again give DuPont's request full consideration.

#### Final Results of the Review

As a result of our review, we have determined that the following weighted-average margins exist for the period May 1, 1997, through April 30, 1998:

Manufacturer/producer/exporter	Margin (percent)
Chang Chun Petrochemical Co. Ltd. ....	0.00
E.I. DuPont de Nemours & Co. ....	0.00

#### Cash Deposit Requirements

The following deposit requirements shall be effective upon publication of this notice of final results of administrative review for all shipments of the subject merchandise from Taiwan that are entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(1) of the Act: (1) the cash deposit rates for Chang Chun and DuPont will be the rates indicated above (*i.e.*, the cash deposit rate will be zero); (2) if the exporter is not a firm covered in this review or the LTFV investigation, but the manufacturer is, the cash deposit rate will be that established for the most recent period for the manufacturer of the merchandise; and (3) if neither the exporter nor the

manufacturer is a firm covered in this review or the LTFV investigation, the cash deposit rate will be 19.21 percent, the "All Other" rate made effective by the LTFV investigation. These requirements shall remain in effect until publication of the final results of the next administrative review.

#### Assessment Rates

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. For duty assessment purposes, we have calculated importer-specific assessment rates for the subject merchandise. Pursuant to 19 CFR 351.212(b)(1), we have calculated importer-specific ad valorem duty assessment rates based on the ratio of the total amount of the dumping margins calculated for the examined sales to the total entered value of those same sales. In order to estimate the entered value, we have subtracted international movement expenses from the gross sales value. In accordance with 19 CFR 351.106(c)(2), we will instruct the Customs Service to liquidate without regard to antidumping duties all entries of subject merchandise during the POR for which the importer-specific assessment rate is zero or *de minimis* (*i.e.*, less than 0.50 percent).

#### Notification to Importers and Interested Parties

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

This notice also serves as a final reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a). Timely written notification or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of the APO is a sanctionable violation.

This determination is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: June 8, 1999.

**Richard W. Moreland,**

*Acting Assistant Secretary for Import Administration.*

[FR Doc. 99-15177 Filed 6-14-99; 8:45 am]

BILLING CODE 3510-DS-P

## DEPARTMENT OF COMMERCE

### Patent and Trademark Office

RIN 0651-AB02

#### Official Insignia of Native American Tribes; Statutorily Required Study

**AGENCY:** Patent and Trademark Office, Commerce.

**ACTION:** Notice of hearings; corrections.

**SUMMARY:** This document contains corrections to the starting times for the hearings scheduled for July 8, 1999, and July 12, 1999, and provides starting and ending times for the hearing scheduled for July 15, 1999.

**SUPPLEMENTARY INFORMATION:** The Patent and Trademark Office published a notice of hearings in the **Federal Register** of June 3, 1999 (64 FR 29841). The starting times for the hearings scheduled July 8, 1999, and July 12, 1999, were incorrect. This document provides the correct times.

The July 8, 1999 hearing in Albuquerque, New Mexico, will start at 9:00 a.m. and the July 12, 1999 hearing in San Francisco, California, will start at 10:00 a.m. The July 15, 1999 hearing in Arlington, Virginia, will start at 9:00 a.m. and end no later than 5:00 p.m.

**FOR FURTHER INFORMATION CONTACT:** Eleanor K. Meltzer by telephone: 703-306-2960; by e-mail: [eleanor.meltzer@uspto.gov](mailto:eleanor.meltzer@uspto.gov); or by facsimile transmission: 703-305-9885.

Dated: June 10, 1999.

**Nancy C. Slutter,**

*Acting Deputy Solicitor.*

[FR Doc. 99-15158 Filed 6-14-99; 8:45 am]

BILLING CODE 3510-16-P

## DEPARTMENT OF DEFENSE

### Office of the Secretary

#### Submission for OMB Review; Comment Request

**ACTION:** Notice.

The Department of Defense has submitted to OMB for clearance, the following proposal for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35).