

Department stated that, as facts available, it intended to use the surrogate value for bristles to value the bristle/wooden core factor for both the two-inch and four-inch brushes weighed during the verification of Founder. Petitioner contends, however, that the Department valued the weight of the bristle, using the same weights for the final results that it used in the preliminary results.

We agree with petitioner that the Department unintentionally failed to use the most current wage rates for valuing labor for both Founder and Hunan. Since a more current wage rate is publicly available at the Import Administration web-site, we should have updated our analysis for the final results to reflect the most current data. We also agree with petitioner that we failed to properly implement its intentions with respect to the valuation of wooden core for Founder. We have made these suggested corrections for the amended final results. For more information on these changes with respect to the revised calculations of weighted-average dumping margins, please refer to the *Founder Amended Analysis Memo and Memorandum to the File from Michael Strollo through Maureen Flannery: Analysis of Hunan Provincial Native Produce & Animal By-Products Import & Export Corp. (Hunan) for the Amended Final Results of Review of Natural Bristle Paintbrushes and Brush Heads from the People's Republic of China*, dated August 24, 2000.

#### Amended Final Results of Review

As a result of correcting these ministerial errors, we have revised our final results and determine that the following weighted-average margins exist for the period February 1, 1998 through January 31, 1999:

Manufacturer/exporter	Margin (percent)
Hunan Provincial Native Produce & Animal By-Products Import & Export Corp. ...	0.00
Hebei Founder Import & Export Company .....	32.74
PRC-Wide Rate .....	351.92

Accordingly, the Department will determine, and the Customs Service will assess, antidumping duties on all entries of subject merchandise from Hunan and Founder in accordance with these amended final results. For assessment purposes, we have calculated importer-specific duty assessment rates for each class or kind of merchandise based on the ratio of the total amount of antidumping duties calculated for the

examined sales during the period of review (POR) to the total quantity of sales examined during the POR. The Department will issue appraisal instructions directly to Customs.

#### Amended Cash Deposit Requirements

The following amended deposit requirements will be effective upon publication of this notice of amended final results of administrative review for all shipments of natural bristle paint brushes and paint brush heads from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(c) of the Act: (1) The cash deposit rates for the reviewed companies will be the rates shown above except that, for firms whose weighted-average margins are less than 0.5 percent and therefore de minimis, the Department shall require no deposit of estimated antidumping duties; (2) for previously-reviewed PRC and non-PRC exporters with separate rates, the cash deposit rate will be the company-specific rate established for the most recent period; (3) for all other PRC exporters, the cash deposit rate will be the PRC-wide rate, 351.92 percent; and (4) for all other non-PRC exporters of the subject merchandise, the cash deposit rate will be the rate applicable to the PRC supplier of that exporter.

This amended final results of administrative review and notice are in accordance with section 751(a)(1) and section 777(i) of the Act.

Dated: August 22, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration

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#### DEPARTMENT OF COMMERCE

##### International Trade Administration

[A-533-809]

#### Certain Stainless Steel Flanges From India: New Shipper Review

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

**ACTION:** Preliminary results of new shipper review.

**SUMMARY:** The Department of Commerce (the Department) is conducting a new shipper review of the antidumping duty order on certain forged stainless steel flanges from India in response to a request by an Indian exporter of subject merchandise, Bhansali Ferromet Pvt. Ltd. (Bhansali). This review covers

shipments of this merchandise to the United States during the period of August 1, 1998 through July 31, 1999.

We have preliminarily determined that sales have been made below normal value (NV). If these preliminary results are adopted in our final results, we will instruct the U.S. Customs Service to assess antidumping duties on entries subject to this review. Interested parties are invited to comment on these preliminary results, and are requested to submit with the argument: (1) A statement of the issue; and (2) a brief summary of the argument.

**EFFECTIVE DATE:** September 15, 2000.

#### FOR FURTHER INFORMATION CONTACT:

Thomas Killiam or Robert James, AD/CVD Enforcement Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, D.C. 20230, telephone: (202) 482-5222 or (202) 482-0649, respectively.

#### SUPPLEMENTARY INFORMATION:

##### Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Tariff Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act by the Uruguay Round Agreements Act. In addition, unless otherwise indicated, all references to the Department's regulations are to 19 CFR part 351 (1999).

##### Background

The Department published an antidumping duty order on certain forged stainless steel flanges from India on February 9, 1994 (59 FR 5994), received a timely request for a new shipper review from Bhansali, and initiated this review on (65 FR 8120; February 10, 2000) pursuant to section 751(a)(2)(B) of the Tariff Act and section 351.214(b) of the Department's regulations. The Department extended the deadline for completion of the new shipper review on June 14, 2000 (65 FR 37359). Bhansali provided responses to the Department's questionnaires on March 8, 2000 (Section A), April 5, 2000 (Sections B and C), May 15, 2000, and July 24, 2000 (supplemental questionnaires). The Department's analysis of Bhansali's data is presented in full in a Memorandum from the Case Analyst to the file, dated September 5, 2000, "Analysis of data of Bhansali Ferromet Pvt. Ltd. (Bhansali) for the preliminary results of the new shipper review of certain stainless steel flanges

from India, 8/1/98–7/31/99” (Analysis Memo).

### Scope of Review

The products under review are certain forged stainless steel flanges (hereafter, “flanges”) from India, both finished and not finished, generally manufactured to specification ASTM A-182, and made in alloys such as 304, 304L, 316, and 316L. The scope includes five general types of flanges. They are weld neck, used for butt-weld line connection; threaded, used for threaded line connections; slip-on and lap joint, used with stub-ends/butt-weld line connections; socket weld, used to fit pipe into a machined recession; and blind, used to seal off a line. The sizes of the flanges within the scope range generally from one to six inches; however, all sizes of the above-described merchandise are included in the scope. Specifically excluded from the scope of this order are cast stainless steel flanges. Cast stainless steel flanges generally are manufactured to specification ASTM A-351. The flanges subject to this order are currently classifiable under subheadings 7307.21.1000 and 7307.21.5000 of the HTSUS. Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under review is dispositive of whether or not the merchandise is covered by the review.

### United States Price

Bhansali reported as export price (EP) transactions sales of subject merchandise to unaffiliated U.S. customers prior to importation. We calculated EP in accordance with section 772(a) of the Tariff Act, because the merchandise was sold to the first unaffiliated purchaser in the United States prior to importation and constructed export price (CEP) methodology was not otherwise warranted, based on the facts of record. We based EP on the FOB price to unaffiliated purchasers in the United States. We adjusted the starting price by the amount Bhansali reported for early payment discounts, and movement in accordance with section 772(c)(2)(A) of the Tariff Act. *See the Analysis Memo.*

### Home Market Viability

In order to determine whether there is a sufficient volume of sales in the home market to serve as a viable basis for calculating NV (*i.e.*, the aggregate volume of home market sales of the foreign like product is equal to or greater than five percent of the aggregate volume of U.S. sales), we compared

Bhansali's volume of home market sales of the foreign like product to the volume of U.S. sales of the subject merchandise, in accordance with section 773(a)(1)(C) of the Tariff Act. Because Bhansali's aggregate volume of home market sales of the foreign like product was greater than five percent of its aggregate volume of U.S. sales for the subject merchandise, we determined that the home market was viable for Bhansali.

### Level of Trade

In accordance with section 773(a)(1)(B) of the Tariff Act, to the extent practicable, we determine NV based on sales in the comparison market at the same level of trade (LOT) as the EP or CEP transaction. The LOT in the home market is that of the starting-price sales in the comparison market or, when NV is based on constructed value (CV), that of the sales from which we derive selling, general and administrative (SG&A) expenses and profit. With respect to U.S. price for EP transactions, the LOT is also the level of the starting-price sale, which is usually from the exporter to the importer. For CEP, the LOT is the level of the constructed sale from the exporter to the importer.

To determine whether NV sales are at a different LOT than EP or CEP, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. If the comparison-market sales are at a different LOT and the difference affects price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and home market sales at the LOT of the export transaction, we make a LOT adjustment under section 773(a)(7)(A) of the Tariff Act. Finally, for CEP sales, if the NV level is more remote from the factory than the CEP level and there is no basis for determining whether the difference in the levels between NV and CEP affects price comparability, we adjust NV under section 773(a)(7)(B) of the Tariff Act (the CEP-offset provision). *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa*, 62 FR 61731 (November 19, 1997).

Bhansali reported one customer category and one channel of distribution (*i.e.*, sales to unaffiliated distributors) for its home market sales. Bhansali reported EP sales in the U.S. market. For EP sales, Bhansali also reported one customer category and one channel of distribution (*i.e.*, direct sales to unaffiliated distributors). Bhansali claimed in its response that its EP sales were made at the same LOT as home

market sales to unaffiliated distributors. For this reason, Bhansali has not requested a LOT adjustment to NV for comparison to its EP sales.

In determining whether separate LOTs actually existed in the home market and U.S. market, we examined whether Bhansali's sales involved different marketing stages (or their equivalent) based on the channel of distribution, customer categories and selling functions. After reviewing the record evidence, we agree with Bhansali that its home market sales comprise a single LOT.

In analyzing Bhansali's selling activities for its EP sales, we noted that the sales involved the same selling functions associated with the home market LOT described above. Based upon the record evidence, we have determined that there is one LOT for all EP sales and that it is the same LOT as that in the home market. Accordingly, because we find the U.S. sales and home market sales to be at the same LOT, no LOT adjustment under section 773(a)(7)(A) is warranted.

### Price-to-Price Comparisons

We calculated NV based on FOB prices to unaffiliated customers. Bhansali reported no movement expenses for home market sales of similar and identical merchandise. We made adjustments to NV for differences in costs attributable to differences in the physical characteristics of the merchandise, pursuant to section 773(a)(6)(C)(ii) of the Tariff Act. We made adjustments under section 773(a)(6)(C)(iii) of the Tariff Act for differences in circumstances of sale for imputed credit expenses. Bhansali reported having no packing costs in the home market. We added U.S. packing costs to NV in accordance with section 773(a)(6)(A) and (B) of the Tariff Act. *See the Analysis Memo.*

### Ordinary Course of Trade

Section 773(a)(1)(B) of the Act states, in part, that normal value (NV) is “the price at which the foreign like product is first sold (or, in absence of a sale, offered for sale) for consumption in the exporting country, in the usual commercial quantities and in the ordinary course of trade.” The purpose of the ordinary-course-of-trade provision “is to prevent dumping margins from being based on sales which are not representative” of the home market. *Thai Pineapple Public Co. v. United States*, 946 F. Supp. 11, 15 (CIT 1996) (quoting *Laclede Steel Co. v. United States*, Slip Op. 95–144 at 6 (CIT Aug. 11, 1995)). Congress has not specified any criteria that the agency

should use in determining the appropriate "conditions and practices." Thus, the Department, "in its discretion, chooses how best to analyze the many factors involved in a determination of whether sales are made within the ordinary course of trade." *Id.* at 14-17. As an example of sales which would be considered outside the ordinary course of trade, the Department's regulations cite "merchandise sold at aberrational prices." 19 CFR 351.102.

Concerning whether all of Bhansali's home market sales were made in the ordinary course of trade, the record evidence indicates that in one case, Bhansali purchased merchandise the same week as it made its U.S. sale of the identical model, then re-sold the home market merchandise two months later at a significant loss, to the same party who had supplied it. We preliminarily determine that because of the exceptional circumstances surrounding this transaction, it was made outside the ordinary course of trade, and we therefore have excluded it from comparison with the U.S. merchandise. See the Analysis Memo.

#### Constructed Value

In accordance with section 773(e) of the Tariff Act, we calculated CV based on the sum of Bhansali's cost of materials, SG&A, U.S. packing costs, and profits on home market sales. See the Analysis Memo.

#### Currency Conversion

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

#### Preliminary Results

As a result of this review, we preliminarily determine that a dumping margin of 4.08% exists for Bhansali for the period August 1, 1998 through July 31, 1999.

The Department will disclose calculations performed within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). A party may request a hearing within thirty days of publication. See 19 CFR 351.310(c). Any hearing, if requested, will be held 37 days after the date of publication, or the first working day thereafter. Interested parties may submit case briefs and/or written comments no later than 30 days after the date of publication. Rebuttal briefs and rebuttals to written comments, limited to issues raised in such briefs or comments, may be filed no later than 35 days after the date of publication. The

Department will issue the final results of this new shipper review, which will include the results of its analysis of issues raised in the briefs, within 90 days of issuance of these preliminary results, unless the time limit is extended.

Upon completion of this new shipper review, the Department shall determine, and Customs shall assess, antidumping duties on all appropriate entries. The Department will issue appraisal instructions directly to Customs. Bhansali did not report entered value; we will calculate Bhansali's duty assessment rate based on the ratio of the total amount of antidumping duties calculated for the examined sales, calculated as the difference between NV and EP, to the total quantity of examined sales. The rate will be assessed uniformly on all entries made during the POR. The Department will issue appraisal instructions directly to Customs.

Furthermore, the following deposit requirements will be effective upon completion of the final results of this new shipper review for all shipments of flanges from India entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this new shipper review, as provided by section 751(a)(1) of the Tariff Act: (1) The cash deposit rate for Bhansali will be the rate established in the final results of this new shipper review; (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in the original less-than-fair-value (LTFV) investigation or a previous review, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, or the original investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review, the cash deposit rate will be 162.14 percent, the "all-others" rate established in the LTFV investigation.

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

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402 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 new shipper review and notice are in accordance with section 751(a)(1) of the Tariff Act (19 U.S.C. 1675(a)(1)) and 19 CFR 351.213 and 351.214.

**Troy H. Cribb,**

*Acting Assistant Secretary for Import Administration.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-580-841]

#### Structural Steel Beams From Korea: Initiation of Changed Circumstances Antidumping Duty Administrative Review

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

**ACTION:** Notice of Initiation of Changed Circumstances Antidumping Duty Review.

**SUMMARY:** In accordance with 19 CFR 351.216(b), Northwestern Steel & Wire Company, Nucor-Yamato Steel Company, and TXI-Chaparral Steel, Inc. ("Petitioners"), interested parties in this proceeding and the petitioners in the less-than-fair value investigation of structural steel beams from Korea, requested a changed circumstances review. In response to this request, the Department of Commerce is initiating a changed circumstances review on structural steel beams from Korea.

**EFFECTIVE DATE:** September 15, 2000.

**FOR FURTHER INFORMATION CONTACT:** Stephen Shin or Laurel LaCivita, Office of AD/CVD Enforcement Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-0413 or (202) 482-4243, respectively.

#### The Applicable Statute and Regulations

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"). In addition, unless otherwise indicated, all citations