

with measurable reliability, statistics on the subjects specified above.

This survey was cleared by the Office of Management and Budget (OMB) in accordance with the Paperwork Reduction Act, Public Law 96-511, as amended, and was cleared under OMB Control No. 0607-0013. We will provide copies of the form upon written request to the Director, Bureau of the Census, Washington, DC 20233.

Based upon the foregoing, I have directed that an annual survey be conducted for the purpose of collecting these data.

Dated: November 21, 1995.

Bryant Benton,

Acting Deputy Director, Bureau of the Census.

[FR Doc. 95-29866 Filed 12-06-95; 8:45 am]

BILLING CODE 3510-07-P

International Trade Administration

[A-427-030]

Large Power Transformers from France; Final Results of Antidumping Administrative Review

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

ACTION: Notice of final results of the antidumping duty administrative review; large power transformers from France.

SUMMARY: On May 2, 1995, the Department of Commerce (the Department) published the preliminary results of its administrative review of the antidumping finding on large power transformers (LPTs) from France. The review covers one manufacturer/exporter and the period June 1, 1993 through May 31, 1994.

We gave interested parties an opportunity to comment on our preliminary results. Based on our analysis of the comments received, we have changed the results from those presented in the preliminary results of review.

EFFECTIVE DATE: December 7, 1995.

FOR FURTHER INFORMATION CONTACT: Donald Little, Elisabeth Urfer, or Maureen Flannery, Office of Antidumping Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-4733.

SUPPLEMENTARY INFORMATION:

Background

The Treasury Department published in the Federal Register an antidumping

finding on LPTs from France on June 14, 1972 (37 FR 11772). On June 7, 1994, we published in the Federal Register (59 FR 29411) a notice of opportunity to request an administrative review of the antidumping finding on LPTs from France covering the period June 1, 1993 through May 31, 1994.

In accordance with 19 CFR 353.22(a), Jeumont Schneider Transformateurs (JST) requested that we conduct an administrative review of its sales. We published a notice of initiation of this antidumping duty administrative review on July 15, 1994 (59 FR 36160).

On May 2, 1995, the Department published the preliminary results in the Federal Register (60 FR 21499). The Department has now conducted the review in accordance with section 751 of the Tariff Act of 1930, as amended (the Tariff Act).

Scope of the Review

Imports covered by the review are shipments of 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.

This review covers one manufacturer/exporter of transformers, JST, and the period June 1, 1993, through May 31, 1994.

Applicable Statute and Regulations

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

Analysis of the Comments Received

We gave interested parties an opportunity to comment on the preliminary results of review. We received comments from JST and

petitioner, ABB Power T&D Co. Inc. We received rebuttal briefs from JST and petitioner.

Comment 1: Petitioner argues that the dumping margin should be calculated in U.S. dollars, and that the Department's regulations require conversion of foreign currency into U.S. dollars based on the exchange rate prevailing on the date of sale. Petitioner cites 19 CFR 353.60(a) (1994), which states that the Department is to convert "a foreign currency into the equivalent amount of United States currency at the rates in effect on the dates described in * * * 353.50." Petitioner also cites 19 CFR 353.50, arguing that this section indicates the time for calculating constructed value, and thus determining the currency conversion rate, is the date of sale.

Petitioner argues that the Department, in calculating constructed value and making adjustments to U.S. price and foreign market value, improperly converted several costs JST incurred in U.S. dollars into French francs. Petitioner argues that the instructions in the Department's questionnaire clearly state that JST was to report its expenses in the currency in which those expenses were incurred. Petitioner further argues that the U.S. Department of Commerce, International Trade Administration, Antidumping Manual instructs the Department to convert any expenses not incurred in U.S. dollars into their dollar-denominated equivalent. Petitioner states that the Department's regulations prescribe the rate to be used to accomplish this conversion under 19 CFR 353.60(a).

JST argues that neither the antidumping statute nor the Department's regulations require that dumping analysis be dollar-denominated. JST argues that section 772 of the Tariff Act defines U.S. price, but does not state that U.S. price is to be a dollar-denominated price, and thus no statutory provision compels, or addresses, the question of whether the Department must convert prices or costs stated in foreign currency into U.S. dollars. JST further argues that 19 CFR 353.60(a) similarly prescribes a method for converting foreign currency into dollars, but does not require dollar-denominated calculations.

JST argues that a calculation of U.S. price in a foreign currency is unusual, but not unlawful, and that, given the facts of this case, a French franc-denominated analysis is the best way of determining the degree to which either of JST's U.S. sales was sold at less than foreign market value. JST argues that the methodology is consistent with the basic rule that governs the Department's antidumping analysis, *i.e.*, that a foreign

producer's U.S. price and foreign market value are to be determined using data in the books and records of that producer, kept in the normal course of trade, as long as such data do not distort the producer's actual prices or costs.

Department's Position: We disagree with both parties, in part. There is no requirement, in either the statute or the regulations, that the dumping margin be calculated in U.S. dollars. Nevertheless, when certain elements of the dumping calculation were paid in U.S. dollars, and other elements in a foreign currency or currencies, it is the Department's longstanding practice to convert foreign currency amounts into U.S. dollars before calculating dumping margins, in accordance with the rates established in 19 CFR 353.60(a). In this case, prices were set, and paid, in U.S. dollars. Therefore, for these final results, we have used the U.S. dollar price paid by the U.S. customer as the basis of U.S. price, and converted expenses incurred in French francs to U.S. dollars on the date of the U.S. sale. We have used the date of sale, *i.e.*, the date on which the terms of the sale were set, as the date on which we have converted all foreign currency transactions.

Comment 2: Petitioner claims that the use of JST's exchange rate guarantees in calculating a dumping margin is not in accordance with law. Petitioner argues that the Court of International Trade has held that gains from exchange contracts cannot be used to increase U.S. price, and at best a respondent may treat those gains or expenses solely as indirect selling expenses on its U.S. sales. Petitioner cites *Thyssen Stahl AG v. United States*, Slip Op. 95-78 (Ct. Int'l Trade April 27, 1995) (*Thyssen*), where the court reversed the Department's determination to treat gains from an exchange rate contract as a circumstance-of-sale adjustment. Petitioner states that the court noted that the antidumping statute did not provide for such an adjustment and the Department's implementing regulations "did not contemplate currency hedging," and that the court rejected the respondent's theory that the antidumping law is designed to compare a respondent's overall return or profit between its U.S. and foreign market sales. Petitioner notes that, instead, the court in *Thyssen* held that exchange rate gains and losses could be considered indirect selling expenses.

Petitioner notes that the *Thyssen* court relied heavily on *Torrington Co. v. United States*, 832 F.Supp. 379, 391-92 (Ct. Int'l Trade 1993) (*Torrington*), in which the court reversed the Department's adjustment to U.S. price to take into account a currency guarantee.

JST states that the petitioner has misread the *Torrington* and *Thyssen* decisions. JST argues that the court's finding in *Torrington* was clearly limited to the conclusion that the respondent's currency hedging expenses were not directly related to the specific sales under review. JST argues that the court similarly found that *Thyssen* had failed to demonstrate the requisite direct relationship to the U.S. sales under consideration. JST concludes that neither the *Torrington* nor the *Thyssen* decision limits the Department's ability to treat any difference between JST's transaction-specific exchange rate guarantees and the exchange rate on the date of sale as a direct selling credit for which an adjustment to foreign market value must be made.

JST argues that the production and sale of LPTs varies from most other merchandise that is subject to antidumping orders. JST explains that producers bid to supply transformers more than a year before the transformers will be delivered. Because the bid is a firm commitment to supply a high-cost transformer at a specific price, JST states that it always arranges for a project-specific exchange rate guarantee before it bids on a contract to supply an LPT to a U.S. customer. JST states that the transaction-specific exchange rate guarantees that it secured on its review-period sales to the United States are different from general currency hedges. JST argues that the exchange rate guarantees at issue transform JST's review-period sales to the United States into French franc-denominated sales against which the company could control the French franc costs that it incurred during the design, production, test and delivery cycle. JST states that the Department verified that JST maintains detailed transaction-specific French franc-denominated accounts for both the revenues and costs associated with each of its LPT sales. JST argues that a standard dumping calculation based on dollar-denominated U.S. sales would grossly distort the Department's antidumping analysis if the currency conversion were at a rate that differed significantly from the guaranteed rate of exchange that JST secured for each of its U.S. sales, because it would understate the amount actually expected and received by JST. JST cites to the Uruguay Round Agreements Act, Statement of Administrative Action at 172, to argue that it is current Department practice, where a company demonstrates that a sale of foreign currency on forward markets is directly linked to a particular export sale, to use

the rate of exchange in the forward currency sale agreement.

JST argues that, if the Department decides to treat its exports as dollar-denominated sales and decides to convert the French franc-denominated constructed value to dollars at the Federal Reserve exchange rate in effect on the date of sale, the Department must make an adjustment to foreign market value for direct selling credit. JST argues that the result of the credit adjustment is the same as treating the transaction as a foreign currency sale at the guaranteed exchange rate.

Department's Position: We disagree with both parties, in part. The court's decisions in *Thyssen* and *Torrington* do not disallow the use of a circumstance-of-sale adjustment in this case. The court in both *Thyssen* and *Torrington* stated that the respondents could not link the sales in question to specific exchange rate guarantee contracts. The facts of this case differ because there is a specific guarantee for each sale to the United States. JST has placed on the record evidence that there was an exchange rate guarantee directly associated with each of its sales to the United States. (See JST's questionnaire response at tabs A-2 and B-2.) At verification, we examined the price in the contract in U.S. dollars, the price the customer paid in U.S. dollars, and the amount JST received from its bank in French francs. (See verification exhibit Sales-4.) While the price to be paid in U.S. dollars by the customer remained constant, JST used an exchange rate guarantee to secure a certain exchange rate for each of its sales. Because the price paid by the customer was set and paid in U.S. dollars, for these final results we have used the price paid in U.S. dollars for purposes of calculating U.S. price. Because of the gain JST earned on these U.S. sales due to exchange rate guarantees, which were directly linked to specific sales of LPTs, we have made a circumstance-of-sale adjustment to foreign market value to account for that gain.

Comment 3: Petitioner argues that the Department understated JST's profit on its home market sales. Petitioner argues that JST improperly excluded data from a certain type of transformer from its home market sales and the Department based its home market profit calculation on the data that excluded transformers of this type. Petitioner states that the transformers in question are within the scope of the finding and JST has provided no scope-related information to explain why this type of transformer should be excluded.

JST stated that the home market and the U.S. sales of LPTs, other than the

type in question, were sold and manufactured, and the revenue associated with them was booked, on a comparable time frame, normally a year or more after the "sale" was made. JST states the sales of the transformer type in question were not only sold, but were manufactured and delivered five years before the review period. JST argues that the profit realized on these sales has nothing to do with market conditions at any time during the period in which the LPTs under review were sold, manufactured or delivered.

Department's Position: We agree with JST. The profit the Department calculates for constructed value should be based on the profit the respondent experiences on comparable sales reasonably contemporaneous to the sales of subject merchandise under review. The transformers excluded from the profit calculation were sold significantly before the sales to the United States. Although the profit was realized during the period of review, the market conditions and expected return on those sales are not relevant to the market conditions during the time the LPT sales under review were made, because so much time had elapsed since the sale of the home market LPTs in question. Therefore, we are continuing to exclude the data on the transformers in question in our profit calculation.

Comment 4: Petitioner argues that JST understated the actual amount of its pre-bid expenses for purposes of calculating cost of manufacture. Petitioner points out that JST calculated its pre-bid expenses by taking its total annual pre-bid expenses and allocating those expenses on a per-unit basis across all its sales for that year. Petitioner questions whether the denominator is accurate, given that at verification the Department found that JST had misreported the number of LPTs sold during the period of review. Petitioner also questions whether the pre-bid expenses for each of the units are identical across markets and asserts that, because JST's sales in its home market are far more regular than its export sales, it is possible that JST could have no pre-bid expenses for its home market sales. Petitioner contends that the best method for allocating these pre-bid expenses is on the basis of design hours. Petitioner argues that, because the export units are custom-designed, they would require more design hours, and thus likely more costs, to develop a bid.

JST contends that it properly reported, and the Department properly calculated, pre-bid expense. JST contends that at verification the Department reviewed the quantity of

transformers that it produced during each year involved in the review period (i.e., 1992, 1993, and 1994), and that these data were provided in JST's "final test" log for each calendar year, which reconciled with JST's annual financial statements. JST further contends that even though there were problems with the sales volume and value data, there is no reason to question the validity of the final test data which were verified and used to allocate pre-bid expenses.

JST asserts that petitioner misunderstands the pre-bid expenses that it incurs. JST states that it incurs in the aggregate more pre-bid expenses on business that it loses than on business that it wins, and that each transformer that is sold must absorb an allocated portion of total pre-bid expenses, including those on failed bids. Regarding petitioner's assertion that pre-bid expenses should be allocated based on design costs incurred after the bid has been won, JST argues that petitioner ignores the "bid-but-not-won" problem, and assumes a correlation between design costs or transformer size and pre-bid expenses where none exists.

Department's Position: We disagree in part with both petitioner and JST. As petitioner noted, at verification we encountered considerable difficulties in verifying JST's sales volume and value. However, as stated in the verification report, JST allocated its pre-bid expenses based on the number of units tested during the year, a figure we did verify, finding no discrepancies. The sales volume and value data differ from the testing report data. The sales volume and value data cover only subject merchandise sold during the period of review, while the testing reports cover all transformers which were completed during the years during which the subject merchandise was produced.

We agree with petitioner that pre-bid expenses might not be identical across markets. However, there is insufficient data on the record to determine whether more pre-bid expenses are incurred on home market or export sales. We disagree with petitioner that allocating by design hours would most accurately capture pre-bid expense, because there is not a clear correlation between design hours and pre-bid expense. As we found at verification, pre-bid expenses include other expenses associated with bids (see Verification Report at p. 15), and, therefore, are not necessarily incurred relative to design hours. Furthermore, as JST pointed out, a substantial portion of its pre-bid expenses are incurred for failed bids, and must be allocated to other LPTS. Because there is no correlation between pre-bid expenses and sales, we have determined that the

most reasonable way to allocate pre-bid expenses is on the cost of sales, since it avoids distortions which could be created by allocating pre-bid expenses on number of units or design hours.

Comment 5: JST argues that, in calculating the profit ratio on home market sales, the Department understated the cost of manufacture incurred by JST on its home market sales because it did not include pre-bid expenses associated with these sales. As a result, JST claims, the Department overstated the profit ratio on its home market sales, which in turn led to an overstatement of profit for constructed value. JST states that, in its normal accounting, it treats pre-bid expenses as an indirect selling expense. However, in submitting costs for the LPTs sold in the United States, JST treated pre-bid expenses as a cost of manufacture in accordance with Department practice. JST argues there must be a consistency between the way cost of manufacture is calculated for U.S. sales and for home market sales, and that pre-bid expenses should therefore be included in the home market cost of manufacture. JST argues that the Department should allocate pre-bid expenses on a per unit basis.

Petitioner states that JST has failed to submit sufficient information to make the adjustment to cost of manufacture for home market pre-bid expenses for purposes of the profit calculation. Petitioner argues that the suggested adjustment to pre-bid expenses implies that pre-bid expenses for home market and export sales are the same. Petitioner states that pre-bid expenses also include "exchange rate guaranty premiums," which would be incurred only on export sales. Petitioner claims that, because JST did not provide export-related pre-bid expenses separately from home market-related pre-bid expenses, an accurate calculation of home market pre-bid expenses cannot be made.

Department's Position: JST's comment indicates a misunderstanding of the Department's calculation of profit. The Department calculates profit for constructed value by multiplying the cost of production (cost of manufacture plus selling, general, and administrative expenses (SG&A)) of the U.S. sale by a ratio of home market profit to the cost of production of home market sales. The home market SG&A includes indirect selling expenses, which is where JST normally includes pre-bid expenses. However, for the preliminary results we inadvertently did not include an amount for pre-bid expense in either cost of manufacture or SG&A expenses for purposes of our profit calculation. We do agree that, in order not to

overstate profit, we must include an amount for pre-bid expense in home market cost of production. As noted in our response to Comment 4, above, JST did not provide sufficient information to differentiate between home market-related and export-related pre-bid expenses. Therefore, we have allocated pre-bid expense to home market cost of manufacture based on cost of sales.

Comment 6: Petitioner contends that the Department made an error in calculating JST's credit expense. Petitioner states that the Department based JST's credit expense on the time between the invoice date and payment date and that this is inconsistent with Department practice of using the time period between shipment date and payment date.

Department's Position: We agree with the petitioner, and have recalculated the credit expense for the LPT sales to the United States to reflect the time period between shipment and payment.

Comment 7: Petitioner asserts that the use of JST's economic report to derive the cost of materials for Sale 1 understates cost of materials for this unit since this report may not reconcile exactly to the cost accounting system. Petitioner argues the Department should derive a cost of materials figure using the total cost of materials from the cost accounting system.

JST argues that it keeps economic reports for each transformer, while the cost accounting system is specific to individual orders, which may include costs for more than one transformer. JST argues that, when the accounting records for an order do not provide the detailed costs for each transformer covered by the order, the detail is available from the economic reports. JST argues that the economic report does in fact reconcile to the cost accounting system "to within very few French francs." JST argues the information it supplied to the Department yields a fully reconciled materials cost. JST states that the differences in materials cost between the economic report and the cost accounting system were explained during verification.

Department's Position: We agree with JST. During the verification, we examined the economic report and its relationship to the cost accounting system. We determined that using the economic report was the most reasonable method of deriving the cost of materials for this sale because the economic report is transformer-specific, and the differences between costs reflected in the economic report and the actual material costs for the specific transformer were minimal. (For further

details, see proprietary memorandum to the file dated June 30, 1995.)

Comment 8: JST argues that the Department did not correct an error regarding JST's calculation of home market cost of sales, which was discovered at verification. As a result, JST asserts that the actual manufacturing cost incurred on home market sales is understated, thereby causing the calculation of profit to be overstated. JST argues that the verification report mistakenly notes that the error did not affect JST's cost of home market sales.

Petitioner contends that JST's claim for an adjustment to home market cost of sales for this additional expense should be rejected. Petitioner argues that there is no information about this expense on the record. Petitioner argues that, without such information, the Department cannot legally determine that the expense relates to home market sales. Petitioner also argues that this information was untimely submitted.

Department's Position: We agree with JST. At verification we asked JST to show us how it had arrived at the figures used in its profit calculation. In response to our request, JST prepared a worksheet showing how the figures in its questionnaire responses traced to the cost system. JST stated that, after it made adjustments for depreciation and labor, and excluded a certain type of transformer, it arrived at a figure different from what it had reported in the questionnaire response. It showed the amount of this difference on the profit worksheet, labeling it as an "Other Adjustment." Therefore, while we noted in the verification report that the "Other Adjustment" amount "should have been an expense," it is more accurate to characterize the amount as a correction of an error in the response. Correction of such errors can be the result of verification and is not untimely information as the petitioner asserts.

As explained in the verification report, we verified the total home market costs and adjustments to those costs, as presented on the home market profit worksheet at verification. (See verification exhibit cost-18.) We were satisfied as to the accuracy of the corrected cost of sales calculation, as shown on the home market profit worksheet. Therefore, we have accepted respondent's correction of its original calculation of cost of sales.

Comment 9: Petitioner argues that JST has not demonstrated that its related-party purchases have been made at arm's length, and as a result the Department should rely on best information otherwise available (BIA) to

derive the cost of materials for JST's related-party materials purchases. Petitioner notes that at verification the Department reviewed JST's related-party purchases of two parts for one of its sales. Petitioner argues that, for the first of these parts, the Department compared related-party prices with price quotations from other companies, but JST did not demonstrate that the parts shown on these quotations met specifications similar to those of the part purchased from the related party. Petitioner also points out that the second part had been purchased from a party also related to JST. Petitioner states that the Department should use, as BIA, the ratio of all of JST's purchases from related parties to total purchases, multiplied by the total cost of materials, with an added amount for profit. For profit, petitioner suggests the Department use the percentage petitioner calculated for JST's home market profit.

JST contends that its purchases of components from related parties were made at arm's length. With regard to the first part, JST argues that petitioner has produced no information to cast any doubt that this part was not purchased at arm's length, and that petitioner's claim that this part may be different from those purchased from unrelated suppliers is only speculation. With regard to the second part, JST contends that the purchase is insignificant. JST argues that the evidence that is available supports an "arm's-length" conclusion, and there is no reason to believe that the price paid was not an arm's-length price.

Department's Position: We agree with JST. At verification we examined two parts purchased by JST from related parties. With regard to the first part we examined detailed price quotations from JST's suppliers, which clearly showed that the part had been purchased at arm's length. We agree with petitioner that the comparison parts were not identical; however, we found that the parts from related and unrelated suppliers were comparable for purposes of the arm's length test. With regard to the second part, because custom work was done on the part in question, thereby making a benchmark unavailable, we could not determine whether the part was sold at arm's length. However, we found this part to be of insignificant value. Therefore, because JST demonstrated that either the sale of the part was made at arm's length, or the value was insignificant, we find that the purchase prices for both of these parts are suitable for use in our calculation of the foreign market value. (See Antifiction Bearings (Other Than

Tapered Roller Bearings) and Parts Thereof From France, et al.; Final Results of Antidumping Duty Administrative Reviews, Partial Termination of Administrative Reviews, and Revocation in Part of Antidumping Duty Orders, 60 FR 10925, February 28, 1995.)

Comment 10: Petitioner states that the Department should reject JST's home market direct warranty expense claim and treat warranty as an indirect selling expense. Petitioner cites the verification report, which states that JST calculated its reported home market warranty expense claim based on its warranty experience for both subject and non-subject merchandise. Petitioner argues that, because warranty expenses can vary significantly by product, JST's warranty expense allocation methodology may result in the overstatement of the company's actual home market LPT warranty expense.

JST argues that, at verification, the Department was given detailed warranty expense information by year and by transformer type. JST states that it did report actual warranty expenses incurred on the subject merchandise and distinguished warranty expenses incurred on LPTs sold in the home market from warranty expenses sold on exports.

Department's Position: JST reported warranty expense on home market sales which included both subject and non-subject merchandise. At verification, we were able to separate warranty expense into three categories: subject merchandise, non-subject merchandise, and export sales. We agree with petitioner that we should calculate warranties based only on subject merchandise. We disagree with petitioner that warranty expense should be considered an indirect selling expense because, as we found at verification, warranty expenses are associated with specific sales. We have thus recalculated warranty expense on home market subject merchandise and

have continued to treat it as a direct selling expense adjustment to foreign market value.

Comment 11: Petitioner argues that JST improperly allocated shared production expenses for 1993 by allocating a portion of these expenses to off-site production labor hours.

JST stated that, because its off-site production was LPT-related, it properly allocated shared production expenses.

Department's Position: We agree with JST. Shared production expenses for 1993 were properly allocated to all its production because (1) the off-site production performed by JST was LPT-related, and (2) of the nature of the shared production expenses. (See proprietary memorandum to the file dated June 30, 1995.)

Comment 12: Petitioner argues that the Department improperly included insurance in SG&A, rather than treating it as a movement charge on JST's U.S. sales.

JST states that the insurance associated with freight was included in JST's movement charges, and that the general insurance covering plant and inventory was included in the SG&A charge that JST reported in its questionnaire response. JST asserts that the Department properly included both sets of insurance costs in its preliminary dumping calculation.

Department's Position: We agree with JST. At verification, in our examination of JST's internal cost sheets, which listed all of JST's expenses, we found that insurance had not been specifically listed. In our examination of freight documents, we found that the freight companies that JST used for shipping transformers to the United States included, in their charges, amounts for insurance. Therefore, JST properly reported freight insurance as a movement expense. In our examination of insurance reported as SG&A, we found that JST had been charged an amount for all its sales in the year we used to calculate SG&A. Based on the

above information, we conclude that JST has properly reported insurance as a movement expense or an SG&A expense, depending on the nature of the insurance.

Comment 13: Petitioner states that the Department correctly determined that only two entries were covered by this administrative review. Petitioner notes that during the period of review two JST units entered into the United States; however, JST requested the Department review a third unit which JST sold during the period of review. Petitioner argues that, while the Department has based certain administrative reviews on sales rather than entries, it has not mixed entry- and sale-based analyses in the same review, nor has it varied its methodology from review to review. Petitioner also notes that, at verification, the Department found that several important components of the margin calculation for this third sale could not be quantified because they had not yet been incurred. Petitioner contends that for its final results the Department should reaffirm its decision to exclude this unit from this review.

Department's Position: We agree that this sale should not be included in this administrative review. At verification we examined this sale in detail; however, we could not verify receipt of payment for the transformer, or payment of movement expenses and commissions. In addition, we found that material cost could change due to adjustments that had not yet been made to materials removed from stock. Further, our general practice, in purchase price situations, is to review sales corresponding to shipments or entries made during the period of review. We have, therefore, not included this sale in our analysis.

Final Results of Review

As a result of our review, we determine that the following weighted-average margin exists:

Manufacturer/exporter	Period of review	Margin (percent)
Jeumont Schneider Transformateurs	06/01/93-05/31/94	1.50

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between U.S. price and foreign market value may vary from the percentage stated above. The Department will issue appraisal instructions on each exporter directly to the Customs Service.

Furthermore, the following deposit requirements will be effective upon publication of this notice of final results of review for all shipments of LPTs from France 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 the reviewed

company will be the rate listed above; (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 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) for all other producers and/or exporters of this merchandise, the cash deposit rate shall be 24 percent, the rate established in the first notice of final results of administrative review published by the Department (47 FR 10268, March 10, 1982). These deposit requirements shall remain in effect until publication of the final results of the next administrative review.

This notice serves as a final 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 subsequent assessment of double antidumping duties.

Notification to Interested Parties

This notice also serves as a 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 353.34(d). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This administrative 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 353.22.

Dated: November 30, 1995.

Paul L. Joffe,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 95-29887 Filed 12-6-95; 8:45 am]

BILLING CODE 3510-DS-P

[A-475-801]

Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof From Italy; Preliminary Results of Antidumping Duty Administrative Reviews

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

ACTION: Notice of preliminary results of antidumping duty administrative reviews.

SUMMARY: In response to requests from interested parties, the Department of

Commerce (the Department) is conducting administrative reviews of the antidumping duty orders on antifriction bearings (other than tapered roller bearings) and parts thereof from Italy. The classes or kinds of merchandise covered by these orders are ball bearings and cylindrical roller bearings. The reviews cover 3 manufacturers/exporters. The period of review (the POR) is May 1, 1993, through April 30, 1994.

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

EFFECTIVE DATE: December 7, 1995.

FOR FURTHER INFORMATION CONTACT: The appropriate case analyst, for the various respondent firms listed below, at the Office of Antidumping Compliance, International Trade Administration, U.S. Department of Commerce, Washington, D.C. 20230; telephone: (202) 482-4733.

Davina Hashmi (Meter), Michael Rausher (FAG), Thomas Schauer (SKF), Michael Rill, or Richard Rimlinger.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

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

Background

On May 15, 1989, the Department published in the Federal Register (54 FR 20909) the antidumping duty orders on ball bearings (BBs) and cylindrical roller bearings (CRBs) and parts thereof from Italy. On June 22, 1994, and July 15, 1994, in accordance with 19 CFR 353.22(c) (1994), we initiated administrative reviews of those orders for the period May 1, 1993, through April 30, 1994 (59 FR 32180 and 59 FR 36160). The Department is now conducting these administrative reviews in accordance with section 751 of the Tariff Act of 1930, as amended (the Tariff Act).

Scope of Reviews

The products covered by these reviews are antifriction bearings (other than tapered roller bearings) and parts thereof (AFBs), and constitute the

following classes or kinds of merchandise:

1. *Ball Bearings and Parts Thereof:* These products include all antifriction bearings that employ balls as the rolling element. Imports of these products are classified under the following categories: antifriction balls, ball bearings with integral shafts, ball bearings (including radial ball bearings) and parts thereof, and housed or mounted ball bearing units and parts thereof.

Imports of these products are classified under the following Harmonized Tariff Schedules (HTS) subheadings: 3926.90.45, 4016.93.00, 4016.93.10, 4016.93.50, 6909.19.5010, 8431.20.00, 8431.39.0010, 8482.10.10, 8482.10.50, 8482.80.00, 8482.91.00, 8482.99.05, 8482.99.10, 8482.99.35, 8482.99.6590, 8482.99.70, 8483.20.40, 8483.20.80, 8483.50.8040, 8483.50.90, 8483.90.20, 8483.90.30, 8483.90.70, 8708.50.50, 8708.60.50, 8708.60.80, 8708.70.6060, 8708.70.8050, 8708.93.30, 8708.93.5000, 8708.93.6000, 8708.93.75, 8708.99.06, 8708.99.31, 8708.99.4960, 8708.99.50, 8708.99.5800, 8708.99.8080, 8803.10.00, 8803.20.00, 8803.30.00, 8803.90.30, 8803.90.90.

2. *Cylindrical Roller Bearings and Parts Thereof:* These products include all AFBs that employ cylindrical rollers as the rolling element. Imports of these products are classified under the following categories: antifriction rollers, all cylindrical roller bearings (including split cylindrical roller bearings) and parts thereof, and housed or mounted cylindrical roller bearing units and parts thereof.

Imports of these products are classified under the following HTS subheadings: 3926.90.45, 4016.93.00, 4016.93.10, 4016.93.50, 6909.19.5010, 8431.20.00, 8431.39.0010, 8482.40.00, 8482.50.00, 8482.80.00, 8482.91.00, 8482.99.25, 8482.99.35, 8482.99.6530, 8482.99.6560, 8482.99.6590, 8482.99.70, 8483.20.40, 8483.20.80, 8483.50.8040, 8483.90.20, 8483.90.30, 8483.90.70, 8708.50.50, 8708.60.50, 8708.93.5000, 8708.99.4000, 8708.99.4960, 8708.99.50, 8708.99.8080, 8803.10.00, 8803.20.00, 8803.30.00, 8803.90.30, 8803.90.90.

The size or precision grade of a bearing does not influence whether the bearing is covered by the order. For a further discussion of the scope of the orders being reviewed, including recent scope determinations, see Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof from Italy; Final Results of Antidumping Duty Administrative Reviews and Revocation in Part of an Antidumping Duty Order, 60 FR 10959 (February 28, 1995). The HTS item numbers are provided for