within the scope of the order entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(1) of the Act: (1) The cash deposit rate for the reviewed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 rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) for all other producers and/or exporters of this merchandise, the cash deposit rate will be 162.44 percent, the ''all others'' rate established in the LTFV investigation. 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 of 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. Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested.

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

Dated: September 23, 1996.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 96–25115 Filed 9–30–96; 8:45 am]

BILLING CODE 3510–DS–M

International Trade Administration

[A–475–703]

Granular Polytetrafluoroethylene Resin From Italy; Preliminary Results of Antidumping Duty Administrative Review

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

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

SUMMARY: In response to a request by the petitioner, the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on granular polytetrafluoroethylene (PTFE) resin from Italy. This review covers one manufacturer/exporter of the subject merchandise to the United States for the period August 1, 1994, through July 31, 1995.

We have preliminarily determined that dumping margins exist for the respondent. Interested parties are invited to comment on these preliminary results. Parties who submit arguments in this proceeding are requested to submit with each argument (1) a statement of the issue, and (2) a brief summary of the argument.

EFFECTIVE DATE: October 1, 1996.

FOR FURTHER INFORMATION CONTACT: Michael Rausher or Richard Rimlinger, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, DC 20230; telephone: (202) 482–4733.

SUPPLEMENTARY INFORMATION:

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 to the Department's regulations are to the current regulations, as amended by the interim regulations published in the Federal Register on May 11, 1995 (60 FR 25130).

Background

On August 30, 1988, the Department published in the Federal Register (53 FR 33163) the antidumping duty order on granular PTFE resin from Italy. On August 1, 1995, the Department published a notice of ''Opportunity to Request Administrative Review'' of the antidumping duty order for the period of August 1, 1994 through July 31, 1995 (60 FR 39150). We received a timely request for review from the petitioner, E. I. DuPont de Nemours & Company. On October 12, 1995, the Department initiated a review of Ausimont S.p.A. (60 FR 53165).

Scope of the Review

The product covered by this review is granular PTFE resins, filled or unfilled. This order also covers PTFE wet raw polymer exported from Italy to the United States. *See Granular Polytetrafluoroethylene Resin from Italy; Final Determination of Circumvention of Antidumping Duty Order,* 58 FR 26100 (April 30, 1993). This order excludes PTFE dispersions in water and fine powders. During the period covered by this review, such merchandise was classified under item number 3904.61.00 of the *Harmonized Tariff Schedule* (HTS). We are providing this HTS number for convenience and Customs purposes only. The written description of the scope remains dispositive.

The review covers one Italian manufacturer/exporter of granular PTFE resin, Ausimont S.p.A., and the period August 1, 1994 through July 31, 1995.

Use of Facts Available

In the Department's initial questionnaire, we requested that Ausimont provide value-added data for all models which are further manufactured in the United States. Ausimont failed to provide this information. In a supplemental questionnaire dated May 26, 1996, we again requested that Ausimont report the cost of further manufacturing performed in the United States. In responding, Ausimont still failed to provide this information for certain models.

Section 776(a) of the Act provides that if necessary information is not available on the record, or an interested party or any other person fails to provide such information by the deadlines for submission of the information or in the form and manner requested, the Department shall use the facts otherwise available. In addition, section 776(b) of the Act provides that if an interested party has failed to cooperate by not acting to the best of its ability to comply with a request for information, the Department may use an inference that is adverse to the interests of that party in selecting from among the facts otherwise available.

Ausimont's failure to provide further manufacturing data for certain models

renders it necessary that we rely upon the facts otherwise available. Ausimont offered no explanation for this failure on its part, despite the Department's repeated requests for this information. On this basis, we preliminarily determine that Ausimont failed to cooperate by not acting to the best of its ability to comply with the Department's information requests. Therefore, we determine it is appropriate to use an inference that is adverse to Ausimont's interests, pursuant to section 776(b) of the Act. Section 776(b) authorizes the Department to use as facts otherwise available information derived from the petition, the final determination, a previous administrative review, or any other information placed on the record. We have determined that the number of models for which Ausimont failed to provide further manufacturing data are relatively few in number, and the absence of this information does not impact upon the remainder of Ausimont's data base. For these reasons, we are not resorting to total facts available under section 776(a). We have instead selected the highest reported cost of further manufacturing reported by Ausimont as facts available for those models for which Ausimont failed to report the cost of further manufacturing.

United States Price

The Department based United States price (USP) on constructed exporter's sale price (CEP) as defined in section 772(b) of the Act because all sales to unrelated parties were made after importation of the subject merchandise into the United States. We based CEP on the packed, delivered prices to unrelated purchasers in the United States (the starting price). We made deductions for movement expenses, in accordance with section 772(c)(2)(A) of the Act, including international freight, marine insurance, brokerage and handling, U.S. inland freight, other transportation expenses, and U.S. customs duties.

In accordance with section 772(d)(1) of the Act and the Statement of Administrative Action (SAA) accompanying the URAA (at 823–824), we also adjusted the starting price by deducting selling expenses associated with economic activities occurring in the United States, including direct selling expenses assumed on behalf of the buyer and U.S. indirect selling expenses. Finally, we made an adjustment for an amount of profit allocated to these expenses, in accordance with section 772(d)(3) of the Act and as described in section 772(f).

For sales of granular PTFE resin finished in the United States from PTFE wet raw polymer imported from Italy, we determined that the special rule for merchandise with value added after importation under section 772(e) of the Act did not apply because the value added in the United States by the affiliated person did not exceed substantially the value of the subject merchandise. Therefore, for subject merchandise further manufactured in the United States, we used the starting price of the subject merchandise and deducted the costs of further manufacturing to determine the CEP for such merchandise in accordance with section 772(d)(2) of the Act. We deducted the costs of further manufacturing in the United States and that portion of the profit on sales of further-manufactured merchandise attributable to the additional manufacturing. No other adjustments were claimed or allowed.

Normal Value

In order to determine whether there was a sufficient volume of sales of granular PTFE resin in the home market to serve as a viable basis for calculating normal value (NV), we compared respondent'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) of the Act. Because the aggregate volume of home market sales of the foreign like product for Ausimont was greater than five percent of the respective aggregate volume of U.S. sales for the subject merchandise, we determined that the home market provides a viable basis for calculating NV for Ausimont. Therefore, in accordance with section 773(a)(1)(B)(i) of the Act, we based NV on the prices at which the foreign like product was first sold for consumption in the exporting country, in the usual commercial quantities and in the ordinary course of trade.

We calculated NV on a monthly weighted-average basis. Where possible, we compared U.S. sales to sales of identical merchandise in Italy. When there were no identical sales of the foreign like product available for matching purposes, we based NV on contemporaneous sales of the most similar foreign like product, in accordance with section 771(16) of the Act. Because filled and unfilled resins generally are not similar in terms of their physical characteristics, we compared, whenever possible, home market sales of filled resins to U.S. sales of filled resins and home market sales of unfilled resins with U.S. sales of unfilled resins. We matched filled resins sold in the two markets according to the amounts and types of fillers, and the percentages of fillers, in the products sold based upon the information provided in Ausimont's questionnaire response.

In accordance with section 773(a)(4) of the Act, we used constructed value (CV) as the basis for NV when there were no comparable sales of the foreign like product in the home market. We calculated CV in accordance with section 773(e) of the Act. We included the cost of materials and fabrication, selling, general and administrative (SG&A) expenses, and profit. In accordance with section 773(e)(2)(A) of the Act, we based SG&A expenses and profit on the amounts incurred and realized by Ausimont in connection with the production and sale of the foreign like product in the ordinary course of trade for consumption in Italy. For selling expenses, we used the weighted-average home market selling expenses. We included U.S. packing pursuant to section 773(e)(3) of the Act. Where appropriate, we made adjustments to CV, in accordance with section 773(a)(8) of the Act for differences in the circumstances of sale (COS). Specifically, we made COS adjustments by deducting home market direct selling expenses.

Where applicable, we made adjustments for packing and movement expenses, in accordance with sections 773(a)(6) (A) and (B) of the Act. In order to adjust for differences in packing between the two markets, we deducted home market packing costs from NV and added U.S. packing costs. We also made adjustments for differences in costs attributable to differences in physical characteristics of the merchandise, pursuant to section 773(a)(6)(C)(ii) of the Act, and for other differences in the COS in accordance with section 773(a)(6)(C)(iii) of the Act. These COS adjustments included deductions for home market rebates and credit.

Level of Trade

As set forth in section 773(a)(1)(B)(i) of the Act and in the SAA accompanying the URAA at pages 829–831, the Department will, to the extent practicable, calculate normal value based on sales at the same level of trade as the U.S. sales. When the Department is unable to find sales in the comparison market at the same level of trade as the U.S. sales, the Department may compare sales in the U.S. and foreign markets at different levels of trade. *See Final Determination of Sales at Less Than Fair Value: Certain Pasta from Italy,* 61 FR 30326 (June 14, 1996).

In accordance with section 773(a)(7)(A), if sales at different levels of

trade are compared, the Department will adjust the normal value to account for the difference in level of trade if the different sales functions between the levels of trade affect price comparability as evidenced by a pattern of consistent price differences between sales of the different levels of trade in which NV is determined.

Additionally, section 773(a)(7)(B) of the Act establishes that a CEP offset may be made when two conditions are present: (1) NV is established at a level of trade which constitutes a more advanced stage of distribution than the level of trade of the CEP; and (2) the data available do not provide an appropriate basis for a level-of-trade adjustment.

In order to determine that there is a difference in level of trade, the Department must find that two sales have been made at different phases of marketing, or the equivalent. Different phases of marketing necessarily involve differences in selling functions, but differences in selling functions (even substantial ones) are not alone sufficient to establish a difference in the level of trade. Similarly, seller and customer descriptions (such as ''distributor'' and ''wholesaler'') are useful in identifying different levels of trade, but are insufficient to establish that there is a difference in the level of trade.

We requested information about the selling activities associated with each phase of marketing, or the equivalent, in each of Ausimont's markets. Ausimont claimed that the level of trade of its CEP sales was the same as that of its NV sales. Ausimont claimed one level of trade and one channel of distribution with regard to its sales to its U.S. affiliate, Ausimont U.S.A., Inc. For its home market, Ausimont also claimed only one channel of distribution, from Ausimont to fabricators.

To determine whether Ausimont's CEP and NV sales were at the same level of trade, we reviewed the selling activities associated with both types of sales. Because Ausimont's sales in the United States were all based on CEP, we only considered the selling activities reflected in the price after making the appropriate adjustments under section 772(d) of the Act. *Certain Stainless Wire Rods From France: Final Results of Antidumping Duty Administrative Review*, 61 FR 47874, 47879–80 (Sept. 11, 1996); *Preliminary Results of Antidumping Duty Administrative Reviews of Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof From France, et al.*, 61 FR 35713 (July 8, 1996). The selling activities included inventory maintenance, after sales services/warranties, post-sale warehousing, technical advice, strategic and economic planning, market research, computer assistance, personnel training, engineering services, research and development, advertising, procurement, and freight and delivery services. Whenever sales were made by or through an affiliated company or agent, we considered all selling activities of both affiliated parties, except for those selling activities related to the expenses deducted under section 772(d) of the Act.

We determined that the selling functions performed by Ausimont for the home market are the same as those performed by Ausimont for CEP sales and that Ausimont's home market level of trade constituted the same stage of distribution as that of the level of trade of the CEP. Therefore, in accordance with section 773(a)(7)(B) of the Act, because we determined that Ausimont's home market sales upon which we established NV were at the same level of trade as that of the CEP, we made no CEP offset to NV.

Preliminary Results of Review

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

Manufacturer/exporter	Period	Margin (percent)
Ausimont S.p.A	08/01/94–07/31/95	6.23

Parties to the proceeding may request disclosure within five days of the date of publication of this notice. Any interested party may request a hearing within 10 days of publication. Any hearing, if requested, will be held 44 days after the date of publication, or the first workday thereafter. Case briefs and/or written comments from interested parties may be submitted not later than 30 days after the date of publication. Rebuttal briefs and rebuttals to written comments, limited to issues raised in the case briefs and comments, may be filed not later than 37 days after the date of publication. Parties who submit arguments in this proceeding are requested to submit with each argument (1) a statement of the issue and (2) a brief summary of the argument. The Department will issue the final results of the administrative review, including the results of its analysis of issues raised in any such written comments or at a hearing, within 120 days of issuance of these preliminary results.

The Department shall determine, and Customs shall assess, antidumping duties on all appropriate entries. Individual differences between USP and NV may vary from the percentage stated above. The Department will issue appraisement instructions directly to Customs. The final results of this review shall be the basis for the assessment of antidumping dumping duties on entries of merchandise covered by the determination and for future deposits of estimated duties.

Furthermore, the following deposit requirements will be effective upon completion of the final results of this administrative review for all shipments of PTFE resin from Italy entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(1) of the Act: (1) The cash deposit rate for Ausimont will be the rate established in the final results of administrative 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 will continue to be the most recent rate published in the final determination or final results for which the manufacturer or exporter received a company-specific rate; (3) if the exporter is not a firm covered in this review, a previous review, or the original investigation, but the manufacturer is, the cash deposit rate will be that established for the manufacturer of the merchandise in the final results of this review or the LTFV investigation; 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 46.46 percent, the ''all others'' rate established in the LTFV investigation (50 FR 26019, June 24, 1985).

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

This administrative review and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and 19 C.F.R. § 353.22 (1996).

Dated: September 25, 1996.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 96–25114 Filed 9–30–96; 8:45 am]

BILLING CODE 3510–DS–P

[A–570–803]

Heavy Forged Hand Tools, Finished or Unfinished, With or Without Handles, From the People's Republic of China; 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 of heavy forged hand tools, finished or unfinished, with or without handles, from the People's Republic of China.

SUMMARY: On April 5, 1996, the Department of Commerce (the Department) published in the Federal Register the preliminary results of its administrative review of the antidumping duty orders on heavy forged hand tools, finished or unfinished, with or without handles (HFHTs) from the People's Republic of China (PRC) (61 FR 15218). This review covers the period February 1, 1994 through January 31, 1995. We gave interested parties an opportunity to comment on our preliminary results. Based upon our analysis of the comments received, we have changed the results from those presented in the preliminary results of review.

EFFECTIVE DATE: October 1, 1996.

FOR FURTHER INFORMATION CONTACT: Rebecca Trainor or Maureen Flannery, AD/CVD Enforcement, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone (202) 482–4733.

Applicable Statute and Regulations: Unless otherwise stated, 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 citations to the Department's regulations are to the current regulations, as amended by the interim regulations published in the Federal Register on May 11, 1995 (60 FR 25130).

SUPPLEMENTARY INFORMATION:

Background

On February 2, 1995, the Department published in the Federal Register (60 FR 6524) a notice of opportunity to request administrative reviews of these antidumping duty orders. On February 27, 1995, in accordance with 19 CFR 353.22(a), two resellers of the subject merchandise to the United States, Fujian Machinery & Equipment Import & Export Corporation (FMEC) and Shandong Machinery Import & Export Corporation (SMC), requested that we conduct administrative reviews of their exports of subject merchandise to the United States. On February 28, 1995, the petitioner, Woodings-Verona Tool Works, Inc., requested that we conduct administrative reviews of SMC, FMEC, Henan Machinery Import & Export Company (Henan), and Tianjin Machinery Import & Export Company (Tianjin). We published the notice of initiation of these antidumping duty administrative reviews on March 15, 1995 (60 FR 13955). We received no questionnaire responses from either Henan or Tianjin. Therefore, we have based our analysis of these two companies on facts otherwise available (FA). On April 5, 1996, the Department published in the Federal Register the preliminary results of the administrative reviews of the antidumping duty orders on HFHTs from the PRC (61 FR 15218). The Department is conducting these administrative reviews in accordance with section 751 of the Act.

Scope of Review

Imports covered by these reviews are shipments of HFHTs from the PRC comprising the following classes or kinds of merchandise: (1) hammers and sledges with heads over 1.5 kg (3.33 pounds) (hammers/sledges); (2) bars over 18 inches in length, track tools and wedges (bars and wedges); (3) picks/mattocks; and (4) axes/adzes.

HFHTs include heads for drilling, hammers, sledges, axes, mauls, picks, and mattocks, which may or may not be painted, which may or may not be finished, or which may or may not be imported with handles; assorted bar products and track tools including wrecking bars, digging bars and tampers; and steel woodsplitting wedges. HFHTs are manufactured through a hot forge operation in which steel is sheared to required length, heated to forging temperature, and formed to final shape on forging equipment using dies specific to the desired product shape and size. Depending on the product, finishing operations may include shot-blasting, grinding, polishing and painting, and the insertion of handles for handled products. HFHTs are currently provided for under the following Harmonized Tariff System (HTS) subheadings: 8205.20.60, 8205.59.30, 8201.30.00, and 8201.40.60. Specifically excluded are hammers and sledges with heads 1.5 kg (3.33 pounds) in weight and under, hoes and rakes, and bars 18 inches in length and under. This review covers four exporters of HFHTs from the PRC. The review period is February 1, 1994 through January 31, 1995.

Factor Valuations: Changes From the Preliminary Results

In the preliminary results, we valued factors of production based on the year in which production occurred. We have not used that methodology for the final results because it is inconsistent with our standard practice. Our standard factors methodology, like our standard constructed value methodology, is intended to reflect value during the period of investigation (POI) or the POR. Thus, these methodologies rely on costs during the POI or the POR. Therefore, for the final results, we have valued the factors of production using surrogate values for the review period.

Analysis of Comments Received

We gave interested parties an opportunity to comment on the preliminary results. We received case briefs and rebuttal briefs from petitioner and FMEC, SMC, and Tianjin.

Comment 1: Petitioner and respondents state that the Department made errors in the inflation calculations for its factors of production analysis.

Department's Position: We agree that we made a clerical error in calculating the wholesale price index (WPI) inflator for the preliminary results, and have made the necessary corrections for the final results.

Comment 2: Respondents claim that the Department should not use the WPI to derive 1993 and 1994 values for steel, iron straps and wood. Respondents argue that the record shows no indication that steel prices are tied to any inflation index, and that the Department's other 1994 factor values show that Indian import prices have actually fallen in comparison with 1993 or even 1992 Indian import prices.

Further, respondents state, there is no ''secondary information'' on the record to support the use of the WPI. The respondents claim that, if the Department relies on the 1993 Indian import statistics for iron straps and wood, those values should be adjusted by the average change in values from