antidumping order on Cut-to-Length Carbon Steel Plate from Belgium. This review covers one manufacturer and exporter of the subject merchandise: Fabrique de Fer de Charleroi. The period of review is August 1, 1995 through July 31, 1996.

**EFFECTIVE DATE:** May 13, 1997.

**FOR FURTHER INFORMATION CONTACT:** Helen Kramer or Linda Ludwig, AD/CVD Enforcement Group III—Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington D.C. 20230, telephone (202) 482–0405 or 482–3833, respectively.

**SUPPLEMENTARY INFORMATION:** The Department initiated this administrative review on September 16, 1996 (61 FR 48882). Because it is not practicable to complete this review within the time limits mandated by section 751(a)(3)(A) of the Tariff Act of 1930 (''the Act''), as amended by the Uruguay Round Agreements Act of 1994, the Department is extending the time limit for the preliminary results of the aforementioned reviews to June 4, 1997. *See* memorandum from Joseph A. Spetrini to Robert S. LaRussa, which is on file in Room B–099 at the Department's headquarters.

This extension of time limit is in accordance with section 751(a)(3)(A) of the Act.

Dated: May 5, 1997.

**Richard O. Weible,**

*Acting Deputy Assistant Secretary AD/CVD Enforcement Group III.*

[FR Doc. 97–12508 Filed 5–12–97; 8:45 am]

**BILLING CODE 3510–DS–P**

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## DEPARTMENT OF COMMERCE

### 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, 1995, through July 31, 1996.

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:** May 13, 1997.

**FOR FURTHER INFORMATION CONTACT:** Chip Hayes 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 12, 1996, the Department published a notice of ''Opportunity to Request Administrative Review'' of the antidumping duty order for the period of August 1, 1995 through July 31, 1996 (61 FR 41768). We received a timely request for review from the petitioner, E. I. DuPont de Nemours & Company. On September 17, 1996, the Department initiated a review of Ausimont S.p.A. (61 FR 48882).

### 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, 1995 through July 31, 1996.

### Constructed Export Price

The Department calculated constructed export 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.

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 circumstances of sale (COS) in accordance with section 773(a)(6)(C)(iii) of the Act. These COS adjustments included deductions for home market rebates and credit.

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 COS. Specifically, we made COS adjustments by deducting home market direct selling expenses. We also made a CEP-offset adjustment to NV for indirect selling expenses pursuant to section 773(a)(7)(B) of the Act as discussed below.

**Level of Trade**

As instructed by section 773(a)(1)(A) of the Act and the SAA at 829–31, we determine, to the extent practicable, NV for sales at the same level of trade as the U.S. sales (either export price or CEP). When there are no sales at the same level of trade, we compare U.S. sales to home market (or, if appropriate, third-country) sales at a different level of trade, and adjust NV, if appropriate. The NV level of trade is that of the starting-price sales in the home market. When NV is based on CV, the level of trade is that of the sales from which we derive selling, SG&A and profit.

As the Department explained in *Gray Portland Cement and Clinker from Mexico: Final Results of Antidumping Duty Administrative Review*, 62 FR 17148, 17156 (April 9, 1997), for both export price and CEP, the relevant transaction for the level-of-trade analysis is the sale (or constructed sale) from the exporter to the importer. While the starting price for CEP is that of a subsequent resale to an unaffiliated buyer, the construction of the CEP results in a price that would have been charged if the importer had not been affiliated. We calculate the CEP by removing from the first resale to an independent U.S. customer the expenses under section 772(d) of the Act and the profit associated with these expenses. These expenses represent activities undertaken by the affiliated importer. As such, they occur after the transaction between the exporter and the importer for which we construct CEP. Because the expenses deducted under section 772(d) represent selling activities in the United States, the deduction of these expenses normally yields a different level of trade for the CEP than for the later resale (which we use for the starting price). Movement charges, duties and taxes deducted under section 772(c) do not represent activities of the affiliated importer, and we do not remove them to obtain the CEP level of trade.

To determine whether home market sales are at a different level of trade than U.S. sales, we examine whether the home market sales are at different stages in the marketing process than the U.S. sales. The marketing process in both markets begins with goods being sold by the producer and extends to the sale to the final user, regardless of whether the final user is an individual consumer or an industrial user. The chain of distribution between the producer and the final user may have many or few links, and each respondent's sales occur somewhere along this chain. In the United States, the respondent's sales are generally to an importer, whether independent or affiliated. We review and compare the distribution systems in the home market and U.S. export markets, including selling functions, class of customer, and the extent and level of selling expenses for each claimed level of trade. Customer categories such as distributor, original equipment manufacturer (OEM), or wholesaler are commonly used by respondents to describe levels of trade, but, without substantiation, they are insufficient to establish that a claimed level of trade is valid. An analysis of the chain of distribution and of the selling functions substantiates or invalidates the claimed levels of trade. If the claimed levels are different, the selling functions performed in selling to each level should also be different. Conversely, if levels of trade are nominally the same, the selling functions performed should also be the same. Different levels of trade necessarily involve differences in selling functions, but differences in selling functions, even substantial ones, are not alone sufficient to establish a difference in the levels of trade. A different level of trade is characterized by purchasers at different stages in the chain of distribution and sellers performing qualitatively or quantitatively different functions in selling to them.

When we compare U.S. sales to home market sales at a different level of trade,

we make a level-of-trade adjustment if the difference in levels of trade affects price comparability. We determine any effect on price comparability by examining sales at different levels of trade in a single market, the home market. Any price effect must be manifested in a pattern of consistent price differences between home market sales used for comparison and sales at the equivalent level of trade of the export transaction. To quantify the price differences, we calculate the difference in the average of the net prices of the same models sold at different levels of trade. Net prices are used because any difference will be due to differences in level of trade rather than other factors. We use the average difference in net prices to adjust NV when NV is based on a level of trade different from that of the export sale. If there is no pattern of consistent price differences, the difference in levels of trade does not have a price effect and, therefore, no adjustment is necessary.

The statute also provides for an adjustment to NV when NV is based on a level of trade different from that of the CEP if the NV level is more remote from the factory than the CEP and there is no basis to determine whether the difference in levels of trade between CEP and NV affects the comparability of their prices. This latter situation might occur where there is no home market level of trade equivalent to the U.S. sales level or where there is an equivalent home market level but the data are insufficient to support a conclusion on price effect. This adjustment, the CEP offset, is identified in section 773(7)(B) and is the lower of the following:

- The indirect selling expenses on the home market sale, or
- The indirect selling expenses deducted from the starting price used to calculate CEP.

The CEP offset is not automatic each time we use CEP. The CEP offset is made only when the level of trade of the home market sale is more advanced than the level of trade of the U.S. (CEP) sale and there is not an appropriate basis for determining whether there is an effect on price comparability.

We requested information about the selling functions associated with each phase of marketing, or the equivalent, in each of Ausimont's markets. Ausimont claimed one channel of distribution and one level of trade for sales to its U.S. affiliate, Ausimont U.S.A., Inc., and only one channel of distribution and one level of trade for its home-market sales to fabricators.

To determine whether Ausimont's CEP and NV sales were at the same level of trade, we reviewed information in Ausimont's questionnaire response regarding the selling functions and marketing processes associated with both categories of sales.

The evidence of record establishes that all sales in the home market are at a single level of trade. In the home market, Ausimont sold directly to fabricators. These sales entailed selling functions such as inventory maintenance, technical advice, strategic and economic planning, market research, computer assistance, personnel training, engineering services, advertising, and freight and delivery services.

The U.S. subsidiary's sales entailed selling functions such as inventory maintenance, technical advice, strategic and economic planning, market research, computer assistance, personnel training, engineering services, advertising, and freight and delivery services. Although sales through Ausimont U.S.A. to the first unaffiliated party in the United States were made at a marketing stage similar to Ausimont's home-market sales and entailed essentially the same selling functions as described above, we are using the CEP methodology in making price comparisons. In determining the level of trade for the U.S. sales, we only considered the selling activities reflected in the price after making the appropriate adjustments under section 772(d) of the Act. (See, *e.g., Certain Stainless Wire Rods From France: Final Results of Antidumping Administrative Review*, 61 FR 47874, 47879–80 (Sept. 11, 1996).)

After deducting expenses for selling functions which the U.S. subsidiary provides, the CEP still contains indirect selling expenses which Ausimont S.p.A provides. Based on a comparison of the home market and this CEP level of trade, we find significantly different levels of selling functions in each price. Further, based on the distribution phase at which the home-market transactions take place and the nature of the selling functions they entail, we find the home market sales to be at a different level of trade from and more remote from the factory than the CEP sales.

As noted above, all Ausimont's home market sales were at a single level of trade which is different from the CEP level of trade. Section 773(a)(7)(A) of the Act directs us to make an adjustment for difference in levels of trade where such differences affect price comparability. However, we were unable to quantify such price differences from information on the record. Because we have determined that the home-market level of trade is more remote from the factory than the CEP level of trade but the data necessary to calculate a level-of-trade adjustment are unavailable, we made a CEP-offset adjustment to NV pursuant to section 773(a)(7)(B) of the Act.

**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. | 08/01/95–07/31/96 | 6.83 |

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 CFR 353.22 (1996).

Dated: May 5, 1997.

**Robert S. LaRussa,**

*Acting Assistant Secretary for Import Administration.*

[FR Doc. 97–12506 Filed 5–12–97; 8:45 am]

BILLING CODE 3510–DS–P

## DEPARTMENT OF COMMERCE

### International Trade Administration

**[A–489–501]**

### Certain Welded Carbon Steel Pipe and Tube From Turkey: 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 petitioner and one respondent, the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain welded carbon steel pipe and tube from Turkey(A–489–501). This review covers two manufacturers/exporters of the subject merchandise to the United States during the period of review (POR): May 1, 1993, through April 30, 1994.

We have preliminarily determined that sales have been made below the foreign market value (FMV) for Borusan. We preliminarily determine no dumping margin exists for Yucelboru during the POR. If these preliminary results are adopted in our final results of 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.

Interested parties are invited to comment on these preliminary results. Parties who submit argument in this proceeding are requested to submit with the argument: (1) A statement of the issue; and (2) a brief summary of the argument.

**EFFECTIVE DATE:** May 13, 1997.

**FOR FURTHER INFORMATION CONTACT:** Ilissa Kabak, Nancy Decker, Robin Gray or Linda Ludwig, Enforcement Group III–Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Room 7866, Washington, D.C. 20230; telephone (202) 482–0182 (Kabak), (202) 482–1324 (Decker), (202) 482–0196 (Gray), or (202) 482–3833 (Ludwig).

**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

The Department published an antidumping duty order on certain welded carbon steel pipe and tube from Turkey on May 15, 1986 (51 FR 17784). The Department published a notice of ''Opportunity to Request an Administrative Review'' of the antidumping duty order on May 4, 1994 (59 FR 23051). On May 31, 1994, the petitioners, Allied Tube & Conduit Corporation (''Allied'') and Wheatland Tube Co. (''Wheatland'') requested an administrative review of Borusan Group (''Borusan'') and all related entities (including, but not limited to, Borusan Holding A.S., Borusan Gemlik Boru Tesisleri A.S., Borusan Boru Sanayii A.S., Istikbal Ticaret A.S., Borusan Ihracat Ithalat ve Dagitim A.S., and Tubeco Pipe and Steel Corporation) and of Mannesmann-Sumerbank Boru Endustrisi T.A.S. (''Mannesmann''). On May 31, 1994, respondent Yucelboru Ihracat, Ithalat ve Pazarlama A.S. (''Yucelboru'') requested an administrative review. We initiated this review on June 15, 1994. *See* 59 FR 30770. On April 20, 1995, Mannesmann stated that they did not have any shipments during the POR.

The Department is conducting this administrative review in accordance with section 751 of the Act.

## Scope of the Review

Imports covered by this review are shipments of certain welded carbon steel standard pipe and tube products with an outside diameter of 0.375 inch or more but not over 16 inches, of any wall thickness, currently classifiable under the following Harmonized Tariff Schedule (HTS) subheadings: 7306.3010.00, 7306.30.50.25, 7306.30.50.32, 7306.30.50.40, 7306.30.50.55, 7306.30.50.85, and 7306.30.50.90. These products commonly referred to in the industry as standard pipe and tube, are produced to various American Society for Testing and Materials (ASTM) specifications, most notably A–120, A–53 or A–135. These HTS item numbers are provided for convenience and customs purposes. The written descriptions remain dispositive.

The POR is May 1, 1993 through April 30, 1994. This review covers sales of certain welded carbon steel pipe and tube by Borusan and Yucelboru.

## Verification

As provided in section 782(i)(3) of the Act, we verified information provided by the respondents using standard verification procedures, including on-site inspection of the manufacturer's