the United States, to expedite and encourage foreign commerce, and for other purposes,'' as amended (19 U.S.C. 81a–81u) (the Act), the Foreign-Trade Zones Board (the Board) is authorized to grant to qualified corporations the privilege of establishing foreign-trade zones in or adjacent to U.S. Customs ports of entry;

Whereas, the Board's regulations (15 CFR Part 400) provide for the establishment of special-purpose subzones when existing zone facilities cannot serve the specific use involved;

Whereas, an application from the Port of Houston Authority, grantee of Foreign-Trade Zone 84, for authority to establish special-purpose subzone status at the petrochemical complex of Equistar Chemicals LP, located in Harris County, Texas, was filed by the Board on June 16, 1997, and notice inviting public comment was given in the **Federal Register** (FTZ Docket 50–97, 62 FR 355152, 6/30/97); and,

Whereas, the Board adopts the findings and recommendations of the examiner's report, and finds that the requirements of the FTZ Act and Board's regulations would be satisfied, and that approval of the application would be in the public interest if approval is subject to the conditions listed below;

Now, therefore, the Board hereby authorizes the establishment of a subzone (Subzone 84Q) at the petrochemical complex of Equistar Chemicals LP, located in Harris County, Texas, at the location described in the application, subject to the FTZ Act and the Board's regulations, including § 400.28, and subject to the following conditions:

1. Foreign status (19 CFR 146.41, 146.42) products consumed as fuel for the refinery shall be subject to the applicable duty rate.

2. Privileged foreign status (19 CFR 146.41) shall be elected on all foreign merchandise admitted to the subzone, except that non-privileged foreign (NPF) status (19 CFR 146.42) may be elected on refinery inputs covered under HTSUS Subheadings #2710.00.0505–#2710.00.2500, and #2710.00.45 which are used in the production of:

—petrochemical feedstocks (examiners report, Appendix C);

—products for export; and,

—products eligible for entry under HTSUS # 9808.00.30 and 9808.00.40 (U.S. Government purchases).

3. The authority with regard to the NPF option is initially granted until September 30, 2000, subject to extension.

Signed at Washington, DC, this 28th day of April 1998.

Robert S. LaRussa,

Assistant Secretary of Commerce for Import Administration, Alternate Chairman, Foreign-Trade Zones Board.

Dennis Puccinelli,

Acting Executive Secretary.

[FR Doc. 98–12331 Filed 5–8–98; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–846]

Brake Rotors From the People's Republic of China: Postponement of Preliminary Results of Antidumping Duty New Shipper Administrative Review

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

ACTION: Notice of extension of time limit for preliminary results in antidumping duty new shipper administrative review of brake rotors from the People's Republic of China.

SUMMARY: The Department of Commerce (the Department) is extending the time limit for the preliminary results of the antidumping duty new shipper administrative reviews of brake rotors from the People's Republic of China (PRC). This review covers the period April 1, 1997, through September 30, 1997.

EFFECTIVE DATE: May 11, 1998.

FOR FURTHER INFORMATION CONTACT: Brian Smith or Sunkyu Kim, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482–1766 or (202) 482–2613, respectively.

Postponement of Preliminary Results of Review

On November 28, 1997, the Department initiated this new shipper review of the antidumping duty order on brake rotors from the PRC (62 FR 64206, December 4, 1997). The current deadline for the preliminary results is May 27, 1998. We determine that it is not practicable to complete this review within the original time frame because of the large number of respondents.[1] In accordance with Section 751(a)(2)(B)(iv) of the Trade and Tariff Act of 1930, as amended by the Uruguay Round Agreements Act of 1994 (19 U.S.C. 1675(a)(3)(A)), the Department finds this new shipper review extraordinarily complicated and is extending the time limit for completion of the preliminary results until September 24, 1998, which is 300 days after the date on which the new shipper review was initiated.

Dated: April 30, 1998.

Maria Harris Tildon,

Acting Deputy Assistant Secretary, Import Administration.

[FR Doc. 98–12334 Filed 5–8–98; 8:45 am]

BILLING CODE 3510–DS–P

[1] The six new shippers are China National Industrial Machinery Import & Export Company, Lai Zhou Auto Brake Equipments Factory, Longkou Haimeng Machinery Co., Ltd., Qingdao Gren Co., Yantai Winhere Auto-Part Manufacturing Co., Ltd., and Zibo Luzhou Automobile Parts Co., Ltd.

DEPARTMENT OF COMMERCE

International Trade Administration

[A–421–701]

Brass Sheet and Strip From the Netherlands: Notice of 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 respondent Outokumpu Copper Strip B.V. (OBV) and its United States affiliate Outokumpu Copper (USA), Inc. (OCUSA), the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on brass sheet and strip (BSS) from the Netherlands (A–421–701). This review covers one producer/manufacturer/exporter of the subject merchandise to the United States during the period August 1, 1996 through July 31, 1997.

We preliminarily determine that sales of BSS from the Netherlands have not been made below Normal Value (NV). If the preliminary results are adopted in our final results of administrative review, we will instruct the U.S. Customs Service not to assess antidumping duties on entries of the subject merchandise made during period of review.

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

EFFECTIVE DATE: May 11, 1998.

FOR FURTHER INFORMATION CONTACT: Karla Whalen at 202/482–1386 or

Lisette Lach at 202/482–0190, AD/CVD Enforcement Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department of Commerce's (the Department's) regulations are to the regulations last codified at 19 FR Part 351 (May 19, 1997).

Background

On August 12, 1988, the Department published in the **Federal Register** the antidumping duty order on BSS from the Netherlands (53 FR 30455). On August 4, 1997, the Department published in the **Federal Register** a notice announcing the opportunity to request an administrative review of the antidumping duty order on BSS from the Netherlands for the period August 1, 1996, through July 31, 1997 (62 FR 41925). On August 29, 1997, in accordance with 19 CFR 353.213 (b), OBV filed a letter requesting an administrative review of its sales in this period of review. On September 25, 1997, we published in the **Federal Register** a notice of initiation of this administrative review (62 FR 50292). On October 23, 1997, petitioners in this proceeding [1] entered a notice of appearance in this administrative review.

Scope of the Review

Imports covered by this review are brass sheet and strip, other than leaded and tin brass sheet and strip, from the Netherlands. The chemical composition of the products under review is currently defined in the Copper Development Association (CDA) 200 Series or the Unified Numbering System (UNS) C20000 series. This review does not cover products the chemical compositions of which are defined by other CDA or UNS series. The physical dimensions of the products covered by this review are brass sheet and strip of solid rectangular cross section over 0.006 inch (0.15 millimeter) through 0.188 inch (4.8 millimeters) in gauge, regardless of width. Coiled, wound-on-reels (traverse wound), and cut-to-length products are included. The merchandise under investigation is currently classifiable under item 7409.21.00 and 7409.29.20 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Product Comparisons

In accordance with section 771(16) of the Act, we considered all BSS, covered by the descriptions in the ''Scope of the Review'' section of this notice, *supra*, and sold in the home market during the POR, to be foreign like products for the purpose of determining appropriate product comparisons to U.S. sales of BSS. Where there were no sales of identical merchandise in the home market to compare to U.S. sales, we compared U.S. sales to the next most similar foreign like product on the basis of the characteristics listed in Appendix V of the Department's October 24, 1997 antidumping questionnaire. In making the product comparisons, we matched foreign like products based on the following hierarchy of physical characteristics: (1) Type (alloy); (2) gauge (thickness); (3) width; (4) temper; (5) coating; and (6) packed form.

For purposes of the preliminary results, we have used differences in merchandise adjustments based on the difference in the variable cost of manufacturing between each U.S. model and its most similar home market model.

Date of Sale

On December 11, 1997, petitioners submitted a letter, objecting to OBV's use of the invoice date as the date of sale for the period of review. Citing a questionnaire response dated November 8, 1991, wherein OBV stated that sales in the United States were based primarily on long-term contracts generally negotiated on an annual basis and that all material terms of sale were established in these long-term contracts, petitioners urged the Department to use the frame agreement date, rather than the invoice date, as the date of sale.

On December 22, 1997, OBV responded to petitioners' date of sale comment. Citing 19 CFR 351.401(i), respondent asserted that petitioners' objection to the use of the invoice date as the date of sale ignores recent Department practice. OBV further argued that using the frame agreement date as the date of sale would be incorrect because frame agreements do not firmly establish the material terms of sale. Rather, they contain an estimate by the customer of the type and approximate quantity of the merchandise the customer expects to order over the period of time covered by the frame agreements. OBV asserted that although frame agreements do contain a fabrication price, they do not contain a metal price; [2] therefore, OBV contended that such agreements do not establish the total price to be paid by the customer. Furthermore, respondent stated that frame agreements are non-binding since the quantity will vary from the quantity stated in the frame agreement. Finally, OBV stated that since the Department determined the use of the invoice date as the date of sale in the immediately preceding review, it should continue to find that the invoice date constitutes the date of sale.

In the immediately preceding review, the Department used the invoice date as the date of sale because we found that it was the first date on which all terms of sale (*i.e.*, quantity, metal price and fabrication price) were established. The record in this review supports the same conclusion. Therefore, in accordance with 19 CFR 351.401(i) and Department practice, we have preliminarily determined that the invoice date is the appropriate date of sale for OBV.

Differences in Level of Trade

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

To determine whether NV sales are at a different level of trade than EP or CEP, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer.

[1] Hussey Copper, Ltd.; The Miller Company; Olin Corporation; Revere Copper Products, Inc.; International Association of Machinists and Aerospace Workers; International Union; Allied Industrial Workers of America (AFL–CIO); Mechanics Educational Society of America (Local 56) and United Steelworkers of America (AFL–CIO/CLC).

[2] A ''fabrication price'' is the price charged by companies such as OBV to transform raw materials into finished BSS. A ''metal price'' is the price OBV charges for the necessary raw materials.

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

OBV did not request an adjustment for LOT for this POR. To ensure that no such adjustment was necessary, we examined OBV's questionnaire responses with regard to its distribution system, including selling functions, class of customer and selling expenses. We noted that OBV had the same type of channel of distribution and class of customer for all sales in both markets. We also noted that its selling expenses for the POR were the same for all customers. In addition, we examined information concerning OBV's different payment terms (including discounts) and any possible selling agents with which OBV works. Based on the available information on the record, it appears OBV did not have a formal or official policy for providing payment terms, including discounts, to different customers, nor did OBV have selling agents. Finally, employees of OBV or a sister company, OAB (Outokumpu Copper Radiator Strip A.B.), appear to have handled all sales of the foreign like product. Accordingly, we preliminarily find that all sales in the home market and the U.S. market were made at the same level of trade. Therefore, all price comparisons are at the same level of trade and an adjustment pursuant to section 773(a)(7)(A) of the Act is unwarranted.

Fair Value Comparisons

To determine whether OBV's sales of BSS to the United States were made at less than fair value, we compared EP to NV, as described in the ''Export Price'' and ''Normal Value'' sections of this notice. In accordance with section 771A(d)(2) of the Act, we calculated monthly weighted-average prices for NV and compared these to individual U.S. transactions.

Export Price

We calculated the price of U.S. sales based on EP, in accordance with section 772(a) of the Act, because the subject merchandise was sold to an unaffiliated U.S. purchaser prior to the date of importation.

We calculated EP based on the packed, delivered prices to unaffiliated purchasers in the United States. In accordance with section 772(c)(2) of the Tariff Act, where appropriate, we deducted from the starting price post-sale warehousing expense, international freight expense, inland and marine insurance, U.S. brokerage and handling expenses and U.S. Customs duties.

Normal Value

Based on a comparison of the aggregate quantity of home market and U.S. sales, we determined that the quantity of the foreign like product sold in the exporting country was sufficient to permit a proper comparison with the sales of the subject merchandise to the United States pursuant to section 773(a) of the Act. Therefore, in accordance with section 773(a)(1)(B)(i)of the Tariff Act, we based NV on the price at which the foreign like products were first sold for consumption in the home market, in the usual commercial quantities and in the ordinary course of trade.

Where appropriate, we deducted discounts, post-sale warehousing expense, inland freight expense, marine and inland insurance and packing expense. We made adjustments, where appropriate, for differences in credit expenses.

We increased NV by U.S. packing expenses in accordance with section 773(a)(6)(A) of the Act. To the extent there were comparisons of U.S. merchandise to home market merchandise which were not identical but similar, we made adjustments to NV for differences in cost attributable to differences in physical characteristics of the merchandise pursuant to section 773(a)(6)(C)(ii) of the Act.

Cost-of-Production Analysis

Because we disregarded sales below the cost of production in the most recently completed review, we had reasonable grounds to believe or suspect that sales of the foreign like product under consideration for determining NV in this review may have been at prices below the cost of production (COP), as provided in section 773(b)(2)(A)(ii) of the Tariff Act. See Brass Sheet and Strip From the Netherlands; Final Results of Antidumping Duty Administrative Reviews, 62 FR 51449 (October 1, 1997). Therefore, pursuant to section 773(b)(1) of the Tariff Act, we initiated a COP investigation of sales by OBV.

A. Calculation of COP

In accordance with section 773(b)(3) of the Tariff Act, we calculated COP based on the sum of the respondent's cost of materials and fabrication employed in producing the foreign like product, plus the costs for selling, general, and administrative expenses (SG&A), interest expense and packing costs. We relied on the home market sales and COP information OBV provided in its questionnaire responses.

B. Test of Home Market Prices

After calculating COP, we tested whether home market sales of subject BSS were made at prices below COP within an extended period of time in substantial quantities and whether such prices permitted the recovery of all costs within a reasonable period of time. We compared model-specific COP to the reported home market prices less any applicable movement charges and discounts, where appropriate.

C. Results of COP Test

Pursuant to section 773(b)(2)(C) of the Tariff Act, where less than 20 percent of OBV's home market sales for a model were at prices less than the COP, we did not disregard any below-cost sales of that model because we determined that the below cost sales were not made within an extended period of time in ''substantial quantities.'' Where 20 percent or more of OBV's home market sales of a given product were at prices less than the COP, we determined that such sales were made within an extended period of time in substantial quantities in accordance with section 773(b)(2)(C) of the Tariff Act. To determine whether such sales were at prices which would not permit the full recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Tariff Act, we compared home market prices to the weighted-average COP for the POR. When we found that below-cost sales had been made in ''substantial quantities'' and were not at prices which would permit recovery of all costs within a reasonable period of time, we disregarded the below-cost sales in accordance with section 773(b)(1) of the Act.

On January 8, 1998, the U.S. Court of Appeals for the Federal Circuit issued a decision in *Cemex* v. *United States,* WL 3626 (Fed. Cir.). In that case, based on the pre-URAA version of the Act, the Court discussed the appropriateness of using CV as the basis for foreign market value when the Department finds

foreign market sales to be outside ''the ordinary course of trade.'' This issue was not raised by any party in this proceeding. However, the URAA amended the definition of sales outside the ''ordinary course of trade'' to include sales below cost. See section 771(15) of the Act. Consequently, the Department has reconsidered its practice in accordance with this court decision and has determined that it would be inappropriate to resort directly to CV, in lieu of foreign market sales, as the basis for NV if the Department finds foreign market sales of merchandise identical or most similar to that sold in the United States to be outside the ''ordinary course of trade.'' Instead, the Department will use sales of similar merchandise, if such sales exist. The Department will use CV as the basis for NV only when there are no above-cost sales that are otherwise suitable for comparison. Therefore, in this proceeding, when making comparisons in accordance with section 771(16) of the Act, we considered all products sold in the home market as described in the ''Scope of the Review'' section of this notice, above, that were in the ordinary course of trade for purposes of determining appropriate product comparisons to U.S. sales. Where there were no sales of identical merchandise in the home market made in the ordinary course of trade to compare to U.S. sales, we compared U.S. sales to sales of the most similar foreign like product made in the ordinary course of trade, based on the information provided by OBV in response to our antidumping questionnaire. We have implemented the Court's decision in this case to the extent that the data on the record permitted. Since there were sufficient sales above cost, it was unnecessary to calculate CV in this case.

Currency Conversion

For purposes of the preliminary results, we made currency conversions based on the official exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank of New York. Section 773A(a) of the Act directs the Department to use a daily exchange rate in order to convert foreign currencies into U.S. dollars, unless the daily rate involves a ''fluctuation.'' There were no significant fluctuations during the POR.

Preliminary Results of Review

As a result of our comparison of EP to NV, we preliminarily determine that the weighted-average dumping margin for OBV for this administrative review period is as follows:

BRASS SHEET AND STRIP FROM THE NETHERLANDS

Producer/manufacturer/exporter	Weighted-average margin (percent)
Outokumpu Copper Strip B.V. (OBV)	0.00

Parties to this proceeding may request disclosure within five days of the date of publication of this notice and any interested party may request a hearing within ten days of publication. Any hearing, if requested, will be held 44 days after the date of publication, or the first business day thereafter. Interested parties may submit case briefs and/or written comments no later than 30 days after the date of publication. Rebuttal briefs and rebuttals to written comments, limited to issues raised in the case briefs and comments, may be submitted no later than 37 days after the date of publication of this notice. The Department will publish a notice of the final results of the administrative review, including its analysis of issues raised in any written comments or at a hearing, not later than 120 days after the date of publication of this notice.

Cash Deposit

The following deposit requirements will be effective upon completion of the final results of this administrative review for all shipments of BSS from the Netherlands entered, or withdrawn from warehouse, for consumption on or after the publication of the final results of this administrative review, as provided in section 751(a)(1) of the Tariff Act: (1) The cash deposit rate for OBV will be the rate established in the final results of this administrative review (no deposit will be required for a zero or *de minimis* margin, *i.e.*, margin lower than 0.5 percent); (2) For merchandise exported by manufacturers or exporters not covered in this review but covered in a previous segment of the proceeding, the cash deposit rate will be the company-specific rate published for the most recent segment; (3) If the exporter is not a firm covered in this review, a prior review, or the 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) If neither the exporter nor the manufacturer is a firm covered in this or any previous review conducted by the Department, the cash deposit rate will be the ''all others'' rate of 16.99 percent established in the less-than-fair-value investigation. See Antidumping Duty Order of Sales at Less-Than-Fair Value; Brass Sheet and Strip From the Netherlands, 53 FR 30455 (August 12, 1988). These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

All U.S. sales by the respondent OBV will be subject to one deposit rate according to the proceeding. The cash deposit rate has been determined on the basis of the selling price to the first unrelated customer in the United States. For appraisement purposes, where information is available, we will use the entered value of the subject merchandise to determine the appraisement rate.

This notice serves as 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 the antidumping duties occurred and the subsequent assessment of double antidumping duties. This administrative review and this notice are in accordance with section 751(a)(1) of the Tariff Act (19 U.S.C. 1675(a)(1)).

Dated: May 4, 1988.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 98–12316 Filed 5–8–98; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–533–809]

Certain Forged Stainless Steel Flanges From India: Final Results of Antidumping Duty New Shipper Review

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

ACTION: Notice of final results of antidumping duty new shipper review.

SUMMARY: On February 3, 1998, the Department of Commerce (the Department) published the preliminary results of its new shipper review of the antidumping duty order on certain stainless steel flanges (SSF) from India (63 FR 5501). This review covers exports of this merchandise to the United States by one manufacturer/exporter, Panchmahal Steel Ltd.