

whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden (including hours and cost) of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval of this information collection; they also will become a matter of public record.

Dated: June 2, 1999.

Linda Engelmeier,

Departmental Forms Clearance Officer, Office of the Chief Information Officer.

[FR Doc. 99-14479 Filed 6-7-99; 8:45 a.m.]

BILLING CODE 3510-07-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-549-813]

Notice of Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review: Canned Pineapple Fruit From Thailand

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

SUMMARY: In response to requests by producers/exporters of subject merchandise and by a group of U.S. importers, the Department of Commerce is conducting an administrative review of the antidumping duty order on canned pineapple fruit from Thailand. This review covers five producers/exporters of the subject merchandise. The period of review is July 1, 1997, through June 30, 1998.

We preliminarily determine that sales have been made below normal value. If these preliminary results are adopted in our final results, we will instruct the U.S. Customs Service to assess antidumping duties based on the difference between the export price and the normal value.

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

EFFECTIVE DATE: June 8, 1999.

FOR FURTHER INFORMATION CONTACT: Charles Riggle or Kris Campbell, AD/CVD Enforcement Group I, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-0650 or (202) 482-3813, respectively.

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 provided in 19 CFR part 351 (1998).

Background

On July 18, 1995, we published in the **Federal Register** the antidumping duty order on canned pineapple fruit from Thailand (60 FR 36775). On July 1, 1998, we published in the **Federal Register** the notice of "Opportunity to Request an Administrative Review" of this order, covering the period July 1, 1997, through June 30, 1998 (63 FR 35909).

The following producers/exporters of canned pineapple fruit requested a review in accordance with 19 CFR 351.213(b)(2): Vita Food Factory (1989) Co. Ltd. (Vita); Kuiburi Fruit Canning Co. Ltd. (KFC); Siam Fruit Canning (1988) Co. Ltd. (SIFCO); Siam Food Products Co. Ltd. (SFP); The Thai Pineapple Public Co. Ltd. (TIPCO); Malee Sampran Public Co. Ltd. (Malee); and Dole Food Company Inc., Dole Packaged Foods Company and Dole Thailand Ltd. (collectively, Dole).

In addition, on July 29, 1998, U.S. importers Heartland Foods Inc., J.A. Kirsch Corp., Kompass Food Trading International, Mandi Foods, Inc., North East Marketing Co., Port Royal Sales, Ltd., Rykoff-Sexton, Inc., and Summit Import Corp., requested a review of Vita in accordance with 19 CFR 351.213(b)(3). We did not receive a request for a review from the petitioners.¹

On August 27, 1998, we published the notice of initiation of this antidumping duty administrative review covering the period July 1, 1997, through June 30, 1998 (63 FR 45796).

¹ Maui Pineapple Company and the International Longshoremen's and Warehousemen's Union.

Partial Rescission of Antidumping Duty Administrative Review

On August 27 and October 30, 1998, Malee and Dole, respectively, withdrew their requests for review. Because there was no other request for a review of Malee or of Dole, and because both their letters withdrawing their requests for a review were timely filed, we are rescinding the review with respect to both Malee and Dole in accordance with 19 CFR 351.213(d)(1).

Scope of the Review

The product covered by this review is canned pineapple fruit (CPF). For purposes of the review, CPF is defined as pineapple processed and/or prepared into various product forms, including rings, pieces, chunks, tidbits, and crushed pineapple, that is packed and cooked in metal cans with either pineapple juice or sugar syrup added. CPF is currently classifiable under subheadings 2008.20.0010 and 2008.20.0090 of the Harmonized Tariff Schedule of the United States (HTSUS). HTSUS 2008.20.0010 covers CPF packed in a sugar-based syrup; HTSUS 2008.20.0090 covers CPF packed without added sugar (i.e., juice-packed). Although these HTSUS subheadings are provided for convenience and for customs purposes, our written description of the scope is dispositive.

Verification

As provided in section 782(i)(3) of the Act, we verified information provided by Vita and KFC. We used standard verification procedures, including on-site inspection of the respondent producers' facilities and examination of relevant sales and financial records. Our verification findings are outlined in the verification reports placed in the case file in Room B-099 of the Main Commerce Building.

Comparisons

We compared the export price (EP) to the normal value (NV), as described in the *Export Price* and *Normal Value* sections of this notice. We first attempted to compare contemporaneous sales² in the U.S. and comparison markets of products that were identical with respect to the following characteristics: Weight, form, variety, and grade. Where we were unable to compare sales of identical merchandise, we compared U.S. products with the most similar merchandise sold in the comparison market based on the characteristics listed above, in that order

² For all companies, we matched U.S. and comparison market sales using invoice date as the date of sale for both markets.

of priority. Where there were no appropriate comparison market sales of comparable merchandise, we compared the merchandise sold in the United States to constructed value (CV), in accordance with section 773 (a)(4) of the Act.

Export Price

For the price to the United States, we used EP as defined in section 772(a) of the Act. We determined the EP for each company as follows.

TIPCO

We calculated an EP for all of TIPCO's sales because the merchandise was sold either directly by TIPCO or indirectly through its U.S. affiliate, TIPCO Marketing Co. (TMC), to the first unaffiliated purchaser in the United States prior to importation, and constructed export price (CEP) was not otherwise warranted based on the facts of record. Sales through TMC involved direct shipment from TIPCO to the unaffiliated customer, without any merchandise entering TMC's physical inventory. Further, TMC's involvement in the sales process for indirect sales was limited to that of a processor of sales documentation. *See, e.g., Certain Corrosion Resistant Steel Flat Products from Canada: Final Results of Antidumping Duty Administrative Review*, 63 FR 12725, 12738 (March 16, 1998). We calculated EP based on the packed FOB or CIF price to unaffiliated purchasers for exportation to the United States. In accordance with section 772(c)(2)(A) of the Act, we made deductions from the starting price for foreign movement expenses (including inland freight, terminal and handling charges, and port documentation charges) and international freight, U.S. customs duties, and U.S. brokerage and handling.

SFP

We calculated an EP for all of SFP's sales because the merchandise was sold directly by SFP to the first unaffiliated purchaser in the United States prior to importation, and CEP was not otherwise warranted based on the facts of record. SFP has one employee located in the United States who acts only as a processor of sales-related documentation and as a communication link with U.S. customers regarding SFP's U.S. sales. The merchandise was shipped directly to the unaffiliated customer in the United States. The information on the record indicates that SFP's Bangkok office is responsible for confirming orders and for issuing the invoice direct to the customer.

We calculated EP based on the packed FOB price to unaffiliated purchasers for exportation to the United States. We made deductions from the starting price for discounts in accordance with 19 CFR 351.401(c). We also made deductions for foreign inland movement expenses and international freight in accordance with section 772(c)(2)(A) of the Act.

Vita

We calculated an EP for all of Vita's sales because the merchandise was sold directly by Vita to the first unaffiliated purchaser in the United States prior to importation, and CEP was not otherwise warranted based on the facts of record. We calculated EP based on the packed FOB or C&F price to unaffiliated purchasers for exportation to the United States. In accordance with section 772(c)(2)(A) of the Act, we made deductions from the starting price for foreign movement expenses (inland freight to the port of exportation) and international freight.

KFC

We calculated an EP for all of KFC's sales because the merchandise was sold directly by KFC to the first unaffiliated purchaser in the United States prior to importation, and CEP was not otherwise warranted based on the facts of record. We calculated EP based on the packed, FOB or C&F price to unaffiliated purchasers for exportation to the United States. In accordance with section 772(c)(2)(A) of the Act, we made deductions from the starting price for foreign movement expenses (including inland freight, terminal and handling charges, container freight station charges, and port documentation charges) and international freight.

SIFCO

We calculated an EP for all of SIFCO's sales because the merchandise was sold directly by SIFCO to the first unaffiliated purchaser in the United States prior to importation, and CEP was not otherwise warranted based on the facts of record. We calculated EP based on the packed, FOB price to unaffiliated purchasers for exportation to the United States. In accordance with section 772(c)(2)(A) of the Act, we made deductions from the starting price for foreign inland freight.

Normal Value

A. Selection of Comparison Markets

Based on a comparison of the aggregate quantity of home market sales and U.S. sales, we determined that the quantity of foreign like product each respondent sold in the exporting country did not permit a proper

comparison with the sales of the subject merchandise to the United States because the quantity of each company's sales in its home market was less than 5 percent of the quantity of its sales to the U.S. market. *See* section 773(a)(1) of the Act. Therefore, for each respondent, in accordance with section 773(a)(1)(B)(ii) of the Act, we based NV on the price at which the foreign like product was first sold for consumption in each respondent's largest third-country market, *i.e.*, Germany for Vita and SIFCO, the United Kingdom for SFP, and Canada for TIPCO and KFC.

B. Cost of Production Analysis

Pursuant to section 773(b)(1) of the Act, we initiated a cost of production (COP) investigation of sales by Vita, TIPCO and SFP in the comparison market. Because we disregarded sales that failed the cost test in the last completed review of TIPCO and SFP, we had reasonable grounds to believe or suspect that sales by these companies of the foreign like product under consideration for the determination of NV in this review may have been made at prices below the COP, as provided by section 773(b)(2)(A)(ii) of the Act.

In the 1996-97 administrative review, the first segment of the proceeding in which Vita was involved, we initiated a below-cost inquiry on Vita pursuant to an adequate below-cost allegation submitted by the petitioners. While Vita submitted a response to the sales portions of the questionnaire (sections A-C), it did not respond to our requests for COP data (section D), nor did it respond to any of our supplemental questionnaires. As a result, we determined Vita's antidumping rate for the 1996-97 period based on adverse facts available, using the highest calculated rate from the less-than-fair-value (LTFV) investigation. *See Notice of Final Results and Partial Rescission of Antidumping Duty Administrative Review: Canned Pineapple Fruit From Thailand*, 63 FR 43661, 43663-66 (August 14, 1998). The Department's determination in the previous review, including the fact that we had initiated a below-cost inquiry on Vita, and that we applied total adverse facts available to Vita for, *inter alia*, failing to respond to the Department's cost questionnaire, provides the Department with a basis to infer that sales at prices below COP would have been disregarded in that review. Therefore, pursuant to section 773(b)(2)(A)(ii) of the Act, we also have reasonable grounds to believe or suspect that sales by Vita of the foreign like product under consideration for the determination of NV in this review may

have been made at prices below the COP.

We conducted the COP analysis as described below.

1. Calculation of COP/Fruit Cost Allocation

In accordance with section 773(b)(3) of the Act, we calculated the weighted-average COP, by model, based on the sum of the costs of materials, fabrication, selling, general and administrative expenses (SG&A), and packing costs. We relied on the submitted COPs except in the specific instances noted below, where the submitted costs were not appropriately quantified or valued.

The Department's long-standing practice, now codified at section 773(f)(1)(A) of the Act, is to rely on a company's normal books and records if such records are in accordance with home country generally accepted accounting principles (GAAP) and reasonably reflect the costs associated with production of the merchandise. In addition, as the statute indicates, the Department considers whether an accounting methodology, particularly an allocation methodology, has been historically used by the company. See section 773(f)(1)(A) of the Act. In previous segments of this proceeding, the Department has determined that joint production costs (i.e., pineapple and pineapple processing costs) cannot be reasonably allocated to canned pineapple on the basis of weight. See *Final Determination of Sales at Less Than Fair Value: Canned Pineapple Fruit From Thailand*, 60 FR 29553, 29561 (June 5, 1995), and *Notice of Final Results of Antidumping Duty Administrative Review: Canned Pineapple Fruit From Thailand*, 63 FR 7392, 7398 (February 13, 1998).³ For instance, cores and shells are used in juice production, while trimmed and cored pineapple cylinders are used in CPF production. Because these various parts of a pineapple are not interchangeable when it comes to CPF versus juice production, it would be unreasonable to value all parts of the pineapple equally by using a weight-based allocation methodology. Several respondents that revised their fruit cost allocation methodologies during the 1995-96 POR changed to weight-based methodologies and did not incorporate

³The Court of International Trade (CIT) ruled in favor of the respondents who challenged the Department's position that joint production costs cannot be reasonably allocated to canned pineapple on the basis of weight. *The Thai Pineapple Public Co. Ltd., et al. v. United States*, 946 F. Supp. 11 (CIT 1996). That decision is currently being reviewed by the Court of Appeals for the Federal Circuit.

any measure of the qualitative factor of the different parts of the pineapple. As a result, such methodologies, although in conformity with Thai GAAP, do not reasonably reflect the costs associated with production of CPF. Therefore, for companies whose fruit cost allocation methodology is weight-based, we requested that they recalculate fruit costs allocated to CPF based on a net realizable value (NRV) methodology. Consistent with prior segments of this proceeding, the NRV methodology that we requested respondents to use was based on company-specific historical amounts for sales and separable costs during the five-year period of 1990 through 1994. We made this request of all companies in this review except for KFC. Because KFC already allocates fruit costs on a basis that reasonably takes into account qualitative differences between pineapple parts used in CPF versus juice products in its normal accounting records, we have not required KFC to recalculate its reported costs using the NRV methodology.

We made the following company-specific adjustments to the cost data submitted in this review.

KFC

While KFC provided its historical NRV data as requested, it demonstrated at verification that its normal methodology is to allocate fruit costs on a revenue basis. Therefore, we have valued KFC's fruit costs using the company's historical allocation methodology.

SIFCO

Because in the last completed review of SIFCO we did not disregard any below-cost sales, we did not require SIFCO to respond to Section D of our questionnaire. However, as part of its variable manufacturing cost, SIFCO reported that it calculates fruit costs based on a weight-based methodology. Therefore, we have recalculated SIFCO's fruit costs using the historical five-year NRV data.

SFP

SFP's reported fruit costs are based on NRV data for the 1990-1994 period used in previous reviews. However, in calculating its cost allocation using the historic NRV data, SFP altered the Department's methodology by incorporating volume-based weighting factors. Since the SFP approach is not based solely on value ratios and thus introduces the distortions that the Department has found inherent in weight-based cost allocations, we have recalculated SFP's reported fruit costs using the same 1990-1994 NRV cost

allocation employed in the previous review, which is based on value ratios alone.

2. Test of Comparison Market Sales Prices

As required under section 773(b) of the Act, we compared the adjusted weighted-average COP for each respondent to the comparison market sales of the foreign like product, in order to determine whether these sales had been made at prices below the COP within an extended period of time in substantial quantities, and whether such prices were sufficient to permit the recovery of all costs within a reasonable period of time. On a product-specific basis, we compared the revised COP to the comparison market prices, less any applicable movement charges, taxes, rebates, commissions and other direct and indirect selling expenses.

Unlike in past segments of the proceeding, we have not deducted from the COP the value of certain tax certificate revenues. Based on a letter we reviewed from the Thai government and statements made by Vita officials at verification,⁴ the value of these tax certificates appears to be determined by the Thai government based simply on a percentage of a company's export revenue. Vita officials stated that this revenue is not related in any way to cost of production, and we found no evidence that it is tied to any duty drawback scheme. Instead, we found that this revenue is paid to companies upon the export of domestically-produced merchandise. Therefore, no adjustment was made to our dumping calculation for this payment.

3. Results of the COP Test

Pursuant to section 773(b)(2)(C) of the Act, where less than 20 percent of a respondent's sales of a given product were made at prices below the COP, we did not disregard any below-cost sales of that product because we determined that the below-cost sales were not made in "substantial quantities." Where 20 percent or more of a respondent's sales of a given product were made at prices below the COP, we disregarded the below-cost sales because: (1) Such sales were found to be made within an extended period of time in "substantial quantities" in accordance with sections 773(b)(2)(B) and (C) of the Act; and (2) based on comparisons of price to weighted-average COPs for the POR, we

⁴See Memorandum to office director from case analysts: *Verification of the Sales and Cost Information in the Response of Vita Food Factory (1989) Co., Ltd. (Vita) in the 1997-98 Administrative Review of Canned Pineapple Fruit from Thailand*, June 1, 1999.

determined that the below-cost sales of the product were at prices which would not permit recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Act.

We found that, for certain CPF products, TIPCO, SFP, and Vita made comparison market sales at prices below the COP within an extended period of time in substantial quantities. Further, we found that these sales prices did not permit the recovery of costs within a reasonable period of time. We therefore excluded these sales from our analysis in accordance with section 773(b)(1) of the Act.

C. Calculation of Normal Value Based on Comparison Market Prices

We determined price-based NVs for each company as follows. For all respondents, we made adjustments for differences in packing in accordance with sections 773(a)(6)(A) and 773(a)(6)(B)(i) of the Act, and we deducted movement expenses consistent with section 773(a)(6)(B)(ii) of the Act. In addition, where applicable, we made adjustments for differences in cost attributable to differences in physical characteristics of the merchandise pursuant to section 773(a)(6)(C)(ii) of the Act, as well as for differences in circumstances of sale (COS) in accordance with section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410. We also made adjustments, in accordance with 19 CFR 351.410(e), for indirect selling expenses incurred on comparison market or U.S. sales where commissions were granted on sales in one market but not in the other (the "commission offset"). Specifically, where commissions were granted in the U.S. market but not in the comparison market, we made a downward adjustment to normal value for the lesser of (1) the amount of the commission paid in the U.S. market, or (2) the amount of indirect selling expenses incurred in the comparison market. If commissions were granted in the comparison market but not in the U.S. market, we made an upward adjustment to normal value following the same methodology. Company-specific adjustments are described below.

TIPCO

We based third-country market prices on the packed, FOB prices to unaffiliated purchasers in Canada. We adjusted for the following movement expenses: brokerage and handling, port charges, stuffing expenses and foreign inland freight. We made COS adjustments by deducting direct selling

expenses incurred for third-country market sales (credit expenses and bank charges) and adding U.S. direct selling expenses (credit expenses and bank charges).

SFP

We based third-country market prices on the packed, FOB or C&F prices to unaffiliated purchasers in the United Kingdom. We adjusted for the following movement expenses: foreign inland freight, port charges and ocean freight, where applicable. We made COS adjustments by deducting direct selling expenses incurred for third-country market sales (credit expenses, bank charges, warranties and commissions) and adding U.S. direct selling expenses (credit expenses and bank charges).

Vita

We based third-country market prices on the packed, FOB or C&F prices to unaffiliated purchasers in Germany. We adjusted for the following movement expenses: foreign inland freight and international freight. We made COS adjustments by deducting direct selling expenses incurred for third-country market sales (credit expenses, bank charges and commissions) and adding U.S. direct selling expenses (credit expenses, bank charges and commissions).

SIFCO

We based third-country market prices on the packed, FOB prices to unaffiliated purchasers in Germany. We adjusted for the following movement expenses: foreign inland freight and international freight. We made COS adjustments by deducting direct selling expenses incurred for third-country market sales (credit expenses, bank charges and commissions) and adding U.S. direct selling expenses (credit expenses, bank charges and commissions).

KFC

We based third-country market prices on the packed, FOB prices to unaffiliated purchasers in Canada. We adjusted for the following movement expenses: foreign inland freight, terminal and handling charges, container freight station charges, and port documentation charges. We made COS adjustments by deducting direct selling expenses incurred for third-country market sales (credit expenses, bank charges and commissions) and adding U.S. direct selling expenses (credit expenses, bank charges and commissions).

D. Calculation of Normal Value Based on Constructed Value

For those CPF products for which we could not determine the NV based on comparison market sales because there were no contemporaneous sales of a comparable product in the ordinary course of trade, we compared the EP to CV. In accordance with section 773(e) of the Act, we calculated CV based on the sum of the cost of manufacturing of the product sold in the United States, plus amounts for SG&A expenses, comparison market profit, and U.S. packing costs. We calculated each respondent's CV based on the methodology described in the "Calculation of COP" section of this notice, above. In accordance with section 773(e)(2)(A) of the Act, we used the actual amounts incurred and realized by each respondent in connection with the production and sale of the foreign like product, in the ordinary course of trade, for consumption in the foreign country to calculate SG&A expenses and comparison market profit.

For price-to-CV comparisons, we made adjustments to CV for COS differences, in accordance with section 773(a)(8) of the Act and 19 CFR 351.410. We made COS adjustments by deducting direct selling expenses incurred on comparison market sales and adding U.S. direct selling expenses.

Level of Trade/CEP Offset

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 as the EP transaction. The NV level of trade is that of the starting-price sales in the comparison market or, when NV is based on CV, that of the sales from which we derive SG&A expenses and profit. For EP sales, the U.S. level of trade is also the level of the starting-price sale, which is usually from exporter to importer.

To determine whether NV sales are at a different level of trade than EP, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. If the comparison-market sales are at a different level of trade, 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 level of trade of the export transaction, we make a level-of-trade adjustment under section 773(a)(7)(A) of the Act. 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, 61732 (November 19, 1997).

In implementing these principles in this review, we obtained information from each respondent about the marketing stages involved in the reported U.S. and comparison market sales, including a description of the selling activities performed by the respondents for each channel of distribution. In identifying levels of trade for EP and third-country market sales, we considered the selling functions reflected in the starting price before any adjustments. We expect that, if claimed levels of trade are the same, the functions and activities of the seller should be similar. Conversely, if a party claims that levels of trade are different for different groups of sales, the functions and activities of the seller should be dissimilar.

In this review, all respondents claimed that all of their sales were made through a similar channel of distribution (direct sales to customers in export markets) and involved identical selling functions, irrespective of market. In examining these selling functions, we found that sales activities were limited to negotiating sales prices, processing of purchase orders/contracts, invoicing, and collecting payment; there was little or no strategic and economic planning, advertising or sales promotion, technical services, technical assistance, or after-sale service performed in either market. Therefore, for all respondents we have preliminarily found that there is a single (and identical) level of trade in each market, and no level-of-trade adjustment is required for comparison of U.S. sales to third-country sales.

Currency Conversion

We made currency conversions into U.S. dollars in accordance with section 773A of the Act, based on exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank. 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. It is the Department's practice to find that a fluctuation exists when the daily exchange rate differs from the benchmark rate by 2.25 percent. The benchmark is defined as the moving average of rates for the past 40 business days. When we determine a fluctuation to have existed, we substitute the benchmark rate for the daily rate, in accordance with established practice. See Change in Policy Regarding

Currency Conversions, 61 FR 9434 (March 8, 1996).

Our preliminary analysis of Federal Reserve dollar-baht exchange rate data shows that the value of the Thai baht in relation to the U.S. dollar fell on July 2, 1997, by more than 18 percent from the previous day and did not rebound significantly in a short time. This decline was many times more severe than any single-day decline during several years prior to that date. Had the baht rebounded quickly enough to recover all or almost all of the loss, we might have considered this decline as nothing more than a momentary drop, despite the magnitude of that drop. However, because there was no significant rebound, we have preliminarily determined that the decline in the baht from July 1, 1997, to July 2, 1997, was of such a magnitude that the dollar-baht exchange rate cannot reasonably be viewed as having simply fluctuated at this time, i.e., as having experienced only a momentary drop in value, relative to the normal benchmark. Therefore, for exchange rates between July 2 and August 27, 1997, we relied on the standard exchange rate model, but used as the benchmark rate a stationary average of the daily rates over this period. In this manner we used a post-precipitous drop benchmark, but at the same time avoided undue daily fluctuations in exchange rates. For the period after August 27, 1997, we used the standard (rolling 40-day average) benchmark.

Preliminary Results of Review

As a result of this review, we preliminarily determine that the following margins exist for the period July 1, 1997, through June 30, 1998:

Manufacturer/Exporter	Margin (percent)
Siam Food Products Company Ltd.	3.26
The Thai Pineapple Public Company, Ltd.	9.93
Kuiburi Fruit Canning Co. Ltd. ..	3.57
Siam Fruit Canning (1988) Co. Ltd.	3.35
Vita Food Factory (1989) Co. Ltd.	16.63

We will disclose the calculations used in our analysis to parties to this proceeding within five days of the publication date of this notice. See 19 CFR 351.224(b). Any interested party may request a hearing within thirty days of publication. See 19 CFR 351.310(c). If requested, a hearing will be held 44 days after the publication of this notice, or the first workday thereafter. Interested parties may submit case briefs

within 30 days of the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than 37 days after the date of publication. The Department will publish a notice of the final results of this administrative review, which will include the results of its analysis of issues raised in any such written comments, within 120 days from publication of this notice.

Pursuant to 19 CFR 351.212(b), the Department calculated an assessment rate for each importer of subject merchandise. Upon completion of this review, the Department will instruct the U.S. Customs Service to assess antidumping duties on appropriate entries by applying the assessment rate to the entered value of the merchandise.

Furthermore, the following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of CPF from Thailand 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 companies listed above will be the rate established in the final results of this review, except if the rate is less than 0.5 percent and, therefore, de minimis, the cash deposit will be zero; (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 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) if neither the exporter nor the manufacturer is a firm covered in this or any previous review or the LTFV investigation conducted by the Department, the cash deposit rate will be 24.64 percent, the "All Others" rate established in the LTFV investigation.

These cash deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) 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 determination is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: June 1, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 99-14520 Filed 6-7-99; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-812]

Dynamic Random Access Memory Semiconductors of One Megabit or Above From the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review and Notice of Intent Not To Revoke Order in Part

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

ACTION: Notice of preliminary results of antidumping duty administrative review and notice of intent not to revoke order in part.

SUMMARY: In response to requests from one manufacturer/exporter and one U.S. producer, the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on dynamic random access memory semiconductors of one megabit or above (DRAMs) from the Republic of Korea (Korea). The review covers two manufacturers/exporters and one exporter of subject merchandise to the United States during the period of review (POR), May 1, 1997 through April 30, 1998. Based upon our analysis, the Department has preliminarily determined that dumping margins exist for both manufacturers/exporters and the exporter during the POR. If these preliminary results are adopted in our final results of administrative review, we will instruct the United States Customs Service (Customs) to assess antidumping duties as appropriate. Interested parties are invited to comment on these preliminary results. Parties who submit arguments 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: June 8, 1999.

FOR FURTHER INFORMATION CONTACT: Alexander Amdur or John Conniff, AD/CVD Enforcement, Group II, Office 4, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th and Constitution

Avenue, NW., Washington, DC. 20230; telephone: (202) 482-5346 or (202) 482-1009, respectively.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

Unless otherwise stated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions as of 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 references to the regulations of the Department are to 19 CFR part 351 (1998).

Background

On May 10, 1993, the Department published in the **Federal Register** (58 FR 27250) the antidumping duty order on DRAMs from Korea. On May 12, 1998, the Department published a notice of "Opportunity to Request an Administrative Review" of this antidumping duty order for the period May 1, 1997 through April 30, 1998 (63 FR 26143). We received timely requests for review from one manufacturer/exporter of subject merchandise to the United States; LG Semicon Co., Ltd. (LG). The petitioner, Micron Technology Inc., requested an administrative review of LG and Hyundai Electronics Industries, Co., Ltd. (Hyundai), also a Korean manufacturer of DRAMs, and The G5 Corporation (G5), a Korean exporter of DRAMs. Moreover, the petitioner requested a cost investigation of LG and Hyundai pursuant to section 773(b) of the Act. On June 29, 1998, the Department initiated a review of LG, Hyundai, and G5, including cost investigations of Hyundai and LG (63 FR 35188). The POR for all respondents is May 1, 1997 through April 30, 1998. The Department is conducting this review in accordance with section 751 of the Act.

On January 20, 1999, the Department published in the **Federal Register** (64 FR 3065) a notice extending the time for the preliminary results from January 30, 1999, until May 31, 1999.

Scope of the Review

Imports covered by the review are shipments of DRAMs from Korea. Included in the scope are assembled and unassembled DRAMs of one megabit and above. Assembled DRAMs include all package types. Unassembled DRAMs include processed wafers, uncut die, and cut die. Processed wafers produced in Korea, but packaged or assembled into memory modules in a third country, are included in the scope; wafers produced in a third country and

assembled or packaged in Korea, are not included in the scope. The scope of this review includes memory modules. A memory module is a collection of DRAMs, the sole function of which is memory. Modules include single in-line processing modules (SIPs), single in-line memory modules (SIMMs), or other collections of DRAMs, whether unmounted or mounted on a circuit board. Modules that contain other parts that are needed to support the function of memory are covered. Only those modules which contain additional items which alter the function of the module to something other than memory, such as video graphics adapter (VGA) boards and cards, are not included in the scope. The scope of this review also includes video random access memory semiconductors (VRAMs), as well as any future packaging and assembling of DRAMs. The scope of this review also includes removable memory modules placed on motherboards, with or without a central processing unit (CPU), unless the importer of motherboards certifies with Customs that neither it, nor a party related to it or under contract to it, will remove the modules from the motherboards after importation. The scope of this review does not include DRAMs or memory modules that are reimported for repair or replacement. The DRAMs subject to this review are currently classifiable under subheadings 8542.11.0001, 8542.11.0024, 8542.11.0026, and 8542.11.0034 of the Harmonized Tariff Schedule of the United States (HTSUS). Also included in the scope are those removable Korean DRAMs contained on or within products classifiable under subheadings 8471.91.0000 and 8473.30.4000 of the HTSUS. Although the HTSUS subheadings are provided for convenience and Customs purposes, the written description of the scope of this review remains dispositive.

Intent Not To Revoke

LG submitted a request to revoke it from the order covering DRAMs from Korea pursuant to 19 CFR 351.222(b)(2). Under the Department's regulations, the Department may revoke an order, in part, if the Secretary concludes that, among other things: (1) "[O]ne or more exporters or producers covered by the order have sold the merchandise at not less than normal value for a period of at least three consecutive years"; (2) "[i]t is not likely that those persons will in the future sell the merchandise at less than normal value"; and (3) "the producers or resellers agree in writing to the immediate reinstatement of the order, as long as any producer or reseller is subject to the order, if the