

Department's regulations. Timely notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This five-year ("sunset") review and notice are in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: September 27, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 99-25626 Filed 9-30-99; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-815]

Notice of Extension of Time Limit for Antidumping Duty Administrative Review of Sulfanilic Acid From the People's Republic of China

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

EFFECTIVE DATE: October 1, 1999.

SUMMARY: The Department of Commerce (the Department) is extending the time limit for the final results of the antidumping duty administrative review of the antidumping order on sulfanilic acid from the People's Republic of China, covering the period August 1, 1997 through July 31, 1998.

FOR FURTHER INFORMATION CONTACT: Sean Carey or Dana Mermelstein, AD/CVD Enforcement Office 7, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230, telephone: (202) 482-3964 or (202) 482-3208, respectively.

SUPPLEMENTARY INFORMATION: Under section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the "Act"), the Department may extend the deadline for completion of an administrative review if it determines that it is not practicable to complete the review within the statutory time limit of 120 days after the date on which the notice of preliminary results was published in the **Federal Register**. In the instant case, the Department has determined that it is not practicable to complete the review within the statutory time limit. See Memorandum from Joseph A. Spetrini to Robert S. LaRussa (September 22, 1999). Therefore, pursuant to section 751(a)(3)(A) of the Act, the Department

is extending the time limit for the final results to no later than March 6, 2000, which is 180 days after the publication date in the **Federal Register** of the notice of preliminary results for this review. The preliminary results were published in the **Federal Register** on September 8, 1999. (64 FR 48788).

Dated: September 22, 1999.

Joseph A. Spetrini,

Deputy Assistant Secretary, Enforcement Group III.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-588-054, A-588-604]

Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan; Preliminary Results of Antidumping Duty Administrative Reviews and Intent to Revoke in-Part

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

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

SUMMARY: In response to requests by the petitioner and one respondent, the Department of Commerce (the Department) is conducting administrative reviews of the antidumping duty order on tapered roller bearings (TRBs) and parts thereof, finished and unfinished, from Japan (A-588-604), and of the antidumping finding on TRBs, four inches or less in outside diameter, and components thereof, from Japan (A-588-054). The review of the A-588-054 finding covers two manufacturers/exporters and one reseller/exporter of the subject merchandise to the United States during the period October 1, 1997, through September 30, 1998. The review of the A-588-604 order covers three manufacturers/exporters and the period October 1, 1997, through September 30, 1998.

We preliminarily determine that sales of TRBs have been made below the normal value (NV) for all respondents except Fuji. If these preliminary results are adopted in our final results of administrative review, we will instruct the U.S. Customs Service to assess antidumping duties based on the difference between United States price

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

EFFECTIVE DATE: October 1, 1999.

FOR FURTHER INFORMATION CONTACT:

Charles Ranado (NSK), Stephanie Arthur (Koyo), Deborah Scott (NTN or Fuji), or Robert James, 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, telephone: (202) 482-3518, (202) 482-6312, or (202) 482-2657, respectively.

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 Rounds Agreements Act. In addition, unless otherwise indicated, all citations to the Department of Commerce's (the Department's) regulations are to 19 CFR Part 351 (1998).

SUPPLEMENTARY INFORMATION:

Background

On August 18, 1976, the Treasury Department published in the **Federal Register** (41 FR 34974) the antidumping finding on TRBs from Japan, and on October 6, 1987, the Department published the antidumping duty order on TRBs from Japan (52 FR 37352). On October 9, 1998, the Department published the notice of "Opportunity to Request Administrative Review" for both TRB cases covering the period October 1, 1997 through September 30, 1998 (63 FR 54440).

In accordance with 19 CFR 351.213 (b)(1), the petitioner, the Timken Company (Timken), requested that we conduct a review of Koyo Seiko Co., Ltd. (Koyo) and NSK Ltd. (NSK) in both the A-588-054 and A-588-604 cases. Timken also requested that we conduct a review of NTN Corporation (NTN) in the A-588-604 TRB case. In addition, Fuji Heavy Industries (Fuji) requested that the Department conduct a review in the A-588-054 case, and in accordance with 19 CFR 351.222(e) requested that this finding be revoked with respect to Fuji. On November 30, 1998, we published in the **Federal Register** a notice of initiation of these antidumping duty administrative reviews covering the period October 1, 1997 through September 30, 1998 (63 FR 65748).

Because it was not practicable to complete these reviews within the normal time frame, on May 7, 1999 we published in the **Federal Register** our notice of the extension of the time limits for both the A-588-054 and A-588-604 1997-98 reviews (64 FR 24577). As a result of this extension, we extended the deadline for these preliminary results to September 20, 1999.

Scope of the Reviews

Imports covered by the A-588-054 finding are sales or entries of TRBs, four inches or less in outside diameter when assembled, including inner race or cone assemblies and outer races or cups, sold either as a unit or separately. This merchandise is classified under Harmonized Tariff Schedule (HTS) item numbers 8482.20.00 and 8482.99.15.

Imports covered by the A-588-604 order include TRBs and parts thereof, finished and unfinished, which are flange, take-up cartridge, and hanger units incorporating TRBs, and roller housings (except pillow blocks) incorporating tapered rollers, with or without spindles, whether or not for automotive use. Products subject to the A-588-054 finding are not included within the scope of this order, except those manufactured by NTN. This merchandise is currently classifiable under HTS item numbers 8482.20.00, 8482.91.00, 8482.99.15, 8482.99.45, 8483.20.40, 8483.20.80, 8483.30.80, 8483.90.20, 8483.90.30, and 8483.90.80. The HTS item numbers listed above for both the A-588-054 finding and the A-588-604 order are provided for convenience and Customs purposes. The written description remains dispositive.

The period for each 1997-98 review is October 1, 1997, through September 30, 1998. The review of the A-588-054 case covers TRB sales by two manufacturers/exporters (Koyo and NSK) and one reseller/exporter (Fuji). The review of the A-588-604 case covers TRBs sales by three manufacturers/exporters (Koyo, NTN, and NSK).

Duty Absorption

On December 15, 1998, Timken requested that the Department determine with respect to all respondents whether antidumping duties had been absorbed during the POR. This request was filed pursuant to section 751(a)(4) of the Act. Section 751(a)(4) provides for the Department, if requested, to determine during an administrative review initiated two or four years after the publication of the order, whether antidumping duties have been absorbed by a foreign producer or exporter subject to the order if the

subject merchandise is sold in the United States through an importer who is affiliated with such foreign producer or exporter (see also 19 CFR 351.213(j)(1)). Section 751(a)(4) was added to the Act by the URAA.

For transition orders as defined in section 751(c)(6)(C) of the Act, *i.e.*, orders in effect as of January 1, 1995, section 351.213(j)(2) of the Department's antidumping regulations provides that the Department will make a duty-absorption determination, if requested, for any administrative review initiated in 1996 or 1998. This approach ensures that interested parties will have the opportunity to request a duty-absorption determination prior to the time for sunset review of the order under section 751(c) of the Act on entries for which the second and fourth years following an order has already passed. Because the finding and order on TRBs have been in effect since 1976 and 1987, respectively, they are transition orders in accordance with section 751(c)(6)(C) of the Act; therefore, based on the policy stated above, the Department will consider a request for an absorption determination during a review initiated in 1998. Accordingly, we are making a duty-absorption determination as part of these administrative reviews.

The statute provides for a determination on duty absorption if the subject merchandise is sold in the United States through an affiliated importer. In these cases, NTN, Koyo, NSK, and Fuji sold through importers that are affiliated within the meaning of section 771(33) of the Act. Furthermore, we have preliminarily determined that there are margins for the following firms with respect to the percentages of their U.S. sales, by quantity, indicated below:

Manufacturer/exporter reseller	Percentage of U.S. affiliates' sales with dumping margins
For the A-588-054 Case:	
Koyo Seiko	16.46
NSK	19.52
For the A-588-604 Case:	
NTN	33.69
NSK	24.76
Koyo Seiko	98.08

In the case of Koyo, the firm did not respond to our request for further-manufacturing information and the dumping margins for those sales were determined on the basis of adverse facts available (see "Use of Facts Available" below). Lacking other information, we find duty absorption on all such sales of further-processed TRBs. See Tapered Roller Bearings and Parts Thereof,

Finished and Unfinished, from Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, from Japan; Final Results of Antidumping Duty Administrative Reviews, 63 FR 2558 (January 15, 1998)(1995-96 TRB Final). Where Koyo's margins were not determined on the basis of adverse facts available (*i.e.*, for non-further manufactured sales), we must presume that duties will be absorbed for those sales which were dumped. *Id.*

With respect to other respondents with affiliated importers for whom we did not apply adverse facts available (NSK and NTN), we must presume that the duties will be absorbed for those sales which were dumped. This presumption of duty absorption can be rebutted with evidence that the unaffiliated purchasers in the United States will pay any ultimately assessed duty. *Id.* However, there is no such evidence on the record. Under these circumstances, we preliminarily find that antidumping duties have been absorbed by NSK and NTN on the percentages of U.S. sales indicated. If interested parties wish to submit evidence that the unaffiliated purchasers in the United States will pay any ultimately assessed duties, they must do so no later than 15 days after publication of these preliminary results.

Because we preliminarily determine that sales of TRBs have not been made below the normal value by Fuji, a duty absorption determination is not applicable.

Verification

As provided in section 782(i) of the Act, we verified information provided by Fuji and NSK, using standard verification procedures, including on-site inspection of the manufacturer's facilities, the examination of relevant sales and financial records, and selection of original documentation containing relevant information. Our verification results are outlined in the public versions of the verification reports, on file in Room B-099 in the main Commerce building.

Intent To Revoke

On October 30, 1998, Fuji submitted a request, in accordance with 19 CFR 351.222(e), that the Department revoke the order covering TRBs from Japan with respect to its sales of this merchandise. In accordance with 19 CFR 351.222(e), this request was accompanied by certification from Fuji that it had sold the subject merchandise to the United States in commercial quantities at not less than NV for a three-year period, including this review

period,¹ and would not sell subject merchandise at less than NV in the future. Fuji also agreed to its immediate reinstatement in the relevant antidumping order, as long as any firm is subject to the order, if the Department concludes that, subsequent to revocation, it sold the subject merchandise at less than NV.

The Department conducted verifications of Fuji's responses for this period of review. In the two prior reviews of this order, we determined that Fuji sold TRBs from Japan to the United States in commercial quantities at de minimis margins (1995-96 POR) or did not conduct a review with respect to Fuji (1996-97 POR)². See 1995-96 TRB Final and Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, from Japan; Final Results of Antidumping Duty Administrative Reviews, 63 FR 63860 (November 17, 1998) (1996-97 TRB Final). We preliminarily determine that Fuji sold TRBs at not less than NV during the current review period. Based on Fuji's three consecutive years of zero or de minimis margins and the absence of evidence to the contrary, we preliminarily determine that it is not likely that Fuji will in the future sell TRBs at less than NV. Therefore, if these preliminary findings are affirmed in our final results, we intend to revoke the order on TRBs from Japan with respect to Fuji.

Use of Facts Available

In accordance with section 776(a)(2)(B) of the Act, in these preliminary results we find it necessary to use partial facts available in those instances where a respondent did not provide us with certain information necessary to conduct our analysis. This occurred with respect to certain sales and cost information Koyo failed to report for its sales of U.S. further-manufactured merchandise subject to the A-588-604 order.

¹ In addition, on March 22, 1999 Fuji provided information to the Department supporting its claim that it sold TRBs to the United States in commercial quantities during this three-year period. That submission included estimated sales information for the 1996-97 POR, during which the Department did not conduct a review of Fuji (see footnote 2). The information provided therein is consistent with the information from both the 1995-96 and current POR, and there is no evidence on the record calling into question Fuji's 1996-97 estimated sales information.

² For the 1996-97 POR, Fuji requested and then timely withdrew a request for review. Additionally, petitioner did not request a review of Fuji for this period. Therefore, we rescinded the 1996-97 review for Fuji.

On February 17, 1999, Koyo requested that it not be required to submit a response to Section E of our questionnaire regarding its U.S. further-manufactured sales. We informed Koyo on March 11, 1999 that it was required to supply further-manufacturing data by responding to section E of the Department's questionnaire by April 5, 1999. Koyo notified the Department on April 5, 1999 that it would not file a further-manufacturing response. Therefore, as in Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, from Japan; Final Results of Antidumping Duty Administrative Reviews, 63 FR 47455 (January 15, 1998), we have preliminarily determined that, pursuant to section 776(b) of the Act, it is appropriate to make an inference adverse to the interests of Koyo because it failed to cooperate by not responding to the Department's request for information. The Department is authorized, under section 776(b) of the Act, to use an inference that is adverse to the interest of a party if the Department finds that the party has failed to cooperate by not acting to the best of its ability to comply with the Department's request for information. We examined whether Koyo had acted to the best of its ability in responding to our requests for information. We took into consideration the fact that, as an experienced respondent in reviews of the TRB orders, it can reasonably be expected to know which types of information we request in each review. Because Koyo has submitted to the Department in previous TRB reviews complete further-manufacturing responses, we have determined that it failed to act to the best of its ability in providing the data we requested and that adverse inferences are warranted. See Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan; Preliminary Results of Administrative Review, 61 FR 25200, 25202 (May 20, 1996). As a result, we have used the highest rate determined for Koyo from any prior segment of the A-588-604 proceedings as partial adverse facts available, which is secondary information within the meaning of section 776(c) of the Act. See 19 CFR 351.308(c)(1)(iii).

Section 776(c) of the Act provides that the Department shall, to the extent practicable, corroborate secondary

information used as facts available from independent sources reasonably at its disposal. The Statement of Administrative Action (SAA) provides that "corroborate" means simply that the Department will satisfy itself that the secondary information to be used has probative value (see H.R. Doc. 103-316, Vol. 1, at 870 (1994); 19 CFR 351.308(d)).

To corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information used. However, unlike other types of information, such as input costs or selling expenses, there are no independent sources for calculated dumping margins. The only source for calculated margins is administrative determinations. Thus, in an administrative review, if the Department chooses as adverse facts available a calculated dumping margin from a prior segment of the proceeding, it is not necessary to question the reliability of the margin for that time period. With respect to the relevance aspect of corroboration, however, the Department will consider information reasonably at its disposal as to whether there are circumstances that would render a margin irrelevant. Where circumstances indicate that the selected margin is not appropriate as adverse facts available, the Department will disregard the margin and determine an appropriate margin (see Fresh Cut Flowers from Mexico; Preliminary Results of Antidumping Duty Administrative Review, 60 FR 49567 (February 22, 1996), where we disregarded the highest margin in the case as best information available because the margin was based on another company's uncharacteristic business expense resulting in an extremely high margin).

For these preliminary results, we have examined the history of the A-588-604 case and have determined that 41.04 percent, the rate we calculated for Koyo in the 1993-94 A-588-604 review, is the highest rate for this firm in any prior segment of the A-588-604 order. See Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan; Final Results of Administrative Review and Termination in Part, 63 FR 20585, (April 27, 1998). In the absence of information on the administrative record that application of this 41.04 percent rate would be inappropriate, that the margin is not relevant, or that leads us to re-examine this rate as adverse facts available in the instant review, we find the margin

reliable and relevant. As a result, for these preliminary results we have applied as adverse facts available, a margin of 41.04 percent to Koyo's further-manufactured U.S. sales.

Export Price and Constructed Export Price

Because all of Koyo's and NSK's sales and certain of NTN's and Fuji's sales of subject merchandise were first sold to unaffiliated purchasers after importation into the United States, in calculating U.S. price for these sales we used constructed export price (CEP) as defined in section 772(b) of the Act. We based CEP on the packed, delivered price to unaffiliated purchasers in the United States. We made deductions, where appropriate, for discounts, billing adjustments, freight allowances, and rebates. Pursuant to section 772(c)(2)(A) of the Act, we reduced this price for movement expenses (Japanese pre-sale inland freight, Japanese post-sale inland freight, international air and/or ocean freight, marine insurance, Japanese brokerage and handling, U.S. inland freight from the port to the warehouse, U.S. inland freight from the warehouse to the customer, U.S. duty, post-sale warehousing, pre-sale warehousing, and U.S. brokerage and handling). We also reduced the price, where applicable, by an amount for the following expenses incurred in the selling of the merchandise in the United States pursuant to section 772(d)(1) of the Act: commissions to unaffiliated parties, U.S. credit, payments to third parties, U.S. repacking expenses, and indirect selling expenses (which included, where applicable, inventory carrying costs, indirect advertising expenses, and indirect technical services expenses). Finally, pursuant to section 772(d)(3) of the Act, we further reduced U.S. price by an amount for profit to arrive at CEP.

NTN claimed an offsetting adjustment to U.S. indirect selling expenses to account for the cost of financing cash deposits during the POR. For the reasons set out in the 1996-97 TRB Final, we have continued to deny such an adjustment. See 1996-97 TRB Final, 63 FR at 63865.

Because certain of NTN's and Fuji's sales of subject merchandise were made to unaffiliated purchasers in the United States prior to importation into the United States and the CEP methodology was not indicated by the facts of record, in accordance with section 772(a) of the Act we used export price (EP) for these sales. We calculated EP as the packed, delivered price to unaffiliated purchasers in the United States. In accordance with section 772(c)(2)(A) of the Act, we reduced this price, where

applicable, by Japanese pre-sale inland freight, Japanese post-sale inland freight, international air and/or ocean freight, marine insurance, Japanese brokerage and handling, U.S. brokerage and handling, U.S. duty, and U.S. inland freight.

Where appropriate, in accordance with section 772(d)(2) of the Act, the Department also deducts from CEP the cost of any further manufacture or assembly in the United States, except where the special rule provided in section 772(e) of the Act is applicable. Section 772(e) of the Act provides that, where the subject merchandise is imported by a person affiliated with the exporter or producer and the value added in the United States by the affiliated person is likely to exceed substantially the value of the subject merchandise, and if there is a sufficient quantity of sales to provide a reasonable basis for comparison and we determine that the use of such sales is appropriate, we shall determine the CEP for such merchandise using the price of identical or other subject merchandise sold by the exporter or producer to an unaffiliated person. If there is not a sufficient quantity of such sales to provide a reasonable basis for comparison, or if we determine that using the price of identical or other subject merchandise is not appropriate, we may use any other reasonable basis to determine CEP. See sections 772(e)(1) and (2) of the Act.

In judging whether the use of identical or other subject merchandise is appropriate, the Department must consider several factors, including whether it is more appropriate to use another "reasonable basis." Under some circumstances, we may use the standard methodology as a reasonable alternative to the methods described in sections 772(e)(1) and (2) of the Act. In deciding whether it is more appropriate to use the standard methodology, we have considered and weighed the burden on the Department in applying the standard methodology as a reasonable alternative and the extent to which application of the standard methodology will lead to more accurate results. The burden on the Department of using the standard methodology may vary from case to case depending on factors such as the nature of the further-manufacturing process and the finished products. The increased accuracy gained by applying the standard methodology will vary significantly from case to case, depending upon such factors as the amount of value added in the United States and the proportion of total U.S. sales that involve further manufacturing. In cases where the burden on the Department is high, it is

more likely that the Department will determine that potential gains in accuracy do not outweigh the burden of applying the standard methodology. Thus, the Department likely will determine that application of the standard methodology is not more appropriate than application of the methods described in paragraphs 772(e)(1) and (2), or some other reasonable alternate methodology. By contrast, if the burden is relatively low and there is reason to believe the standard methodology is likely to be more accurate, the Department is more likely to determine that it is not appropriate to apply the methods described in paragraphs 772(e)(1) or (2) of the Act in lieu of the standard methodology. See Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan; Preliminary Results of Antidumping Duty Administrative Reviews, 62 FR 47452, 47455 (September 9, 1997) (1995-96 TRB Prelim).

With respect to Fuji, its two U.S. affiliates, Subaru of America (SOA) and Subaru-Isuzu Automotive (SIA), both import TRBs into the United States which were first purchased by Fuji from Japanese producers in Japan. SOA imported TRBs during the review period primarily for the purpose of reselling the bearings as replacement parts for Subaru automobiles in the United States. SOA also imported TRB's which were further-manufactured into vehicle transmissions prior to resale to SOA's dealers. In addition, SIA imported TRBs for the sole purpose of using them in its production of Subaru automobiles in the United States, the final product sold by SIA to the first unaffiliated customer in the United States. Based on information provided by Fuji about this further manufacturing, we have determined that the special rule for merchandise with value added after importation under section 772(e) of the Act applies to this respondent.

To determine whether the value added in the United States by SIA and SOA is likely to exceed substantially the value of the subject merchandise, we estimated the value added based on the differences between the averages of the prices charged to the first unaffiliated U.S. customer for the final merchandise sold (the automobiles or vehicle transmissions) and the averages of the prices paid for the subject merchandise (the imported TRBs) by the affiliated person. Based on this analysis and information on the record, we determined that the value of the TRBs

further processed by SIA and SOA in the United States was a minuscule amount of the price charged by SIA and SOA to the first unaffiliated customer for the automobiles and vehicle transmissions sold in the United States. See Exhibit A-26 of Fuji's February 11, 1999 questionnaire response. Therefore, we determined that the value added is likely to exceed substantially the value of the subject merchandise. In addition, we have determined that those sales of TRBs made by SOA as replacement parts in the United States, which constitute sales of merchandise identical and/or most similar to those TRBs imported by SIA for use in the manufacture of Subaru automobiles and by SOA for use in the manufacture of vehicle transmissions, were made in sufficient quantities to provide a reasonable basis for comparison. Therefore, for purposes of determining dumping margins for the TRBs entered by SIA used in the production of automobiles and for those entered by SOA to be incorporated into vehicle transmissions, we have used the weighted-average dumping margins we calculated on sales of identical or other subject merchandise sold by SOA as replacement TRBs to unaffiliated persons in the United States. See 19 CFR 351.402(c).

Also, NTN imported subject merchandise (TRB parts) which was further processed in the United States. NTN further manufactured the imported scope merchandise into merchandise of the same class or kind as merchandise within the scope of the A-588-604 order. Based on information provided by NTN in its December 22, 1998 and January 11, 1999 letters to the Department, we first determined whether the value added in the United States was likely to exceed substantially the value of the subject merchandise. We estimated the value added based on the differences between the averages of the prices charged to the first unaffiliated U.S. customer for the final merchandise sold (finished TRBs) and the averages of the prices paid by the affiliated party for the subject merchandise (imported TRB parts), and determined that the value added was likely to exceed substantially the value of the imported TRB parts.

We then examined whether it would be appropriate to use sales of identical or other subject merchandise to unaffiliated persons as a basis for comparison, as stated under paragraphs 772(e)(1) and (2) of the Act. Based on the information provided by NTN in Exhibit A-1 of its February 9, 1999 questionnaire response and its December 22, 1998 letter, we

determined that sales of identical or other subject merchandise to unaffiliated persons were in sufficient quantity for the purpose of determining dumping margins for NTN's imported TRBs which were further manufactured in the United States prior to resale. Furthermore, the proportion of NTN's further-manufactured merchandise to its total imports of subject merchandise was relatively low. In NTN's case, any potential gains in accuracy gained from examining NTN's further-manufactured sales are outweighed by the burden of the applying the standard methodology. Accordingly, it would be appropriate to apply one of the methodologies specified in the statute with respect to NTN's imported TRB parts. Therefore, we have used the weighted-average dumping margins we calculated on NTN's sales of identical or other subject merchandise to unaffiliated persons in the United States. See 19 CFR 351.402(c).

With respect to Koyo, while we determined that the value added to the United States was likely to exceed the value of the imported products, we have determined that the use of either of the two proxies specified in the statute is not appropriate. See Facts Available section for further information.

No other adjustments were claimed or allowed.

Normal Value

A. Viability

Based on (1) the fact that each company's quantity of sales in the home market was greater than five percent of its sales to the U.S. market and (2) the absence of any information that a particular market situation in the exporting country does not permit a proper comparison, we determined that the quantity of the foreign like product for all respondents sold in the exporting country was sufficient to permit a proper comparison with the sales of 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 Act, we based NV on the prices at which the foreign like products were first sold for consumption in the exporting country.

B. Arm's-Length Sales

For all respondents we have excluded from our analysis those sales made to affiliated customers in the home market which were not at arm's length. We determined the arm's-length nature of home market sales to affiliated parties by means of our 99.5 percent arm's-length test in which we calculated, for each model, the percentage difference

between the weighted-average prices to the affiliated customer and all unaffiliated customers and then calculated, for each affiliated customer, the overall weighted-average percentage difference in prices for all models purchased by the customer. If the overall weighted-average price ratio for the affiliated customer was equal to or greater than 99.5 percent, we determined that all sales to this affiliated customer were at arm's length. Conversely, if the ratio for a customer was less than 99.5 percent, we determined that all sales to the affiliated customer were not at arm's length because, on average, the customer paid less than unaffiliated customers for the same merchandise. Therefore, we excluded all sales to the customer from our analysis. Where we were unable to calculate an affiliated customer ratio because identical merchandise was not sold to both affiliated and unaffiliated customers, we were unable to determine if these sales were at arm's length and, therefore, excluded them from our analysis (see *Stainless Steel Wire Rods from France: Preliminary Results of Antidumping Duty Administrative Review*, 61 FR 8915 (March 6, 1996)).

C. Cost of Production Analysis

Because we disregarded sales that failed the cost test in our last completed A-588-054 review for Koyo and NSK, and in our last completed A-588-604 review for NTN, Koyo, and NSK we have reasonable grounds to believe or suspect that sales of the foreign like product under consideration for the determination of NV in this review for these companies may have been made at prices below the COP, as provided by section 773(b)(2)(A)(ii) of the Act (see 1995-96 TRB Final and 1996-97 TRB Final). Therefore, pursuant to section 773(b)(1) of the Act, we initiated a COP investigation of sales by Koyo, NTN, and NSK for both TRB cases.

In accordance with section 773(b)(3) of the Act, we calculated COP based on the sum of the costs of materials and fabrication employed in producing the foreign like product, plus selling, general, and administrative expenses (SG&A) and the cost of all expenses incidental to placing the foreign like product in condition packed ready for shipment. We relied on the home market sales and COP information provided by Koyo, NTN, and NSK except in those instances where the data was not appropriately quantified or valued (see company-specific preliminary results analysis memoranda).

After calculating COP, we tested whether home market sales of TRBs

were made at prices below COP within an extended period of time in substantial quantities and whether such prices permit the recovery of all costs within a reasonable period of time. We compared model-specific COPs to the reported home market prices less any applicable movement charges, discounts, or rebates.

Pursuant to section 773(b)(2)(C) of the Act, where less than 20 percent of a respondent's home market sales for a model are at prices less than the COP, we do not disregard any below-cost sales of that model because we determine that the below-cost sales were not made within an extended period of time in "substantial quantities." Where 20 percent or more of a respondent's home market sales of a given model are at prices less than COP, we disregard the below-cost sales because they are (1) 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 prices to weighted-average COPs for the POR, were at prices which would not permit the recovery of all costs within a reasonable period of time in accordance with section 773(b)(2)(D) of the Act.

The results of our cost test for Koyo, NTN, and NSK indicated that for certain home market models less than 20 percent of the sales of the model were at prices below COP. We therefore retained all sales of these market models in our analysis and used them as the basis for determining NV. Our cost test for these respondents also indicated that within an extended period of time (one year, in accordance with section 773(b)(2)(B) of the Act), for certain home market models, more than 20 percent of the home market sales were sold at prices below COP. In accordance with section 773(b)(1) of the Act, we therefore excluded these below-cost sales from our analysis and used the remaining above-cost sales as the basis for determining NV.

D. Product Comparisons

For all respondents we compared U.S. sales with contemporaneous sales of the foreign like product in the home market. We considered bearings identical on the basis of nomenclature and determined most similar TRBs using our sum-of-the-deviations model-match methodology which compares TRBs according to the following five physical criteria: inside diameter, outside diameter, width, load rating, and Y2 factor. For Koyo, NTN, and NSK we used a 20 percent difference-in-merchandise (difmer) cost deviation cap as the maximum difference in cost allowable for similar

merchandise, which we calculated as the absolute value of the difference between the U.S. and home market variable costs of manufacturing divided by the U.S. total cost of manufacturing. Because Fuji, a reseller, was unable to provide the variable and total costs of manufacturing for the TRBs they purchased from Japanese producers, it instead provided its acquisition cost for each TRB model purchased from Japanese producers. As a result, consistent with our practice in past TRB reviews for Fuji, we used these acquisition costs as the basis for our 20-percent difmer cap (see, e.g., 1995-96 Prelim, 62 FR at 47458).

E. Level of Trade

To the extent practicable, we determined NV for sales at the same level of trade as the U.S. sales (either EP or CEP). When there were no sales at the same level of trade, we compared U.S. sales to home market sales at a different level of trade. The NV level of trade is that of the starting-price sales in the home market. When NV is based on constructed value (CV), the level of trade is that of the sales from which we derived SG&A and profit.

To determine whether home market sales are at a different level of trade than U.S. sales, we examined 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 were at a different level of trade and the differences affected 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 made 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 (November 19, 1997).

We determined that for respondents Koyo and NSK, there were two home market levels of trade and one U.S. level of trade (CEP). For Fuji, we determined that only one level of trade existed in the home market and three distinct levels of trade existed in the U.S. market (one CEP and two EP levels of trade). Because there was no home market level of trade equivalent to the U.S. level(s) of trade for Koyo, NSK, and Fuji, and because NV for these firms represented a price more remote from the factory than CEP, we made a CEP offset adjustment to NV. For NTN we found that there were three home market levels of trade and two (EP and CEP)

levels of trade in the U.S. Because there were no home market levels of trade equivalent to NTN's CEP level of trade, and because NV for NTN represented a price more remote from the factory than CEP, we made a CEP offset adjustment to NV in our CEP comparisons. We also determined that NTN's EP level of trade was equivalent to one of NTN's home market levels of trade. Because we determined that there was a pattern of consistent price differences due to differences in levels of trade, we made a level of trade adjustment to NV for NTN in our EP comparisons where the U.S. EP sale matched to a home market sale at a different level of trade. For more detailed company-specific descriptions of our level-of-trade analyses for these preliminary results, see the preliminary results analysis memoranda to Robert James, on file in Import Administration's Central Records Unit, Room B-099 of the main Commerce building.

F. Home Market Price

We based home market prices on the packed, ex-factory or delivered prices to affiliated purchasers (where an arm's-length relationship was demonstrated) and unaffiliated purchasers in the home market. We made adjustments for differences in packing and for movement expenses in accordance with sections 773(a)(6)(A) and (B) of the Act. In addition, 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, and for differences in circumstances of sale (COS) in accordance with section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410. For comparison to EP we made COS adjustments by deducting home market direct selling expenses and adding U.S. direct selling expenses. For comparisons to CEP, we made COS adjustments to NV by deducting home market direct selling expenses. We also made adjustments, where applicable, for home market indirect selling expenses to offset U.S. commissions in EP and CEP calculations. No other adjustments were claimed or allowed.

In accordance with section 773(a)(4) of the Act, we based NV on CV if we were unable to find a contemporaneous home market match for the U.S. sale. We calculated CV based on the cost of materials and fabrication employed in producing the subject merchandise, SG&A, and profit. In accordance with 772(e)(2)(A) of the Act, we based SG&A expenses and profit on the amounts incurred and realized by the 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. For selling expenses, we used the weighted-average home market selling expenses. To the extent possible, we calculated CV by LOT, using the selling expenses and profit determined for each LOT in the comparison market. Where appropriate, we made adjustments to CV in accordance with section 773(a)(8) of the Act and 19 CFR 351.410 for COS adjustments and LOT differences. For comparisons to EP, we made COS adjustments by deducting home market direct selling expenses and adding U.S. direct selling expenses. For comparisons to CEP, we made COS adjustments by deducting home market direct selling expenses. We also made adjustments, where applicable, for home market indirect selling expenses to offset commissions in EP and CEP comparisons.

Preliminary Results of Review

As a result of our reviews, we preliminarily determine the following weighted-average dumping margins exist for the period October 1, 1997, through September 30, 1998, to be as follows:

Manufacturer/exporter/ reseller	Margin (percent)
For the A-588-054 Case:	
Koyo Seiko	12.97
Fuji	0.05
NSK	4.03
For the A-588-604 Case:	
Fuji	3—
Koyo Seiko	23.20
NTN	20.28
NSK	1.60

The Department will disclose calculations performed within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). A party may request a hearing within thirty days of publication. Any hearing, if requested, will be held 37 days after the date of publication, or the first business day thereafter, unless the Department alters the date per 19 CFR 351.310(d). Case briefs and/or written comments from interested parties may be submitted 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 filed no later than 35 days after the date of publication of this notice. Parties who submit argument in these proceedings are requested to submit with the argument (1) a statement of the issues

and (2) a brief summary of the argument. The Department will issue final results of these administrative reviews, including the results of our analysis of the issues in any such written comments or at a hearing, within 120 days of issuance of these preliminary results.

The Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. In accordance with 19 CFR 351.212(b)(1), we calculated importer-specific ad valorem assessment rates for the merchandise based on the ratio of the total amount of antidumping duties calculated for the examined sales made during the POR to the total customs value of the sales used to calculate those duties. This rate will be assessed uniformly on all entries of that particular importer made during the POR. The Department will issue appropriate appraisement instructions directly to the Customs Service upon completion of the review.

Furthermore, the following deposit requirements will be effective upon completion of the final results of these administrative reviews for all shipments of TRBs from Japan entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of these administrative reviews, as provided by section 751(a)(1) of the Act:

(1) The cash-deposit rates for the reviewed companies will be the rates shown above except that, for firms whose weighted-average margins are less than 0.5 percent and therefore de minimis, the Department shall not require a deposit of estimated antidumping duties;

(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 these reviews, a prior review, or the LTFV investigations, 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 these or any previous reviews conducted by the Department, the cash deposit rate for the A-588-054 case will be 18.07 percent, and 36.52 percent for the A-588-604 case (see Preliminary Results of Antidumping Duty Administrative Reviews; Tapered Roller Bearings, Finished and Unfinished, and Parts Thereof, from Japan and Tapered Roller Bearings, Four Inches or less in Outside Diameter, and Components Thereof,

From Japan, 58 FR 51061 (September 30, 1993)).

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) 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.

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: September 24, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration National Renewable Energy Laboratory; Notice of Decision on Application for Duty-Free Entry of Scientific Instrument

This decision is made pursuant to Section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89-651, 80 Stat. 897; 15 CFR part 301). Related records can be viewed between 8:30 a.m. and 5 p.m. in Room 4211, U.S. Department of Commerce, 14th and Constitution Avenue, N.W., Washington, DC.

Docket Number: 99-014. Applicant: National Renewable Energy Laboratory, Golden, CO 80401-3393. Instrument: 2 (Two) Anemometer Systems, Model DA-600. Manufacturer: Kaijo-Denki Corp., Japan. Intended Use: See notice at 64 FR 35630, July 1, 1999.

Comments: None received. Decision: Approved. No instrument of equivalent scientific value to the foreign instrument, for such purposes as it is intended to be used, is being manufactured in the United States. Reasons: The foreign instrument provides: (1) A maximum wind speed range of 60 meters per second, (2) Maximum measurement bandwidth of 10 Hz, (3) Minimum resolution of 0.005 m/s and (4) Compatibility with currently operating anemometers. The National Oceanographic and Atmospheric Administration advised September 3, 1999 that: (1) These capabilities are pertinent to the applicant's intended purpose and (2) It knows of no domestic

³No shipments or sales subject to this review. The firm has no rate from any prior segment of this proceeding.