Exporter/producer	Weighted-average margin percentage
Groenenboom	3.86
JGL Group	5.10
Pound-Maker	[1] 0.62
Riverside/Grandview	5.34
Schaus	15.69
All Others	5.63

[1] De minimis

Section 735(c)(5)(A) of the Act directs the Department to exclude all zero and *de minimis* weighted-average dumping margins, as well as dumping margins determined entirely on the basis of facts available under section 776 of the Act, from the calculation of the ''all others'' rate. We have excluded the dumping margin for Pound-Maker (which is *de minimis*) from the calculation of the ''all others'' rate.

ITC Notification

In accordance with section 735(d) of the Act, we have notified the International Trade Commission (ITC) of our determination. As our final determination is affirmative, the ITC will, within 45 days, determine whether these imports are materially injuring, or threaten material injury to, the U.S. industry. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing the Customs Service to assess antidumping duties on all imports of the subject merchandise entered for consumption on or after the effective date of the suspension of liquidation.

This determination is published pursuant to sections 735(d) and 777(i)(1) of the Act.

Dated: October 12, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 99–27410 Filed 10–20–99; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–583–815]

Notice of Extension of Time Limit for Antidumping Duty Administrative Review of Welded ASTM A–312 Stainless Steel Pipe From Taiwan

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

EFFECTIVE DATE: October 21, 1999.

SUMMARY: The Department of Commerce (the Department) is extending the time limit for the preliminary results of the antidumping duty administrative review of the antidumping order on Welded ASTM A–312 Stainless Steel Pipe from Taiwan, covering the period December 1, 1997 through November 30, 1998.

FOR FURTHER INFORMATION CONTACT: Juanita Chen or Karla Whalen, AD/CVD Enforcement Office 9, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Room 7866, Washington, DC 20230, telephone (202) 482–0409, or (202) 482–1391, respectively.

SUPPLEMENTARY INFORMATION: On January 25, 1999, the Department initiated this administrative review of the antidumping duty order on welded ASTM A–312 Stainless Steel Pipe from Taiwan (64 FR 3682). 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 the preliminary results of an administrative review if it determines that it is not practicable to complete the preliminary results within the statutory time limit of 245 days after the last day of the anniversary month for the relevant order. On July 21, 1999, the Department extended this case sixty days (64 FR 41382, July 30, 1999). However, the Department has determined that it is not practicable to complete the preliminary results of the administrative review within that statutory time limit. See Memorandum from Joseph A. Spetrini to Robert S. LaRussa, dated September 30, 1999.

Therefore, in accordance with section 751(a)(3)(A) of the Act, the Department is extending the time limit for the preliminary results until December 15, 1999.

Dated: October 30, 1999.

Joseph A. Spetrini,

Deputy Assistant Secretary, Enforcement Group III.

[FR Doc. 99–27571 Filed 10–20–99; 8:45 am]

BILLING CODE 3510–01–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–549–502]

Certain Welded Carbon Steel Pipes and Tubes From Thailand: Final Results of Antidumping Duty Administrative Review

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

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

SUMMARY: On April 13, 1999, the Department of Commerce published the preliminary results of the administrative review of the antidumping duty order on certain welded carbon steel pipes and tubes from Thailand. This review covers one producer/exporter, Saha Thai Steel Pipe Co., Ltd. (''Saha Thai'') and the period March 1, 1997 through February 28, 1998.

We gave interested parties an opportunity to comment on the preliminary results as discussed in the ''Analysis of Comments'' section below. Based on our analysis of comments received, we have made certain changes for the final results. The final weighted-average dumping margin is listed below in the section ''Final Results of the Review.''

EFFECTIVE DATE: October 21, 1999.

FOR FURTHER INFORMATION CONTACT: John Totaro, AD/CVD Enforcement Group III, Office VII, Room 7866, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482–1374.

APPLICABLE STATUTE: 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's regulations are to those codified at 19 CFR Part 351 (1998).

SUPPLEMENTARY INFORMATION:

Background

On March 11, 1986, the Department published in the **Federal Register** an antidumping duty order on welded carbon steel pipes and tubes from Thailand (51 FR 8341). On March 11, 1998, the Department published a notice of opportunity to request an administrative review of this order covering the period March 1, 1997

through February 28, 1998 (63 FR 11868). In response to requests by two importers, Ferro Union Inc. (''Ferro Union'') and ASOMA Corp. (''ASOMA''), and four domestic producers, Allied Tube and Conduit Corporation, Sawhill Tubular Division—Armco, Inc., Wheatland Tube Company, and Laclede Steel Company (collectively, the ''domestic producers'' or ''petitioners''), the Department of Commerce (''the Department'') is conducting an administrative review of the antidumping duty order on certain welded carbon steel pipes and tubes from Thailand. This review covers Saha Thai, a Thai manufacturer and exporter of subject merchandise to the United States. The period of review (''POR'') is March 1, 1997 through February 28, 1998. The Department published a notice of initiation of this antidumping duty administrative review on April 24, 1998 (63 FR 20378). Because the Department determined that it was not practicable to complete this review within statutory time limits, on November 27, 1998, we published in the **Federal Register** our notice of extension of time limits for the preliminary results of this review (63 FR 65573). On April 13, 1999, the Department published in the **Federal Register** the preliminary results of its administrative review of this antidumping order covering the period March 1, 1997 through February 28, 1998 (64 FR 17998). Because the Department determined that it was not practicable to complete this review within statutory time limits, on August 18, 1999, we published in the **Federal Register** our notice of extension of time limits for the final results of this review (64 FR 44892) The Department has now completed this review in accordance with section 751(a) of the Act.

Changes From the Preliminary Results

We modified our preliminary position with respect to Saha Thai's claim for duty drawback to allow Saha Thai a partial duty drawback adjustment. This change is explained in our response to Comment 1. We also changed our method of determining exchange rate fluctuations in this case, as described in our response to comment 2. As detailed in our response to Comment 6 and in our final results Analysis Memorandum, we modified the weights assigned to certain of the physical characteristics used in our model match program. Also, as explained in our response to Comment 7, in the preliminary results we incorrectly excluded a deduction for imputed credit from our calculation of constructed value. We agree that imputed credit should be deducted from constructed value and have done this for the final results. Finally, as discussed in our response to Comment 8, our preliminary results incorrectly stated that we verified only sales data, when, in fact, we examined sales and cost of production data.

Scope of the Review

The products covered by this administrative review are certain welded carbon steel pipes and tubes from Thailand. The subject merchandise has an outside diameter of 0.375 inches or more, but not exceeding 16 inches. These products, which are commonly referred to in the industry as ''standard pipe'' or ''structural tubing,'' are hereinafter designated as ''pipe and tube.'' The merchandise is classifiable under the Harmonized Tariff Schedule (HTS) item numbers 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, and 7306.30.5090. Although the HTS subheadings are provided for convenience and Customs purposes, our written description of the scope of the order is dispositive.

Verification

As provided in section 782(i) of the Act, from January 25 through January 29, 1999 we verified sales and cost of production information provided by the respondent, Saha Thai, using standard verification procedures, including examination of relevant financial records and analysis of original documentation used by Saha Thai to prepare responses to requests for information from the Department. Our verification results are outlined in the public version of the verification report (*See* Memorandum to the File from Steve Bezirganian and Marlene Hewitt, February 24, 1999) (''Saha Thai Verification Report''), on file in the Central Records Unit, Room B–099 of the Department (''CRU'').

Analysis of Comments

Saha Thai, Ferro Union and ASOMA (collectively ''Saha Thai'') and the petitioners submitted case briefs on May 13, 1999, and rebuttal briefs on May 18, 1999.

Comment 1: Duty Drawback Adjustment

Saha Thai requests that the Department increase export price by the amount of duties imposed by the Government of Thailand on raw material imports used in the production of subject merchandise, which were rebated or not collected because subject merchandise incorporating those raw materials was subsequently exported to the United States. Saha Thai asserts that documents on the record from Thai Customs authorities demonstrate the existence of import duty rebates received from the Government of Thailand for every reported U.S. sale.

Saha Thai claims that it benefitted from Thailand's duty drawback system in three ways: (1) By receiving a cash rebate for duties paid when importing hot rolled coil or zinc used in the production of subject merchandise subsequently exported to the U.S. (''cash duty drawback''); (2) by receiving a credit against a bank guarantee that it was obligated to post with Thai Customs instead of actually paying duties on imported coil or zinc (''guaranteed duty drawback''); and (3) by receiving an exemption from duties that would have normally been imposed on coil and zinc imports, but which were neither collected nor guaranteed at the time of importation because Saha Thai had entered the subject merchandise into a bonded warehouse, processed it and exported it to the U.S. (''suspended duties''). Saha Thai maintains that it has complete documentation on the record to justify the granting of its claimed duty drawback adjustment. Saha Thai argues that the Department rejected its claim because either it incorrectly believed, based on verification, that all of Saha Thai's drawback claims were based on cash payments and refunds of import duties, or it believed that a duty drawback is only warranted under the law if duties are paid in cash. Saha Thai suggests that the Department examined one ''randomly chosen'' import entry of raw materials and because it could not verify that duties were paid as opposed to guaranteed, determined that this finding undermined Saha Thai's entire claim. *See* Saha Thai case brief at 5–6.

Saha Thai cites the Department's two-prong test to determine, in cases in which import duties on raw materials are paid and then rebated, whether to grant a duty drawback adjustment: (1) Whether the import duty and rebate are directly linked to, and are dependent upon, one another, and (2) whether imported raw materials are sufficient to account for the duty drawback received on the exports of the manufactured products. Saha Thai states that in cases in which the import duties are not paid, but are suspended, the first prong of this test then becomes whether the import duties are actually not collected because the subject merchandise is exported to the United States. In no instance, Saha Thai asserts, does the Department require either that the specific input be traced from importation through exportation or that duties actually be paid and cash rebated before granting an adjustment for drawback. *Citing Carbon Steel Wire Ropes from Mexico,* 63 FR

46753, 46755–56 (September 2, 1998); *Certain Welded Carbon Standard Steel Pipes and Tubes from India,* 62 FR 47632, 47634 (September 10, 1997); *The Torrington Company* v. *United States,* 881 F. Supp. 622 (CIT 1995); and *Far East Machinery Co.* v. *United States,* 12 CIT 972, 974 (1988).

With regard to the first prong of the test, Saha Thai argues that the Thai law administered by Thai Customs: (1) Makes entitlement to cash duty drawback contingent upon both the payment of import duties and the subsequent exportation of the subject merchandise; (2) makes entitlement to guaranteed duty drawback contingent upon both the posting of a bank guarantee and the subsequent exportation of the subject merchandise; and (3) makes entitlement to the suspension of duties contingent upon establishing a bonded warehouse according to Thai law, entering the imported materials into that bonded warehouse and subsequently exporting merchandise incorporating such materials. Saha Thai argues that if the Department has denied duty drawback based upon a determination that the duties were not paid or properly suspended, then such a finding is ''a general indictment of Thailand's duty drawback system.''

Saha Thai points out that the Department had already accepted duty drawback claims under Thailand's duty drawback system in previous cases. *Citing Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof From Japan,* 56 FR 31765 (July 11, 1991) and *The Torrington Company* v. *United States,* 881 F. Supp. 622 (CIT 1995). Moreover, Saha Thai argues that in past administrative reviews of this same order, the Department verified and accepted Saha Thai's duty drawback claim. *Citing Certain Welded Carbon Steel Pipes and Tubes from Thailand,* 63 FR 55578, 55588 (October 16, 1998) (final results); *Certain Welded Carbon Steel Pipes and Tubes from Thailand,* 61 FR 56515, 56518 (November 1, 1996) (final results); *Certain Welded Carbon Steel Pipes and Tubes from Thailand,* 61 FR 1328, 1333 (January 19, 1996) (final results); *Certain Welded Carbon Steel Pipes and Tubes from Thailand,* 56 FR 26648 (June 10, 1991) (preliminary results); and *Certain Welded Carbon Steel Pipes and Tubes from Thailand,* 55 FR 42596,42597 (October 22, 1990) (preliminary results).

With regard to the second prong of the test, Saha Thai stated that it imported sufficient raw materials to account for the duty drawback received and duties suspended. Saha Thai asserts that each duty drawback claim granted by Thai customs enumerates the imported goods by entry which were subsequently used for the production of exported products. Thus, Saha Thai argues that it has met the requirements of the Department's two-prong test. Saha Thai also stated that it based part of its claim for a duty drawback adjustment upon import duties that were not paid, guaranteed or collected because the imported raw materials entered its bonded warehouse, and subject merchandise made from those materials was subsequently exported. Saha Thai argues that it remained liable for payment of duties on coil and zinc imports entered into its bonded warehouse if such raw materials were not used in production which was then exported. Saha Thai stated that it failed to claim in its questionnaire responses a duty drawback adjustment related to its bonded warehouse entries, but that this omission was an oversight. Saha Thai stated that it included this claim in its March 11, 1999 submission to the Department.

Petitioners argue that none of respondent's claims for duty drawback adjustments are justified because Saha Thai failed to substantiate its claims during verification. According to petitioners, Saha Thai failed to produce documents to support its cash-based duty drawback claim, and failed to describe either its bank guarantee-based or its bonded warehouse-based drawback adjustment claims. Therefore, petitioners contend, these drawback claims could not be accurately substantiated or verified. Petitioners also argue that Saha Thai has placed no data on the record regarding the fees Saha Thai paid for bank guarantees and has not indicated any offset to its claims for drawback adjustments for such fees. Similarly, petitioners allege that nothing on the record describes, or even mentions, Saha Thai's bonded warehouse operation as a basis for a drawback adjustment claim.

Petitioners argue that Saha Thai's claims for bank guarantee-based and bonded warehouse-based duty drawback adjustments do not meet the first prong of the Department's test for linking the drawback to the export of merchandise. According to petitioners, Saha Thai failed to give a detailed explanation of these programs. Citing the Department's determination in *Certain Welded Carbon Steel Pipes and Tubes from India,* 63 FR 32825, 32829 (June 16, 1998), petitioners assert that when a respondent fails to provide an explanation of the direct link between drawback claimed and exports as well as the details of the drawback program, the claimed drawback adjustment should be denied. Moreover, petitioners note that in this review, the deadline for the submission of factual information was 140 days from the last day of the anniversary month. However, petitioners argue, Saha Thai's first mention of bank guarantee and bonded warehouse operations was at verification, after the deadline. Consequently, petitioners argue that Saha Thai's submissions after the deadline are untimely and the Department should exclude them from the record of this review.

Department's Position: Pursuant to section 772 (c)(1)(B) of the Act, export price shall be increased by the amount of any import duties imposed by the country of exportation which have been rebated, or which have not been collected, by reason of the exportation of the subject merchandise to the United States. We have recognized, in previous segments of this proceeding as well as in other proceedings, that Thailand operates a duty drawback system and that valid claims for adjustment to U.S. price may be allowed in administrative reviews pursuant to this system. *See Certain Welded Carbon Steel Pipes and Tubes from Thailand: Final Results of Antidumping Duty Administrative Review,* 63 FR 55578, 55588–89 (October 16, 1998); *Certain Welded Carbon Steel Pipes and Tubes From Thailand: Final Results of Antidumping Duty Administrative Review,* 61 FR 56515, 56518 (November 1, 1996); *Certain Textile Mill Products From Thailand: Final Results of Countervailing Duty Administrative Review,* 61 FR 2797, 2799 (January 29, 1996). Therefore, recognition of Thailand's duty drawback system is not the issue in this review.

However, the Department must analyze the facts presented in each segment of a proceeding to determine the accuracy and completeness of the duty drawback adjustment claim made by each respondent in each segment of a proceeding. The Department will grant a duty drawback adjustment if we determine: (1) That the import duty and rebate are directly linked to, and dependent upon, one another; and (2) that imported raw materials are sufficient to account for the duty drawback received on the exports of the manufactured product. *See Carbon Steel Wire Rope From Mexico; Final Results of Antidumping Duty Administrative Review,* (''*Wire Rope From Mexico*'') 63 FR 46753, 46756 (September 2, 1998) (*citing Far East Machinery Co.* v. *United States,* 12 CIT 972, 974 (1988)).

In the preliminary results of this review, we rejected Saha Thai's claim for a duty drawback adjustment to export price, both cash-and guarantee-

based drawback, because we were ''unable to verify that the claimed adjustment accurately reflects the actual amount of duty drawback received.'' *See Certain Welded Carbon Steel Pipes and Tubes from Thailand; Preliminary Results of Antidumping Duty Administrative Review* 64 FR 17998, 18000 (April 13, 1999). In the most recently completed administrative review, the Department examined information similar to that provided by Saha Thai in its questionnaire responses in this review regarding cash-and guarantee-based duty drawback, and allowed Saha Thai's claimed drawback adjustment because the Department found that both information on the record and the verification supported the accuracy of Saha Thai's claimed duty drawback adjustment. *See Certain Welded Carbon Steel Pipes and Tubes from Thailand: Final Results of Antidumping Duty Administrative Review,* 63 FR 55578, 55588–89.

In this review as well, certain information in Saha Thai's questionnaire responses and certain information examined at verification indicate that Saha Thai participates in cash-and guarantee-based duty drawback programs with Thai customs authorities, and that it received the claimed amount of drawback. Although certain documents appeared to support Saha Thai's claim, other information examined at verification, as well as the inconsistent explanations of Saha Thai's participation in the various drawback programs provided at verification, undermine the apparent completeness of the documentation Saha Thai submitted in its questionnaire responses. For example, as petitioners note, Saha Thai stated at verification that it pays banks a fee for taking on the risk of guaranteeing payment of the duties on Saha Thai's imports of hot-rolled coil and zinc. Payment of this fee, which would decrease the amount of Saha Thai's duty drawback adjustment claim, was not incorporated into Saha Thai's claim for a duty drawback adjustment.

In addition, at verification, we asked Saha Thai to provide support for its duty drawback claims related to a purchase of imported hot-rolled coil that was managed by one of Saha Thai's brokers. As shown in the verification report, Saha Thai's explanation was far from clear. For this one transaction, we asked for proof that duties had been paid for the coils in question. At various points in the verification, Saha Thai stated: (1) That it paid its broker the amount of import duties on this entry, (2) that these coils were delivered to Saha Thai's bonded warehouse and thus Saha Thai was not required to pay import duties, (3) that the line item for import duties on the broker's statement represented VAT tax, not import duties, and (4) that neither Saha Thai nor its broker had paid import duties on this merchandise, because Saha Thai had arranged for a bank guarantee which would permit Saha Thai to be exempt from paying import duties, pending export of Saha Thai merchandise containing the imported coil. Verification Report at 14–15.

Saha Thai stated in its case brief that the Department examined only one import entry at verification, and that this entry was not part of Saha Thai's claimed cash/guarantee duty drawback calculation. *Saha Thai Case Brief,* fn. 9. As an initial matter, the Department examined two import entries, the different quantities of which can be seen in Verification Exhibit 9, (pages 1–4 and pages 5–9). Contrary to Saha Thai's statement, one of these entries does relate to the claimed drawback amount, though the relationship between those documents and the claimed amount was only partially explained. Our examination of the other entry, though not a part of Saha Thai's claimed amount, is nonetheless illustrative as an import of raw material on which Saha Thai either paid duty or posted a bank guarantee in anticipation of receiving some form of drawback. *See Memorandum to the File from John Totaro: Analysis of the Claim for a Duty Drawback Adjustment Made by Saha Thai Steel Pipe Co., Ltd.* (August 11, 1999) (''Duty Drawback Memorandum'') at 3–4, on file in the CRU.

Therefore, we find that although there is enough record evidence to indicate that Saha Thai participates in cash-and guarantee-based duty drawback programs and thus to allow an adjustment for cash-and guaranteed-based duty drawbacks, Saha Thai failed at verification to describe and document the accuracy of its claimed duty drawback adjustment. As a result, we cannot allow the duty drawback adjustment as claimed by Saha Thai. Therefore, for purposes of these final results, we determine, in accordance with section 776(a)(2)(D) of the Act, that the use of facts available is appropriate as the basis of our adjustment to U.S. price for duty drawback. As facts available, on those sales for which Saha Thai claimed a cash-or guarantee-based duty drawback adjustment, we are allowing an adjustment to export price equal to the simple average of the reported per-ton duty drawback amounts that Saha Thai had calculated by export invoice. See August 3, 1998 QR at Exhibit 3 (public version on file in the CRU).

With regard to Saha Thai's claimed adjustment for suspended duties, Saha Thai argues that, under the laws of Thailand, a manufacturer may establish a bonded warehouse and, if certain conditions are met, be exempt from paying import duties on materials entered into that warehouse. *See* Saha Thai Case Brief at 9. In cases where the import duty is not collected, the first prong in the test for granting a duty drawback adjustment then becomes whether ''import duties were actually not collected by reason of the exportation of the subject merchandise to the United States.'' *See Wire Rope From Mexico,* 63 FR at 46756.

In this review, Saha Thai provided no records of any of the import entries of coil or zinc that it claims were exempted from duties because they were entered into Saha Thai's bonded warehouse and later exported as pipe products. Therefore, because there is no record of these imports on the record of this review, or of any import and export clearance documents related to the entry of imported raw materials into a bonded warehouse or export of pipes made from those raw materials, we cannot establish that ''import duties were actually not collected by reason of the exportation of the subject merchandise to the United States.'' *Id.* Therefore, we are not allowing Saha Thai to now claim duty drawback for these sales that were purportedly produced from inputs imported into a bonded warehouse. *See Stainless Steel Bar From Japan: Preliminary Results of Antidumping Administrative Review,* 64 FR 64 FR 10445 at 10445–46 (March 4, 1999); Duty Drawback Memorandum at 4–5.

Petitioners assert that Saha Thai failed to describe the bank guarantee duty drawback program until verification. However, we consider the information first submitted in Saha Thai's initial section C questionnaire response (August 3, 1998) and supplemental sections A, B, and C questionnaire response (September 23, 1998) to be sufficient to determine that Saha Thai participated in the guarantee-based duty drawback program. In particular, Saha Thai's September 23, 1998 supplemental questionnaire response indicates that Saha Thai participated in two duty drawback programs with Thai customs authorities: ''the documents in the exhibit [Exhibit 23] show the duty drawback amounts refunded to Saha Thai as well as the duties exempted. * * * The export report details the duty drawback calculation for each export transaction. * * * The preceding column shows whether the duty was

refunded by check 'C' or as a credit 'G.' '' September 23, 1998 QR at 27–28 (public version on file in the CRU). At verification, Saha Thai explained that these two programs were the cash-based and bank guarantee-based duty drawback systems discussed above. In addition, we believe that our choice of facts available appropriately accounts for any fees associated with the bank guarantee duty drawback process that may have offset Saha Thai's claimed duty drawback adjustment.

Finally, with regard to petitioners' assertion that the information Saha Thai provided on its bonded warehouse operation was untimely, as discussed above, we made our determination to not allow Saha Thai's claim for a duty drawback adjustment for import entries into a bonded warehouse because there was insufficient evidence on the record to meet the first prong of our test to grant such an adjustment when the import duty is not collected. Therefore, the Department did not consider the issue of timeliness.

Comment 2: Currency Conversion

Saha Thai argues that the Department should use actual daily exchange rates for the entire period of the baht's precipitous decline—which Saha Thai defines as July 2, 1997 to January 31, 1998—to convert the Thai baht to the U.S. dollars. The respondent argues that while the Department, in its preliminary results, correctly found that the rapid and unprecedented decline of the Thai baht on July 2, 1997 justified the suspension of its normal practice of applying a forty-day rolling average, or ''benchmark'' rate, for converting foreign currencies to U.S. dollars, it nonetheless failed to apply the actual daily exchange rates during the entire period of the baht's decline. Instead, Saha Thai states that the Department converted baht-denominated prices and costs to their U.S. dollar equivalents using its normal methodology, but utilized as a benchmark the stationary average of the baht to dollar exchange rate for the forty day period from July 2, 1997 to August 27, 1997. For the period after August 27, 1997, the Department reverted to using its normal methodology with the standard, rolling forty-day average benchmark. However, Saha Thai argues that the Thai baht continued to fall precipitously even after the August 27, 1997 cut-off date used by the Department to mark the end of the baht's decline. Because there was a continued decline in the baht even after August 27, 1997, Saha Thai contends that the Department should extend the period during which the baht is considered to be in a sustained decline through January 31, 1998, and that the Department should use actual daily exchange rates for that period.

Moreover, Saha Thai maintains that the methodology the Department used in this review is inconsistent with that used in other recent investigations involving countries which have experienced rapid, sustained devaluations. Saha Thai cites two investigations completed by the Department involving Korea, in which the Department found that a forty percent decline in the value of the Korean won amounted to more than a temporary fluctuation, and in which the Department used actual daily exchange rates to convert home market prices to U.S. dollars. *Citing Emulsion Styrene-Butadiene Rubber from the Republic of Korea* (''*Rubber from Korea*''), 64 FR 14865 (March 29, 1999) (final determination) and *Stainless Steel Plate in Coils from the Republic of Korea,* 64 FR 15444 (March 31, 1999) (final determination).

Petitioners maintain that the respondent's suggestion that the Department use daily exchange rates, notwithstanding fluctuations in the daily rates, would violate the statute. *See* 19 U.S.C. 1677b–1(a) (section 773A(a) of the Act). *See also* Statement of Administrative Action (at 171), House Doc. 316, 103rd Cong. 2d Sess. 841 (1994). Petitioners argue that the Department's currency conversion methodology utilized in this review recognizes the rapid devaluation of the Thai currency by establishing a separate benchmark for the period when such rapid devaluation was occurring. Petitioners emphasize that from July 2 through August 27, 1997, the Department used a stationary benchmark of average daily rates, which recognized the precipitous drop in exchange rates, but ''avoided undue daily fluctuations in exchange rates.'' *Certain Welded Carbon Steel Pipes and Tubes from Thailand; Preliminary Results of Antidumping Duty Review,* 64 FR 17998 (April 13, 1999). Petitioners contend that the Department was correct in using the standard benchmark (a rolling forty-day average) for the period in which fluctuation was still occurring.

Department's Position: We do not agree with Saha Thai's request for the use of actual daily exchange rates to convert Thai Baht to U.S. dollars for the entire period of the baht's decline from July 2, 1997 to January 31, 1998.

As stated in the preliminary results, 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); *see also Preliminary Results of Antidumping Duty Administrative Review; Aramid Fiber Formed of Poly Para-Phenylene Terephthalamide From the Netherlands,* 64 FR 36841, 36843 (July 8, 1999), *Notice of Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review: Canned Pineapple Fruit From Thailand,* 64 FR 30476, 30480 (June 8, 1999).

Effective July 2, 1997, the Thai government ended its restrictions on the movement of the dollar-baht exchange rate and allowed the rate to be determined by market supply and demand. Our analysis of Federal Reserve 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, a decline which was many times more severe than any single-day decline during several years prior to that date, and did not rebound significantly in a short time. As such, we determine that the decline in the baht from July 1 to July 2 following the change in the Thai government's exchange rate policy was of such a magnitude that the dollar-baht exchange rate cannot reasonably be viewed as having simply fluctuated at that time, *i.e.,* as having experienced only a momentary drop in value, relative to the normal benchmark. While we previously found a large and precipitous decline where the Korean won declined more than 40 percent, that decline occurred over a two-month period. Here, the decline was smaller, but occurred in a single day. Therefore, for these final results, we continue to find that there was a large, precipitous drop in the value of the baht in relation to the U.S. dollar on July 2, 1997.

We disagree with Saha Thai's claim that the baht continued to fall precipitously after August 27, 1997, and that only daily rates should be used through January 31, 1998. In its 1996 Policy Bulletin (61 FR 9434; March 8, 1996) on exchange rate methodology,

the Department defined an exchange rate ''fluctuation'' but also stated that it would use daily rates when ''the decline in the value of a foreign currency is so precipitous and large as to reasonably preclude the possibility that it is merely fluctuating.'' The Policy Bulletin did not define a ''precipitous and large'' decline in the value of a foreign currency but left this determination to be made in future cases. In *Rubber from Korea* and other Korean cases, the Department found that a decline of more than 40 percent within a two-month period was sufficiently large and precipitous that use of daily rates was warranted during this two-month period. In contrast, in *Extruded Rubber Thread from Indonesia,* the Department found that a decline of some 50 percent over five months was not precipitous and large and continued to employ its normal exchange rate methodology. *See* 64 FR 14693.

While we have concluded that the drop of more than 18 percent in the dollar-baht exchange rate on July 2, 1997, constitutes a ''precipitous and large'' decline, we do not find that the gradual decline that occurred over nearly seven months, from July 2, 1997, to January 31, 1998, qualifies as a ''large and precipitous'' drop for purposes of our exchange rate methodology.

We have, however, reexamined our methodology for addressing exchange rates following the large and precipitous decline on July 2, 1997. In the preliminary determination, we determined that, because a large and precipitous drop occurred on that one day, it was appropriate simply to begin on that day to use a new benchmark in order to avoid using pre-precipitous drop daily rates in calculating the benchmark for daily rates after the precipitous drop. Accordingly, for exchange rates between July 2 and August 27, 1997, the Department relied on the standard exchange rate model, but used as the benchmark rate a (stationary) average of the daily rates over this period.

As noted above, the gradual decline in the value of the baht over several months after July 2 was not so large and precipitous as to reasonably preclude the possibility that the exchange rate fluctuated from time to time during that period. Therefore, it is appropriate for the Department to use its standard methodology so as to ''ignore'' those fluctuations in accordance with section 773A of the Act. However, we also recognize that, following a large and precipitous decline in the value of a currency, a period may exist during which exchange rate expectations are revised and thus it is unclear whether further declines are a continuation of the large and precipitous decline or merely fluctuations. Under the circumstances of this case, such uncertainty may have existed following the large, precipitous drop on July 2, 1997. Thus, we devised a simple test for identifying a point following a precipitous drop at which it is reasonable to think that exchange rate expectations have been sufficiently revised that it is appropriate to resume using the normal methodology. Beginning on July 2, 1997, we used only actual daily rates until the daily rates were not more than 2.25 percent below the average of the 20 previous daily rates for five consecutive days. At that point, we determined that the pattern of daily rates no longer reasonably precluded the possibility that they were merely ''fluctuating.'' (Using a 20-day average for this purpose provides a reasonable indication that it is no longer necessary to refrain from using the normal methodology, while avoiding the use of daily rates exclusively for an excessive period of time.) Accordingly, from the first of these five days, we resumed classifying daily rates as ''fluctuating'' or ''normal'' in accordance with our standard practice, except that we began with a 20-day benchmark and on each succeeding day added a daily rate to the average until the normal 40-day average was restored as the benchmark.

Applying this methodology in the instant case, we used daily rates from July 2, 1997 through August 4, 1997. We then resumed the use of our normal methodology, starting with a benchmark based on the average of the 20 reported daily rates from July 8 through August 4.

Comment 3: Exchange Losses

Saha Thai maintains that it incurred unanticipated and unprecedented exchange losses in 1997 which fit the definition of ''extraordinary'' established by Department precedent and U.S. GAAP. According to Saha Thai, U.S. GAAP defines: (1) ''Extraordinary'' as ''events and transactions that are distinguished by their unusual nature and by the infrequency of their occurrence'', (2) ''unusual nature'' as ''the underlying event or transaction possesses a high degree of abnormality and is of a type clearly unrelated to the ordinary and typical activities of the enterprise, taking into account the environment in which the enterprise operates'', and (3) ''environment in which the enterprise operates'' as including ''such factors as the characteristics of the industry or industries in which it operates, the geographical location of its operations, and the nature and extent of governmental regulation.'' Saha Thai describes the Government of Thailand's decision to float the baht as ''highly abnormal (it can only be taken once),'' as an event which ''would not reasonably be expected to recur in the foreseeable future'' and as a ''one-time irrevocable * * * government * * * decision to change the fundamental nature of the nation's exchange rate regime,'' and therefore argues that it is consistent with the definition of ''extraordinary'' under U.S. GAAP. Saha Thai asserts that contrary to the Department's memorandum to the file (citing Foreign Exchange Loss Memorandum to The File from Marlene Hewitt, dated March 31, 1999), the decision to float the baht was not a ''usual'' or ''frequent'' move on the part of the Thai Government that could easily be reversed, because prior to the decision to float the baht, the exchange rate was fixed by the Thai government.

Given their extraordinary nature, Saha Thai requests that the Department amortize these exchange losses over a five-year period. The respondent argues that failure to do so distorts the margins for antidumping purposes. Saha Thai cites the following cases in which the Department either excluded entirely or has amortized extraordinary costs over a reasonable period of time: *Stainless Steel Wire Rod from Taiwan,* 63 FR 40467 (July 29, 1998); *Large Newspaper Printing Presses and Components Thereof, Whether Assembled or Unassembled from Japan,* 61 FR 38153 (July 23, 1996); *Fresh Cut Roses from Ecuador,* 60 FR 7038 (February 6, 1995); and *Fresh Cut Roses from Colombia,* 60 FR 7001 (February 6, 1995). Saha Thai argues that according to Thai GAAP, Thai companies are permitted to calculate losses based on the difference in the baht value of foreign-currency denominated assets and liabilities between July 2, 1997 and the end of the first accounting period in which the baht was floated, and to report such costs as extraordinary in their financial statements.

Saha Thai argues that, if the Department includes all exchange losses in interest expense or G&A expense, it should allow an offset to cost of production for exchange gains earned on accounts receivable. Saha Thai states that the Department's treatment of exchange rate gains and losses in cost of production calculations should reflect economic and business reality, and that for companies buying and selling in foreign currencies the overall currency position should be determinative of actual costs. Saha Thai asserts that

currency gains on sales are just as much a part of financing costs as currency losses on purchases. Saha Thai believes that the Department's treatment of exchange gains and losses—denying an offset for currency gains on sales on the basis that these gains are sales-related income and not a cost of production, and also denying a circumstance of sale adjustment for foreign currency gains—violates the WTO Antidumping Agreement, which states that price comparisons should be conducted in a fair manner. *See* WTO Antidumping Agreement at Article 2.4.

Saha Thai also argues that it ''self-hedges'' its currency exposure in that its purchases of raw materials in dollars are offset by its sales in dollars, and therefore that the Department should not ascribe to the period of material purchases a ''paper cost''—the exchange rate losses—which is reversed in the following year. Saha Thai argues that to do so would be unreasonable and distortive, and that the Department should exercise its discretion under section 773(f)(1)(A) of the Act in determining the proper allocation of costs.

Finally, Saha Thai argues that, if the Department decides not to treat its 1997 exchange losses as extraordinary and therefore does not amortize these losses over a reasonable period of time, it should follow its past precedent of treating the portion of the loss incurred on raw materials purchases in the same manner as other costs associated with current period raw material purchases. Saha Thai cites several cases in which the Department has treated foreign exchange transaction costs associated with raw materials purchases as a cost of manufacturing. *See Stainless Steel Round Wire from Taiwan,* 64 FR 17336, 17338 (April 9, 1999) (final determination); *Emulsion Styrene-Butadiene Rubber from the Republic of Korea,* 64 FR 14871 (March 29, 1999); *Steel Wire Rod from Trinidad and Tobago,* 63 FR 9181 (February 24, 1998); and *Canned Pineapple Fruit from Thailand,* 63 FR 7392, 7401 (February 13, 1998). Saha Thai argues that the appropriate method for expensing exchange losses on raw materials is to transfer all purchase expenses to current costs.

Petitioners argue that the Department's refusal to amortize Saha Thai's 1997 foreign exchange losses as 1997 losses, which were expressed in Saha Thai's financial statements in accordance with Thai GAAP as a normal business expense, was reasonable and consistent with Department practice because these losses were not extraordinary. *Citing Fresh Chilled Atlantic Salmon from Norway,* 58 FR 37912, 37915 (July 14, 1993); *Certain Hot-Rolled Carbon Steel Flat Products, Certain Cold-Rolled Carbon Steel Flat Products and Certain Cut-to-Length Carbon Steel Plate from the Netherlands,* 58 FR 37199, 37204 (July 9, 1993).

Petitioners assert that 19 U.S.C. 1677b(f)(1)(A) (section 773(f)(1)(A) of the Act) requires that the Department calculate costs on the basis of a respondent's financial records, provided that such records are maintained in accordance with GAAP and reasonably reflect costs. *Citing Asociacion Colombiana de Exportadores de Flores* v. *United States,* 6 F. Supp. 2d 865 (CIT 1998). Petitioners note that Saha Thai characterized its losses on exchange transactions as a normal business expense during verification, and stated in its case brief that 1997 exchange losses were expensed in the company's financial statements in accordance with Thai GAAP. Consequently, petitioners assert that the Department should treat exchange losses in the same manner they were booked by Saha Thai, because this treatment conforms with the home market's GAAP and represents consistent treatment of these expenses. *Citing Certain Welded Carbon Steel Pipe and Tube from Turkey,* 63 FR 35190, 35199 (June 29, 1998) and *Certain Steel Concrete Reinforcing Bars from Turkey,* 62 FR 9737, 9743 (March 4, 1997).

In response to Saha Thai's request that losses associated with raw material purchases be assessed as a cost of manufacturing, the petitioners argue that Saha Thai's internal bookkeeping on raw material inventories cannot override the treatment of the exchange losses in Saha Thai's audited financial statements. *Citing DRAMS of One Megabit and Above from Korea,* 58 FR 15467, 15464 (March 23, 1993).

Petitioners also argue that the Department should not change its established practice of denying circumstance of sale adjustments for exchange gains on accounts receivable, as Saha Thai requests. Petitioners argue that 19 CFR 351.410 (c) and (d) provide that such an adjustment will be granted for ''direct selling expenses and assumed expenses,'' such as ''commissions, credit terms, guarantees, and warranties.'' Petitioners argue that the Department's ''regulations for such an adjustment require that reason for the circumstance of sale adjustment have an effect on the prices charged. * * *'' *Quoting FAG U.K., Ltd.* v. *United States,* 945 F. Supp. 260 (CIT 1996). Petitioners argue that because Saha Thai failed to demonstrate that its export prices are directly affected by exchange rate gains resulting from the conversion of U.S. dollars into local currency, its circumstance of sale claim should be denied. *Citing Cold-Rolled Carbon Steel Flat Products from Argentina,* 49 FR 48588 (December 13, 1984); *Certain Hot-Rolled Carbon Steel Flat Products, Certain Cold-Rolled Carbon Steel Flat Products, Certain Corrosion-Resistant Carbon Steel Flat Products and Certain Cut-to-Length Carbon Steel Plate from Germany,* 58 FR 37136, 37149 (July 9, 1993).

Petitioners further argue that in calculating COP and CV, it is the Department's normal practice to ''distinguish between exchange gains and losses realized or incurred in connection with sales transactions and those associated with purchase transactions.'' *Quoting Stainless Steel Round Wire from Canada,* 64 FR 17324, 17334 (April 9, 1999); *citing Steel Wire Rod from Trinidad and Tobago,* 63 FR 9177, 9181 (February 24, 1998); *Stainless Steel Wire Rod from Japan,* 63 FR 40434, 40441 (July 29, 1998); *Certain Welded Carbon Steel Pipe and Tube from Turkey,* 63 FR 35190, 35198 (June 19, 1998); *Certain Steel Concrete Reinforcing Bars from Turkey,* 62 FR 9737, 9741 (March 4, 1997); and *Certain Pasta from Turkey,* 61 FR 30309, 30324 (June 14, 1996). Petitioners argue that it has been Commerce's long-standing analysis that exchange gains and losses from sales transactions are not related to the manufacturing activities of the company. Petitioners cite the following cases to support their argument: *Stainless Steel Round Wire from Canada,* 64 FR 17334 (April 9, 1999); *Steel Wire Rod from Trinidad and Tobago,* 63 FR 9181 (February 24, 1998); *Fresh Atlantic Salmon from Chile,* 63 FR 31411, 31430 (June 9, 1998); *Circular Welded Non-Alloy Pipe and Tube from Mexico,* 62 FR 37014, 37026 (July 10, 1997); *Polyethylene Tenephthalate Film, Sheet, and Strip from the Republic of Korea,* 56 FR 16305, 16313 (April 22, 1991). According to petitioners, this policy is not inconsistent with the Department's treatment of exchange gains in the context of a circumstance of sale adjustment, and petitioners argue that the Department should maintain such a policy in this review.

Department's Position: We disagree with the respondent that the Thai Government's monetary policy to alter currency regimes has any bearing on the case. Changes in exchange rates, even large ones, are neither unusual in nature nor infrequent events. Additionally, the company did not treat the effect of this event as an extraordinary item in its financial statements.

In addition, we have not amortized certain portions of its POR exchange rate losses over five years, because these losses were incurred on current debt as opposed to long-term foreign currency debt. The Department's practice is to allow the respondent to amortize foreign exchange losses over the remaining life of the loans to which they relate. *See Final Determination of Sales at less than Fair Value: Fresh Cut Roses from Ecuador,* 60 FR 7019, 7039 (February 6, 1995) (losses amortized on a straight-line basis over the life of the loan and included in the net interest expense calculation); and *Final Results and Partial Rescission of Antidumping Duty Administrative Review: Canned Pineapple from Thailand,* 63 FR 43661, 43669 (August 14, 1998).

Furthermore, the Department normally includes in its calculation of COP and CV foreign exchange gains and losses resulting from transactions related to a company's manufacturing operations (*e.g.,* purchases of inputs). *See Final Determination of Sales Less Than Fair Value: Polyethylene Terephthalate Film, Sheet, and Strip From the Republic of Korea,* 56 FR 16305, 16313 (April 22, 1991) (comment 16), and *Notice of Final Determination of Sales at Less Than Fair Value: Steel Wire Rod From Trinidad & Tobago,* 63 FR 9177, 9181–82 (February 24, 1998). Saha Thai's foreign exchange losses, which are included in its COP and CV, are for losses resulting from raw materials purchase transactions or borrowing money to support its production operations. Since these activities giving rise to the foreign exchange gains and losses directly relate to the company's production operations, we included them in the COP and CV.

In accordance with section 773 (f)(1)(A) of the Act, the Department normally calculates costs based on the records of the company, ''if such records are kept in accordance with the generally accepted accounting principles of the exporting country * * * and reasonably reflect the costs associated with the production and sale of the merchandise.'' In the instant case, in accordance with Thai GAAP, respondent wrote off the entire amount of the foreign exchange loss associated with foreign debt in the current year. Thus, consistent with Department practice, the Department has not amortized the exchange losses. Rather, for calculating COP and CV, we treated these losses as Saha Thai treated them in its financial statement—as losses expensed in the current financial period—and included all exchange rate losses in G&A or interest expense. Accordingly, there is no justification to grant a COP offset.

In addition, petitioners correctly argue that Saha Thai is not entitled to a circumstance of sale adjustment for foreign currency gains related to its sales transactions. Moreover, we disagree with Saha Thai's assertion that the Department's treatment of exchange gains and losses in the preliminary results violates the requirement of the WTO Antidumping Agreement that price comparisons be conducted in a fair manner. We included Saha Thai's exchange gains and losses in our calculation of COP and CV in a manner consistent with the Act, which is consistent with the WTO Antidumping Agreement.

Comment 4: Date of Sale

In their case brief, petitioners argue that purchase order date, rather than invoice date, better reflects the date upon which Saha Thai established the material terms of sale for export of subject merchandise to the United States. Petitioners note that the Department's regulations establish that date of sale will normally be the invoice date as recorded in the ordinary course of business. Nonetheless, petitioners argue, the record in the instant case supports the Department's use of purchase order date as the date of sale. Petitioners claim that the Department's continued reliance upon invoice date is not an accurate reflection of the facts of the case and that the Department's practice has been to determine the date on which price and quantity for a sale are finalized and establish this as the date of sale. *Citing* 19 CFR section 351.401(i); *Al Tech Speciality Steel Corp.* v. *United States,* Consol. Court No. 97–08–01328, Slip Op. 98–136 (Sept. 24, 1998) citing *Silicon Metal from Brazil,* 61 FR 46763, 46766 (September 5, 1996), and *Titanium Sponge from Japan,* 54 FR 13403, 13404 (April 3, 1989).

Petitioners assert that the Department's regulations establish that the date of sale will normally be the invoice date unless ''a different date better reflects the date on which the exporter or producer establishes the material terms of sale.'' *See* 19 CFR Section 351.401(i) and *Standard Line and Pressure Pipe from Germany,* 63 FR 13217, 13226 (March 18, 1998). Petitioners argue that the standard of ''better reflects,'' as laid out in the Department's new regulations, is valid and applicable if the material terms of a sale are usually established on a date other than invoice date. *See Antidumping Duties; Countervailing Duties; Final Rule* (''*Final Rule*''), 62 FR 27296, 27348 (May 19, 1997) (Preamble), and *Circular Welded Non-alloy Steel Pipe from Korea,* 62 FR 64559, 64560 (December 8, 1997) (preliminary results). Petitioners cite to a recent final determination in which the Department emphasized that the regulations allow for flexibility in identifying the appropriate date of sale if the facts of the case show that a date other than invoice date is the date upon which the material terms of a sale are established. *See Circular Welded Non-Alloy Steel Pipe from Korea,* 63 FR 32833, 32835 (June 16, 1998). Petitioners state that the Department can select a date of sale other than the date on which an agreement on the material terms of a sale has been reached if changes to the material terms of the sale are common to the extent that the initial agreement is not binding or definite. *See Stainless Steel Plate in Coils from the Republic of Korea,* 64 FR 15444, 15449–15450 (March 31, 1999).

Petitioners assert that evidence of the usual date for establishing terms of sale must be ''satisfactory.'' *See Final Rule* 62 FR at 27348; *Certain Corrosion-Resistant Carbon Steel Flat Products from Japan,* 64 FR 12951, 12957 (March 16, 1999); *Canned Pineapple Fruit from Thailand,* 63 FR 43661, 43668 (August 14, 1998). Petitioners argue that evidence in the instant case establishes that the material terms of Saha Thai's U.S. sales are usually set at purchase order date and that the specific evidence to support this is more than satisfactory. Finally, petitioners argue that the record in the case clearly shows that a date other than commercial invoice date better reflects the date on which the material terms of sale for U.S. export transactions are established.

Petitioners contend that during the 1996–1997 administrative review Saha Thai did not respond to the Department's request for information related to date of sale but, instead, argued that the Department's regulations called for the use of invoice date and, therefore, it would not be relevant for Saha Thai to respond to questions related to date of sale. *See Certain Welded Carbon Pipes and Tubes from Thailand; Final Results of Antidumping Duty Administrative Review,* (''*1996–1997 Final Results*'') 63 FR 55578 (October 16, 1998). Petitioners argue that the Department, despite the facts on the record in the 1996–1997 review, incorrectly chose invoice date as the date of sale because of the Department's analysis that sample contracts and invoices demonstrated that changes occurred beyond tolerance levels established in an initial contract, between purchase order and invoice

date. *Citing 1996–1997 Final Results,* 63 FR at 55587 and current litigation contesting the Department's determination in *Allied Tube and Conduit Corp.* v. *United States,* Court No. 98–11–03135. Petitioners argue that the facts on the record in the instant review are more definitive than the 1996–1997 administrative review in supporting the use of purchase order date as the date of sale.

Petitioners argue that after Saha Thai and its U.S. customers enter a contract agreement, the customer submits purchase orders for specific products. *See* Memorandum to File from Steve Bezirganian and Marlene Hewitt, Verification of Saha Thai Steel Pipe Co., Ltd., 1997–1998, February 25, 1999 (''Verification Report'') at 20. Petitioners argue further that Saha Thai sells specific, custom lengths to U.S. customers and, therefore, it can be assumed that the purchase orders submitted by U.S. customers initiate a made-to-order transaction. Petitioners argue that the Department's conclusions reached through conducting sales traces at verification support the use of purchase order date as the date of sale.

However, petitioners argue that the Department, for purposes of administrative convenience, chose to use invoice date as date of sale despite overwhelming evidence to the contrary. *See* Verification Report at 37, and *Preliminary Results,* 64 FR at 17999. Petitioners argue that the Department cannot go against its own regulations for the sake of administrative convenience. *See Ferro Union, Inc.* v. *United States,* Slip Op. 99–27, March 23, 1999 at 9–10, n.9 citing *Voge* v. *United States,* 844 F. 2d 776, 779 (Fed. Cir. 1988); *Reuters Ltd.* v. *FCC,* 781 F. 2d 946, 950 (D.C. Cir. 1986).

With regard to matching sales if purchase order date is used as the date of sale, petitioners assert that Saha Thai was well aware during the 1997–1998 administrative review that the material terms of its U.S. sales did not change after the purchase order date and that, accordingly, the Department should apply adverse facts available where sales matching data is inadequate.

The respondent rebuts petitioners' argument that purchase order date is the date upon which the material terms of Saha Thai's sales to the United States are established and asserts that the Department should continue to use invoice date, consistent with the Department's statutory and regulatory framework, for the final determination in the instant case. Furthermore, the respondent argues that the facts on the record demonstrate that the material terms of Saha Thai's sales to the United States are not confirmed until invoice date. Finally, the respondent argues that if the Department changes its date of sale methodology in the instant review, the use of supplemental verified data from the previous review—rather than the application of adverse facts available—would be the only appropriate course of action.

The respondent argues the presumption for the Department to consider invoice date as the date of sale is well established. *Citing* 19 CFR section 351.401(i) (1998) and 62 FR at 27348–49. Given the presumption for the use of invoice date as date of sale, Saha Thai further argues that in a recent antidumping proceeding, the Department also favored the use of a single date of sale for each respondent for purposes of making more efficient use of the Department's resources and enhancing the predictability of outcomes. *Citing Hot-Rolled Flat-Rolled Carbon-Quality Steel Products from Japan,* 64 FR 24329, 24335 (May 6, 1999) (final determination). In the context of a recent antidumping proceeding and decision by the Department to use invoice date as date of sale, the respondent argues that for Saha Thai there is no uniform event prior to invoice date that can be used as date of sale because the price and quantity of merchandise may change until the invoice is issued to the customer. *See Stainless Steel Plate in Coils (''SSPC'') from the Republic of Korea,* 64 FR 15444, 15449–15450 (March 31, 1999) (final results).

The respondent cites to a large number of recent cases in which the Department used invoice date as the date of sale even where petitioners argue that another date was more appropriate: *See Certain Cold-Rolled and Corrosion Resistant Carbon Steel Flat Products from Korea,* 64 FR 12927, 12933–12935 (March 16, 1999) (final results); *Hot-Rolled Flat-Rolled Carbon-Quality Steel Products from Japan,* 64 FR 24329, 24331–24335 (May 6, 1999) (final determination); *Stainless Steel Plate in Coils from Belgium,* 64 FR 15476, 15478–15482 (March 31, 1999) (final determination); *Certain Corrosion-Resistant Carbon Steel Flat Products and Certain Cut-to-Length Carbon Steel Plate from Canada,* 64 FR 2173, 2178 (January 13, 1999) (final results); *Stainless Steel Plate in Coils from South Africa,* 64 FR 15459, 15463–15465 (March 31, 1999) (final determination); and *Emulsion Styrene-Butadiene Rubber from the Republic of Korea,* 64 FR 14865, 14869 (March 29, 1999) (final determination). The respondent argues that petitioners' reliance on *Corrosion-Resistant Flat Products from Japan* as an example of the Department's use of order confirmation date as date of sale is not relevant and is based on facts not present in the instant case. *See* Petitioners Case Brief at 5–6 and *Certain Corrosion-Resistant Carbon Steel Flat Products from Japan,* 64 FR 12951, 12957–12958 (March 16, 1999) (final results). Finally, the respondent argues that the Department, in a recent case, rejected a petitioner's request for use of order confirmation date as date of sale in order to avoid using different dates of sale in the home and U.S. markets. *See Small Diameter Circular Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe from Germany,* 63 FR 13217, 13226 (March 18, 1998) (final results).

The respondent rebuts petitioners' argument that purchase order date should be used rather than invoice date because evidence on the record shows that the material terms of sales do in fact change between the purchase order and invoice date. Citing to the Department's preliminary results, the respondent argues that the Department has already recognized that while price and quantity for sales to the United States may be established at the date of the purchase order, price and quantity may not be set until invoice date. *Citing Preliminary Results,* 64 FR at 17999.

Saha Thai also rebuts petitioners' argument that the Department's analysis in the preliminary results was based on administrative convenience. The respondent agrees with petitioners' assertion that Saha Thai ships merchandise to customers in the United States under umbrella contracts which establish price and general quantity. However, the respondent argues that a number of the sales traces examined by the Department at verification demonstrate that changes to price and quantity after the purchase order do occur. Furthermore, the respondent argues, the Department noted at verification that Saha Thai utilizes invoice date as its date of sale in its own accounting system. The respondent notes that the Department has found that a respondent's use of invoice date as date of sale in its internal records and financial statements is one reason for the Department to select invoice date, rather than purchase order or order confirmation date, as the date of sale. *See Stainless Steel Plate in Coils from South Africa,* 64 FR 15459, 15464 (March 31, 1999) (final determination).

Finally, the respondent rebuts petitioners' assertion that the Department should apply adverse facts available if the Department chooses to change its date of sale methodology for the final determination. The respondent

argues that it fully complied with the Department's instructions and that it reported all U.S. entries during the POR according to these instructions. Saha Thai argues that, if the Department chooses purchase order date as the date of sale, the Department may request to incorporate a few additional months of home market sales from the previous period of review in order to match home market sales with contemporaneous U.S. market sales. The respondent argues that these sales were verified by the Department in the previous administrative review and, therefore, application of adverse facts available would be unwarranted.

Department's Position: To determine the date of sale for this review, we evaluated, pursuant to section 351.401(i) of the Department's regulations, whether ''a date other than the date of invoice * * * better reflects the date on which the exporter or producer establishes the material terms of sale.''

Saha Thai reported invoice date as the date of sale in its questionnaire responses. August 3, 1998 QR at C–17. The response also provided information that supports the use of invoice date as the date of sale. For example, Saha Thai stated that, ''* * * for sales to Ferro Union (accounting for two-thirds of the quantity sold to the U.S.) the contract notes only the total quantity to be ordered. The specific quantity for each product is set subsequently. *The exact quantity for each sale is not determined until the merchandise is shipped.*'' September 23, 1998 QR at 13 (emphasis added).

At verification, Saha Thai stated that the contracts it enters into with U.S. customers bind the parties to the quantities agreed upon in the contract, within a tolerance. *See Verification Report* at 20. Saha Thai further stated that after a contract is made, it consults with the customer on a production and shipping schedule, after which the customer submits purchase orders to Saha Thai that indicate the specific quantities to be supplied for each product. *Id.* According to Saha Thai, the quantity tolerance in its sales contracts applies to the total quantity on a purchase order (including all products), not to the quantity for each individual product ordered. *Id.*

Saha Thai stated at verification that it typically meets the quantity tolerances (both per purchase order and per the underlying contract), and that between the purchase order and the invoice, neither the agreed upon quantity nor the price itself would change. *Id.* However, Saha Thai also stated at verification that ''between the contract and invoice dates, it is still an open question as to what the quantities will be for a specific product.'' *Id.* In addition, we noted at verification that, for accounting purposes, Saha Thai considers the date of invoice to be the date of sale, and records sales in its accounting system on this basis.

Despite the apparent contradictions presented by the explanations Saha Thai offered in its questionnaire responses and at verification, the facts on the record, namely the actual sales documents, establish invoice date as the most appropriate date of sale. In situations such as this, where an agreement on the material terms of sale has been reached, but is nevertheless subject to change, our practice, as properly cited by petitioners, is to focus our analysis ''on whether changes are sufficiently common to allow us to conclude that initial agreements should not be considered to finally establish the material terms of sale.'' *See Stainless Steel Plate in Coils from the Republic of Korea,* 64 FR 15449–50 (March 31, 1999) We have analyzed five sets of contracts, purchase orders and invoices contained in the record: Saha Thai's July 1, 1998 Sales Documents supplement to its June 29, 1998 Section A questionnaire, and Verification Exhibits 21, 22 and 23. These documents establish a pattern of material changes in quantity occurring in a significant number of sales when purchase order quantity is compared to invoice quantity. We noted that the frequency and degree of the changes in quantity between invoice and purchase order were not identical to that observed in the previous review. Nonetheless, the sales documents in this review reflect the same pattern evident in the previous review: that the quantity in Saha Thai's U.S. sales is not commonly established until the invoice. Therefore we find that the facts support our decision to maintain our date of sale methodology for Saha Thai in this review. A detailed discussion of our analysis is contained in the *Memorandum to the File from John Totaro: Determination of the Date of Sale for Saha Thai Steel Pipe Co., Ltd.* (August 11, 1999) (''Date of Sale Memorandum''), on file in the CRU.

Given that the record evidence indicates that the quantity of subject merchandise invoiced to Saha Thai's U.S. customers varies from the quantities requested in the customers' purchase orders, we find that invoice date is the appropriate date of sale. *See* Preamble to the *Final Rule,* 62 FR at 27348–49. Therefore, our preliminary determination on date of sale is unchanged for these final results.

Comment 5: Duty Reimbursement

Petitioners assert that, as expressed in the Department's Verification Report, Saha Thai assumed the obligation of paying antidumping duties for entries in the U.S. during the POR. Petitioners argue that Saha Thai's assumption of responsibility for the payment of antidumping duties constitutes a nullification of the relief these duties were intended to provide. *Citing* Verification Report at 21 and 34.

Petitioners argue that Saha Thai's actions should be addressed by the Department according to the Department's regulations related to duty reimbursement. *Citing* to 19 CFR section 351.402(f)(1)(A), petitioners urge the Department to deduct the amount of antidumping duties paid directly by Saha Thai on its entries of subject merchandise into the United States.

The respondent rebuts petitioners' assertion that the Department should deduct the amount of antidumping duties paid directly by Saha Thai on its U.S. entries. The respondent asserts that petitioners, in referring to U.S. entries, are referring only to those U.S. transactions in which Saha Thai acted as the importer-of-record and for which Saha Thai posted antidumping duty deposits. *See* Petitioners Case Brief at 11. The respondent argues that the Department's regulations do not support petitioners' argument. The respondent asserts that the plain language of the Department's regulations pertaining to deduction of antidumping or countervailing duty payments from export price or constructed export price clearly establishes that this deduction should only take place if there are two entities—*i.e.,* if an exporter or producer pays duties on behalf of a separate importer. *Citing* 19 CFR section 351.402(f)(1)(A). The respondent claims that, because Saha Thai is the producer, the exporter, and the importer of its U.S. entries in the instant case, the reimbursement section of the Department's regulations is not applicable.

The respondent also rebuts petitioners' argument on the grounds that petitioners do not cite any administrative precedent prior to the completion of the URAA. The respondent points out that the SAA establishes that the Department has no intention of changing its methodology related to the finding of reimbursement. *Citing* SAA at 216. The respondent further argues that the Department has, in recent antidumping proceedings, reaffirmed its interpretation of the regulatory language related to reimbursement. The respondent argues

that in recent cases the Department has not applied its reimbursement regulation to a single entity. *See Circular Welded Non-Alloy Steel Pipe and Tube from Mexico,* 63 FR 33041 (June 17, 1998) (final results) and *Certain Cold-Rolled Carbon Steel Flat Products from the Netherlands,* 64 FR 11825 (March 10, 1999) (final results). The respondent argues, in summary, that the regulation cited by petitioners to support the argument that antidumping duties paid by Saha Thai for U.S. entries should be deducted from export price is not applicable in the instant case.

Department's Position: Section 351.402(f) of the Department's regulations addresses reimbursement of antidumping duties. The section states, in relevant part, that, ''[i]n calculating the export price (or the constructed export price), the Secretary will deduct the amount of any antidumping duty or countervailing duty which the exporter or producer: (A) Paid directly on behalf of the importer; or (B) Reimbursed to the importer.'' 19 CFR section 351.402(f)(1).

The Department recently addressed an allegation of reimbursement that involved similar facts in *Certain Cold-rolled Carbon Steel Flat Products from the Netherlands: Final Results of Antidumping Duty Administrative Review,* 64 FR 11825 (March 10, 1999). In that case, the manufacturer/exporter was also the importer of record during the remaining part of the period of review. On the issue whether the Department's reimbursement regulation is applicable whenever the foreign producer is also the importer of record, we stated that ''we disagree with petitioners that the reimbursement regulation is applicable where the importer and exporter are the same corporate entity. Our decision as to reimbursement is based upon our regulatory interpretation of 19 CFR 351.401(f) [sic], which is that two separate corporate entities must exist in order for the Department to invoke the reimbursement regulation.'' 64 FR at 11833, *citing Circular Welded Non-Alloy Steel Pipe and Tube from Mexico; Final Results of Antidumping Duty Administrative Review,* 63 FR 33041, 33044 (June 17, 1998) (''*Pipe from Mexico*'').

In Pipe from Mexico, the Department was applying the reimbursement provision from its old regulations, 19 CFR section 353.26, which is substantially the same as the current section 351.402(f). In that case, the Department also examined a factual situation in which the respondent was the producer, exporter, and importer of record for U.S. sales of subject merchandise. The Department found that two separate corporate entities must exist to invoke the reimbursement regulation, and that therefore, the reimbursement regulation does not apply where the producer/exporter and the importer are one and the same entity. *See* 63 FR at 33044.

Saha Thai explained at verification that at a certain point in the POR, it became responsible for U.S. Customs clearance, which meant that Saha Thai would pay the import duties on its U.S. sales after that point, including antidumping duties. *See* Verification Report at 34. This statement, as well as other facts on the record of the instant review which cannot be discussed in a public notice due to their proprietary nature, indicate that, like the respondent in *Pipe from Mexico,* Saha Thai is the importer as defined in 19 CFR 351.102(b) because it is ''the person by whom * * * the subject merchandise is imported.'' *See Memorandum to the File from John Totaro: Analysis of Saha Thai Steel Pipe Company, Ltd for the Final Results of the Administrative Review of Certain Welded Carbon Steel Pipes and Tubes from Thailand for the Period March 1, 1997 Through February 28, 1998* (August 11, 1999) (''Final Results Analysis Memorandum'') at 9, on file in the CRU. Because the facts on the record indicate that Saha Thai has neither paid antidumping duties directly on behalf of another entity, nor reimbursed another entity, we find that section 351.402(f) of the Department's regulations is inapplicable. Therefore, we did not deduct the amount of antidumping duties Saha Thai paid on certain U.S. sales from our calculation of Export Price for those sales.

Comment 6: Weighting of Physical Characteristics for Model Match

The respondent argues that the Department incorrectly revised the values for Saha Thai's product characteristics for the preliminary determination and that these revisions do not accurately reflect physical characteristic differences in a number of instances. The respondent requests that the Department, for the final determination, abandon its methodology of grouping all sizes of Saha Thai merchandise into three distinct groups. The respondent argues that the Department's consolidation of its various product sizes into three groups is highly arbitrary and distorts product matching criteria. The respondent proposes that the Department use a methodology for converting actual pipe diameter to a code to be used in product matching by multiplying the actual diameter by a thousand, *i.e.*, ¾ inch pipe would be coded as 750, 1 inch pipe would be coded as 1000.

In addition, the respondent argues that the Department also incorrectly assigned general matching codes to a variety of subject merchandise's wall thicknesses. The respondent argues that, for example, the Department in its preliminary determination identified fence tube as being closer in grade and wall thickness to one grade but, in its analysis, assigned fence tube a GRADEH/U value which ranks it for matching purposes to a different grade of pipe. *See* Verification Report at 23 and Saha Thai product brochure attached to original response as exhibit SR1–A19. The respondent argues that the Department should use the numerical coding for wall thickness/grade that it used in previous administrative reviews. The respondent proposes in its case brief that the Department apply the following numeric designations that it used in previous segments of this proceeding: ''ASTM=10; BS–S=100; BS–L=110; BS–M=120; BS–L=130; fence tube=20.''

Petitioners argue that Saha Thai's suggestion to match wall thickness based on numerical assignments should not be adopted. Petitioners assert that the respondent's suggestion is confusing and does not result in better product matches. Petitioners note that fence tube should not be matched to ASTM specifications because fence tube typically has a light wall appropriately matched to BS light. Hence, matching should continue to be on a wall thickness basis.

Petitioners also reject Saha Thai's comments on matching by size as a way to improve the Department's ability to match products.

Department's Position: The respondent is correct in noting that our product weighting for the size characteristic differed from that in the previous administrative review. A change was necessary because Saha Thai sold its products in a wider array of sizes than in the previous review. However, in reexamining the weights we assigned in the preliminary results, we determined that some of our changes could result in anomalous matches. Therefore, for the final results, we assigned the same weights to the size characteristics as we had assigned in the previous review where possible, but multiplied the previously assigned weight by five. For example, in the 1996–1997 review, we assigned one-inch pipe a weight of 20; in the final results of this review, we assigned one-inch pipe a weight of 100. For the sizes of pipe sold in this review but not in the

previous review, we assigned weights proportionate to the weights derived from the previous review weights. The result is an array of size characteristic weights which is consistent with those assigned in the most recently completed administrative review, and which avoids the possibility of anomalous results presented by the preliminary results size weights. We have modified our preliminary results model match program to reflect this weighting method.

We agree with petitioners that fence tube should not be matched to ASTM specifications because the wall thickness of fence tube is most similar to that of Saha Thai's BS light pipes. Saha Thai incorrectly states in its case brief that ''[i]n its preliminary results, the Department found fence tube to be closer in wall thickness (and therefore grade) to'' a particular grade of pipe. Saha Thai Case Brief at 23. Our preliminary results Analysis Memorandum stated that ''Saha Thai categorized its Galvanized Fence Tube (''GFT'') product as belonging to a 'grade' distinct from ASTM and British Standards * * * Saha Thai's arguments justify our classifying GFT as a separate ''grade * * *'' Preliminary Results Analysis Memorandum from John Totaro to the File, (March 31, 1999) at 7. In addition to Saha Thai's arguments, evidence on the record indicates that Saha Thai's fence tube products are not manufactured to the physical requirements of the grade cited by respondent in its case brief. *See* Final Results Analysis Memorandum at 7–8. We did not discuss the wall thickness of fence tube in our preliminary results. Moreover, contrary to Saha Thai's suggestion, our weighting in terms of wall thickness (WALLS/WALLM) relates strictly to the dimensions of the walls of the subject pipes, without differentiation by grade. Our model match program incorporates a separate weighting variable which provides different weights for each grade of pipe (GRADES/GRADEM). *See* Final Results Analysis Memorandum at 2.

However, Saha Thai's case brief is instructive in that it sets out the wall thicknesses, in millimeters, of Saha Thai's one-inch diameter pipe products. In order of wall thickness (thinnest to thickest), these products are: BS–L (2.6mm), BS–M (3.2mm), ASTM (3.38mm), and BS–H (4.0mm). Saha Thai Case Brief at 23. We have revised our weighting hierarchy of these products in terms of wall thickness to follow this pattern, and we ranked Saha Thai's fence tube in this hierarchy consistent with the wall thickness information contained in Saha Thai's product brochure, and BS–S pipe consistent with the wall thickness description in Saha Thai's questionnaire response. *See* Saha Thai June 29, 1998 QR at 27 and Exhibit 18. We revised the weighting of these products to reflect their relative wall thicknesses. This is a change both from the preliminary results and the 1996–1997 review. In our view, this change will result in a more logical product matching process in that the weighting of Saha Thai's products by wall thickness will relate solely to the physical dimensions of walls of the products, without regard to grade. This characteristic, in combination with the characteristic based on grade, ensures that we select the most similar merchandise for purposes of model matching.

Comment 7: Constructed Value Calculation

The respondent argues that the Department incorrectly omitted the deduction of imputed credit from constructed value despite the Department's recognition that credit should be deducted from constructed value. Saha Thai cites to *Dynamic Random Access Memory Semiconductors from Korea,* 63 FR 50874 (September 23, 1998) (final results) and *Carbon Steel Flat Products from Korea,* 63 FR 13192 (March 18, 1998) (final results) in support of their positions. The respondent requests in its case brief that the Department correct this error by subtracting imputed credit from constructed value.

Department's Position: The Department agrees that imputed credit should be deducted from constructed value and has done this for the final results.

Comment 8: Description of Verification

The respondent argues in its case brief that, in the preliminary results, the Department failed to mention that Saha Thai's cost responses were also verified, despite the fact that the Department's verification report suggests that the Department did in fact verify significant portions of Saha Thai's constructed value and cost of production information. *See Preliminary Results,* 64 FR at 17999 and Verification Report at 16–20, 22–24 and 34–36. The respondent argues that the Department should state in its final results that it verified both sales and cost of production information submitted by Saha Thai in order to ensure the accuracy of the public record and establish a foundation on which to decide the need for verifying cost issues in future reviews.

Department's Position: We agree with the respondent that the Department should have stated in the preliminary results that our verification addressed both sales and cost of production issues. We did not intend to imply that cost of production issues were not addressed at verification.

Final Results of the Review

As a result of this review, we have determined that the following weighted-average dumping margin exists for the period March 1, 1997 through February 28, 1998:

Manufacturer/exporter	Period	Margin
Saha Thai ...	3/1/97–2/28/98	9.65

The Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. The Department shall issue appraisement instructions directly to the Customs Service. For assessment purposes, we have calculated importer-specific duty assessment rates for the merchandise based on the ratio of the total amount of antidumping duties calculated for the examined sales to the total entered value of sales examined.

Furthermore, the following deposit requirements shall be effective upon publication of this notice of final results of review for all shipments of certain welded carbon steel pipes and tubes from Thailand, entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(1) of the Tariff Act: (1) The cash deposit rate for the reviewed company will be the rate stated above; (2) for previously investigated or reviewed 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 or a prior review, or the original 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 these reviews, the cash deposit rate will continue to be 15.67 percent, the ''All Others'' rate made effective by the LTFV investigation. *See* 51 FR 3384, 3387 (January 27, 1986). These deposit requirements shall remain in effect until publication of the final results of the next administrative review.

This notice serves as a final reminder to importers of their responsibility

under 19 CFR 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 notice also serves as the only reminder to parties subject to administrative protective order (''APO'') of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with sections 351.305 and 351.306 of the 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 administrative review and notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: October 12, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 99–27569 Filed 10–20–99; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

Export Trade Certificate of Review

ACTION: Notice of application.

SUMMARY: The Office of Export Trading Company Affairs (''OETCA''), International Trade Administration, Department of Commerce, has received an application for an Export Trade Certificate of Review. This notice summarizes the conduct for which certification is sought and requests comments relevant to whether the Certificate should be issued.

FOR FURTHER INFORMATION CONTACT: Morton Schnabel, Director, Office of Export Trading Company Affairs, International Trade Administration, (202) 482–5131. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: Title III of the Export Trading Company Act of 1982 (15 U.S.C. 4001–21) authorizes the Secretary of Commerce to issue Export Trade Certificates of Review. A Certificate of Review protects the holder and the members identified in the Certificate from state and federal government antitrust actions and from private, treble damage antitrust actions for the export conduct specified in the Certificate and carried out in compliance with its terms and conditions. Section 302(b)(1) of the Act and 15 CFR 325.6(a) require the Secretary to publish a notice in the **Federal Register** identifying the applicant and summarizing its proposed export conduct.

Request for Public Comments

Interested parties may submit written comments relevant to the determination whether a Certificate should be issued. If the comments include any privileged or confidential business information, it must be clearly marked and a nonconfidential version of the comments (identified as such) should be included. Any comments not marked privileged or confidential business information will be deemed to be nonconfidential. An original and five copies, plus two copies of the nonconfidential version, should be submitted no later than 20 days after the date of this notice to: Office of Export Trading Company Affairs, International Trade Administration, Department of Commerce, Room 1104H, Washington, D.C. 20230. Information submitted by any person is exempt from disclosure under the Freedom of Information Act (5 U.S.C. 552). However, nonconfidential versions of the comments will be made available to the applicant if necessary for determining whether or not to issue the Certificate. Comments should refer to this application as ''Export Trade Certificate of Review, application number 99–00006.'' A summary of the application follows.

Summary of the Application

Applicant: T.P. International Expo Services Inc. (''TPIES'') 31–10 23rd Avenue, Long Island City, N.Y. 11105.

Contact: Tina Kontou Psomas, President.

Telephone: (718) 728–7275.

Application No.: 99–00006

Date Deemed Submitted: October 13, 1999.

Members (in addition to applicant): None.

T.P. International Expo Services Inc. seeks a Certificate to cover the following specific Export Trade, Export Markets, and Export Trade Activities and Methods of Operations.

Export Trade

1. *Products,* All products.

2. *Services,* All services.

3. *Technology Rights,* Technology Rights, including, but not limited to, patents, trademarks, copyrights and trade secrets that relate to Products and Services.

4. *Export Trade Facilitation Services (as they Relate to the Export of Products, Services and Technology Rights)* Export Trade Facilitation Services, including, but not limited to: professional services in the areas of government relations and assistance with state and federal export programs; foreign trade and business protocol; consulting; market research and analysis; collection of information on trade opportunities; marketing; negotiations; joint ventures; shipping and export management; export licensing; advertising; documentation and services related to compliance with customs requirements; insurance and financing; bonding; warehousing; export trade promotion; trade show exhibitions; organizational development; management and labor strategies; transfer of technology; transportation; and facilitating the formation of shippers' associations.

Export Markets

The Export Markets include all parts of the world except the United States (the fifty states of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands).

The proposed Export Trade Certificate of Review would extend antitrust protection to TPIES to conduct the following export trade activities:

1. Provide and/or arrange for the provision of Export Trade Facilitation Services;

2. Engage in promotion and marketing activities and collect and distribute information on trade opportunities in the Export Market;

3. Enter into exclusive and/or non-exclusive agreements with distributors, foreign buyers, and/or sales representatives in Export Markets;

4. Enter into exclusive or non-exclusive sales agreements with Suppliers, Export Intermediaries, or other persons for the sale of Products and Services;

5. Enter into exclusive or non-exclusive licensing agreements with Suppliers, Export Intermediaries, or other persons for licensing Technology Rights in Export Markets;

6. Allocate export orders among Suppliers;

7. Allocate the sales, export orders and/or divide Export Markets, among Suppliers, Export Intermediaries, or other persons for the sale of Products and Services;