

**DEPARTMENT OF COMMERCE****International Trade Administration**

[A-588-810]

**Mechanical Transfer Presses From Japan: Preliminary Results and Recission in Part of Antidumping Duty Administrative Review**

**AGENCY:** Import Administration, International Trade Administration, U.S. Department of Commerce.

**ACTION:** Notice of Preliminary Results and Recission in Part of Antidumping Duty Administrative Review: Mechanical Transfer Presses from Japan.

**SUMMARY:** The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on mechanical transfer presses (MTPs) from Japan in response to a request by petitioner, Verson Division of Allied Products Corp. This review covers shipments of this merchandise to the United States during the period of February 1, 1998 through January 31, 1999.

We have preliminarily determined that sales have not been made below normal value (NV). If these preliminary results are adopted in our final results, we will instruct the U.S. Customs Service to liquidate entries without regard to antidumping duties.

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

**EFFECTIVE DATE:** March 6, 2000.

**FOR FURTHER INFORMATION CONTACT:** Michael Strollo or Maureen Flannery, Antidumping/Countervailing Duty Enforcement, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington DC 20230; telephone (202) 482-5255 or (202) 482-3020, respectively.

**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. In addition, unless otherwise indicated, all citations to the Department's regulations are to the provisions codified at 19 CFR part 351 (1999).

**Background**

The Department published in the **Federal Register** an antidumping duty

order on MTPs from Japan on February 16, 1990 (55 FR 5642). On February 26, 1999, the Department received a timely request from petitioner to conduct an administrative review pursuant to section 351.213(b) of the Department's regulations. We initiated an administrative review covering three exporters: Hitachi Zosen Corporation (Hitachi Zosen), Ishikawajima-Harima Heavy Industries, Ltd. (IHI), and Komatsu, Ltd (Komatsu). We published a notice of initiation of this antidumping duty administrative review on MTPs on March 29, 1999 (64 FR 14860).

Due to extraordinarily complicated issues in this case, the Department extended the deadline for completion of this antidumping duty administrative review on October 11, 1999. See *Mechanical Transfer Presses from Japan: Extension of Time Limits for the Preliminary Results of Antidumping Duty Administrative Review*, 64 FR 57862 (October 27, 1999).

**Preliminary Recission in Part of Antidumping Administrative Review**

On April 12, 1999, we received a letter from Hitachi Zosen indicating that there were no entries of subject merchandise during the period of review (POR). On June 28, 1999, the petitioner withdrew its request for an administrative review with respect to IHI. On August 25, 1999, we requested that the U.S. Customs Service (Customs) contact us if they were suspending liquidation of entries of the subject merchandise from Hitachi Zosen. We have received no such response. Therefore, we conclude that there have been no entries of subject merchandise made by Hitachi Zosen, and thus, are preliminarily rescinding the review with respect to Hitachi Zosen and IHI.

**Scope of Review**

Imports covered by this review include MTPs currently classifiable under Harmonized Tariff Schedule (HTS) item numbers 8462.99.0035 and 8466.94.5040. The HTS subheadings are provided for convenience and Customs purposes only. The written description of the scope of this order is dispositive.

The term "mechanical transfer presses" refers to automatic metal-forming machine tools with multiple die stations in which the work piece is moved from station to station by a transfer mechanism designed as an integral part of the press and synchronized with the press action, whether imported as machines or parts suitable for use solely or principally with these machines. These presses may be imported assembled or unassembled.

This review does not cover certain parts and accessories, which were determined to be outside the scope of the order. (See "Final Scope Ruling on Spare and Replacement Parts," U.S. Department of Commerce, March 20, 1992; and "Final Scope Ruling on the Antidumping Duty Order on Mechanical Transfer Presses (MTPs) from Japan: Request by Komatsu, Ltd.," U.S. Department of Commerce, October 3, 1996.)

This review covers one manufacturer of MTPs, and the period February 1, 1998 through January 31, 1999.

**Verification**

As provided in section 782(i) of the Act, we verified information provided by Komatsu using standard verification procedures, including on-site inspection of the manufacturer's facilities and the examination of relevant sales and financial records. Our verification results are outlined in the public version of the verification reports.

**Normal Value Comparisons**

To determine whether respondent's sales of the subject merchandise to the United States were made at less than NV, we compared its United States price to NV, as described in the "United States Price" and "Normal Value" sections of this notice.

**United States Price**

For United States price, we calculated an export price (EP) in accordance with section 772(a) of the Act. However, because the subject merchandise was sold by Komatsu directly to unaffiliated purchasers in Japan prior to importation into the United States by Komatsu's wholly-owned subsidiary, we have used the price paid by the unaffiliated purchaser in Japan. Constructed export price was not otherwise warranted by facts on the record.

We calculated EP for Komatsu based on packed, prepaid or delivered prices to customers in the United States. We made deductions from the starting price for foreign inland freight and inland insurance, and, where appropriate, brokerage and handling, international freight, installation, supervision, and U.S. Customs duties in accordance with section 772(c)(2) of the Act.

**Normal Value**

We preliminarily determine that the use of constructed value (CV) is warranted to calculate NV for Komatsu, in accordance with section 773(a)(4) of the Act. While the home market is viable, sales made to the United States do not permit proper price-to-price comparisons with sales made in the home market.

Komatsu asserts that home, third country, and U.S. market products are distinguished by the many differences in specifications between the various presses, and that no merchandise sold in the home market or to a third country is identical or similar to the merchandise sold to the United States.

Petitioner argues that presses may be sufficiently similar to allow for price-to-price comparisons because they are all automotive metal-forming machine tools with multiple die stations.

On July 1, 1999, the Department requested additional cost information from Komatsu. In response to this request, Komatsu placed additional information on the record with respect to its variable cost of manufacturing (VCOM) for its home market sales. Based on the information provided in this response, we asked Komatsu to answer section B of the Department's questionnaire so that we might determine if any home market sales were within the 20 percent difference in merchandise (DIFMER) threshold that we use to determine whether sales might be compared.

Based on the information provided in Komatsu's section B and the revisions of Komatsu's variable cost of

manufacturing presented to us at verification, we have concluded that a price-to-price comparison is not feasible. MTPs are made to each customer's specifications, resulting in significant differences among machines. In addition, for all the sales we found to be contemporaneous matches, we found the DIFMER's to be greater than the 20% allowable under *Policy Bulletin 92.2*. See *Memorandum from Mike Strollo to Edward Yang through Maureen Flannery: Decision Memorandum Regarding the Use of a Price-to-Price Comparison vs. Constructed Value in the 1998-1999 Administrative Review of Mechanical Transfer Presses (Decision Memorandum)*, dated February 28, 2000. Therefore, we have resorted to the use of CV.

We note that, in past proceedings involving large, custom-built capital equipment, including prior reviews of this order, we have normally resorted to CV. (See, e.g., *Large Power Transformers from France: Final Result of Antidumping Administrative Review*, 61 FR 40403, dated August 2, 1996; *Notice of Final Determination of Sales at Less Than Fair Value: Large Newspaper Printing Presses and Components*

*Thereof, Whether Assembled or Unassembled, from Japan*, 61 FR 38139, dated July 23, 1996; and *Mechanical Transfer Presses from Japan: Final Results of Antidumping Duty Administrative Review*, 63 FR 37331, dated July 10, 1998.)

CV consists of the costs of design and engineering, the cost of materials, direct labor cost, variable overhead, fixed overhead, direct selling expenses, indirect selling expenses, general and administrative expenses, including interest expense, and profit. We used packing costs for merchandise exported to the United States. We made a circumstance of sale adjustment by deducting from CV home market direct selling expenses (*i.e.*, warranties and credit) and adding to CV U.S. direct selling expenses (*i.e.*, warranties, credit, and commissions). In addition, we made a circumstance-of-sale adjustment by offsetting commission expense incurred on sales to the United States to the extent of indirect selling expenses incurred in the home market.

**Preliminary Results of Review**

We preliminarily determine that the following dumping margin exists:

Manufacturer/ exporter	Time period	Margin (percent)
Komatsu, Ltd .....	02/01/98-01/31/99	0.00

Parties to the proceeding may request disclosure within 5 days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Any interested party may request a hearing within 30 days of publication in accordance with 19 CFR 351.310(c). Any hearing, if requested, will be held 37 days after the publication of this notice, or the first workday thereafter. Interested parties may submit case briefs within 30 days of the date of publication of this notice in accordance with 19 CFR 351.309(c)(1)(ii). Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than 35 days after the date of publication. The Department will publish a notice of final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, not later than 120 days after the date of publication of this notice.

The Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. Upon completion of this review, the Department will issue appraisement instructions directly to the Customs Service.

Furthermore, the following deposit rate will be effective upon publication of the final results of this administrative review for all shipments of MTPs from Japan entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act: (1) for Komatsu, the cash deposit rate will be the rate established in the final results of this review; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will be the company-specific rate established for the most recent period; (3) if the exporter is not a firm covered in this review, 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 subject merchandise; and (4) for all other producers and/or exporters of this merchandise, the cash deposit rate shall be the rate established in the LTFV investigation, which is 14.51 percent. See *Notice of Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Mechanical*

*Transfer Presses from Japan*, dated September 15, 1997.

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

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and notice are issued in accordance with sections 751(a)(1) and 777(i)(1) of the Act (19 U.S.C. 1677(a)(1) and 19 U.S.C. 1677f(i)(1)).

Dated: February 28, 2000.

**Joseph A. Spetrini,**

*Acting Assistant Secretary for Import Administration.*

[FR Doc. 00-5369 Filed 3-3-00; 8:45 am]

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-583-816]

#### Notice of Postponement of Preliminary Results of Antidumping Duty Administrative Review: Certain Stainless Steel Butt-weld Pipe Fittings from Taiwan

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

**ACTION:** Notice of postponement of preliminary results of antidumping duty administrative review.

**EFFECTIVE DATE:** March 6, 2000.

**FOR FURTHER INFORMATION CONTACT:** Doreen Chen or Robert Bolling, Office IX, DAS Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230; telephone (202) 482-0408 and (202) 482-3434, respectively.

#### POSTPONEMENT OF PRELIMINARY

**DETERMINATION:** The Department of Commerce (the Department) is postponing the preliminary results in the antidumping administrative review of Certain Stainless Steel Butt-weld Pipe Fittings (SSBWPF) from Taiwan. The deadline for issuing the preliminary results in this administrative review is now June 28, 2000.

On July 29, 1999, the Department initiated this administrative review, setting February 29, 1999 as the date for issuing the preliminary results of the review. See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Requests for Revocation in Part*, 64 FR 41075 (July 29, 1999). On January 31, 2000 the Department issued a supplemental questionnaire to the respondent, Ta Chen Stainless Steel Pipe, Ltd. (Ta Chen). On February 2, 2000, Ta Chen requested an extension of time to respond to the Department's supplemental questionnaire from February 14, 2000 to March 15, 2000. On February 11, 2000, we granted Ta Chen an extension until March 3, 2000 to respond to our supplemental questionnaire. Further, for the reasons stated in the February 24, 2000 memorandum from Edward Yang to

Joseph Spetrini: *Extension of Time Limit for the Administrative Review of Certain Stainless Steel Butt-Weld Pipe Fittings from Taiwan*, we determine that it is not practicable to complete the review within the normal time frame and are therefore extending the time limit for the preliminary results of the administrative review of SSBWPF from Taiwan by 120 days, in accordance with section 751(a)(3) of the Tariff Act of 1930, as amended.

The date for issuing the preliminary results is moved from February 29, 2000 to June 28, 2000.

Dated: February 23, 2000.

**Joseph A. Spetrini,**

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

[FR Doc. 00-5370 Filed 3-3-00; 8:45 am]

**BILLING CODE 3510-DS-P**

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-588-702, A-580-813, and A-583-816]

#### Continuation of Antidumping Duty Orders: Certain Stainless Steel Butt-Weld Pipe and Tube Fittings From Japan, South Korea, and Taiwan.

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

**ACTION:** Notice of continuation of antidumping duty orders: certain stainless steel butt-weld pipe and tube fittings from Japan, South Korea, and Taiwan.

**SUMMARY:** On February 4, 1999, the Department of Commerce ("the Department"), pursuant to sections 751(c) and 752 of the Tariff Act of 1930, as amended ("the Act"), determined that revocation of the antidumping duty orders on certain stainless steel butt-weld pipe and tube fittings ("pipe and tube fittings") from Japan, South Korea ("Korea"), and Taiwan is likely to lead to continuation or recurrence of dumping (65 FR 5604). On February 24, 2000, the International Trade Commission ("the Commission"), pursuant to section 751(c) of the Act, determined that revocation of the antidumping duty orders on pipe and tube fittings from Japan, Korea, and Taiwan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time (65 FR 9298). Therefore, pursuant to 19 CFR 351.218(f)(4), the Department is publishing notice of the continuation of the antidumping duty orders on pipe

and tube fittings from Japan, Korea, and Taiwan.

**EFFECTIVE DATE:** March 6, 2000.

**FOR FURTHER INFORMATION CONTACT:** Mark D. Young or Melissa G. Skinner, Office of Policy for Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Ave., NW, Washington, DC 20230; telephone: (202) 482-6397 or (202) 482-1560, respectively.

#### SUPPLEMENTARY INFORMATION:

##### Background

On July 1, 1999, the Department initiated, and the Commission instituted, sunset reviews of the antidumping duty orders on pipe and tube fittings from Japan, Korea, and Taiwan pursuant to section 751(c) of the Act (64 FR 35588 and 64 FR 35691, respectively). As a result of its reviews, the Department found that revocation of the antidumping duty orders would likely lead to continuation or recurrence of dumping and notified the Commission of the magnitude of the margins likely to prevail were the orders to be revoked (See Final Results of Expedited Sunset Reviews: Certain Stainless Steel Butt-Weld Pipe and Tube Fittings From Japan, South Korea, and Taiwan, 65 FR 5604 (February 4, 2000)).

On February 24, 2000, the Commission determined, pursuant to section 751(c) of the Act, that revocation of the antidumping duty orders on pipe and tube fittings from Japan, Korea, and Taiwan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time (See Certain Stainless Steel Butt-Weld Pipe and Tube Fittings From Japan, South Korea, and Taiwan, 65 FR 9298 (February 24, 2000) and USITC Pub. 3263, Investigations Nos. 731-TA-376, 563, and 564 (Review) (February 2000)).

##### Scope

The products covered by these orders include certain stainless steel butt-weld pipe and tube fittings. These fittings are used in piping systems for chemical plants, pharmaceutical plants, food processing facilities, waste treatment facilities, semiconductor equipment applications, nuclear power plants and other areas. The subject merchandise are currently classifiable under the Harmonized Tariff Schedule of the United States ("HTSUS") item number 7307.23.00.00. The HTSUS item number is provided for convenience and customs purposes. The written description remains dispositive.