Hearing requests should specify the number of participants and provide a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs. All memoranda to which we refer in this notice can be found in the public reading room, located in the Central Records Unit, room B–099 of the main Department of Commerce building.

The Department will publish the final results of this administrative review, including the results of its analysis of issues raised in any such written briefs or at a hearing. The Department will issue final results of this review within 120 days of publication of these preliminary results.

Upon completion of the final results of this administrative review, if there is no change from our preliminary results, we will instruct the Customs Service to liquidate all appropriate entries without regard to antidumping duties.

On April 20, 2000, the International Trade Commission (ITC) determined that revoking the existing antidumping duty orders on electrolytic manganese dioxide from Greece and Japan would not be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. Therefore, because the order will be revoked as a result of the ITC's determination with an effective date of January 1, 2000, no deposit requirements will be effective for shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review.

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

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

Dated: May 1, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration.

[FR Doc. 00–11461 Filed 5–5–00; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–588–806]

Electrolytic Manganese Dioxide From Japan: Preliminary Results of Antidumping Duty Administrative Review

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

ACTION: Notice of Preliminary Results of Antidumping Duty Administrative Review.

SUMMARY: Based on a request by a Japanese producer, Tosoh Corporation, the Department of Commerce is conducting an administrative review of the antidumping duty order on electrolytic manganese dioxide from Japan.

We have preliminarily determined that sales by Tosoh Corporation have not been made below normal value. If these preliminary results are adopted in our final results of administrative review, we will instruct Customs to liquidate without regard to antidumping duties all entries of EMD from Tosoh Corporation during the period of review.

We invite interested parties to comment on these preliminary results. Parties who submit comments in this proceeding are requested to submit with each argument (1) a statement of the issue and (2) a brief summary of the argument.

EFFECTIVE DATE: May 8, 2000.

FOR FURTHER INFORMATION CONTACT: Larry Tabash or Richard Rimlinger, Import Administration, International Trade Administration, U.S. Department of Commerce, Washington, D.C. 20230; telephone: (202) 482–5047 or (202) 482–4477, respectively.

SUPPLEMENTARY INFORMATION:

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department of Commerce's (the Department's) regulations are to 19 CFR Part 351 (1999).

Background

On April 17, 1989, the Department published in the **Federal Register** (54 FR 15243) the antidumping duty order on electrolytic manganese dioxide (EMD) from Japan. On June 30, 1999, the Department published a notice of initiation of administrative review in accordance with 19 CFR 351.213(b). The Department is conducting this administrative review in accordance with section 751 of the Act.

Scope of Review

Imports covered by this review are sales of EMD from Japan. EMD is manganese dioxide (MnO2) that has been refined in an electrolysis process. The subject merchandise is an intermediate product used in the production of dry-cell batteries. EMD is sold in three physical forms, powder, chip or plate, and two grades, alkaline and zinc-chloride. EMD in all three forms and both grades is included in the scope of the order. This merchandise is currently classifiable under item number 2820.10.0000 of the Harmonized Tariff Schedule (HTSUS) of the United States. The HTSUS number is provided for convenience and customs purposes. It is not determinative of the products subject to the order. The written product description remains dispositive.

Period of Review

The period of review (POR) is April 1, 1998, through March 31, 1999.

Product Comparisons

Two product-comparison issues arose prior to the completion of these preliminary results. First, the sub-types of alkaline-grade EMD Tosoh sold in the home market and a sub-type of alkaline-grade EMD Tosoh sold to the United States varied by physical characteristics such as moisture, mesh, and particle size.

Tosoh provided in its questionnaire response a product-matching table identifying the various sub-types of alkaline-grade EMD it sold in the home market and to the United States. In its July 21, 1999, submission, the respondent stated that the sub-type of alkaline-grade EMD it sold to the United States was not sold in the home market during the POR and that the Department should match the sub-type sold in the United States to the closest sub-type of alkaline-grade EMD sold in the home market. Kerr-McGee Chemical LLC and Chemetals Inc. (collectively ''the petitioners'') responded that the Department should disregard the respondent's proposed product-matching criteria and base normal value of EMD exported to the United States on all sales of alkaline-grade EMD in the home market because, they argue, it is the Department's practice to base model-matching schemes only on

physical differences that are shown to be ''commercially meaningful.''

In the original less-than-fair-value (LTFV) investigation and previous administrative reviews of this order, we grouped EMD into the following three categories for purposes of model-matching: (1) Alkaline-grade EMD in powdered form, (2) zinc-chloride-grade EMD in powdered form, and (3) EMD in chip or plate form. *See* Appendix V in the Department's questionnaire dated June 7, 1999, for a complete description of the product. Our decision to do this was based on our analysis of comments that we received from all interested parties at the beginning of this proceeding. The respondent has provided no information regarding the commercial significance of the different sub-types. We are not convinced by the respondent's assertion that a more refined product-matching methodology is appropriate because the record indicates that any differences in either price or cost attributable to physical differences among the sub-types of alkaline grade EMD are small. Therefore, for these preliminary results, we have continued to match EMD based on the criteria outlined in the LTFV investigation.

Second, in an August 27, 1999, and in subsequent submissions, the petitioners allege that the respondent should have reported and accounted for home-market sales during the POR of EMD containing both gamma crystalline structure and other crystalline structure. The petitioners state that the Department's regulations for reporting the subject merchandise do not make any distinction between the gamma crystalline and other gamma crystalline structure EMD. The respondent argues that the product covered by this administrative review is EMD with a gamma crystalline structure, and that there is no basis to require Tosoh to provide information relating to other crystalline structure manganese dioxide which, according to Tosoh, is non-subject merchandise.

Section 771(16) of the Act directs the Department to compare U.S. sales to sales in the home market of identical merchandise prior to making comparisons to non-identical merchandise sold in the home market. As discussed above, under the definition of comparable merchandise which has been in place since the beginning of this proceeding, we consider all alkaline-grade EMD to be identical for product-comparison purposes. Since we were able to compare U.S. sales to sales of identical merchandise in the home market, we have not required Tosoh to report its home-market sales of non-identical EMD.

Affiliated Party

On August 27, 1999, the petitioners alleged that Tosoh and the Japanese trading company that Tosoh used to make sales of EMD to the United States may be affiliated because the two companies own two other companies jointly. (The identity of the Japanese trading company and the two joint ventures is business proprietary information and can not be disclosed in this public notice.) One of these joint ventures is a producer of EMD in another country. On September 9, 1999, and in subsequent submissions, Tosoh stated that it does not consider itself to be affiliated with the trading company in question, and it reported its sale to the trading company as the U.S. transaction. Tosoh argues that the trading company is not legally or operationally able to exercise any control or direction over Tosoh, and the fact that the trading company and Tosoh participate in the ownership of two other companies is irrelevant to this review. Tosoh also argues, citing 19 CFR 351.102(b), that its mere participation in a joint venture does not support a finding of affiliation absent a showing pursuant to the Department's regulations that ''the relationship has the potential to impact decisions concerning the production, pricing, or cost of the subject merchandise or foreign like product.'' Furthermore, Tosoh asserts that affiliation between joint-venture partners can not be found under section 771(33)(F) of the Act unless there is sufficient evidence of ''control'' over decisions concerning the production, pricing, or cost of the subject merchandise. Tosoh cites *Certain Cold-Rolled and Corrosion-Resistant Carbon Steel Flat Products From Korea,* 63 FR 13170, 13185 (March 18, 1998), where the Department found that two joint-venture partners were not affiliated under section 771(33)(F) of the Act because of the absence of evidence of control.

On November 29, 1999, after reviewing the information Tosoh presented in response to our original and supplemental questionnaires, we requested that Tosoh report the ''downstream'' sale information between the trading company's U.S. affiliate and its unaffiliated U.S. customer. *See* November 29, 1999, memorandum from Richard Rimlinger to Laurie Parkhill. (All memoranda to which we refer in this notice can be found in the public reading room, located in the Central Records Unit, room B–099 of the main Department of Commerce building.)

Pursuant to section 771(33)(F) of the Act, affiliation exists where there are ''(t)wo or more persons directly or indirectly controlling, controlled by, or under common control with, any person.'' However, we recognize the regulatory guidance indicating that a control relationship will not establish affiliation unless the relationship ''has *the potential* to impact decisions concerning the production, pricing, or cost of the subject merchandise or foreign like product,'' 19 CFR 351.102(b) (emphasis added). Regarding Tosoh's control of one of the joint ventures, we are persuaded that potential control exists due to the fact that this joint venture manufactures EMD for sale in a variety of markets, including the United States. Thus, Tosoh is in a position that requires it to coordinate production and sales activities for its EMD production facilities. With respect to the trading company's control of the same joint venture, the record indicates that its wholly owned U.S. subsidiary negotiates the prices and terms of the U.S. sales for both Tosoh and the third-country joint venture. Because the subsidiary negotiates the prices and terms of the sales for both Tosoh and the joint venture, we find that the trading company, through its U.S. subsidiary, is able or at least has the potential to impact decisions concerning the production, pricing, or cost of the subject merchandise. Accordingly, we have preliminarily determined that Tosoh and the trading company commonly control the joint venture within the meaning of section 771(33)(F) of the Act and the Department's regulations. *See* Affiliation Memorandum from Laurie Parkhill to Richard W. Moreland, dated May 1, 2000. Accordingly, we conclude that Tosoh and the trading company are affiliated and that the appropriate sale for use in our analysis is the sale by the U.S. affiliate of the Japanese trading company to the unaffiliated U.S. customer. That sale is a constructed export price (CEP) transaction because it was made in the United States.

Constructed Export Price

In calculating the price to the United States, we used CEP as defined in section 772(b) of the Act. We calculated CEP based on the delivered price to an unaffiliated purchaser in the United States. We made deductions for movement expenses in accordance with section 772(c)(2)(A) of the Act.

In accordance with section 772(d)(1) of the Act and the Statement of Administrative Action (SAA), H. Doc. 103–316, vol. 1, 822–824 (1994), we calculated the CEP by deducting selling

expenses associated with economic activities occurring in the United States, including direct selling expenses and indirect selling expenses incurred in the United States.

With respect to CEP profit, section 772(d)(3) of the Act requires the Department, in determining CEP, to identify and deduct from the starting price in the U.S. market an amount for profit allocable to selling and further-manufacturing activities in the United States. Section 772(f) of the Act provides the rule for determining the amount of CEP profit to deduct from the CEP starting price. Pursuant to subsection 772(f)(2)(C), we determined that the best available sources of profit information are the 1998 financial statements which the respondent and the Japanese trading company's U.S. affiliate submitted in their responses to our questionnaires. *See* Electrolytic Manganese Dioxide from Japan—Tosoh Corporation, Analysis Memo dated April 28, 2000. We made adjustments, where appropriate, for domestic inland freight, warehousing expenses, international freight, and brokerage and handling in accordance with section 772(c)(2)(A) of the Act. In accordance with 19 CFR 351.401(i), we used the invoice date as the date of sale for the U.S. market. We made deductions for any movement expenses in accordance with section 772(c)(2)(A) of the Act.

Finally, in accordance with section 772(d)(1)(B) of the Act, we made an additional adjustment to CEP. Because of the business-proprietary nature of the adjustment, please see our Analysis Memo.

Normal Value

In order to determine whether there is a sufficient volume of sales in the home market to serve as a basis for calculating normal value, we compare the respondent's volume of home-market sales of the foreign like product to the volume of U.S. sales of the subject merchandise in accordance with section 773(a) of the Act. Because the aggregate volume of home-market sales of the foreign like product was greater than five percent of the aggregate volume of U.S. sales of the subject merchandise, we determined that the home market provides a viable basis for calculating normal value. Therefore, in accordance with section 773(a)(1)(B)(i) of the Act, we based normal value on the price at which the foreign like product was first sold to unaffiliated customers for consumption in the exporting country in the usual commercial quantities and in the ordinary course of trade. We matched CEP to normal value at the same level of trade in the home market and made no level-of-trade adjustment (see discussion below).

We compared CEP to the monthly weighted-average price of sales of the identical foreign like product. We based normal value on delivered prices to unaffiliated purchasers in the home market. We made adjustments to home-market price for inland freight, warehousing expenses, discounts, and rebates. Home-market prices were based on packed, delivered prices to the unaffiliated purchasers in the home market. Where applicable, we made adjustments for differences in packing and for movement expenses in accordance with sections 773(a)(6)(A) and (B) of the Act. We also made adjustments for differences in costs attributable to differences in circumstances of sale (COS) in accordance with section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410. With respect to our comparisons to CEP, we made COS adjustments by deducting home-market direct selling expenses from normal value.

Level of Trade

To the extent practicable, we determine normal value for sales at the same level of trade as that in the United States in accordance with section 773(a)(1)(B) of the Act. The normal value level of trade is that of the starting-price sales in the home market. *See* 19 CFR 351.412(c)(iii).

To determine whether home-market sales were at a different level of trade than that in the United States, we examined stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. Tosoh reported two channels of distribution in the home market. We examined the differences in selling functions Tosoh reported in its responses to our requests for information. We found that the selling activities associated with sales to trading companies/distributors did not differ from activities associated with sales to end-users in terms of various selling activities. For example, there were no differences between the two channels in terms of strategic planning/marketing, production planning/order evaluation, technical service, and freight/delivery to customer. Based on these sales activities and our overall analysis, we found that the two home-market channels constitute one level of trade.

Because Tosoh made CEP sales in the United States, we identified the level of trade based on the price after the deduction of expenses and profit under section 772(d) of the Act and pursuant to 19 CFR 351.412(c)(ii). Based on our analysis, we considered CEP to constitute a single level of trade.

As a result of our examination of the record, we found that the respondent did not provide us with sufficient information to determine whether there were significant differences or similarities between the selling activities associated with the home-market level of trade and those associated with the CEP level of trade. Moreover, the respondent indicated in its July 21, 1999, and December 17, 1999, submissions that it was not requesting a level-of-trade adjustment. Therefore, we have determined that the U.S. sale was made at the same level of trade as the home-market level of trade and, therefore, no level-of-trade adjustment was necessary.

Preliminary Results of Review

As a result of our review, we preliminarily determine a weighted-average dumping margin of 0.00 percent for the period April 1, 1998, through March 31, 1999, for Tosoh.

Any interested party may request a hearing within 30 days of publication of this notice. Any hearing, if requested, will be held 40 days after the date of publication of this notice, or the first workday thereafter. Requests should specify the number of participants and provide a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs. Any hearing, if requested, will be held three days after the scheduled date for submission of rebuttal briefs. Issues raised in hearings will be limited to those raised in the respective case and rebuttal briefs. Interested parties may submit case briefs within 30 days of the date of publication of this notice. 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 of this notice.

Parties who submit arguments are requested to submit with the arguments (1) a table of contents, (2) a statement of the issue, (3) a list of authorities used, and (4) an executive summary of issues. Executive summaries should be limited to five pages total, including footnotes.

The Department will publish the final results of this administrative review, including the results of its analysis of issues raised in any such written briefs or hearing. The Department will issue final results of this review within 120 days of publication of these preliminary results.

Upon completion of the final results of this administrative review, if there is no change from our preliminary results, we will instruct the Customs Service to

liquidate all appropriate entries without regard to antidumping duties.

On April 20, 2000, the International Trade Commission (ITC) determined that revoking the existing antidumping duty orders on EMD from Greece and Japan would not be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. Therefore, because the order will be revoked as a result of the ITC's determination with an effective date of January 1, 2000, no deposit requirements will be effective for shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review.

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

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

Dated: May 1, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration.

[FR Doc. 00–11462 Filed 5–5–00; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–803]

Heavy Forged Hand Tools from the People's Republic of China; Amended Final Results of Antidumping Duty Administrative Reviews in Accordance With Court Decision

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

ACTION: Notice of Amended Final Results of Antidumping Duty Administrative Review in accordance with Court Decision.

SUMMARY: On February 8, 2000, the Court of International Trade (CIT) affirmed the remand determination of the Department of Commerce (the Department) arising from the administrative reviews of the antidumping duty orders on heavy forged hand tools (HFHTs) from the People's Republic of China (PRC). *See Fujian Machinery & Equipment Import & Export Corp., et. al* v. *United States,* CIT , Slip Op. 00–14, (February 8, 2000). No party appealed this decision. As there is now a final and conclusive court decision in this segment, we are amending the final results of reviews in this matter and will instruct the U.S. Customs Service to liquidate entries subject to these amended final results.

EFFECTIVE DATE: May 8, 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, N.W., Washington D.C. 20230; telephone (202) 482–5255 and (202) 482–3020, respectively.

SUPPLEMENTARY INFORMATION:

Background

On February 1, 1991, the Department issued antidumping duty orders on HFHTs from the PRC. *See Antidumping Duty Orders: Heavy Forged Hand Tools, Finished or Unfinished, With or Without Handles from the People's Republic of China,* 56 FR 6622 (February 19, 1991) (*Antidumping Duty Orders*). On April 4, 1996, the Department published its final results of the third administrative review of HFHTs for two PRC exporters, Fujian Machinery and Equipment Import and Export Corporation (FMEC) and Shandong Machinery Import and Export Corporation (SMC). *See Heavy Forged Hand Tools, Finished or Unfinished, With or Without Handles, from the People's Republic of China; Final Results of Antidumping Administrative Review,* 61 FR 15028 (April 4, 1996). On May 14, 1996, the Department published its amended final results of the third administrative review of HFHTs. See Heavy Forged Hand Tools, Finished or Unfinished, With or Without Handles, From the People's Republic of China; Amendment of Final Results of Antidumping Duty Administrative Review, 61 FR 24285 (May 14, 1996).

On September 7, 1999, the Department filed with the CIT a consent motion for voluntary remand so that the Department may exclude statistics used as surrogate values that were found to be aberrational by the Department in the Final Results of Redetermination Pursuant to Court Remand relating to the second administrative review. The CIT granted the motion and remanded to the Department on September 15, 1999.

On November 15, 1999, the Department filed its final results pursuant to remand. *See Final Results of Redetermination Pursuant to Court Remand, Fujian Machinery and Equipment Import & Export Corp., et. al* v. *United States* (November 15, 1999). On February 8, 2000, the CIT upheld the Department's redetermination on remand. *Fujian Machinery & Equipment Import & Export Corp., Shandong Machinery Import & Export Corp., et al.* v. *United States,* CIT , Slip. Op 00–14 (February 8, 2000). Neither party appealed the CIT's decision.

There is now a final and conclusive court decision in this action; therefore, we are amending our final results of review for the period February 1, 1993 through January 31, 1994. We recalculated margins on each product category for FMEC and SMC. The revised weighted average margins are as follows:

Manufacturer/Exporter	Margin (percent)
Fujian Machinery & Equipment Import & Export Corp.:	
Axes/Adzes	5.68
Bars/Wedges	16.14
Hammers/Sledges	8.90
Shandong Machinery Import & Export Corp.:	
Bars/Wedges	29.84
Hammers/Sledges	10.02
Picks/Mattocks	52.60

Accordingly, the Department will determine, and the Customs Service will assess, antidumping duties on all entries of subject merchandise from FMEC and SMC in accordance with these amended final results. For assessment purposes, we have calculated importer-specific duty assessment rates for each class or kind of merchandise based on the ratio of the total amount of antidumping duties calculated for the examined sales during the period of review (POR) to the total quantity of sales examined during the POR. The Department will issue appraisement instructions directly to Customs. The above rates will not affect FMEC or SMC's cash deposit rates currently in effect, which continue to be based on the margins found to exist in the most recently completed review.

This notice is published in accordance with section 751(a)(1) of the Tariff Act (19 U.S.C. 1675(a)(1)) and 19 CFR 351.221.