

rate for all other manufacturers or exporters will continue to be 49.25 percent, the "All Others" rate in the less-than-fair-value investigation. See *Antidumping Duty Order: Certain Cut-to-Length Carbon Steel Plate From Mexico*, 58 FR 44165 (August 19, 1993). 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) 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 a reminder to parties subject to administrative protective orders (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and 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 Tariff Act and 19 CFR 351.224.

Dated: January 9, 2001.

**Troy H. Cribb,**

*Assistant Secretary for Import Administration.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-427-820, A-428-830, A-475-829, A-580-847, A-583-836, A-412-822]

### Notice of Initiation of Antidumping Duty Investigations: Stainless Steel Bar From France, Germany, Italy, Korea, Taiwan, and the United Kingdom

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

**ACTION:** Initiation of Antidumping Duty Investigations.

**EFFECTIVE DATE:** January 24, 2001.

**FOR FURTHER INFORMATION CONTACT:** Brian Smith (France, Korea, and the United Kingdom) at (202) 482-1766, Jarrod Goldfeder (Italy) at (202) 482-0189, Ryan Langan (Taiwan) at (202) 482-1279, and Craig Matney (Germany) at (202) 482-1778, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

### Initiation of Investigations

#### *The Applicable Statute and Regulations*

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 ("the Act") by the Uruguay Round Agreements Act ("URAA"). In addition, unless otherwise indicated, all citations to the Department of Commerce's ("the Department's") regulations are references to the provisions codified at 19 CFR part 351 (April 2000).

#### *The Petitions*

On December 28, 2000, the Department received petitions filed in proper form by Carpenter Technology Corp., Crucible Specialty Metals, Electralloy Corp., Empire Specialty Steel Inc., Slater Steels Corp., and the United Steelworkers of America, AFL-CIO/CLC (collectively, "the petitioners"). The Department received supplemental information to the petitions on January 8, 9, and 12, 2001.

In accordance with section 732(b)(1) of the Act, the petitioners allege that imports of stainless steel bar from France, Germany, Italy, Korea, Taiwan, and the United Kingdom are, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, an industry in the United States.

The Department finds that the petitioners filed these petitions on behalf of the domestic industry because they are interested parties as defined in sections 771(9)(C) and (D) of the Act and they have demonstrated sufficient industry support with respect to each of the antidumping investigations that they are requesting the Department to initiate. See *infra*, "Determination of Industry Support for the Petition."

#### *Scope of Investigations*

For purposes of these investigations, the term "stainless steel bar" includes articles of stainless steel in straight lengths that have been either hot-rolled, forged, turned, cold-drawn, cold-rolled

or otherwise cold-finished, or ground, having a uniform solid cross section along their whole length in the shape of circles, segments of circles, ovals, rectangles (including squares), triangles, hexagons, octagons, or other convex polygons. Stainless steel bar includes cold-finished stainless steel bars that are turned or ground in straight lengths, whether produced from hot-rolled bar or from straightened and cut rod or wire, and reinforcing bars that have indentations, ribs, grooves, or other deformations produced during the rolling process.

Except as specified above, the term does not include stainless steel semi-finished products, cut length flat-rolled products (*i.e.*, cut length rolled products which if less than 4.75 mm in thickness have a width measuring at least 10 times the thickness, or if 4.75 mm or more in thickness having a width which exceeds 150 mm and measures at least twice the thickness), products that have been cut from stainless steel sheet, strip or plate, wire (*i.e.*, cold-formed products in coils, of any uniform solid cross section along their whole length, which do not conform to the definition of flat-rolled products), and angles, shapes and sections.

The stainless steel bar subject to these investigations is currently classifiable under subheadings 7222.11.00.05, 7222.11.00.50, 7222.19.00.05, 7222.19.00.50, 7222.20.00.05, 7222.20.00.45, 7222.20.00.75, and 7222.30.00.00 of the *Harmonized Tariff Schedule of the United States* ("HTSUS"). Although the HTSUS subheadings are provided for convenience and Customs purposes, the written description of the scope of these investigations is dispositive.

During our review of the petitions, we discussed the scope with the petitioners and Customs Service (see Memorandum to Paula Ilardi, "Scope Language for Stainless Steel Bar Petitions," dated January 9, 2001) to ensure that the scope in the petitions accurately reflects the products for which the domestic industry is seeking relief. Moreover, as discussed in the preamble to the Department's regulations (*Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27323 (May 19, 1997)), we are setting aside a period for parties to raise issues regarding product coverage. The Department encourages all parties to submit such comments within 20 calendar days of publication of this notice. Comments should be addressed to Import Administration's Central Records Unit, Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230. The period of

scope consultations is intended to provide the Department with ample opportunity to consider all comments and consult with parties prior to the issuance of the preliminary determinations.

#### *Determination of Industry Support for the Petitions*

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that the Department's industry support determination, which is to be made before the initiation of the investigation, be based on whether a minimum percentage of the relevant industry supports the petition. A petition meets this requirement if the domestic producers or workers who support the petition account for: (1) at least 25 percent of the total production of the domestic like product; and (2) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the Department shall either poll the industry or rely on other information in order to determine if there is support for the petition.

Section 771(4)(A) of the Act defines the "industry" as the producers of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The International Trade Commission ("ITC"), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product (section 771(10) of the Act), they do so for different purposes and pursuant to separate and distinct authority. In addition, the Department's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to the law.<sup>1</sup>

Section 771(10) of the Act defines the domestic like product as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle." Thus, the reference point from which the domestic like product analysis begins is "the article subject to an investigation," *i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition.

We reviewed the description of the domestic like product presented in the petitions with Customs and the ITC. Based upon our review of the petitioners' claims, we concur that there is a single domestic like product, which is defined in the "Scope of Investigations" section above. Moreover, the Department has determined that the petitions contain adequate evidence of industry support and, therefore, polling is unnecessary. *See* Import Administration Antidumping Investigations Initiation Checklist, Industry Support section, January 17, 2001 (hereafter, the "Initiation Checklist"), on file in the Central Records Unit, Room B-099 of the main Department of Commerce building.

The Department received no opposition to the petitions. For all countries, the petitioners established industry support representing over 50 percent of total production of the domestic like product. Accordingly, we determine that these petitions are filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

#### *Initiation Standard for Cost Investigations*

Pursuant to section 773(b) of the Act, the petitioners provided information demonstrating reasonable grounds to believe or suspect that sales in the home markets of France, Germany, Italy, Korea, Taiwan, and the United Kingdom were made at prices below the cost of production ("COP") and, accordingly, requested that the Department conduct country-wide sales-below-COP investigations in connection with these investigations. The Statement of Administrative Action ("SAA"), submitted to the Congress in connection with the interpretation and application of the URAA, states that an allegation of sales below COP need not be specific to individual exporters or producers. SAA, H.R. Doc. No. 316 at 833 (1994). The SAA, at 833, states that "Commerce will consider allegations of below-cost sales in the aggregate for a foreign country,

just as Commerce currently considers allegations of sales at less than fair value on a country-wide basis for purposes of initiating an antidumping investigation."

Further, the SAA provides that new section 773(b)(2)(A) of the Act retains the requirement that the Department have "reasonable grounds to believe or suspect" that below-cost sales have occurred before initiating such an investigation. Reasonable grounds exist when an interested party provides specific factual information on costs and prices, observed or constructed, indicating that sales in the foreign market in question are at below-cost prices. *Id.* We have analyzed the country-specific allegations as described below.

#### *Export Price ("EP"), Constructed Export Price ("CEP"), and Normal Value ("NV")*

The following are descriptions of the allegations of sales at less than fair value upon which the Department based its decision to initiate these investigations. A more detailed description of these allegations is provided in the Initiation Checklist. Should the need arise to use any of this information as facts available under section 776 of the Act in our preliminary or final determinations, we may re-examine the information and revise the margin calculations, as appropriate.

#### **France**

##### *CEP*

The petitioners identified four companies that produce subject merchandise in France. The petitioners provided pricing and cost information for one of these four producers: Ugine Savoie Imphy Produits Longs ("USI"). The petitioners state that these four producers account for the majority of all stainless steel bar production in France, and that USI accounts for all of the exports of subject merchandise to the United States. According to the petitioners, USI sells subject merchandise through its U.S. affiliate, Ugine Stainless & Alloys Inc. ("US&A"), to unaffiliated U.S. purchasers. For USI, the petitioners based CEP on C.I.F. delivered offers for sale of USI stainless steel bar from its affiliated U.S. distributor, which were obtained from U.S. industry sources. To calculate CEP, the petitioners deducted a distributor mark-up, movement expenses (ocean freight and insurance, U.S. import duty, U.S. port fees, and U.S. and foreign inland freight), and U.S. direct (*i.e.*, credit) and indirect selling expenses (*i.e.*, CEP selling expenses and inventory

<sup>1</sup> See *Algoma Steel Corp. Ltd., v United States*, 688 F. Supp. 639, 642-44 (CIT 1988); *High Information Content Flat Panel Displays and Display Glass from Japan: Final Determination*;

*Rescission of Investigation and Partial Dismissal of Petition*, 56 FR 32376, 32380-81 (July 16, 1991).

carrying costs) from the price quotes. The information supporting these deductions was obtained from publicly available data, foreign market research, and U.S. industry sources (*see* Initiation Checklist).

#### NV

##### Price-to-Price Comparisons

The petitioners obtained home market delivered offers for sale of stainless steel bar by USI to unaffiliated home-market customers as a result of foreign market research. To calculate NV, the petitioners deducted home market freight and imputed credit expenses for comparisons to CEP.

The information supporting these deductions was obtained from publicly available data and foreign market research. The petitioners conservatively did not adjust the prices for differences in packing costs, stating that packing expenses for export would be the same or greater than home market packing expenses. *See* Initiation Checklist. For comparisons to CEP, the petitioners converted the net home market prices to U.S. dollars based on the exchange rate in effect on the date of the U.S. sale.

Based on the petitioners' price-to-price comparisons, in accordance with section 773(a) of the Act, the estimated dumping margins for stainless steel bar from France range from 6.55 to 20.04 percent.

##### Price-to-Constructed Value ("CV") Comparisons

The petitioners also provided information demonstrating reasonable grounds to believe or suspect that sales of stainless steel bar in the home market were made at prices below the fully absorbed COP, within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of cost of manufacture ("COM"), selling, general and administrative ("SG&A") expenses, and packing. The petitioners calculated COM based on their own production experience, adjusted for known differences between costs incurred to produce stainless steel bar in the United States and France using publicly available data and foreign market research. To calculate SG&A, the petitioners relied upon amounts reported in a French company's unconsolidated 1999 financial statements. For interest expense, the petitioners used the French company's consolidated 1999 financial statements. Based upon a comparison of the prices of the foreign like product in the home

market to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation.

Pursuant to sections 773(a)(4), 773(b) and 773(e) of the Act, the petitioners also based NV for sales in France on CV. The petitioners calculated CV using the same COM, depreciation, SG&A and interest expense figures used to compute French home market costs. Consistent with 773(e)(2) of the Act, the petitioners included in CV an amount for profit. For profit, the petitioners relied upon amounts reported in a French steel producer's unconsolidated 1999 financial statements. For comparisons to CEP, the petitioners also deducted from CV home market credit expenses.

Based upon the petitioners' CV-to-CEP comparisons, the estimated dumping margins range from 45.94 to 71.83 percent.

#### Germany

##### EP and CEP

The petitioners identified eleven companies that produce subject merchandise in Germany. The petitioners provided pricing and cost information for four of these eleven producers: Walzwerke Einsal GmbH ("Einsal"), Edelstahl Witten-Krefeld GmbH ("EWK"), BGH Edelstahl Seigen GmbH and BGH Edelstahl Freital GmbH ("BGH"), and Krupp Edelstahlprofile GmbH ("KEP"). The petitioners state that these four producers account for a majority of all stainless steel bar production in Germany, and substantially all of the subject merchandise exported to the United States from Germany. According to the petitioners, Einsal sells subject merchandise through unaffiliated distributors in the United States, while EWK, BGH and KEP sell subject merchandise through affiliated U.S. distributors. For Einsal, the petitioners based EP on actual sales of Einsal stainless steel bar from an unaffiliated U.S. distributor. To calculate EP, the petitioners deducted a distributor's gross margin (*i.e.*, distributor mark-up) and movement expenses (foreign inland freight, ocean freight and insurance, U.S. import duty, U.S. port fees, and U.S. inland freight) from the price quote. For EWK, KEP and BGH, the petitioners based CEP on a number of offers for sale for subject merchandise by these companies' respective affiliated U.S. resellers. To calculate CEP, the

petitioners deducted from the price quotes, in addition to the movement expenses list above (where applicable), U.S. direct (*i.e.*, credit) and indirect selling expenses (*i.e.*, CEP selling expenses and inventory carrying costs). *See* Initiation Checklist and Germany Calculation memorandum. Finally, the petitioners did not use all of the U.S. price quotes provided by its industry sources for BGH and Einsal. For these U.S. price quotes, we examined the home market price quotes for potential product matches. Where we found a similar product that, after adjusting the respective prices, yielded a more conservative margin, we have included these margins in the range of estimated margins. *See* Initiation Checklist and Germany Calculation memorandum.

#### NV

##### Price-to-Price Comparisons

The petitioners obtained home market offers for sale of stainless steel bar by Einsal, EWK, KEP and BGH to unaffiliated distributors as a result of foreign market research. To calculate NV, the petitioners deducted home market freight and imputed credit expenses and, for comparisons to EP, added U.S. imputed credit expenses. The petitioners conservatively did not adjust the prices for differences in packing costs, stating that packing expenses for export would be the same or greater than home market packing expenses. For comparisons to EP/CEP, the petitioners converted the net home market prices to U.S. dollars based on the exchange rate in effect on the date of the U.S. sale.

Based on EP/CEP price-to-price comparisons, calculated in accordance with section 773(a) of the Act, the estimated dumping margins for stainless steel bar from Germany range from zero to 53.62 percent.

##### Price-to-CV Comparisons

Petitioners also provided information demonstrating reasonable grounds to believe or suspect that sales of stainless steel bar in the home market were made at prices below the fully absorbed COP, within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of COM, SG&A expenses, and packing. The petitioners calculated COM based on their own production experience, adjusted for known differences between costs incurred to produce stainless steel bar in the United States and Germany using publicly available data and foreign

market research. To calculate SG&A, the petitioners relied upon amounts reported in each named German company's most recently available unconsolidated financial statements. For interest expense, the petitioners used each named German company's consolidated 1999 financial statements. Based upon a comparison of the prices of the foreign like product in the home market to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation.

Pursuant to sections 773(a)(4), 773(b) and 773(e) of the Act, the petitioners also based NV for sales in Germany on CV. The petitioners calculated CV using the same COM, SG&A and interest expense figures used to compute German home market costs. Consistent with 773(e)(2) of the Act, the petitioners included in CV an amount for profit. For profit, the petitioners relied upon amounts reported in a German steel producer's unconsolidated 1999 financial statements. For comparisons to EP/CEP, the petitioners made adjustments to CV for credit expenses.

Based upon the comparison of CV to EP, or CEP, the petitioners calculated estimated dumping margins ranging from 62.48 to 228.66 percent.

## Italy

### EP and CEP

The petitioners identified ten companies that produce subject merchandise in Italy. The petitioners provided pricing and cost information for four of these ten producers: Cogne Acciai Speciali Srl ("Cogne"), Acciaiera Foroni SpA ("Foroni"), Italfond, and Acciaierie Valbruna Srl ("Valbruna"). The petitioners state that these four producers account for the majority of all stainless steel bar production in Italy and substantially all of the stainless steel bar products exported to the United States from Italy. According to the petitioners, Italfond made direct sales of the subject merchandise to unaffiliated U.S. customers, while Valbruna, Cogne, and Foroni sell subject merchandise through their U.S. subsidiaries, who in turn sell stainless steel bar to unaffiliated U.S. customers. For Italfond, the petitioners based EP on offers for sale of stainless steel bar by Italfond to unaffiliated U.S. customers. To calculate EP, which was based on CIF U.S. prices of stainless steel bar sold through one or more unaffiliated distributors, the petitioners deducted a

distributor's gross margin (*i.e.*, distributor mark-up) and movement expenses (foreign inland freight, ocean freight and insurance, U.S. import duty, U.S. port fees, and U.S. inland freight) from the price quote. For Valbruna, Cogne, and Foroni, the petitioners based CEP on a number of offers for sale of subject merchandise through these companies' respective affiliated U.S. subsidiaries. To calculate CEP, which was based on CIF, FOB warehouse, or FOB U.S. port of entry prices from these companies through their U.S. subsidiaries, the petitioners deducted from the price quotes, in addition to the movement expenses listed above (where applicable), U.S. direct (*i.e.*, credit) and indirect selling expenses (*i.e.*, CEP selling expenses and inventory carrying costs). Finally, the petitioners did not use all of the U.S. price quotes provided by its industry sources for Valbruna. For these U.S. price quotes, we examined the home market price quotes for potential product matches. Where we found a similar product that, after adjusting the respective prices, yielded a more conservative margin, we have included these margins in the range of estimated margins.

## NV

### Price-to-Price Comparisons

The petitioners provided home-market prices for Valbruna, Cogne, Foroni, and Italfond based on several grades and sizes of stainless steel bar sold to unaffiliated home-market customers, which were obtained from foreign market research. These products are comparable to the products exported to the United States which served as the basis for EP or CEP. The prices the petitioners used in the calculation of NV were delivered prices, exclusive of VAT taxes. To calculate NV, the petitioners deducted foreign inland freight, which was also obtained from foreign market research. See Initiation Checklist. To calculate NV, the petitioners deducted home market freight and imputed credit expenses and, for comparisons to EP, added U.S. imputed credit expenses. The petitioners conservatively did not adjust the prices for differences in packing costs, stating that packing expenses for export would be the same or greater than home market packing expenses. For comparisons to EP/CEP, the petitioners converted the net home market prices to U.S. dollars based on the exchange rate in effect as of the date of the U.S. sale.

Based on EP/CEP price-to-price comparisons, calculated in accordance with section 773(a) of the Act, the estimated dumping margins for stainless

steel bar from Italy range from zero to 33.00 percent.

### Price-to-CV Comparisons

Petitioners also provided information demonstrating reasonable grounds to believe or suspect that sales of stainless steel bar in the home market were made at prices below the fully absorbed COP, within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of the COM, SG&A expenses (which include financial expenses), and packing. The petitioners calculated COM based on their own production experience, adjusted for known differences between costs incurred to produce stainless steel bar in the United States and Italy using publicly available data and foreign market research. To calculate SG&A and financial expenses, the petitioners relied upon amounts reported in each of the four Italian producers' 1999 financial statements. Based upon the comparison of the prices of the foreign like product in the home market to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation.

Pursuant to sections 773(a)(4), 773(b), and 773(e) of the Act, the petitioners also based NV for sales in Italy on CV. The petitioners calculated CV using the same COM, SG&A and financial expenses they used to compute Italian home-market costs. Consistent with section 773(e)(2) of the Act, the petitioners included in CV an amount for profit. For profit, the petitioners relied upon amounts reported in each of the four Italian producers' 1999 financial statements. For comparisons to EP/CEP, the petitioners made adjustments to CV for credit expenses.

Based upon the comparison of CV to EP, or CEP, the petitioners calculated estimated dumping margins ranging from 17.04 to 132.57 percent.

## Korea

### EP

The petitioners identified eight companies that produce subject merchandise in Korea. The petitioners provided pricing and cost information for three of these eight producers: Changwon Speciality Steel Co., Ltd. ("Changwon"), Dongbang Special Steel Co., Ltd. ("Dongbang"), and Bae Myung

Metal Company, Ltd. ("Bae Myung"). The petitioners state that these three producers account for a majority of all stainless steel bar production in Korea, and substantially all of the subject merchandise exported to the United States from Korea. According to the petitioners, Changwon, Dongbang, and Bae Myung sell subject merchandise through unaffiliated distributors in the United States. On a company-specific basis, the petitioners based EP on C.I.F. delivered offers for sale for stainless steel bar from unaffiliated U.S. distributors, which were obtained from U.S. industry sources. To calculate EP, the petitioners deducted a distributor mark-up and movement expenses (ocean freight, insurance, U.S. import duty and port fees, and U.S. and foreign inland freight). The information supporting these deductions was obtained from publicly available data, foreign market research and U.S. industry sources. Finally, the petitioners did not use all of the U.S. price quotes provided by its industry sources. For these U.S. price quotes, we examined the home market price quotes for potential product matches. Where we found a similar product that, after adjusting the respective prices, yielded a more conservative margin, we have included these margins in the range of estimated margins.

#### NV

##### Price-to-Price Comparisons

The petitioners obtained home market delivered offers for sale of stainless steel bar by Changwon, Dongbang, and Bae Myung to unaffiliated distributors as a result of foreign market research. To calculate NV, the petitioners deducted home market freight and imputed credit expenses and added U.S. credit expenses. The information supporting these deductions and adjustments was obtained from publicly available data and foreign market research. The petitioners conservatively did not adjust the prices for differences in packing costs, stating that packing expenses for export would be the same or greater than home market packing expenses. See Initiation Checklist. For comparisons to EP, the petitioners converted the net home market prices to U.S. dollars based on the exchange rate in effect on the date of the U.S. sale.

Based on the petitioners' price-to-price comparisons and the Department's recalculations to account for the highest U.S. prices obtained by the petitioners, in accordance with section 773(a) of the Act, the estimated dumping margins for stainless steel bar from Korea range from zero to 61.07 percent.

##### Price-to-CV Comparisons

The petitioners also provided information demonstrating reasonable grounds to believe or suspect that sales of stainless steel bar in the home market were made at prices below the fully absorbed COP, within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of COM, SG&A expenses, and packing. The petitioners calculated COM based on their own production experience, adjusted for known differences between costs incurred to produce stainless steel bar in the United States and Korea using publicly available data and foreign market research. To calculate SG&A and interest expenses, the petitioners relied upon amounts reported in the Korean companies' financial statements. Based upon a comparison of the prices of the foreign like product in the home market to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation.

Pursuant to sections 773(a)(4), 773(b), and 773(e) of the Act, the petitioners also based NV for sales of stainless steel bar made by Changwon, Dongbang and Bae Myung on CV. The petitioners calculated CV using the same figures for COM, SG&A expenses, and packing costs they used to compute Korean home-market costs. Consistent with section 773(e)(2) of the Act, the petitioners included in CV an amount for profit. For profit, the petitioners relied upon amounts reported in a Korean steel producer's unconsolidated 1999 financial statements. For comparisons to EP, the petitioners also made a COS adjustment to CV for differences in credit expenses between the U.S. and Korean markets.

Based upon the petitioners' CV-to-EP comparisons, the petitioners calculated estimated dumping margins ranging from 25.72 to 122.18 percent.

#### Taiwan

##### EP

The petitioners identified two companies that produce subject merchandise in Taiwan: Walsin Lihwa ("Walsin") and Gloria Metals Technology ("GMT"). The petitioners provided pricing information for both producers and stated that they are the only producers of stainless steel bar in Taiwan that export subject merchandise

to the United States. According to the petitioners, Walsin and GMT sell subject merchandise to unaffiliated purchasers in the United States. For Walsin and GMT, the petitioners based EP on offers for sale of Walsin and GMT stainless steel bar through unaffiliated U.S. distributors. To calculate EP, the petitioners deducted a distributor's mark-up (where applicable) and movement expenses (foreign inland freight, international freight and insurance, U.S. import duty, U.S. port fees, and U.S. inland freight) from the price quotes.

Based on information contained in the petition and supplements to the petition, we made adjustments to the distributor mark-up calculations. See Initiation Checklist and Taiwan Calculation memorandum.

#### NV

##### Price-to-Price Comparisons

The petitioners obtained information on prices for home market sales of stainless steel bar from a foreign market researcher. Petitioners obtained prices for actual recent sales or offers for sale to unaffiliated customers in Taiwan from Walsin and GMT. To calculate NV, the petitioners deducted home market imputed credit from the price quotes and added U.S. imputed credit to the price quotes. The petitioners conservatively did not adjust the prices for differences in packing costs, stating that packing expenses for export would be the same or greater than home market packing expenses.

Based on price-to-price comparisons of EP to NV, calculated in accordance with section 773(a) of the Act, the estimated dumping margins for stainless steel bar from Taiwan range from 6.83 to 15.83 percent.

##### Price-to-CV Comparisons

Petitioners also provided information demonstrating reasonable grounds to believe or suspect that sales of stainless steel bar in the home market were made at prices below the fully absorbed COP, within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of COM, SG&A expenses, and packing. The petitioners calculated COMs for a variety of grades and sizes of stainless steel bar based on their own production experience, adjusted for known differences between costs incurred to produce stainless steel bar in the United States and Taiwan using publicly available data and foreign market research. The petitioners

calculated SG&A and interest expense using information contained in Walsin's 1999 financial statements. Based upon a comparison of the prices of the foreign like product in the home market to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation.

Pursuant to sections 773(a)(4), 773(b) and 773(e) of the Act, the petitioners also based NV for sales in Taiwan on CV. The petitioners calculated CV using the same COM, depreciation, SG&A and interest expense figures used to compute Taiwan home market costs. Consistent with 773(e)(2) of the Act, the petitioners included in CV an amount for profit. For profit, consistent with their SG&A calculations, the petitioners relied upon amounts reported in Walsin's 1999 financial statements. The petitioners also made a COS adjustment to CV for differences in credit expenses between the U.S. and Taiwan markets.

Based upon the comparisons of CV to EP, the petitioners calculated estimated dumping margins ranging from 18.83 to 68.55 percent.

#### **United Kingdom**

##### *EP and CEP*

The petitioners identified four companies that produce subject merchandise in the United Kingdom ("UK"). The petitioners provided pricing and cost information for two of these four producers: Corus Engineering Steels ("CES") and Crownridge Stainless Steel, Ltd. ("Crownridge"). The petitioners state that these four producers account for the majority of all stainless steel bar production in the UK, and that CES and Crownridge account for substantially all of the subject merchandise exported to the United States from the UK. According to the petitioners, Crownridge sells subject merchandise through unaffiliated distributors in the United States, while CES sells subject merchandise through an affiliated U.S. distributor.

For Crownridge, the petitioners based EP on C.I.F. delivered offers for sale for Crownridge stainless steel bar through an unaffiliated U.S. distributor, which were obtained from U.S. industry sources. To calculate EP, the petitioners deducted a distributor mark-up and movement expenses (foreign inland freight, ocean freight and insurance, U.S. import duty and port fees, and U.S. inland freight) from the price quotes. The information supporting these

deductions was obtained from publicly available data, foreign market research and U.S. industry sources.

For CES, the petitioners based CEP on C.I.F. delivered offers for sale of stainless steel bar merchandise by its affiliated U.S. reseller, which were also obtained from U.S. industry sources. To calculate CEP, the petitioners deducted from these price quotes the movement expenses mentioned above, U.S. direct (*i.e.*, credit) and indirect selling expenses (*i.e.*, CEP selling expenses and inventory carrying costs). The information supporting these deductions was also obtained from publicly available data, foreign market research and U.S. industry sources (*see* Initiation Checklist).

##### NV

##### Price-To-Price Comparisons

The petitioners obtained home market delivered offers for sale of stainless steel bar from Crownridge and CES to unaffiliated distributors as a result of foreign market research. However, based on the data in the petition, Crownridge's home market (and third country) sales volumes are less than five percent of its U.S. sales volume. Therefore, we did not rely on the petitioners' price-to-price comparisons with respect to Crownridge. To calculate NV based on CES' home market prices, the petitioners deducted home market freight and imputed credit expenses for comparisons to CEP. The information supporting these deductions was obtained from publicly available data and foreign market research. The petitioners conservatively did not adjust the prices for differences in packing costs, stating that packing expenses for export would be the same or greater than home market packing expenses. *See* Initiation Checklist. For comparisons to CEP, the petitioners converted the net home market prices to U.S. dollars based on the exchange rate in effect on the date of the U.S. sale.

Based on the petitioners' price-to-price comparisons for CES, in accordance with section 773(a) of the Act, the estimated dumping margin for stainless steel bar from the UK is 4.88 percent.

##### Price-to-CV Comparisons

The petitioners also provided information demonstrating reasonable grounds to believe or suspect that sales of stainless steel bar in the home market were made at prices below the fully absorbed COP, within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of COM, SG&A expenses, and packing. The petitioners calculated COM based on their own production experience, adjusted for known differences between costs incurred to produce stainless steel bar in the United States and the UK using publicly available data and foreign market research. To calculate SG&A and interest expenses, the petitioners relied upon amounts reported in the UK companies' financial statements. Based upon a comparison of CES' prices of the foreign like product in the home market to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation.

Pursuant to sections 773(a)(4), 773(b), and 773(e) of the Act, the petitioners also based NV for sales of stainless steel bar made by CES and Crownridge on CV. The petitioners calculated CV using the same figures for COM, SG&A expenses, and packing costs they used to compute UK home market costs. Consistent with section 773(e)(2) of the Act, the petitioners included in CV an amount for profit. For profit, the petitioners relied upon amounts reported in the UK steel producers' unconsolidated 1999 financial statements. For comparisons to EP/CEP, the petitioners made adjustments to CV for credit expenses.

Based upon the petitioners' CV-to-CEP and CV-to-EP comparisons, the estimated dumping margins range from 21.93 to 125.77 percent.

##### *Fair Value Comparisons*

Based on the data provided by the petitioners, there is reason to believe that imports of stainless steel bar from France, Germany, Italy, Korea, Taiwan, and the United Kingdom are being, or are likely to be, sold at less than fair value.

##### *Allegations and Evidence of Material Injury and Causation*

The petitions allege that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the individual and cumulated imports of the subject merchandise. The petitioners contend that the industry's injured condition is evident in the declining trends in net operating income, net sales volume and value, profit to sales ratios, and capacity utilization. The allegations of injury and causation are supported by relevant

evidence including U.S. Customs import data, lost sales, and pricing information. We have assessed the allegations and supporting evidence regarding material injury and causation, and have determined that these allegations are properly supported by accurate and adequate evidence, and meet the statutory requirements for initiation (see Initiation Checklist).

#### *Initiation of Antidumping Investigations*

Based upon our examination of the petitions on stainless steel bar, we have found that they meet the requirements of section 732 of the Act. Therefore, we are initiating antidumping duty investigations to determine whether imports of stainless steel bar from France, Germany, Italy, Korea, Taiwan and the United Kingdom are being, or are likely to be, sold in the United States at less than fair value. Unless this deadline is extended pursuant to section 733(b)(1)(A), we will make our preliminary determinations no later than 140 days after the date of this initiation.

#### *Distribution of Copies of the Petitions*

In accordance with section 732(b)(3)(A) of the Act, a copy of the public version of each petition has been provided to the representatives of the governments of France, Germany, Italy, Korea, Taiwan, and the United Kingdom. We will attempt to provide a copy of the public version of each petition to each exporter named in the petitions, as provided for under section 351.203(c)(2) of the Department's regulations.

#### *ITC Notification*

We have notified the ITC of our initiations, as required by section 732(d) of the Act.

#### *Preliminary Determinations by the ITC*

The ITC will determine no later than February 12, 2001 whether there is a reasonable indication that imports of stainless steel bar from France, Germany, Italy, Korea, Taiwan, and the United Kingdom are causing material injury, or threatening to cause material injury, to a U.S. industry. A negative ITC determination for any country will result in the investigation being terminated with respect to that country; otherwise, these investigations will proceed according to statutory and regulatory time limits.

This notice is issued and published pursuant to section 777(i) of the Act.

Dated: January 7, 2001.

**Troy H. Cribb,**

*Assistant Secretary for Import Administration.*

[FR Doc. 01-2057 Filed 1-23-01; 8:45 am]

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## **DEPARTMENT OF COMMERCE**

### **International Trade Administration**

#### **Applications for Duty-Free Entry of Scientific Instruments**

Pursuant to section 6(c) of the Educational, Scientific and Cultural Materials Importation Act of 1966 (Pub. L. 89-651; 80 Stat. 897; 15 CFR part 301), we invite comments on the question of whether instruments of equivalent scientific value, for the purposes for which the instruments shown below are intended to be used, are being manufactured in the United States.

Comments must comply with 15 CFR 301.5(a) (3) and (4) of the regulations and be filed within 20 days with the Statutory Import Programs Staff, U.S. Department of Commerce, Washington, DC 20230. Applications may be examined between 8:30 a.m. and 5 p.m. in Room 4211, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC.

*Docket Number: 00-039. Applicant:* Rensselaer Polytechnic Institute, 110 Eighth Street, Troy, NY 12180-3590. *Instrument:* Electron Microscope, Model JEM-2010. *Manufacturer:* JEOL Ltd., Japan. *Intended Use:* The instrument is intended to be used to determine the morphology, elemental composition, crystal structure, long/short range ordering and microcrystalline structures during studies of the physics-chemical properties of inorganic and polymer materials including minerals, ceramics or other particulates, semiconductors, composites, alloys and polymers. *Application accepted by Commissioner of Customs:* December 15, 2000.

*Docket Number: 00-040. Applicant:* The University of Chicago, Operator of Argonne National Laboratory, 9700 S. Cass Avenue, Argonne, IL 60439. *Instrument:* UHV Scanning Tunneling Microscope/Atomic Force Microscope. *Manufacturer:* Omicron Vakuumphysik GmbH, Germany. *Intended Use:* The instrument is intended to be coupled to an existing molecular beam epitaxy chamber in ultra-high vacuum and used to characterize magnetic surfaces and self-assembled metallic and insulating nanostructures. The studies will include investigation of growth morphology in a large area of micron size and detailed

structure with atomic resolution in a small area. The goal of these studies is to understand the formation of nanostructures during growth, and to gain fundamental understanding of the novel magnetic phenomena in nanoscale systems. *Application accepted by Commissioner of Customs:* December 15, 2000.

*Docket Number: 00-041. Applicant:* Massachusetts Institute of Technology, 77 Massachusetts Avenue, Room 8-309, Cambridge, MA 02139. *Instrument:* Nanoindenter. *Manufacturer:* Micro Materials Ltd., United Kingdom. *Intended Use:* The instrument is intended to be used for studies of the mechanical properties such as strength and stiffness of industrial metals—aluminum, various steels, ceramics and super alloys. In addition, the instrument will be used to illustrate state of the art testing procedures of advanced materials on the undergraduate and graduate levels in the course Mechanical Behavior of Materials. *Application accepted by Commissioner of Customs:* December 20, 2000.

*Docket Number: 00-042. Applicant:* Argonne National Laboratory, 9700 S. Cass Avenue, Argonne, IL 60439-4874. *Instrument:* Track Mounted Cone Penetrometer Vehicle and Associated Equipment, Model COSON 200. *Manufacturer:* A. P. Van Den Berg, Inc., The Netherlands. *Intended Use:* The instrument is intended to be used for research concentrated on the development of instrumentation to expand the knowledge and understanding of geotechnical properties of subsurface sediments and to better recover this data through improved electronic software and sampling systems. Experiments will involve the geotechnical properties of soils, metallurgy of the rods used to push the electronic cones, and the development of improved electronic and sampling equipment based upon experience gained and subsurface environmental conditions encountered during the normal course of site characterization studies. *Application accepted by Commissioner of Customs:* December 22, 2000.

*Docket Number: 00-043. Applicant:* Harvard University, 16 Divinity Avenue, Cambridge, MA 02138. *Instrument:* Picking and Gridding QBot with Accessories. *Manufacturer:* Genetix Ltd., United Kingdom. *Intended Use:* The instrument is intended to be used for studies of bacterial cultures, bacterial colonies and DNA fragments performing amplification, arraying and selection applications while optimizing the following characteristics: (1) Speed