DEPARTMENT OF AGRICULTURE

Natural Resources Conservation Service

Notice of Proposed Change to Section IV of the Virginia Field Office Technical Guide

AGENCY: Natural Resources Conservation Service (NRCS), U.S. Department of Agriculture.

ACTION: Notice of availability of proposed changes in the Virginia NRCS Field Office Technical Guide for review and comment.

SUMMARY: It has been determined by the NRCS State Conservationist for Virginia that changes must be made in the NRCS Field Office Technical Guide specifically in practice standards: #360, Closure of Waste Impoundments; #338, Prescribed Burning; #642, Water Well and #390, Riparian Herbaceous Cover to account for improved technology. These practices will be used to plan and install conservation practices on cropland, pastureland, woodland, and wildlife land.

DATES: Comments will be received on or before July 9, 2001.

FOR FURTHER INFORMATION CONTACT: Inquire in writing to M. Denise Doetzer, State Conservationist, Natural Resources Conservation Service (NRCS), 1606 Santa Rosa Road, Suite 209, Richmond, Virginia 23229–5014; Telephone number (804) 287–1665; Fax number (804) 287–1736. Copies of the practice standards will be made available upon written request to the address shown above or on the Virginia NRCS web site: *http://www.va.nrcs.usda.gov/DataTechRefs/Standards&Specs/EDITStds/EditStandards.htm.*

SUPPLEMENTARY INFORMATION: Section 343 of the Federal Agriculture Improvement and Reform Act of 1996 states that revisions made after enactment of the law to NRCS State technical guides used to carry out highly erodible land and wetland provisions of the law shall be made available for public review and comment. For the next 30 days, the NRCS in Virginia will receive comments relative to the proposed changes. Following that period, a determination will be made by the NRCS in Virginia regarding disposition of those comments and a final determination of change will be made to the subject standards.

Dated: May 31, 2001.

L. Willis Miller,

Assistant State Conservationist/Programs, Natural Resources Conservation Service, Richmond, Virginia.

[FR Doc. 01–14315 Filed 6–6–01; 8:45 am]

BILLING CODE 3410–16–P

DEPARTMENT OF COMMERCE

[I.D. 060401A]

Submission for OMB Review; Comment Request

The Department of Commerce has submitted to the Office of Management and Budget (OMB) for clearance the following proposal for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35).

Agency: National Oceanic and Atmospheric Administration (NOAA).

Title: Vessel Monitoring System Requirements in the Western Pacific Pelagic Longline Fishery.

Form Number(s): None.

OMB Approval Number: None.

Type of Request: Regular submission.

Burden Hours: 743.

Number of Respondents: 165.

Average Hours Per Response: 4 hours for equipment installation, 2 hours per year for equipment maintenance, and 24 seconds per day for automatic position reporting.

Needs and Uses: Commercial fishing vessels active in the Hawaii-based pelagic longline fishery must allow National Marine Fisheries Service (NMFS) to install vessel monitoring system (VMS) units on their vessel when directed to do so by NMFS enforcement personnel. VMS units automatically send periodic reports on the position of the vessel. NMFS uses the reports to monitor the vessel's location and activities while enforcing area closures. NMFS pays for the units and messaging.

Affected Public: Business and other for-profit organizations.

Frequency: Messaging frequency varies, from hourly to more or less frequently, depending on location of the vessel relative to closed areas and borders of the U.S. Exclusive Economic Zone.

Respondent's Obligation: Mandatory.

OMB Desk Officer: David Rostker, (202) 395–3897.

Copies of the above information collection proposal can be obtained by calling or writing Madeleine Clayton, Departmental Paperwork Clearance Officer, (202) 482–3129, Department of Commerce, Room 6086, 14th and Constitution Avenue, NW, Washington, DC 20230 (or via the Internet at MClayton@doc.gov).

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to David Rostker, OMB Desk Officer, Room 10202, New Executive Office Building, Washington, DC 20503.

Dated: May 31, 2001.

Madeleine Clayton,

Departmental Paperwork Clearance Officer, Office of the Chief Information Officer.

[FR Doc. 01–14404 Filed 6–6–01; 8:45 am]

BILLING CODE 3510–22–S

DEPARTMENT OF COMMERCE

International Trade Administration

[A–580–812]

Dynamic Random Access Memory Semiconductors of One Megabit or Above From the Republic of Korea: 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: In response to requests from one manufacturer/exporter and one U.S. producer of the subject merchandise, the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on dynamic random access memory semiconductors of one megabit or above (DRAMs) from the Republic of Korea (Korea). The review covers two manufacturers/exporters and six resellers of subject merchandise to the United States during the period of review (POR), May 1, 1999, through December 31, 1999. Based upon our analysis, the Department has preliminarily determined that dumping margins exist for a manufacturer/exporter and the six resellers during the POR. If these preliminary results are adopted in our final results of administrative review, we will instruct the United States Customs Service (Customs) to assess antidumping duties as appropriate. Interested parties are invited to comment on these preliminary results. Parties who submit arguments in this proceeding are requested to submit with the argument (1) a statement of the issue, and (2) a brief summary of the argument.

EFFECTIVE DATE: June 7, 2001.

FOR FURTHER INFORMATION CONTACT: Paige Rivas or Ron Trentham, AD/CVD Enforcement, Office IV, Group II, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–0651 or (202) 482–6320, respectively.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

Unless otherwise stated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions as of 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 references to the regulations of the Department are to 19 CFR part 351 (2000).

Background

The antidumping dumping duty order for DRAMs from Korea was revoked, pursuant to the sunset procedures established by statute, effective January 1, 2000. *See Dynamic Random Access Memory Semiconductors (''DRAMs'') of One Megabit and Above From the Republic of Korea; Final Results of Full Sunset Review and Revocation of Order,* 65 FR 1471366 (October 5, 2000). However, we are conducting this review of exports of the subject merchandise to the United States by Hyundai Electronics Industries Co., Ltd. (Hyundai) and LG Semicon Co., Ltd. (LG) during the 8-month period from May 1, 1999, until the effective date of the revocation.

On May 10, 1993, the Department published in the **Federal Register** (58 FR 27250) the antidumping duty order on DRAMs from Korea. On May 16, 2000, the Department published a notice of ''Opportunity to Request an Administrative Review'' of the antidumping duty order on DRAMs from Korea (65 FR 31141). On May 31, 2000, the petitioner, Micron Technology Inc., (''Micron'') requested an administrative review of Hyundai and LG, Korean manufacturers of DRAMs, and six Korean resellers of DRAMs, the G5 Corporation (G5), Kim's Marketing, Jewon Trading (Jewon), Wooyang Industry Co., Ltd. (Wooyang), Jae Won Microelectronics (Jae Won), and Techsan Electronics (Techsan) for the period May 1, 1999, through December 31, 1999. Additionally, the petitioner requested a cost investigation of LG and Hyundai pursuant to section 773(b) of the Act. On May 31, 2000, Hyundai requested that the Department conduct a review of its exports of the subject merchandise to the United States. On July 7, 2000 (65 FR 131), the Department initiated an administrative review of Hyundai, LG, G5, Kim's Marketing, Jewon, Wooyang, Jae Won, and Techsan, including cost investigations of Hyundai and LG, covering the POR.

On July 19, 2000, the Department sent Sections A, B, and C questionnaires to Hyundai, LG, G5, Kim's Marketing, Jewon, Jae Won, Techsan, and Wooyang. On July 31, 2000, the Department sent Sections D and E questionnaires to Hyundai and LG. On October 17, 2000, Hyundai provided its Sections A, B, C, D, and E questionnaire responses. During the instant review, Hyundai acquired LG and included LG's information in its questionnaire responses. For a further discussion of Hyundai's acquisition of LG, *see Affiliation and Collapsing* section below.

Under section 751(a)(3)(A) of the Act, the Department may extend the deadline for issuing a preliminary determination in an administrative review if it determines that it is not practicable to complete the preliminary review within the statutory time limit of 245 days. On January 30, 2001, the Department published a notice of extension of the time limit for the preliminary results in this case to May 30, 2001. *See Dynamic Random Access Memory Semiconductors of One Megabit or Above (''DRAMs'') From the Republic of Korea: Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review,* 66 FR 8198 (January 30, 2001).

Scope of the Review

Imports covered by the review are shipments of DRAMs from Korea. Included in the scope are assembled and unassembled DRAMs. Assembled DRAMs include all package types. Unassembled DRAMs include processed wafers, uncut die, and cut die. Processed wafers produced in Korea, but packaged or assembled into memory modules in a third country, are included in the scope; wafers produced in a third country and assembled or packaged in Korea are not included in the scope.

The scope of this review includes memory modules. A memory module is a collection of DRAMs, the sole function of which is memory. Modules include single in-line processing modules (SIPs), single in-line memory modules (SIMMs), or other collections of DRAMs, whether unmounted or mounted on a circuit board. Modules that contain other parts that are needed to support the function of memory are covered. Only those modules which contain additional items which alter the function of the module to something other than memory, such as video graphics adapter (VGA) boards and cards, are not included in the scope. The scope of this review also includes video random access memory semiconductors (VRAMS), as well as any future packaging and assembling of DRAMs; and, removable memory modules placed on motherboards, with or without a central processing unit (CPU), unless the importer of motherboards certifies with the Customs Service that neither it nor a party related to it or under contract to it will remove the modules from the motherboards after importation. The scope of this review does not include DRAMs or memory modules that are reimported for repair or replacement.

The DRAMS and modules subject to this review are currently classifiable under subheadings 8471.50.0085, 8471.91.8085, 8542.11.0024, 8542.11.8026, 8542.13.8034, 8471.50.4000, 8473.30.1000, 8542.11.0026, 8542.11.8034, 8471.50.8095, 8473.30.4000, 8542.11.0034, 8542.13.8005, 8471.91.0090, 8473.30.8000, 8542.11.8001, 8542.13.8024, 8471.91.4000, 8542.11.0001, 8542.11.8024 and 8542.13.8026 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the Department's written description of the scope of this review remains dispositive.

Verification

As provided in section 782(i) of the Act, from April 23, 2001 to April 27, 2001, we verified sales and cost information provided by Hyundai, using standard verification procedures, including an examination of relevant sales and financial records. Our verification results are outlined in the public version of the verification report and are on file in the Central Records Unit (CRU) located in room B–099 of the main Department of Commerce Building, 14th Street and Constitution Avenue, NW., Washington, DC.

Facts Available (FA)

1. Application of FA

Section 776(a)(2) of the Act provides that if any interested party: (A) withholds information that has been requested by the Department; (B) fails to provide such information in a timely manner or in the form or manner requested; (C) significantly impedes an antidumping investigation; or (D) provides such information but the

information cannot be verified, the Department shall use facts otherwise available in making its determination.

On July 19, 2000, the Department sent Hyundai, LG, G5, Kim's Marketing, Jewon, Jae Won, Techsan, and Wooyang questionnaires requesting that they provide information regarding any sales that they made to the United States during the POR. We did not receive any replies from G5, Kim's Marketing, Jewon, Jae Won, Techsan, and Wooyang.

Because G5, Kim's Marketing, Jewon, Jae Won, Techsan, and Wooyang have failed to respond to our questionnaires, pursuant to section 776(a) of the Act, we have applied FA to calculate their dumping margins.

2. Selection of Adverse FA

Section 776(b) of the Act provides that, in selecting from FA, adverse inferences may be used against a party that failed to cooperate by not acting to the best of its ability to comply with requests for information. *See also* Statement of Administrative Action (SAA) accompanying the URAA, H.R. Doc. No. 316, 103d Cong., 2d Sess. 870 (1994).

Section 776(b) states further that an adverse inference may include reliance on information derived from the petition, the final determination, the final results of prior reviews, or any other information placed on the record. *See also id.* at 868. In addition, the SAA establishes that the Department may employ an adverse inference ''to ensure that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully.'' *See* SAA at 870. In employing adverse inferences, the SAA instructs the Department to consider ''the extent to which a party may benefit from its own lack of cooperation.'' *Id.*

Because G5, Kim's Marketing, Jewon, Jae Won, Techsan, and Wooyang did not cooperate by complying with our request for information, and in order to ensure that they do not benefit from their lack of cooperation, we are employing an adverse inference in selecting from among the facts otherwise available. The Department's practice when selecting an adverse FA rate from among the possible sources of information has been to ensure that the margin is sufficiently adverse so ''as to effectuate the purpose of the FA rule to induce respondents to provide the Department with complete and accurate information in a timely manner.'' *See Static Random Access Memory Semiconductors From Taiwan; Final Determination of Sales at Less Than Fair Value,* 63 FR 8909, 8932 (February 23, 1998).

In order to ensure that the rate is sufficiently adverse so as to induce cooperation from G5, Kim's Marketing, Jewon, Jae Won, Techsan, and Wooyang, we have assigned to these companies, as adverse FA, the highest calculated margin from any segment of this proceeding, 10.44 percent, which is the rate calculated for Hyundai in the fifth administrative review. *See Dynamic Random Access Memory Semiconductors of One Megabit or Above From the Republic of Korea: Final Results of Antidumping Duty Administrative Review and Determination Not To Revoke the Order in Part,* 64 FR 69694 (December 14, 1999) (*Final Results 1999*)

Information from prior segments of the proceeding, such as involved here, constitutes ''secondary information'' under section 776(c) of the Act. Section 776(c) of the Act provides that the Department shall, to the extent practicable, corroborate secondary information used for FA by reviewing independent sources reasonably at its disposal. The SAA provides that to ''corroborate'' means simply that the Department will satisfy itself that the secondary information to be used has probative value. *See* SAA at 870. As noted in *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, from Japan; Preliminary Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews,* 61 FR 57391, 57392 (November 6, 1996) (*TRBs*), to corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information used. However, unlike other types of information, such as input costs or selling expenses, there are no independent sources from which the Department can derive calculated dumping margins; the only source for margins is administrative determinations. Thus, in an administrative review, if the Department chooses as total adverse FA a calculated dumping margin from a prior segment of the proceeding, it is not necessary to question the reliability of the margin for that time period.

As to the relevance of the margin used for adverse FA, the Department stated in *TRBs* that it will ''consider information reasonably at its disposal as to whether there are circumstances that would render a margin irrelevant. Where circumstances indicate that the selected margin is not appropriate as adverse FA, the Department will disregard the margin and determine an appropriate margin.'' *Id.; see also Fresh Cut Flowers from Mexico; Preliminary Results of Antidumping Duty Administrative Review,* 60 FR 49567 (February 22, 1996), where we disregarded the highest margin in the case as best information available because the margin was based on another company's uncharacteristic business expense resulting in an extremely high margin.

As stated above, the highest rate determined in any prior segment of the proceeding is 10.44 percent, a calculated rate from *Final Results 1999.* In the absence of information on the administrative record that application of the 10.44 percent rate to G5, Kim's Marketing, Jewon, Jae Won, Techsan, and Wooyang would be inappropriate as an adverse FA rate in the instant review, that the margin is not relevant, or that leads us to re-examine this rate as adverse facts available in the instant review, we have applied, as FA, the 10.44 percent margin from a prior administrative review of this order, and have satisfied the corroboration requirements under section 776(c) of the Act.

Affiliation, Collapsing, and Successorship

In reviewing Hyundai's questionnaire responses, we noted that the process of Hyundai's acquisition of LG began before the POR (5/1/99–12/31/99). On January 6, 1999, LG announced that it had decided to sell all of its shares to Hyundai. Agreement was reached on the price and other terms of the purchase in the spring of 1999. On April 20, 1999, the purchase price of LG's stock was agreed upon, and LG could no longer make any major decisions without the consent of Hyundai. *See* Decision Memorandum: Whether to Collapse Hyundai Electronics Industries Co., Ltd. and LG Semicon Co., Ltd. Into a Single Entity, dated May 1, 2001 (Collapsing Memorandum). The sale was consummated on May 20, 1999, when Hyundai purchased stock in LG from LG Group Companies. *See* Hyundai's December 28, 2000, section A supplemental questionnaire response at 4 (Supplemental Section A Response). With this initial purchase, Hyundai acquired a 58.98 percent interest in LG. Following the receipt of antitrust clearances from authorities in United States, Europe, and other jurisdictions, Hyundai executives took over the direct management of LG's business operations on July 7, 1999. The process was completed on October 13, 1999, after conducting the administrative procedures for the formal acquisition and merger, including public notice and

adoption of a resolution at a meeting of Hyundai shareholders. While the acquisition had not been completed by May 1, 1999, the first day of the POR, this information led us to question the appropriateness of continuing our analysis of Hyundai and LG as separate entities for any part of the POR for the purposes of the preliminary results. In order to collect information germane to this issue, we asked several questions in our November 20, 2000, supplemental questionnaire concerning the collapsing criteria provided for in the Department's regulations. Hyundai also provided information relevant to the collapsing issue in its response to the Department's section A initial questionnaire.

As discussed below, we have analyzed the information on the record in accordance with 771(33) of the Act and section 351.401(f) of the Department's regulations. Based on this analysis, we have preliminarily determined that Hyundai and LG should be considered a single entity with one calculated rate for the entirety of the POR.

A. Hyundai and LG Affiliation

Pursuant to section 771(33) of the Act, the Department shall consider the following persons to be ''affiliated'' or ''affiliated persons'':

(A) Members of a family, including brothers and sisters (whether by the whole or half blood), spouse, ancestors, and lineal descendants.

(B) Any officer or director of an organization and such organization.

(C) Partners.

(D) Employer and employee.

(E) Any person directly or indirectly owning, controlling, or holding with power to vote, five percent or more of the outstanding voting stock or shares of any organization and such organization.

(F) Two or more persons directly or indirectly controlling, controlled by, or under common control with, any person.

(G) Any person who controls any other person and such other person.

For the purposes of this paragraph, a person shall be considered to control another person if the person is legally or operationally in a position to exercise restraint or direction over the other person.

As noted above, Hyundai's acquisition of LG began in January 1999 with the announcement that LG had decided to sell all of its shares to Hyundai. Then, on April 20, 1999, the purchase price of LG's stock was agreed upon, and it was agreed that LG would no longer make any major decisions without the consent of Hyundai. On May 20, 1999, Hyundai purchased LG's stock and on July 7, 1999, Hyundai took over formal management of LG's business operations. The acquisition process was completed on October 13, 1999, and on that date LG ceased to exist as a separate entity and became a part of Hyundai's operations. Thus, pursuant to section 771(33)(E) of the Act, the Department has preliminarily determined that Hyundai and LG were affiliated from the beginning of the POR until October 13, 1999 because of Hyundai's controlling interest in and control of LG.

B. Collapsing Hyundai and LG

Section 351.401(f) of the Department's regulations outlines the criteria for collapsing (i.e., treating as a single entity) affiliated producers. Pursuant to section 351.401(f), the Department will treat two or more affiliated producers as a single entity where (1) those producers have production facilities for similar or identical products that would not require substantial retooling of either facility in order to restructure manufacturing priorities, and (2) the Department concludes that there is a significant potential for the manipulation of price or production.

Pursuant to section 351.401(f)(2), in identifying a significant potential for the manipulation of price or production, the Department may consider the following factors:

(i) the level of common ownership;

(ii) the extent to which managerial employees or board members of one firm sit on the board of directors of an affiliated firm; and

(iii) whether operations are intertwined, such as through the sharing of sales information, involvement in production and pricing decisions, the sharing of facilities or employees, or significant transactions between the affiliated producers.

To establish the first prong of the collapsing test, pursuant to section 351.401(f)(1), the producers must have production facilities equipped to manufacture similar or identical products that would not require substantial retooling of either facility to restructure manufacturing priorities.

During the period May 1, 1999 through October 12, 1999, LG possessed production facilities which manufactured the identical subject merchandise as Hyundai. *See* Hyundai's December 28, 2000, section A supplemental questionnaire response at 16 (Supplemental Section A Response). In addition, in July 1999, semiconductors produced at LG's former facility at Cheongju began to be marketed under Hyundai's name, along with semiconductors produced at Hyundai's Ichon plant. *Id.* Therefore, we conclude that Hyundai's and LG's production facilities were equipped to manufacture identical products without substantial retooling.

With regard to common ownership, which is one of the factors to be considered under 19 CFR 351.401(f)(2)(i), we note, as discussed above, Hyundai purchased 58.98 percent of LG's stock on May 20, 1999. *See* Supplemental Section A response at 4.

With respect to the extent to which there was a management overlap between Hyundai and LG, under 19 CFR 351.401(f)(2)(ii), we note that on July 7, 1999, Hyundai took over formal management of LG's business operations. *See* Supplemental Section A Response at 17.

Finally, with regard to 19 CFR 351.401(f)(2)(iii), sharing financial information and mutual involvement in pricing decisions would be indicative of intertwined operations between companies, on April 20, 1999, the purchase price of LG's stock was agreed upon and LG agreed to make no major business decisions without Hyundai's agreement, thereby giving Hyundai implicit control over LG's pricing and marketing. Further, Hyundai's purchase of a majority of LG's stock on May 20, 1999, and its takeover of management of LG's business operations on July 7, 1999 gave Hyundai explicit control over LG's pricing and marketing.

During the period in question, based on the factors discussed above, we conclude that Hyundai gained complete managerial control of LG and ownership and control of LG's production facilities. Therefore, we find that there existed significant potential for Hyundai to manipulate price or production at LG's facilities.

Based upon a review of the totality of the circumstances, we preliminarily find that collapsing of these two entities for the period May 1, 1999 through October 13, 1999, is appropriate in this case under 19 CFR 351.401(f). For a further discussion on affiliation and collapsing, *see* Collapsing Memorandum.

C. Successorship

As discussed above, Hyundai purchased LG in 1999. The process of acquisition which began in January 1999 was completed on October 13, 1999. Hyundai integrated LG's operations into its own corporate structure and, as of October 13, 1999, LG ceased to exist as a corporate entity.

Although Hyundai did not request that the Department make a successorship determination for

purposes of applying the antidumping duty law, the Department is now making such a successorship determination. In determining whether Hyundai is the successor to both Hyundai and LG for purposes of applying the antidumping duty law, the Department examines a number of factors including, but not limited to, changes in: (1) management, (2) production facilities, (3) suppliers, and (4) customer base. *See, e.g., Brass Sheet and Strip from Canada*; *Final Results of Antidumping Duty Administrative Review*, 57 FR 20460 (May 3, 1992) (*Brass Sheet and Strip from Canada); Steel Wire Strand for Prestressed Concrete from Japan, Final Results of Changes Circumstances Antidumping Duty Administrative Review*, 55 FR 28796 (July 13, 1990); and *Industrial Phosphorous From Israel; Final Results of Antidumping Duty Changes Circumstances Review*, 59 FR 6944 (February 14, 1994). While examining these factors alone will not necessarily provide a dispositive indication of succession, the Department will generally consider one company to have succeeded another if that company's operations are essentially inclusive of the predecessor's operations. *See, Brass Sheet and Strip from Canada.* Thus, if the evidence demonstrates, with respect to the production and sale of the subject merchandise, that the new company is essentially the same business operation as the former company, the Department will assign the new company the cash deposit rate of its predecessor.

With regards to LG, the evidence on the record demonstrates that with respect to the production and sale of the subject merchandise, Hyundai is the successor to LG. Specifically, the evidence shows that Hyundai operates the same production facilities, and has most of the same customers, suppliers and management, as LG had. Moreover, Hyundai's operations at the former LG facilities remain unchanged, except that they now operate under the Hyundai corporate umbrella rather than as an independent corporate entity.

With regards to Hyundai, the evidence on the record demonstrates that with respect to the production and sale of the subject merchandise, Hyundai is the successor to the former Hyundai. Specifically, the evidence shows that Hyundai operates the same production facilities, and has most of the same customers, suppliers and management, as the former Hyundai had. Moreover, Hyundai's operations at the former Hyundai facilities remain unchanged.

Therefore, since Hyundai's operations are essentially inclusive of Hyundai's and LG's former operations, we preliminarily determine that Hyundai is the successor to both Hyundai and LG for purposes of this proceeding, and for the application of the antidumping law.

Fair Value Comparisons

To determine whether sales of DRAMs from Korea to the United States were made at less than fair value (LTFV), we compared the constructed export price (CEP) to the normal value (NV), as described in the CEP and NV sections of this notice, below. In accordance with section 771(16) of the Act, we considered all products as described in the ''Scope of Review'' section of this notice, above, that were sold in the home market in the ordinary course of trade for purposes of determining appropriate product comparisons to U.S. sales. Where there were no sales of the identical or the most similar merchandise in the home market that were suitable for comparison, we compared U.S. sales to sales of the next most similar foreign like product, based on the characteristics listed in sections B and C of our antidumping questionnaire.

CEP

For Hyundai, in calculating United States price, the Department used CEP, as defined in section 772(b) of the Act, because the merchandise was first sold to an unaffiliated U.S. purchaser after importation. We calculated CEP based on delivered prices to unaffiliated customers in the United States.

We made deductions from the starting price, where appropriate, for discounts, rebates, billing adjustments, foreign and U.S. brokerage and handling, foreign inland insurance, export insurance, air freight, air insurance, U.S. warehousing expense, U.S. duties and direct and indirect selling expenses to the extent that they are associated with economic activity in the United States in accordance with sections 772(c)(2) and 772(d)(1) of the Act. These deductions included credit expenses and commissions, as applicable, and inventory carrying costs incurred by the respondent's U.S. subsidiaries. We added duty drawback received on imported materials, where applicable, pursuant to section 772(c)(1)(B) of the Act.

For DRAMs that were further manufactured into memory modules after importation, we deducted all costs of further manufacturing in the United States, pursuant to section 772(d)(2) of the Act. These costs consisted of the costs of the materials, fabrication, and general expenses associated with further manufacturing in the United States. Pursuant to section 772(d)(3) of the Act, we also reduced the CEP by the amount of profit allocated to the expenses deducted under section 772(d)(1) and (2).

Level of Trade (LOT)

In accordance with section 773(a)(1)(B) of the Act, to the extent practical, we determined NV based on sales in the comparison market at the same LOT as the CEP sales. The NV LOT is that of the starting-price sales in the comparison market or, when NV is based on constructed value (CV), that of the sales from which we derive selling, general, and administrative (SG&A) expenses and profit. For CEP, it is the level of the constructed sale from the exporter to the importer.

To determine whether NV sales are at a different LOT than the CEP sales, we examined stages in the marketing process and selling activities along the chain of distribution between the producer and the unaffiliated customer. If the comparison-market sales are at a different LOT, and the difference affects price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison-market sales at the LOT of the export transaction, we make a LOT adjustment under section 773(a)(7)(A) of the Act. Finally, for CEP sales, if the NV level is more remote from the factory than the CEP level and there is no basis for determining whether the difference in the levels between NV and CEP affects price comparability, we adjust NV under section 773(a)(7)(B) of the Act (the CEP offset provision). *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to Length Carbon Steel Plate from South Africa*, 62 FR 61731 (November 19, 1997).

We reviewed the questionnaire responses of Hyundai to establish whether there were sales at different LOTs based on the distribution system, selling activities, and services offered to each customer or customer category. For Hyundai, we identified one LOT in the home market with direct sales by the parent corporation to the domestic customer. These direct sales were made by the respondent to original equipment manufacturers (OEMs) and to distributors. In addition, all sales, whether made to OEM customers or to distributors, included the same selling functions. For the U.S. market, all sales for the respondents were reported as CEP sales. The LOT of the U.S. sales is determined for the sale to the affiliated importer rather than the resale to the unaffiliated customer. We examined the selling functions performed by the

Korean company for U.S. CEP sales (as adjusted) and preliminarily determine that they are at a different LOT from the Korean company's home market sales because the company's CEP transactions were at a less advanced stage of marketing. For instance, at the CEP level, the Korean company did not engage in any general promotion activities, marketing functions, or price negotiations for U.S. sales.

Because we compared CEP sales to home market sales at a more advanced LOT, we examined whether a LOT adjustment may be appropriate. In this case, the respondent only sold at one LOT in the home market. Therefore, there is no basis upon which the respondent can demonstrate a pattern of consistent price differences between LOTs. Further, we do not have information which would allow us to examine pricing patterns based on the respondent's sales of other products and there is no other record information on which such an analysis could be based. Because the data available do not provide an appropriate basis for making a LOT adjustment and the LOT in the home market is at a more advanced stage of distribution than the LOT of the CEP sales, a CEP offset is appropriate. We applied the CEP offset to adjusted home market prices or CV, as appropriate. The CEP offset consisted of an amount equal to the lesser of the weighted-average U.S. indirect selling expenses and U.S. commissions or home market indirect selling expenses. *See* the Memorandum on LOT for Hyundai, dated May 30, 2001.

NV

Home Market Viability

In order to determine whether there were sufficient sales of DRAMs in the home market to serve as a viable basis for calculating NV, we compared 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)(1)(C) of the Act. Because the aggregate volume of home market sales of the foreign like products for Hyundai was greater than five percent of the respective aggregate volume of U.S. sales of the subject merchandise, we determined that the home market provides a viable basis for calculating NV for the respondent.

Cost of Production (COP)

We disregarded Hyundai's sales found to have been made below the COP in the fifth administrative review, the most recent segment of this proceeding for which final results were available at the time of the initiation of this review. *See Final Results 1999.* Accordingly, the Department, pursuant to section 773(b) of the Act, initiated a COP investigation of the respondent for purposes of this administrative review.

We calculated the COP based on the sum of the costs of materials and fabrication employed in producing the foreign like product, SG&A expenses, and the cost of all expenses incidental to placing the foreign like product in condition, packed, ready for shipment, in accordance with section 773(b)(3) of the Act. Consistent with previous reviews, we compared weighted-average quarterly COP figures for the respondent, adjusted where appropriate (see below), to home market sales of the foreign like product, as required under section 773(b) of the Act, in order to determine whether these sales had been made at prices below the COP. In determining whether to disregard home market sales made at prices below the COP, we examined whether such sales were made (1) within an extended period of time in substantial quantities, and (2) at prices which permitted the recovery of all costs within a reasonable period of time in the normal course of trade, in accordance with sections 773(b)(1)(A) and (B) of the Act. *See Final Results 1999* and *Dynamic Random Access Memory Semiconductors of One Megabit or Above From the Republic of Korea: Final Results of Antidumping Duty Administrative Review*, 65 FR 68976 (November 15, 2000). In accordance with section 773(b)(2)(D) of the Act, we conducted the recovery of cost test using annual cost data.

Pursuant to section 773(b)(2)(C)(i) of the Act, where less than 20 percent of home market sales of a given model were at prices less than the COP, we did not disregard any below-cost sales of that model because the below-cost sales were not made in ''substantial quantities.'' Where 20 percent or more of the respondent's sales of a given product were at prices below the COP, we found that sales of that model were made in ''substantial quantities'' within an extended period of time, in accordance with section 773(b)(2)(B) and (C) of the Act. To determine whether prices provided for recovery of costs within a reasonable period of time, we tested whether the prices which were below the per-unit COP at the time of the sale were also below the weighted-average per-unit cost of production for the POR, in accordance with section 773(b)(2)(D) of the Act. If they were, we disregarded the below-cost sales in determining NV.

We found that for Hyundai, more than 20 percent of its home market sales for certain products were made at prices that were less than the COP. Furthermore, the prices did not permit the recovery of costs within a reasonable period of time. We, therefore, disregarded the below-cost sales and used the remaining above-cost sales as the basis for determining NV, in accordance with section 773(b)(1). For those sales for which there were no comparable home market sales in the ordinary course of trade, we compared CEP to CV pursuant to section 773(a)(4) of the Act.

Adjustments to COP

Depreciation

Hyundai, consistent with the past review, increased the useful lives over which it depreciates certain assets. Our practice, pursuant to section 773(f)(1)(A) of the Act and the SAA at 834, is to use those accounting methods and practices that respondents have historically used. As this is the seventh review of this order, we do not consider it appropriate for the respondent to dramatically change the useful lives of its assets for antidumping purposes. We find that the useful lives that Hyundai adopted for certain assets in 1998 greatly exceed the useful lives that it has employed for these assets in the past. This is the second time since 1996 that the respondent has extended the useful lives of its assets. While the Department accepted the respondent's 1996 minor useful life adjustment, the useful lives that Hyundai adopted in 1998 are in some instances greater than fifty percent longer than the previous useful lives. *See Dynamic Random Access Memory Semiconductors of One Megabit or Above From the Republic of Korea: Final Results of Antidumping Duty Administrative Review, Partial Rescission of Administrative Review and Notice of Determination Not to Revoke Order* 63 FR at 50870–50871 (September 23, 1998) (*Final Results 1998*). Moreover, we do not believe that the useful lives Hyundai previously employed were unreasonable, especially considering that the company itself argued that the previous useful lives were reasonable in *Final Results 1998.* We therefore adjusted Hyundai's reported depreciation expense using the pre-1998 useful lives.

CV

In accordance with section 773(e) of the Act, we calculated CV based on the respondent's cost of materials and fabrication employed in producing the subject merchandise, SG&A expenses,

the profit incurred and realized in connection with the production and sale of the foreign like product, and U.S. packing costs. We used the cost of materials, fabrication, and G&A expenses as reported in the CV portion of the questionnaire response, adjusted as discussed in the COP section above. We used the U.S. packing costs as reported in the U.S. sales portion of the respondent's questionnaire responses. For selling expenses, we used the average of the selling expenses reported for home market sales that survived the cost test, weighted by the total quantity of those sales. For actual profit, we first calculated, based on the home market sales that survived the cost test, the difference between the home market sales value and home market COP, and divided the difference by the home market COP. We then multiplied this percentage by the COP for each U.S. model to derive an actual profit.

Price Comparisons

For price-to-price comparisons, we based NV on the price at which the foreign like product is first sold for consumption in the exporting country, in the usual commercial quantities and in the ordinary course of trade, in accordance with section 773(a)(1)(B)(i) of the Act. We compared the U.S. prices of individual transactions to the monthly weighted-average price of sales of the foreign like product.

With respect to both CV and home market prices, we made adjustments, where appropriate, for inland freight, inland insurance, duty adjustments, and discounts. We also reduced CV and home market prices by packing costs incurred in the home market, in accordance with section 773(a)(6)(B)(i) of the Act. In addition, we increased CV and home market prices for U.S. packing costs, in accordance with section 773(a)(6)(A) of the Act. We made further adjustments to home market prices, when applicable, to account for differences in physical characteristics of the merchandise in accordance with section 773(a)(6)(C)(ii) of the Act. Additionally, pursuant to section 773(a)(6)(C)(iii) of the Act, we made an adjustment for differences in circumstances of sale by deducting home market direct selling expenses (credit expenses, royalty, and bank charges) and adding any direct selling expenses associated with U.S. sales not deducted under the provisions of section 772(d)(1) of the Act. Finally, we made a CEP offset adjustment to account for comparing U.S. and home market sales at different levels of trade.

Preliminary Results of Review

As a result of this review, we preliminarily determine that the following weighted-average dumping margins exist for May 1, 1999, through December 31, 1999:

Manufacturer/exporter	Percent margin
Hyundai Electronic Industries Co., Ltd	3.01
G5 Corporation	10.44
Jewon Microelectronics	10.44
Jae Won	10.44
Kim's Marketing	10.44
Techsan	10.44
Wooyang Industry Co., Ltd	10.44

Pursuant to 19 CFR 351.224(b), the Department will disclose to parties to the proceeding any calculations performed in connection with these preliminary results within 5 days of the date of publication of this notice. Any interested party may request a hearing within 30 days of the date of publication of this notice. Parties who submit arguments in this proceeding are requested to submit with each argument: (1) a statement of the issue and (2) a brief summary of the argument. All case briefs must be submitted within 30 days of the date of publication of this notice. Rebuttal briefs, which are limited to issues raised in the case briefs, may be filed not later than seven days after the case briefs are filed. Further, we would appreciate it if parties submitting written comments would provide the Department with an additional copy of the public version of any such comments on diskette. A hearing, if requested, will be held two days after the date the rebuttal briefs are filed or the first business day thereafter.

The Department will publish a notice of the final results of this administrative review, which will include the results of its analysis of the issues raised in any written comments or at the hearing, within 120 days from the publication of these preliminary results.

The Department will not issue cash deposit instructions to Customs based on the results of this review. Since the revocation is currently in effect, current and future imports of DRAMs from Korea shall be entered into the United States without regard to antidumping duties. We have already instructed Customs to liquidate all entries as of January 1, 2000 without regard to antidumping duties.

The Department shall determine, and Customs shall assess, antidumping duties on all appropriate entries. The Department will issue appraisement instructions directly to Customs. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the determination. We have calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping margins calculated for the examined sales to the entered value of sales used to calculate those duties. These rates will be assessed uniformly on all entries of each particular importer made during the POR.

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) of the Department's regulations 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 this notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: May 31, 2001.

Faryar Shirzad,

Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–821–807]

Continuation of Antidumping Duty Order: Ferrovanadium and Nitrided Vanadium From Russia

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

ACTION: Notice of continuation of antidumping duty order: ferrovanadium and nitrided vanadium from Russia.

SUMMARY: On October 10, 2000, the Department of Commerce (''the Department''), pursuant to sections 751(c) and 752 (c) of the Tariff Act of 1930, as amended (''the Act''), determined that revocation of the antidumping duty order on ferrovanadium and nitrided vanadium from Russia would be likely to lead to continuation or recurrence of dumping (65 FR 60168). On May 23, 2001, the International Trade Commission (''the Commission''), pursuant to section 751(c) of the Act, determined that revocation of the antidumping duty order on ferrovanadium and nitrided