

DEPARTMENT OF COMMERCE

International Trade Administration

[A-588-804]

Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof From Japan; Initiation and Preliminary Results of Changed-Circumstances Antidumping Duty Administrative Review

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

ACTION: Notice of Initiation and Preliminary Results of Changed-Circumstances Antidumping Duty Administrative Review.

SUMMARY: The Department of Commerce has received information sufficient to warrant initiation of a changed-circumstances administrative review of the antidumping order on ball bearings and parts thereof from Japan. Based on this information, we preliminarily determine that Tsubaki-Nakashima Co., Ltd., is the successor-in-interest to Tsubakimoto Precision Products, Co., Ltd. for purposes of determining antidumping liability.

Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: August 10, 1999.

FOR FURTHER INFORMATION CONTACT: J. David Dirstine or Richard Rimlinger, Office of AD/CVD Enforcement, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-4733.

SUPPLEMENTARY INFORMATION:**Background**

On May 15, 1989, the Department of Commerce (the Department) published in the **Federal Register** (54 FR 20904) the antidumping duty order on ball bearings and parts thereof from Japan. On July 16, 1999, Tsubaki-Nakashima Co., Ltd. (Tsubaki-Nakashima), submitted a letter stating that Tsubaki-Nakashima is the successor-in-interest to Tsubakimoto Precision Products, Co., Ltd. (Tsubakimoto), and that Tsubaki-Nakashima should receive the same antidumping duty treatment as is accorded Tsubakimoto with respect to ball bearings.

Scope of the Review

The products covered by this review are ball bearings and parts thereof. These products include all ball bearings that employ balls as the rolling element. Imports of these products are classified

under the following categories: antifriction balls, ball bearings with integral shafts, ball bearings (including radial ball bearings) and parts thereof, and housed or mounted ball bearing units and parts thereof.

Imports of these products are classified under the following Harmonized Tariff Schedules (HTS) subheadings: 3926.90.45, 4016.93.00, 4016.93.10, 4016.93.50, 6909.19.5010, 8431.20.00, 8431.39.0010, 8482.10.10, 8482.10.50, 8482.80.00, 8482.91.00, 8482.99.05, 8482.99.2580, 8482.99.35, 8482.99.6595, 8483.20.40, 8483.20.80, 8483.50.8040, 8483.50.90, 8483.90.20, 8483.90.30, 8483.90.70, 8708.50.50, 8708.60.50, 8708.60.80, 8708.70.6060, 8708.70.8050, 8708.93.30, 8708.93.5000, 8708.93.6000, 8708.93.75, 8708.99.06, 8708.99.31, 8708.99.4960, 8708.99.50, 8708.99.5800, 8708.99.8080, 8803.10.00, 8803.20.00, 8803.30.00, 8803.90.30, and 8803.90.90.

The size or precision grade of a bearing does not influence whether the bearing is covered by the order. For a further discussion of the scope of the order being reviewed, including recent scope determinations, see *Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof from France, Germany, Italy, Japan, Romania, Singapore, Sweden and the United Kingdom; Final Results of Antidumping Duty Administrative Reviews*, 63 FR 33320 (June 18, 1998). Although the HTS item numbers are provided for convenience and customs purposes, the written description of the scope of this proceeding remains dispositive.

Initiation and Preliminary Results of Review

In a letter dated July 16, 1999, Tsubaki-Nakashima advised the Department that, effective April 1, 1996, Tsubakimoto merged with Nakashima Manufacturing Co., Ltd. (Nakashima). According to the submission, Tsubakimoto was the surviving company and is currently operating under the name Tsubaki-Nakashima Co., Ltd. Tsubaki-Nakashima stated that the former President of Tsubakimoto is now the President of Tsubaki-Nakashima, that the former Executive Vice President of Tsubakimoto is now one of three Executive Vice Presidents of Tsubaki-Nakashima (two additional Executive Vice Presidents were added following the merger), that the sole Managing Director of Tsubaki-Nakashima was one of two Managing Directors of Tsubakimoto, and, further, that all the current Directors of Tsubaki-Nakashima were Directors of Tsubakimoto. Tsubaki-Nakashima also stated that its

production facilities are substantially similar to Tsubakimoto. Specifically, Tsubaki-Nakashima stated that three of its four production facilities were operated previously by Tsubakimoto. Finally, Tsubaki-Nakashima stated that its supplier relationships and customer base are substantially similar to those of Tsubakimoto. Tsubaki-Nakashima submitted exhibits listing the management, production facilities, major suppliers, and customers of both Tsubaki-Nakashima and Tsubakimoto.

Thus, in accordance with section 751(b) of the Tariff Act, as amended (the Act), the Department is initiating a changed-circumstances review to determine whether Tsubaki-Nakashima is the successor-in-interest to Tsubakimoto for purposes of determining antidumping duty liability with respect to ball bearings. In making such a successor-in-interest determination, the Department examines several factors including, but not limited to, changes in: (1) Management; (2) production facilities; (3) supplier relationships; and (4) customer base. See, e.g., *Brass Sheet and Strip from Canada; Final Results of Antidumping Duty Administrative Review*, 57 FR 20460 (May 13, 1992) (*Canadian Brass*). While no single or several of these factors will necessarily provide a dispositive indication, the Department will generally consider the new company to be the successor to the previous company if its resulting operation is similar to that of its predecessor. See, e.g., *Industrial Phosphoric Acid from Israel; Final Results of Changed Circumstances Review*, 59 FR 6944 (February 14, 1994), and *Canadian Brass*. Thus, if the evidence demonstrates that, with respect to the production and sale of the subject merchandise, the new company operates as the same business entity as the former company, the Department will assign the new company the cash-deposit rate of its predecessor.

We preliminarily determine that Tsubaki-Nakashima is the successor-in-interest to Tsubakimoto. Tsubakimoto, the surviving company following its merger with Nakashima, is now operating as Tsubaki-Nakashima. The former President of Tsubakimoto is now the President of Tsubaki-Nakashima. The rest of the company's senior management structure including the board of directors is substantially similar to that of Tsubakimoto. In addition, the company's production facilities are substantially similar to Tsubakimoto as are supplier relationships and the company's customer base. Thus, we preliminarily determine that Tsubaki-Nakashima

should receive the same antidumping duty treatment with respect to ball bearings as the former Tsubakimoto, *i.e.*, a 7.77 percent antidumping duty cash-deposit rate.

Public Comment

Any interested party may request a hearing within 10 days of publication of this notice. Any hearing, if requested, will be held no later than 28 days after the date of publication of this notice, or the first workday thereafter. Case briefs and/or written comments from interested parties may be submitted not later than 14 days after the date of publication of this notice. Rebuttal briefs and rebuttals to written comments, limited to the issues raised in those comments, may be filed not later than 21 days after the date of publication of this notice. All written comments shall be submitted in accordance with 19 CFR 351.303. Persons interested in attending the hearing, if one is requested, should contact the Department for the date and time of the hearing. The Department will publish the final results of this changed-circumstances review, including the results of its analysis of issues raised in any written comments.

We are issuing and publishing this determination and notice in accordance with sections 751(b)(1) and 777(i)(1) of the Act and sections 351.216 and 351.222 of the Department's regulations.

Dated: August 3, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-428-602]

Final Results of Antidumping Duty Administrative Review: Brass Sheet and Strip From Germany

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

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

EFFECTIVE DATE: August 10, 1999.

SUMMARY: On April 6, 1999, the Department of Commerce published the preliminary results of its administrative review of the antidumping duty order on brass sheet and strip from Germany. This review covers shipments of subject

merchandise to the United States by one manufacturer/exporter, Wieland-Werke AG, during the period March 1, 1997 through February 28, 1998. Due to the respondent's withdrawal from participation in this review, we have based its margin on adverse facts available, applying the highest margin for any company during any segment of this proceeding.

FOR FURTHER INFORMATION CONTACT: Magd Zalok or Kris Campbell, AD/CVD Enforcement, Group II, Office 5, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4162 or 482-3813, respectively.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department of Commerce's (the Department's) regulations are to the regulations provided in 19 CFR Part 351 (1998).

Background

On April 6, 1999, the Department published the preliminary results of its administrative review of the antidumping duty order on brass sheet and strip from Germany. See *Preliminary Results of Antidumping Duty Administrative Review: Brass Sheet and Strip from Germany*, 64 FR 16697 (April 6, 1999) (preliminary results). As stated in the preliminary results, Weiland-Werke AG (Weiland) withdrew from participation in this review on May 11, 1998, and accordingly received a preliminary rate based on adverse facts available (*i.e.*, the highest rate for any company during any segment of the proceeding). On May 6, 1999, we received a case brief from domestic interested parties,¹ requesting that the Department continue to assign Weiland the adverse rate selected in the preliminary results (16.18 percent). Additionally, since Weiland failed to cooperate by not placing any information on the record, the

petitioners argued that the Department should draw the adverse inference that duty absorption occurred on all of Weiland's sales of the subject merchandise during the period of review. We received no comments on the preliminary results from Weiland.

Scope of the Review

This review covers shipments of brass sheet and strip, other than leaded and tinned, from Germany. The chemical composition of the covered products is currently defined in the Copper Development Association (C.D.A.) 200 Series or the Unified Numbering System (U.N.S.) C2000; this review does not cover products the chemical compositions of which are defined by other C.D.A. or U.N.S. series. In physical dimensions, the products covered by this review have a solid rectangular cross section over 0.006 inches (0.15 millimeters) through 0.188 inches (4.8 millimeters) in finished thickness or gauge, regardless of width. Coiled, wound-on-reels (traverse wound), and cut-to-length products are included. The merchandise is currently classified under Harmonized Tariff Schedule of the United States (HTSUS) item numbers 7409.21.00 and 7409.29.00. Although the HTSUS item numbers are provided for convenience and customs purposes, the Department's written description of the scope of this order remains dispositive.

Facts Available

Section 776(a)(2) of the Act provides that if an interested party withholds information that has been requested by the Department, fails to provide such information in a timely manner or in the form requested, significantly impedes a proceeding under the antidumping statute, or provides information that cannot be verified, the Department shall use facts available in reaching the applicable determination.

In selecting from among the facts otherwise available, section 776(b) of the Act authorizes the Department to use an adverse inference if the Department finds that a party has failed to cooperate by not acting to the best of its ability to comply with requests for information. See the Statement of Administrative Action to the URAA at 870 (SAA).

On May 11, 1998, Weiland informed the Department that it was withdrawing from participation in the review. By withdrawing its participation, Weiland impeded the instant review. Therefore, in accordance with section 776(a)(2) of the Act and consistent with our preliminary results, we determine that

¹ The case brief was filed by petitioners Hussey Copper, Ltd.; Outokumpu American Brass; Reverse Copper Products, Inc.; International Association of Machinists and Aerospace Workers; and United Steelworkers of America (AFL-CIO/CLC). Also named as interested parties were Olin Corporation—Brass Group and United Auto Workers (Local 2367).