January 19, 1999, Bethlehem Steel Corporation (Bethlehem), Inland Steel Industries, Inc. (Inland), LTV Steel Company (LTV), National Steel Corporation (National), and U.S. Steel Group, A Unit of USX Corporation (U.S. Steel), domestic interested parties in this case, submitted a letter indicating that they have no objection to the initiation of this changed circumstances review and no interest in maintaining the antidumping duty order on corrosion-resistant carbon steel flat products from Japan with respect to products having the dimensions indicated above. Based on the fact that this portion of this order is no longer of interest to domestic parties, we intend to partially revoke this order.

Initiation of Changed Circumstances Antidumping Duty Review, and Intent To Revoke Order in Part

Pursuant to sections 751(d)(1) and 782(h)(2) of the Act, the Department may partially revoke an antidumping or countervailing duty order based on a review under section 751(b) of the Act (*i.e.*, a changed circumstances review). Section 751(b)(1) of the Act requires a changed circumstances review to be conducted upon receipt of a request which shows changed circumstances sufficient to warrant a review. Section 351.222(g) of the Department's regulations provides that the Department will conduct a changed circumstances administrative review under 19 CFR 351.216, and may revoke an order (in whole or in part), if it determines that producers accounting for substantially all of the production of the domestic like product to which the order (or the part of the order to be revoked) pertains have expressed a lack of interest in the relief provided by the order, in whole or in part. In addition, in the event that the Department concludes that expedited action is warranted, 19 CFR 351.221(c)(3)(ii) permits the Department to combine the notices of initiation and preliminary results.

Therefore, in accordance with sections 751(d)(1) and 782(h)(2) of the Act, and 19 CFR 351.216 and 351.222(g), based on affirmative statements of no interest by Bethlehem, Inland, LTV, National, and U.S. Steel in continuing the order with respect to corrosion-resistant carbon steel flat products with (1) widths ranging from 10 millimeters (0.394 inches) through 100 millimeters (3.94 inches); (2) thicknesses, including coatings, ranging from 0.11 millimeters (0.004 inches) through 0.60 millimeters (0.024 inches); and (3) a coating that is from 0.003 millimeters (0.00012 inches) through 0.005 millimeters (0.000196 inches) in thickness and that is comprised of either two evenly applied layers, the first layer consisting of 99% zinc, 0.5% cobalt, and 0.5% molybdenum, followed by a layer consisting of chromate, or three evenly applied layers, the first layer consisting of 99% zinc, 0.5% cobalt, and 0.5% molybdenum followed by a layer consisting of chromate, and finally a layer consisting of silicate, we are initiating this changed circumstances review. Furthermore, we determine that expedited action is warranted, and we preliminarily determine that the continued relief provided by the order with respect to corrosion-resistant carbon steel flat products within the width and thickness range mentioned above is no longer of interest to domestic interested parties. Because we have concluded that expedited action is warranted, we are combining these notices of initiation and preliminary results. Therefore, we are hereby notifying the public of our intent to revoke in part the antidumping duty order with respect to imports of corrosion-resistant carbon steel flat products of the above-mentioned width, thickness, coating range, and coating composition from Japan.

If final revocation in part occurs, we intend to instruct the U.S. Customs Service (Customs) to liquidate without regard to antidumping duties, and to refund any estimated antidumping duties collected for all entries of corrosion-resistant carbon steel flat products, with the dimensions indicated above, made on or after the date of publication in the **Federal Register** of the final results of this review in accordance with 19 CFR 351.222. We will also instruct Customs to pay interest on such refunds in accordance with section 778 of the Act. The current requirement for a cash deposit of estimated antidumping duties on corrosion-resistant carbon steel flat products, with the dimensions indicated above, will continue unless and until we publish a final determination to revoke in part.

Public Comment

Interested parties are invited to comment on these preliminary results. Parties who submit argument in this proceeding are requested to submit with the argument (1) a statement of the issue, and (2) a brief summary of the argument. Parties to the proceedings may request disclosure within 5 days of the date of publication of this notice and any interested party may request a hearing within 10 days of publication. 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 may be submitted by interested parties 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 and shall be served on all interested parties on the Department's service list in accordance with 19 CFR 351.303. Persons interested in attending the hearing 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. This notice is in accordance with sections 751(b)(1) of the Act and 19 CFR 351.216 and 351.222.

Dated: January 25. 1999.

Richard W. Moreland,

Acting Assistant Secretary for Import Administration.

[FR Doc. 99–2456 Filed 2–1–99; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–533–815]

Preliminary Determination of Sales at Less Than Fair Value and Preliminary Negative Critical Circumstances Determination: Elastic Rubber Tape from India

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

EFFECTIVE DATE: February 2, 1999.

FOR FURTHER INFORMATION CONTACT: Cynthia Thirumalai, Craig W. Matney, or Alysia Wilson, Office 1, Group I, AD/CVD Enforcement, Import Administration, U.S. Department of Commerce, Room 3099, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone (202) 482–4087, (202) 482–1778, or (202) 482–0108, respectively.

The Applicable Statute

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 at 19 CFR part 351 (April 1, 1998).

Preliminary Determination

We preliminarily determine that elastic rubber tape (''ERT'') from India is being, or is likely to be, sold in the United States at less than fair value (''LTFV''), as provided in section 733 of the Act. The estimated margins of sales at LTFV are shown in the ''Suspension of Liquidation'' section of this notice.

Case History

Since the initiation of this investigation on September 8, 1998 (*see Notice of Initiation of Antidumping Duty Investigation: Elastic Rubber Tape from India,* 63 FR 49546 (September 16, 1998) (''*Notice of Initiation*'')), the following events have occurred:

On October 15, 1998, the International Trade Commission (''ITC'') published its preliminary determination that there is a reasonable indication that an industry in the United States is being materially injured, or threatened with material injury, by reason of imports from India of the subject merchandise (63 FR 55407).

On October 9, 1998, the Department issued the antidumping duty questionnaire to Garware Elastomerics Limited (''GEL''), the only producer/exporter of ERT in India. GEL submitted its responses to Section A on November 6, 1998, and then Sections B and C of the questionnaire on November 23, 1998. Also on November 23, 1998, the Department requested that GEL report the value and volume of its imports into the United States during the period of April through December 1998 in connection with the petitioners' allegation of critical circumstances. GEL submitted this information to the Department on December 9, 1998, and additional export data on December 29, 1998.

On December 17, 1998, the Department issued a supplemental questionnaire to GEL. GEL submitted part of its supplemental response on December 29, 1998, and the remainder on January 11, 1999.

On December 23, 1998, the Department received a timely allegation by Fulflex, Inc., Elastomer Technologies Group, Inc., and RM Engineered Products, Inc., (referred to hereinafter as ''the petitioners'') that GEL made sales in its home market below the cost of production. On the basis of the information contained in the petitioners' allegation, we initiated a sales-below-cost investigation (see Memorandum to Susan Kuhbach, January 26, 1999).

Scope of the Investigation

For purposes of this investigation, the product covered is elastic rubber tape. Elastic rubber tape is defined as vulcanized, non-cellular rubber strips, of either natural or synthetic rubber, 0.006 inches to 0.100 inches (0.15 mm to 2.54 mm) in thickness and ⅛ inches to 1⅝ inches (3 mm to 42 mm) in width. Such product is generally used in swim wear and underwear.

The merchandise subject to this investigation is classified in the Harmonized Tariff Schedule of the United States (''HTSUS'') at subheading 4008.21.00. Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Period of Investigation

The period of investigation (''POI'') is July 1, 1997, through June 30, 1998.

Adverse Facts Available

On October 9, 1998, the Department issued a questionnaire to GEL requesting, among other things, the variable cost-of-manufacture data and total unit cost of manufacture for the U.S. and home market sales. GEL requested an extension for the due date of the questionnaire response. The Department granted the extension. However, GEL did not supply the variable cost data and total unit cost data in its response nor did it indicate that it was unable to compile this information within the deadline or otherwise. On December 17, 1998, the Department issued a supplemental questionnaire requesting this data and additional data. GEL requested an extension of this questionnaire deadline, which the Department granted. However, GEL did not submit the variable cost data and total unit cost data by the extended deadline. For more information, see Memo to the File, ''Time Extension for Supplemental Questionnaire and Variable Cost of Manufacture Data,'' dated January 4, 1999 and Memo to the File ''Missing Variable Cost of Manufacture Data,'' dated January 12, 1999.

Because GEL failed to respond to our requests for the variable cost-of-manufacture and total unit cost data as requested in the original and supplemental questionnaires, we are unable to calculate a difference-in-merchandise adjustment to use in our price-to-price comparison when there are no sales of identical products in the home market to compare to U.S. sales. Accordingly, we must resort to facts available for this information. Section 776(a) of the Act states that (a) in general, if an interested party or any other person, fails to provide information by the deadlines for submission of the information or in the form and manner requested, subject to subsections (c)(1) and (e) of section 782, the Department shall, subject to 782(d), use the facts otherwise available in reaching the applicable determination under this title. Because GEL failed to provide the necessary variable cost-of-manufacture data, under section 776(a)(2)(B) of the Act, the Department is required to apply, subject to sections 782(c)(1), (d) and (e), the facts otherwise available.

Section 782(c)(1) of the Act provides that, if an interested party, promptly after receiving a request from the Department for information, notifies the Department that it is unable to submit the information in the requested form and manner and submits a full explanation and suggested alternative forms in which such party is able to submit the information, the Department shall consider the ability of the interested party to submit the information in the requested form and manner, and it may modify such requirements to the extent necessary to avoid imposing an unreasonable burden on that party. In the instant proceeding, GEL did not indicate that it could not submit the variable and total cost-of-manufacture data in the form or manner requested.

Nevertheless, in accordance with section 782(d) of the Act, we again asked GEL to provide this information in our December 17, 1998, supplemental questionnaire. GEL did not provide the requested data in its response to the supplemental questionnaire, even though we granted an extension of the due date for the response. We notified the respondent that its request to extend further the due date for this material to January 29, 1999, was unacceptable because this information was necessary to perform calculations for a preliminary determination due three days prior to GEL's proposed date. For more information, see Memo to the File, ''Time Extension for Supplemental Questionnaire and Variable Cost of Manufacture Data,'' dated January 4, 1999. Thus, in accordance with section 782(d) of the Act, we provided GEL an opportunity to remedy or explain its deficiencies.

Finally, section 782(e) of the Act provides that the Department, when reaching its determination, shall not decline to consider information provided by the respondent that is

already on the record. Accordingly, the Department used the information GEL submitted to calculate the preliminary dumping margin on sales with identical matches and has applied facts available only to U.S. sales with non-identical matches.

Therefore, in accordance with section 776(a) of the Act, the use of facts available for GEL's variable cost-of-manufacture and total unit cost data is required in this case. In selecting the facts available, section 776(b) of the Act authorizes the Department to use an adverse inference if the Department finds that an interested party failed to cooperate by not acting to the best of its ability to comply with requests for information. See also, Statement of Administrative Action accompanying the URAA, H. Rep. No. 103–316 (''SAA''), at 870.

GEL did not provide the information as requested in our questionnaires, despite various extensions of the deadlines for the submission of this information. Therefore, we have determined that GEL has failed to cooperate by not acting to the best of its ability to comply with our request for information. In its response to our first request for this information, GEL indicated that it was not providing the variable and total cost information as requested. GEL's offer to submit this information in response to the possible initiation of a cost-of-production (''COP'') investigation does not excuse its failure to provide the data in the time and manner requested. This information was needed to perform calculations for the preliminary determination. The cost allegation was not made until December 14, 1998, and the Department did not initiate a cost investigation until January 26, 1999. Therefore, at the time GEL completed its original response to the Department, it was unaware that a COP questionnaire would be issued. We find that GEL did not cooperate to the best of its ability and, therefore, pursuant to section 776(b) of the Act, we have used an adverse inference when selecting from among the facts otherwise available. As adverse facts available, we are assigning a dumping margin of 66.51 percent, derived from the petition, for those U.S. sales which did not have identical matches in the home market. See, the *Notice of Initiation*.

Section 776(c) of the Act directs that, when the Department relies on secondary information (such as the petition) in using the facts otherwise available, it must, to the extent practicable, corroborate that information from independent sources reasonably at its disposal. When analyzing the petition prior to the initiation of this investigation, we reviewed all of the data upon which the petitioners relied in calculating the estimated dumping margins, and we adjusted those calculations where necessary. *See* Initiation Checklist dated September 8, 1998. The estimated dumping margin of 66.51 percent was based on the highest price-to-price margin contained in the petition, as adjusted by the Department. For purposes of this preliminary determination, we have corroborated that estimated margin. *See, Notice of Initiation* and Memorandum from Team to Susan Kuhbach, dated January 26, 1999, for a detailed explanation of corroboration of the information in the petition.

Date of Sale

In their December 9, 1998 submission, the petitioners objected to GEL's use of date of invoice as the date of sale. The petitioners argued that, given the fact that GEL begins production of subject merchandise pursuant to a purchase order, the purchase-order date is the date when the material terms of sale are set and, thus, the appropriate date to use as the date of sale. They further argue that the Department's dumping margin calculation would be distorted by using GEL's reported date of sale due to the significant fluctuations in the exchange rate during the POI.

After a review of the petitioners' comments and the method by which GEL made sales in both the home market and U.S. market, we preliminarily determine that the date of invoice is the appropriate date of sale in this investigation.

Section 351.401(i) of our regulations states that, in identifying the date of sale,

> [t]he Secretary normally will use the date of invoice, as recorded in the exporter or producer's records kept in the ordinary course of business. However, the Secretary may use a date other than the date of invoice if the Secretary is satisfied that a different date better reflects the date on which the exporter or producer establishes the material terms of sale.

According to GEL's response, product mix, product specifications, destination, and the quantity of a customer's original order can change until the date of shipment, which is the same as the company's date of invoice. Additionally, GEL indicated that the order can be canceled as late as the date of shipment or invoice date. Consequently, we have used the invoice date as the date of sale for GEL for purposes of this preliminary determination.

We intend to verify GEL's claims concerning changes between the date of shipment and the date of invoice. Based upon the outcome of our verification, we will determine whether it is appropriate to continue to use the date of invoice as the date of sale. We will consider whether, in fact, there were any changes to the material terms between the original order and the date of invoice. *See, e.g., Notice of Final Results of Antidumping Duty Administrative Review: Canned Pineapple Fruit from Thailand,* 63 FR 7392 at 7394–7395 (February 13, 1998).

Critical Circumstances

The petitioners alleged in the petition that critical circumstances exist with respect to imports of ERT from India. In accordance with 19 CFR 351.206(c)(2)(i), since this allegation was filed at least 20 days prior to our preliminary determination, we must issue our preliminary critical circumstances determination not later than the preliminary determination.

Section 733(e)(1) of the Act provides that, if a petitioner alleges critical circumstances, the Department will determine whether there is a reasonable basis to believe or suspect that (A)(i) there is a history of dumping and material injury by reason of dumped imports in the United States or elsewhere of the subject merchandise, or (ii) the person by whom, or for whose account, the merchandise was imported knew or should have known that the exporter was selling the subject merchandise at less than its fair value and that there was likely to be material injury by reason of such sales, and (B) there have been massive imports of the subject merchandise over a relatively short period.

With respect to the second criterion, whether imports of ERT have been massive over a relatively short period, GEL submitted its U.S. sales import data for subject merchandise for an eight-month period beginning with April 1998 and ending with November 1998. Section 351.206(h) states that, unless the imports during a ''relatively short period'' have increased by at least 15 percent over the imports during a period immediately preceding the filing of the petition, the Secretary will not consider the imports massive. Furthermore, the Secretary will normally consider a ''relatively short period'' the period beginning on the date the proceeding begins and ending at least three months later. We compared GEL's exports in the three-month period September through November 1998 (post-petition period) to its exports in the three months prior to the filing of the petition, June through August 1998. This comparison indicates that there was a decrease in GEL's

exports to the United States in the post-petition period.

Based on these facts, we determine that the second criterion for finding that critical circumstances exist is not satisfied. Therefore, we preliminarily determine that critical circumstances do not exist with respect to exports of ERT from India by GEL. As a result, we have not analyzed information pertaining to the first criterion. We will make a final determination concerning critical circumstances when we make our final determination in this investigation.

Affiliation

For the purposes of this preliminary determination, the Department finds that GEL and Elastomer Inc. (EI), a U.S. reseller of subject merchandise, are affiliated parties. Section 771 (33)(G) of the Act states that ''{a}ny person who controls any other person * * *'' is affiliated with that person. The statute explains further that ''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.'' In determining control, the Department considers the following factors, among others: debt financing; franchise or joint venture agreements; corporate or family groupings; close supplier relationship in which the supplier or buyer becomes reliant upon the other. However, control will not exist on the basis of these factors unless the relationship has the potential to affect decisions concerning the production, pricing, or cost of the subject merchandise or foreign like product. *See* 19 CFR 351.102(b).

In the instant proceeding, information on the record indicates that GEL's relationship with EI has the potential to affect decisions regarding the pricing of subject merchandise. Additionally, the nature of the relationship calls into question whether EI has a distinct operating personality outside its relationship with GEL. Specific information supporting our conclusion cannot be addressed in the notice due to its proprietary nature. For more information, *see* Memorandum to Richard W. Moreland From Case Team ''Affiliation of GEL and Elastomer,'' dated January 20, 1999.

Fair Value Comparisons

To determine whether sales of ERT from India to the United States were made at less than fair value, we compared the export price (''EP'') or the constructed export price (''CEP'') to the normal value (''NV''), as described below in the ''Export Price,'' ''Constructed Export Price,'' and ''Normal Value'' sections of this notice where the products were identical. In accordance with section 777A(d)(1)(A)(i) of the Act, we calculated weighted-average EPs and CEPs for comparison to weighted-average NVs. Where there were no home market sales of merchandise identical to the merchandise being sold in the United States, we applied the 66.51 percent rate described above in the ''Adverse Facts Available'' section of this notice.

Level of Trade

In accordance with section 773(a)(1)(B) of the Act, to the extent practicable, we determine NV based on sales in the comparison market at the same level of trade (''LOT'') as the EP or CEP transaction. The NV LOT is that of the starting-price sales in the comparison market. For EP, the U.S. LOT is also the level of the starting-price sale, which is usually from exporter to importer. 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 EP or CEP, we examine stages in the marketing process and selling functions 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 an 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 information from GEL regarding the marketing stage involved in the reported home market and U.S. sales, including a description of the selling activities performed by the respondent for each channel of distribution. Pursuant to section 773(a)(1)(B)(i) of the Act and the SAA at 827, in identifying LOTs for EP and home market sales, we considered the selling functions reflected in the starting prices before any adjustments. For CEP sales, we considered only the selling activities reflected in the price after the deduction of expenses and profit under section 772(d) of the Act. We expect that, if claimed LOTs are the same, the functions and activities of the seller should be similar. Conversely, if a party claims that LOTs are different for different groups of sales, the functions and activities of the seller should be dissimilar.

Based on an analysis of the selling functions, class of customers, and level of selling expenses for GEL's EP and CEP sales, we found that sales were made at a single stage in the marketing process in both the home market and the United States. However, we found that the stage of the marketing process in the home market and that in the United States were substantially dissimilar. In particular, we found GEL's home market sales involved greater selling activities than its U.S. sales. Some of the activities that GEL performs for its home market sales in excess of those its performs for U.S. sales include calling on new customers, making site visits to existing clients and the provision of post-sale services. We also note that GEL sells to end-users in the home market while its U.S. EP customers and its U.S. importer for its CEP sales are all resellers. Therefore, we have preliminarily found that sales in both markets are at different LOTs.

While we have found GEL's home market and U.S. sales to be at different levels of trade, there is no information on the record of this investigation to provide an appropriate basis for determining a LOT adjustment. In addition, as described above, we have preliminarily found the LOT in the home market to be more remote than that in the United States. Based on the foregoing, we are granting GEL a CEP offset pursuant to section 773(a)(7)(B) of the Act.

United States Price

GEL claimed an upward adjustment to its U.S. price for a ''duty drawback'' program. As stated in *Certain Welded Carbon Standard Steel Pipes and Tubes from India* (62 FR 47632 at 47635), September 10, 1997, we determine whether an adjustment to U.S. price for a respondent's claimed duty drawback is appropriate when the respondent meets both parts of our two-part test. There must be (1) a sufficient link between the import duty and the rebate, and (2) a sufficient amount of raw materials imported and used in the production of the final exported product. Because GEL has not provided adequate information to meet either part of the test, we have not made an adjustment to EP or CEP. We will issue a supplemental questionnaire seeking additional documentation regarding

whether GEL's use of this program meets our two-part test, and we will revisit this issue for our final determination.

Export Price

For GEL's sales not made through its affiliate, we used EP methodology, in accordance with section 772(a) of the Act, because the subject merchandise was sold directly to the first unaffiliated purchaser in the United States prior to importation and because CEP methodology was not otherwise indicated. We based EP on the packed prices to the unaffiliated purchaser in the United States. In accordance with section 772(c)(2)(A) of the Act, we made deductions, where appropriate, from the starting price for foreign inland freight, international freight, marine insurance, U.S. customs duty, and brokerage and handling. We also made a deduction, where appropriate, for rebates.

Constructed Export Price

For GEL's sales through its U.S. affiliate, we used CEP methodology, in accordance with section 772(b) of the Act, because the first sale of subject merchandise to an unaffiliated purchaser was made by GEL's affiliate in the United States. We based CEP on the packed, delivered prices to unaffiliated purchasers in the United States. Where appropriate, we made deductions for discounts. We also made deductions for the following movement expenses, where appropriate, in accordance with section 772(c)(2)(A) of the Act: foreign inland freight, brokerage and handling, international freight, marine insurance, U.S. customs duties, U.S. inland freight, and U.S. warehouse expenses. In accordance with section 772(d)(1) of the Act, we deducted selling expenses associated with economic activities occurring in the United States, including direct selling expenses, inventory carrying costs, and other indirect selling expenses. Section 772(d)(3) of the Act directs the Department to deduct profit allocated to the CEP sale. However, we note that GEL did not make a profit during the POI. Therefore, no profit was deducted.

Home Market Viability

In order to determine whether there is a sufficient volume of sales in the home market to serve as a viable basis for calculating NV, we compared GEL's volume of home market sales of the foreign like product to the volume of U.S. sales of the subject merchandise. As respondent's aggregate volume of home market sales of the foreign like product exceeded five percent of its aggregate volume of U.S. sales for the subject merchandise, we have determined that the home market is viable for GEL, in accordance with section 773(a)(1)(C) of the Act.

Normal Value

We based NV on packed, delivered prices to unaffiliated customers in the home market. We made deductions, where appropriate, from the starting price for inland freight, inland insurance, pursuant to section 773(a)(6)(B) of the Act.

We also made deductions, where appropriate, for discounts. We made adjustments for differences in circumstances of sale (''COS'') in accordance with section 773(a)(6)(iii) of the Act and 19 CFR 351.410. For comparisons to EP, we made COS adjustments by deducting direct selling expenses incurred on home market sales and adding U.S. direct selling expenses. For comparisons to CEP, we made COS adjustments by deducting direct selling expenses incurred on home market sales. Since GEL had no U.S. direct selling expenses other than those we deducted from the starting price in calculating CEP pursuant to section 772(d) of the Act, we made no additions to NV in making COS adjustments. We also made adjustments, where applicable, to offset commissions in CEP calculations in accordance with 19 CFR 351.410(e). Where commissions were paid on sales of a particular U.S. product but not on the home market comparison product, we made our adjustments by subtracting commissions from U.S. price and then deducting from NV the lesser of the amount of commissions paid on the U.S. product or the amount of indirect selling expenses incurred on home market sales of the comparison product, including inventory carrying costs. Conversely, where commissions were paid on sales of the home market comparison product but not on the U.S. product, we subtracted commissions from NV and then deducted from U.S. price the amount of indirect selling expenses, including inventory carrying costs. In addition, pursuant to sections 773(a)(6)(A) and (B) of the Act, we deducted home market packing costs and added U.S. packing costs.

Cost of Production

Based on a timely allegation by the petitioners on December 23, 1998, we initiated an investigation of sales below COP with respect to GEL's home market sales pursuant to section 773(b) of the Act (*see* January 26, 1999, *Memorandum to Susan Kuhbach from Team).* As a result of the Department's COP investigation, the Department requested that GEL answer Section D of the original questionnaire concerning the COP of merchandise sold in the home market. Due to the timing of the initiation of our COP investigation, we are unable to include a COP analysis in this preliminary determination. However, we intend to issue a COP analysis memorandum for GEL prior to verification and we will conduct a cost verification.

Currency Conversion

We made currency conversions into U.S. dollars based on the exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank, in accordance with section 773(A) of the Act.

Verification

As provided in section 782(i) of the Act, we will verify all information relied upon in making our final determination.

Suspension of Liquidation

In accordance with section 733(d) of the Act, we are directing the Customs Service to suspend liquidation of all imports of subject merchandise that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. We will instruct the Customs Service to require a cash deposit or the posting of a bond equal to the weighted-average amount by which the NV exceeds the export or constructed export price. We preliminarily determine that the weighted-average margin for GEL is 62.01 percent. Because we only investigated one producer/exporter, GEL's rate will also serve as the ''all others'' rate. The suspension-of-liquidation instructions will remain in effect until further notice.

ITC Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our determination. If our final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after our final determination whether these imports are materially injuring, or threatening material injury to, the U.S. industry.

Public Comment

Case briefs or other written comments in at least ten copies must be submitted to the Assistant Secretary for Import Administration no later than March 5, 1999, and rebuttal briefs no later than March 10, 1999. A list of authorities used and an executive summary of issues should accompany any briefs submitted to the Department. Such

summary should be limited to five pages total, including footnotes. In accordance with section 774 of the Act, we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. Tentatively, the hearing will be held on March 15, 1999, time and room to be determined, at the U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time.

Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, within 30 days of the publication of this notice. Requests should contain the following information: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs. If this investigation proceeds normally, we will make our final determination no later than April 12, 1999.

This determination is issued and published in accordance with sections 733(d) and 777(i)(1) of the Act.

Dated: January 26, 1999.

Richard W. Moreland,

Acting Assistant Secretary for Import Administration.

[FR Doc. 99–2455 Filed 2–1–99; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–580–807]

Polyethylene Terephthalate Film, Sheet, and Strip From the Republic of Korea; Initiation of New Shipper Antidumping Duty Administrative Review

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

ACTION: Notice of initiation of new shipper antidumping duty administrative review.

SUMMARY: The Department of Commerce has received a request for a new shipper review of the antidumping duty order on polyethylene terephthalate, film, sheet,and strip (PET film) from the Republic of Korea issued on June 5, 1991. In accordance with our regulations, we are initiating a new shipper review covering Hyosung Corporation (Hyosung).

EFFECTIVE DATE: February 2, 1999.

FOR FURTHER INFORMATION CONTACT: Michael J. Heaney or John Kugelman, AD/CVD Enforcement Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, telephone: (202) 482–4475 or 0649, respectively.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Tariff Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act by the Uruguay Round Agreements Act. In addition, unless otherwise indicated, all references to the Department's regulations are to 19 CFR part 351 (62 FR 27295, May 19, 1997).

Background

The Department received a timely request, in accordance with section 751(a)(2)(B) of the Tariff Act and 19 CFR 351.214(b) of the Department's regulations, for a new shipper review of the antidumping duty order on PET film Korea, which has a June anniversary date. (*See* Antidumping Duty Order and Amendment to Final Determination of Sales at Less Than Fair Value: Polyethylene Terephthalate Film, Sheet, and Strip From the Republic of Korea, 56 FR 25669 (June 5, 1991).)

Initiation of Review

Pursuant to the Department's regulations at 19 CFR 351.214(b), Hyosung certified in its December 30, 1998 submission that it did not export merchandise to the United States during the period of the investigation (POI) (November 1, 1989 through April 30, 1990), and that it was not affiliated with any exporter or producer of the subject merchandise to the United States during the POI. Hyosung submitted documentation establishing the date on which the merchandise was first entered for consumption in the United States, the volume of the shipments to the United States, and the date of the first sale to an unaffiliated purchaser in the United States.

In accordance with section 751(a)(2)(B) of the Tariff Act and section 351.214(d) of the Department's regulations, we are initiating a new shipper review of Hyosung for the antidumping duty order on PET film from the Republic of Korea. This reviews covers the period July 1, 1998 through December 31, 1998. We intend to issue the final results of the review no later than 270 days from the date of publication of this notice.

We will instruct the Customs Service to allow, at the option of the importer, the posting, until completion of the review, of a bond or security in lieu of a cash deposit for each entry of the merchandise exported by Hyosung, in accordance with 19 CFR 351.214(e).

Interested parties may submit applications for disclosure under administrative protective order in accordance with 19 CFR 353.305(b).

This initiation and this notice are in accordance with section 751(a) of the Tariff Act (19 U.S.C. 1675(a)) and section 351.214 of the Department's regulations (19 CFR 351.214).

Dated: January 27, 1999.

Roland L. MacDonald,

Acting Deputy Assistant Secretary for AD/CVD Enforcement III.

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DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[I.D. 012599C]

Endangered Species; Permits

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Receipt of applications for scientific research permits (1193, 1197, 1198) and modifications to scientific research permits (1058, 1130)

SUMMARY: Notice is hereby given of the following actions regarding permits for takes of endangered and threatened species for the purposes of scientific research and/or enhancement: NMFS has received permit applications from: Fish Passage Center in Portland, OR (FPC) (1193), Mr. John Crutchfield, of Harris Energy & Environmental Center of Carolina Power and Light Company (HEEC-CPL) (1197), and J. Alan Huff, Florida Department of Environmental Protection (FDEP) (1198); and NMFS has received applications for modifications to existing permits from: U.S. Fish and Wildlife Service in Ahsahka, ID (FWS) (1058) and U.S. Geological Survey in Cook, WA (USGS) (1130).

DATES: Written comments or requests for a public hearing on any of the applications must be received on or before March 4, 1999.