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 notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and 19 CFR 351.213.

Dated: November 1, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 99–29198 Filed 11–5–99; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–822]

Certain Helical Spring Lock Washers From the People's Republic of China: Notice of Extension of Time Limit for Administrative Review

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

ACTION: Notice of extension of time limit.

SUMMARY: The Department of Commerce is extending the time limit for the final results of the fifth review of the antidumping order on certain helical spring lock washers from the People's Republic of China. The period of review is October 1, 1997 to September 30, 1998. This extension is made pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act.

EFFECTIVE DATE: November 8, 1999.

FOR FURTHER INFORMATION CONTACT: Sally Hastings or Annika O'Hara, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone (202) 482–3464 or (202) 482–3798, respectively.

SUPPLEMENTARY INFORMATION: Because it is not practicable to complete this review within the original time limit mandated by section 751(a)(3)(A) of the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act (''the Act''), (*i.e.*, November 10, 1999), the Department of Commerce (''that Department'') is extending the time limit for completion of the final results until May 8, 2000.

This extension is in accordance with section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(2).

Dated: October 29, 1999.

Richard W. Moreland,

Acting Assistant Secretary for Import Administration.

[FR Doc. 99–29199 Filed 11–5–99; 8:45 am]

BILLING CODE 3510–DS–M

DEPARTMENT OF COMMERCE

International Trade Administration

[A–583–833]

Notice of Preliminary Determination of Sales at Not Less Than Fair Value and Preliminary Negative Critical Circumstances Determination: Certain Polyester Staple Fiber From Taiwan

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

EFFECTIVE DATE: November 8, 1999.

FOR FURTHER INFORMATION CONTACT: Cynthia Thirumalai or Alysia Wilson, Office 1 AD/CVD Enforcement, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–4087 or (202) 482–0108, respectively.

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to Department of Commerce (Department) regulations refer to the regulations codified at 19 CFR Part 351 (April 1998).

Preliminary Determination

We preliminarily determine that certain polyester staple fiber (PSF) from Taiwan is not being sold, nor is likely to be sold, in the United States at less than fair value (LTFV), as provided in section 733(b) of the Act.

Case History

This investigation was initiated on April 22, 1999. *See Initiation of Antidumping Duty Investigations: Certain Polyester Staple Fiber From the Republic of Korea and Taiwan,* 64 FR 23053 (April 29, 1999) (*Initiation Notice*). Since the initiation of this investigation, the following events have occurred:

On May 17, 1999, the United States International Trade Commission (the ITC) preliminarily determined that there is a reasonable indication that imports of the product under investigation are materially injuring the United States industry.

In the *Initiation Notice* and in a letter dated May 24, 1999, the Department solicited comments on the scope of the investigation and matching criteria. We received comments on the scope of the investigation and matching criteria from various interested parties May 12, 1999 through June 7, 1999. On June 2, 1999, the Department issued antidumping questionnaires to the two largest producers/exporters of subject merchandise (i.e., Far Eastern Textile Ltd. (Far Eastern) and Nan Ya Plastics Corporation (Nan Ya), collectively referred to as ''the respondents''), as indicated by information on the record of the proceeding at that time.

The respondents submitted their initial responses to the questionnaire July 2 through 29, 1999. The petitioners submitted comments on these responses. After analyzing the responses and the petitioners' comments, we issued supplemental questionnaires to the respondents on August 6, 1999. We received the narrative responses to these supplemental questionnaires August 12 through 27, 1999, and the associated databases on September 3, 1999. On September 14, 1999, we asked respondents to provide explanations for all of the updates and changes to their databases submitted September 3. 1999. The respondents submitted their explanations on September 17 and 20, 1999. On October 13, 1999, the petitioners submitted additional comments on respondents' questionnaire responses. The Department issued another supplemental questionnaire to Nan Ya on October 19, 1999. On October 25, 1999, Nan Ya responded to the last supplemental questionnaire. In addition, the Department requested certain documentation from Nan Ya on September 16, 1999; Nan Ya supplied these documents on October 26, 1999.

The petitioners submitted an allegation that critical circumstances exist with respect to imports of PSF from Taiwan on July 30, 1999. On August 6, 1999, the Department issued critical circumstances questionnaires as part of the supplemental questionnaires.

On August 25, 1999, at the request of the petitioners, the Department extended the preliminary determination until no later than September 29, 1999. *See Notice of Postponement of Preliminary Antidumping Duty Determinations: Certain Polyester Staple Fiber from the Republic of Korea and Taiwan,* 64 FR 47766 (September 1, 1999). On September 29, 1999, the petitioners requested another extension. In response, the Department extended

the preliminary determination until no later than October 4, 1999. *See Notice of Postponement of Preliminary Antidumping Duty Determinations: Certain Polyester Staple Fiber from the Republic of Korea and Taiwan,* 64 FR 55248 (October 12, 1999). We further extended the preliminary determination until no later than October 29, 1999 based on petitioners' September 29, 1999 request. *See Notice of Postponement of Preliminary Antidumping Duty Determinations: Certain Polyester Staple Fiber from the Republic of Korea and Taiwan,* 64 FR 557001 (October 14, 1999).

Period of Investigation

The period of investigation (POI) is April 1, 1998, through March 31, 1999.

This period corresponds to each respondent's four most recent fiscal quarters prior to the filing of the petition.

Scope of Investigation

For purposes of this investigation, the product covered is certain polyester staple fiber. Certain polyester staple fiber is defined as synthetic staple fibers, not carded, combed or otherwise processed for spinning, of polyesters measuring 3.3 decitex (3 denier, inclusive) or more in diameter. This merchandise is cut to lengths varying from one inch (25 mm) to five inches (127 mm). The merchandise subject to this investigation may be coated, usually with a silicon or other finish, or not coated. Certain polyester staple fiber is generally used as stuffing in sleeping bags, mattresses, ski jackets, comforters, cushions, pillows, and furniture. Merchandise of less than 3.3 decitex (less than 3 denier) classified under the *Harmonized Tariff Schedule of the United States* (HTSUS) at subheading 5503.20.00.20 is specifically excluded from this investigation. Also specifically excluded from this investigation are polyester staple fibers of 10 to 18 denier that are cut to lengths of 6 to 8 inches (fibers used in the manufacture of carpeting).

The merchandise subject to these investigations is classified in the HTSUS at subheadings 5503.20.00.40 and 5503.20.00.60. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Scope Comments: As stated in our notice of initiation, we set aside a period for parties to raise issues regarding product coverage. Stein Fibers, Ltd. (Stein Fibers), an importer of PSF, requested that the Department modify the scope of investigation to exclude regenerated PSF. Far Eastern and Nan Ya requested that the Department exclude low-melt PSF from the scope of investigation.

Stein Fibers states that under the criteria set forth in the Department's regulations at 19 CFR 351.225(k)(2) (the ''Diversified Products criteria''), regenerated fiber does not fall within the scope of this investigation. First, Stein Fibers asserts that regenerated fiber is a low quality product that is not comparable to U.S.-produced high-quality virgin and recycled PSF. Second, Stein Fibers contends that the quality differences result in different expectations by the ultimate user and in the product's ultimate use. Third, Stein Fibers states that regenerated PSF and U.S.-made virgin or recycled PSF do not compete with each other, and therefore, their channels of trade are dissimilar. Finally, Stein Fibers claims that regenerated fiber is never advertised or displayed while particular brands of U.S.-made virgin or recycled PSF are prominently displayed and advertised in the bedding departments of many department stores.

Gates Formed-Fibre Products, Inc. (Gates), an importer of PSF and interested party in the companion antidumping duty investigation of PSF from the Republic of Korea, stated that the black and colored fiber extruded from textile fiber waste that it imports for the manufacture of substrate for automobile trunk liners is a different class or kind of merchandise than the products covered by the petition. Therefore, Gates argued, black automotive substrate (BAS) should be excluded from the scope of the investigation because (1) it cannot be used for the fill applications described in the petition; (2) it is distinct from other fiber products; (3) it should be excluded based on consideration of the ''Diversified Products'' criteria as set forth in the Department's regulations; (4) the petitioners are considering its exclusion; and (5) if excluded, there would be no risk of circumvention.

With respect to the ''Diversified Products'' criteria, Gates submitted specific comments on each of the criteria. First, Gates claimed that BAS differs from fiber fill product in all possible model matching criteria. Second, Gates stated that the ultimate purchaser would not accept BAS for use in the manufacture of merchandise such as pillows and ski jackets which require fiber fill. Third, Gates asserted that fiber fill is distributed by importers to manufacturers of pillows, comforters, jackets, etc., which then resell their products to distributors and large retailers. BAS is used in the manufacture of trunk liners which are then sold to original equipment manufacturers or their suppliers. Fourth, BAS cannot be used for fill applications. Fifth, products using fiber fill are advertised directly to consumers while BAS for trunk liners is not advertised to consumers.

Far Eastern and Nan Ya note that low-melt PSF acts as an adhesive to hold other fibers together for non-woven batting in high-loft products. Since low-melt PSF itself is not used as filling and is not similar in appearance to cotton or wool, Far Eastern and Nan Ya state that low-melt PSF is clearly outside the scope of investigation. Moreover, Far Eastern and Nan Ya assert that low-melt PSF is outside the scope of investigation when considered in light of the ''Diversified Products'' criteria. First, with respect to product characteristics, low-melt PSF consists of an outer sheath and an inner core as opposed to single-component PSF, according to Far Eastern and Nan Ya. Second, with respect to the expectations of the ultimate user and the ultimate use, Far Eastern and Nan Ya point out that low-melt PSF is used as a bonding agent, not as a filler or loft material. Third, Far Eastern and Nan Ya state that while the channels of trade may be similar, this single criterion is not dispositive. Finally, Far Eastern and Nan Ya note that they supply the U.S. market with a particular specification of low-melt PSF suitable for furniture and bedding manufacturing that is not available domestically in the United States.

Saehan Industries Inc. and Samyang Corporation (Saehan/Samyang), respondents in the companion antidumping duty investigation of PSF from the Republic of Korea, stated that conjugate polyester staple fiber (conjugate PSF) and low-melt polyester staple fiber (low-melt PSF) do not fall under the scope of this investigation. Saehan/Samyang argued that conjugate PSF should be excluded from the scope because there is no U.S. industry producing this product. Saehan/Samyang stated that low-melt PSF is not ''fiber for fill'' and is, thus, not the product targeted by the petitioners. Moreover, Saehan/Samyang claimed that under the ''Diversified Products'' criteria, conjugate PSF and low-melt PSF are outside the scope of this investigation. First, Saehan/Samyang noted that the manufacturing process for conjugate fiber creates a natural curl or spiral, resulting in greater ''fluff.'' ''Regular'' fibers, produced by the petitioners, are straight or mechanically crimped and lack the loft of conjugate fiber.

Second, Saehan/Samyang cited testimony given before the ITC asserting that end-users expect greater loft and a down-like quality from conjugate fibers which is not characteristic of the mechanically-crimped fibers produced by DuPont, one of the petitioners. Third, Saehan/Samyang stated that ''regular'' PSF and conjugate PSF are both used in the production of furniture and home furnishings and, therefore, they are not sold in different channels of trade. However, Saehan/Samyang argued that channels of trade is less significant as a criterion in this case because there are no different channels of trade for any products used in this industry. Fourth, the ultimate use of conjugate PSF is to create a certain level of loft. In the United States, it is either used to provide high-loft characteristics, or it is mixed with ''regular'' fiber to achieve different levels of loft, and these two fibers are not interchangeable. Fifth, Saehan/Samyang stated that although these products are not advertised or displayed in the same way as products sold directly in the retail market, manufacturers and customers treat the two products very differently.

The petitioners objected to the interested parties' requests that regenerated, low-melt, BAS, and conjugate PSF be excluded from the scope of the investigation. According to the petitioners, these products are all PSF, meet the definition of the scope, and are captured within the scope intended by the petitioners. Furthermore, the petitioners claimed that all of these imported products are domestically available. The petitioners added that there is no basis for creating a separate class or kind of merchandise relating to the PSF under consideration.

For purposes of this preliminary determination and in consideration of comments by interested parties, the Department has not modified the scope of this investigation because the current language reflects the product coverage requested by the petitioners, and we have determined that regenerated, low-melt, BAS, and conjugate PSF fall within that scope. On the issue of whether BAS is a separate class or kind of merchandise under the ''Diversified Products'' criteria, we will make a determination in the final determination of this investigation.

Critical Circumstances

On July 30, 1999, as amended on August 19, 1999, the petitioners alleged that critical circumstances exist with respect to imports of PSF from Taiwan. In accordance with 19 CFR 351.351(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.

History of Dumping

The petitioners submitted information indicating that the European Union (EU) imposed antidumping duties on synthetic fibers of polyester (PSF) from Taiwan in 1992; the EU continues to impose antidumping duties on PSF from Taiwan. Based on the foregoing, we preliminarily determine that there is a history of dumping and material injury with respect to PSF from Taiwan. Therefore, we find that the first criterion has been satisfied. We must now examine whether or not respondents had massive imports.

Massive Imports

Far Eastern and Nan Ya submitted data on shipments of subject merchandise to the United States for the eight-month period beginning with December 1998 and ending with July 1999. 19 CFR 351(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, pursuant to 19 CFR 351(i), 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 Far Eastern's and Nan Ya's exports in the four-month pre-petition period, December 1998 through March 1999, to their exports in the four months after the filing of the petition, April through July 1999. These comparisons indicate that exports by Far Eastern and Nan Ya did not increase by 15 percent respectively from one period to the next.

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 PSF from Taiwan by Far Eastern and Nan Ya. We will make a final determination concerning critical circumstances when we make our final determination in this investigation.

Product Comparisons

All products produced and sold by the respondents in the home market that fit the definition contained in the Scope of the Investigation section of this notice comprise the foreign like product. (*See* section 771(16) of the Act.) For purposes of this preliminary determination, we have relied on the following criteria, in order, to match U.S. sales of PSF to home market sales of the foreign like product: (1) Fiber composition (conjugate; single component, crimped; low melt; etc.); (2) fiber type (virgin; recycled; blended; regenerated); (3) cross section; (4) finish; and (5) denier. Also, because Nan Ya reported that its sales of PSF in both the home market and in the United States were differentiated by grade of product and Far Eastern reported that its sales were differentiated by color, we compared Nan Ya's sales by grade and Far Eastern's by color.

We first attempted to compare sales of products sold in the U.S. and the home market that were identical with respect to the product matching criteria above. Where we did not find any home market sales of merchandise that were identical in these respects to the merchandise sold in the United States, we compared U.S. products with the most similar merchandise sold in the home market. Where there were no appropriate comparison market sales of comparable merchandise, we compared the merchandise sold in the United States to constructed value (CV), in accordance with section 773 (a)(4) of the Act.

Fair Value Comparisons

To determine whether sales of certain polyester staple fiber from Taiwan were made in the United States at less than fair value, we compared the export price (EP) to the normal value (NV), as described in the Export Price and Normal Value sections of this notice. In accordance with section 777A(d)(1)(A)(i) of the Act, we calculated POI weighted-average EPs for comparison to POI weighted-average normal values.

Date of Sale

We have preliminarily determined that the date of sale for home market and U.S. sales of both Nan Ya and Far

Eastern is the purchase order date/order acceptance memo date. According to the respondents, the material terms of sale rarely changed after this date and any quantity changes made to the sale before shipment were within the industry accepted tolerances.

For some sales by Far Eastern, reported purchase order dates occurred after the date of shipment. For these sales, we have relied on the date of shipment as the date of sale since it is the Department's practice not to rely on a date later than the date of shipment as the date of sale (*see Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Sheet and Strip in Coils From the Republic of Korea,* 64 FR 30664, 30666 (July 8, 1999)).

Export Price

In accordance with section 772 of the Act, we based U.S. price on EP. Section 772(a) of the Act defines EP as the price at which the subject merchandise is first sold before the date of importation by the exporter or producer outside the United States to an unaffiliated purchaser in the United States, or to an unaffiliated purchaser for exportation to the United States. Consistent with this definition, we found that the respondents made EP sales during the POI. For both respondents, we calculated EP based on prices charged to the first unaffiliated customer in the United States.

As the starting U.S. price, we used reported gross unit prices on CIF and FOB bases. In accordance with section 772(c)(2) of the Act, we reduced the EP by export taxes, duties and movement expenses, where appropriate. Movement expenses included foreign inland freight, international freight, brokerage and handling, and marine insurance.

Normal Value

A. Selection of Comparison Markets

In order to determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating NV, we compared each respondent's volume of home market sales of the foreign like product to the volume of their U.S. sales of the subject merchandise. Pursuant to sections 773(a)(1)(B) and (C) of the Act, because each respondent's aggregate volume of home market sales of the foreign like product was greater than five percent of its aggregate volume of U.S. sales of the subject merchandise, we determined that the home market was viable for both producers.

B. Sales to Affiliated Customers

Nan Ya made sales in the home market to affiliated customers. To test whether these sales were made at arm's length, we compared the starting prices of sales to affiliated and unaffiliated customers, net of all movement charges, direct and indirect selling expenses, discounts and packing. Where the price to Nan Ya's affiliated customer was on average 99.5 percent or more of the price to its unaffiliated customers, we determined that the sales made to the affiliated customer were at arm's length and included those sales in our calculation of NV pursuant to 19 CFR 351.403(c). The prices to some of Nan Ya's affiliated customers were, on average, less than 99.5 percent of the price to unaffiliated customers and were excluded from the calculation of NV because they were determined not to be at arm's length.

C. Cost of Production Analysis

Based on allegations contained in the petition, and in accordance with section 773(b)(2)(A)(i) of the Act, we found reasonable grounds to believe or suspect that sales of PSF in Taiwan were made at prices below the cost of production (COP). *See Initiation Notice,* 64 FR at 23055. As a result, the Department has conducted investigations to determine whether the respondents made sales in their home market at prices below their respective COPs during the POI within the meaning of section 773(b)(1) of the Act. We conducted the COP analysis described below.

1. Calculation of COP

In accordance with section 773(b)(3) of the Act, we calculated a weighted-average COP for PSF based on the sum of the cost of materials and fabrication for the foreign like product, plus amounts for general and administrative (G&A) expenses and packing. We relied on the COP data submitted by each respondent in its cost questionnaire responses with the following exceptions for Nan Ya: (1) We have disallowed the scrap credit for regenerated products because information on the record indicates that Nan Ya has inappropriately allocated the scrap credit to regenerated products and (2) we adjusted Nan Ya's G&A expense rate for other operating costs (*see* the memorandum to the file on the COP and CV adjustments for Nan Ya dated October 29, 1999).

2. Test of Home Market Sales Prices

We compared the adjusted, weighted-average COP to the home market sales of the foreign like product by each respondent. The home market prices were computed net of any applicable discounts, movement charges, taxes, and other direct and indirect selling expenses. We made this comparison in accordance with section 773(b)(1) of the Act, in order to determine whether these sales had been made at prices below the COP within an extended period of time (*i.e.,* a period of one year) in substantial quantities [1] and whether such prices were sufficient to permit the recovery of all costs within a reasonable period of time.

3. Results of the COP Test

Pursuant to section 773(b)(2)(C) of the Act, where less than 20 percent of a respondent's sales of a given product were at prices less than the COP, we did not disregard any below-cost sales of that product because we determined that the below-cost sales were not made in ''substantial quantities.'' Where 20 percent or more of a respondent's sales of a given product during the POI were at prices less than the COP, we determined such sales to have been made in ''substantial quantities'' within an extended period of time in accordance with section 773(b)(2)(B) or the Act. Because we compared prices to the average COP calculated over the POI, we also determined that such sales were not made at prices which would permit recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Act.

We found that, for certain models of PSF, more than 20 percent of the home market sales of both respondents were made within an extended period of time at prices less than the COP. Further, the prices did not provide for the recovery of costs within a reasonable period of time. Therefore, we disregarded the below-cost sales and used the remaining sales as the basis for determining normal value, in accordance with section 773(b)(1) of the Act.

For those U.S. sales of PSF for which there were no comparable home market sales in the ordinary course of trade, we compared EP to the constructed value in accordance with section 773(a)(4) of the Act. *See* Calculation of Normal Value Based on Constructed Value section, below.

D. Calculation of Normal Value Based on Home Market Prices

We performed price-to-price comparisons where there were sales of comparable merchandise in the home

[1] In accordance with section 773(b)(2)(C)(i) of the Act, we determined that sales made below the COP were made in substantial quantities if the volume of such sales represented 20 percent or more of the volume of sales under consideration for the determination of normal value.

market that did not fail the cost test. We calculated NV based on ex-works or delivered prices to home market customers. We made deductions from the starting price, where appropriate, for movement expenses and discounts, pursuant to section 773(a)(6)(B). In accordance with section 773(a)(6)(A) and (B) of the Act, we deducted home market packing costs and added U.S. packing costs. In addition, we made circumstance of sale (COS) adjustments for direct expenses (*i.e.*, credit expenses, commissions and bank charges), where appropriate, in accordance with section 773(a)(6)(C)(iii) of the Act.

When comparing U.S. sales with home market sales of similar, but not identical, merchandise, we also made adjustments to normal value for physical differences in the merchandise in accordance with section 773(a)(6)(C)(ii) of the Act. We based this adjustment on the difference in the variable costs of manufacturing for the foreign like product and subject merchandise, using POI-average costs.

We also made adjustments, in accordance with 19 CFR 351.410(e), for indirect selling expenses incurred on home market or U.S. sales where commissions were granted on sales in one market but not in the other (the ''commission offset''). Specifically, where commissions were granted in the U.S. market but not in the home market, we made a downward adjustment to normal value for the lesser of (1) the amount of the commission paid in the U.S. market, or (2) the amount of indirect selling expenses incurred in the home market.

E. Calculation of Normal Value Based on Constructed Value

Section 773(a)(4) of the Act provides that where normal value cannot be based on home market sales, normal value may be based on the constructed value (CV). Accordingly, for those models of PSF for which we could not determine the normal value based on home market sales, either because (1) there were no sales of a comparable product or (2) all sales of comparison products failed the COP test, we based normal value on the CV.

Sections 773(e)(1) and (2)(A) of the Act provides that the CV shall be based on the sum of the cost of materials and fabrication for the foreign like product, plus amounts for selling, general, and administrative expenses (SG&A), profit, and U.S. packing costs. For each respondent, we calculated the cost of materials and fabrication based on the methodology described in the Calculation of COP section, above. We relied on the CV data submitted by each respondent in its questionnaire responses with the exception for Nan Ya of disallowing the scrap credit for regenerated products because information on the record indicates that Nan Ya has inappropriately allocated the scrap credit to regenerated products. As a result, we added the scrap credit back to the regenerated PSF material costs for Nan Ya. (*See* the memorandum to the file on the COP and CV adjustments for Nan Ya dated October 29, 1999.) We based SG&A and profit for each respondent on the actual amounts reported as incurred and realized by the respondent in connection with the production and sale of the foreign like product in the ordinary course of trade for consumption in the home market, in accordance with section 773(e)(2)(A) of the Act. For Nan Ya, this entailed reclassifying certain operating expenses pertaining to calculation of the G&A percentage.

We made adjustments to CV for differences in COS in accordance with section 773(a)(8) 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 from, and adding U.S. direct selling expenses to, CV.

Level of Trade

In accordance with section 773(a)(1)(B) of the Act, to the extent practicable, we determine normal value based on sales in the home market at the same level of trade as the EP. The normal value level of trade is that of the starting-price sales in the home market or, when normal value is based on CV, that of the sales from which we derive SG&A expenses and profit. For EP, the U.S. level of trade is also the level of the starting-price sale, which is usually from exporter to importer.

To determine whether normal value sales are at a different level of trade than EP, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated (or arm's length) customer. If the home market sales are at a different level of trade and the difference affects price comparability, as manifested in a pattern of consistent price differences between the sales on which normal value is based and home market sales at the level of trade of the export transaction, we make a level-of-trade adjustment under section 773(a)(7)(A) of the Act.

In implementing these principles in this investigation, we obtained information from each respondent about the marketing stages involved in the reported U.S. and home market sales, including a description of the selling activities performed by the respondents for each channel of distribution. In identifying levels of trade for EP and home market sales we considered the selling functions reflected in the starting price before any adjustments.

In this investigation, we found that the respondents perform minimal selling functions in the United States and home markets. With respect to each respondent's EP sales, we found a single level of trade in the United States, and a single, identical level of trade in the home market. It was, thus, unnecessary to make any level-of-trade adjustment for comparison of EP and home market prices.

Currency Conversions

We made currency conversions in accordance with section 773A of the Act. The Department's preferred source for daily exchange rates is the Federal Reserve Bank. Section 773A(a) of the Act directs the Department to use a daily exchange rate in order to convert foreign currencies into U.S. dollars unless the daily rate involves a fluctuation. It is the Department's practice to find that a fluctuation exists when the daily exchange rate differs from the benchmark rate by 2.25 percent (*see Extruded Rubber Thread From Malaysia; Final results of Antidumping duty Administrative Review,* 64 FR 12967, 12970 (March 16, 1999)). The benchmark is defined as the moving average of rates for the past 40 business days. When we determine a fluctuation to have existed, we substitute the benchmark rate for the daily rate, in accordance with established practice.

Verification

In accordance with section 782(i) of the Act, we intend to verify information to be used in making our final determination. At verification, we will closely examine changes between the most recently submitted data sets and prior data sets including, but not limited to: cost allocations, materials usage, unit prices, and expenses. We will also thoroughly check the completeness of respondents' sales reporting.

Suspension of Liquidation

Since the estimated weighted-average dumping margins for all examined companies (*i.e.*, both Far Eastern and Nan Ya) are *de minimis*, we are directing the Customs Service not to suspend liquidation of entries of certain polyester staple fiber from Taiwan. These instructions not suspending liquidation 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 negative preliminary determination. If our final antidumping determination is affirmative, the ITC will determine whether these imports are materially injuring, or threaten material injury to, the U.S. industry. The deadline for that ITC determination would be the later of 120 days after the date of this preliminary determination or 45 days after the date of our final determination.

Disclosure

We will disclose the calculations used in our analysis to parties to this proceeding within five days of the publication date of this notice. *See* 19 CFR 351.224(b).

Public Comment

For this investigation, case briefs must be submitted no later than November 22, 1999. Rebuttal briefs must be filed no later than November 29, 1999. A list of authorities used, a table of contents, and an executive summary of issues should accompany any briefs submitted to the Department. Executive summaries should be limited to five pages total, including footnotes.

Section 774 of the Act provides that the Department will hold a hearing to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs, provided that such a hearing is requested by any interested party. If a hearing is requested, it will be held on December 3, 1999, at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., 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 within 30 days of the publication of this notice. Requests should specify the number of participants and provide a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs.

If this investigation proceeds normally, we will make our final determination no later than 135 days after the date of publication of this notice.

This determination is published pursuant to sections 733(d) and 777(i)(1) of the Act.

Dated: October 29, 1999.

Richard W. Moreland,

Acting Assistant Secretary for Import Administration.

[FR Doc. 99–29207 Filed 11–5–99; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–580–839]

Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of the Final Determination: Certain Polyester Staple Fiber From the Republic of Korea

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

EFFECTIVE DATE: November 8, 1999.

FOR FURTHER INFORMATION CONTACT: Vincent Kane, Craig Matney, or Suresh Maniam, Office 1, AD/CVD Enforcement, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482–2815, (202) 482–1778, or (202) 482–0176, respectively.

The Applicable Statute and Regulations

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

Preliminary Determination

We preliminarily determine that certain polyester staple fiber (PSF) from the Republic of Korea (Korea) is being sold, 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 are shown in the Suspension of Liquidation section of this notice.

Case History

This investigation was initiated on April 22, 1999 (*see Initiation of Antidumping Duty Investigations: Certain Polyester Staple Fiber from the Republic of Korea and Taiwan,* 64 FR 23053 (April 29, 1999) (*Initiation Notice*)). Since the initiation of this investigation, the following events have occurred:

On May 17, 1999, the United States International Trade Commission (ITC) preliminarily determined that there is a reasonable indication that imports of PSF are materially injuring the United States industry.

On May 24, 1999, the Department requested comments from interested parties regarding the criteria to be used for model matching purposes. The parties submitted comments on our proposed model matching criteria on May 26, 1999.

On June 4 and 8, 1999, the Department issued antidumping questionnaires to Samyang Corporation (Samyang), Sam Young Synthetics Co. (Sam Young), and Geum Poong Corporation (Geum Poong) (*see* memorandum dated June 17, 1999, to Deputy Assistant Secretary Richard W. Moreland (Respondent Selection Memorandum), which is on file in Import Administration's Central Records Unit). The respondents submitted their initial responses to the questionnaires between July 2 and 30, 1999. Between July 14 and August 5, 1999, E.I. DuPont de Nemours, Inc.; Arteva Specialities S.a.r.l., d/b/a KoSa; Wellman, Inc.; and Intercontinental Polymers, Inc. (hereinafter collectively referred to as ''the petitioners'') filed comments on the questionnaire responses. After analyzing the initial responses and the petitioners' comments, we issued supplemental questionnaires to the respondents between August 9 and 11, 1999. We received responses to these supplemental questionnaires between August 31 and September 3, 1999.

On July 28 and August 10, 1999, the petitioners requested that the Department initiate an investigation of sales below the cost of production (COP) for Samyang and Sam Young, respectively. On August 17 and 18, 1999, based on our review of the petitioners' below cost allegation, we initiated a cost investigation for Samyang and Sam Young (see memoranda dated August 17, 1999 and August 18, 1999, to Senior Director Susan Kuhbach, which is on file in Import Administration's Central Records Unit). On August 19, 1999, we requested that these two companies respond to Section D of the antidumping questionnaires concerning COP and constructed value (CV). We received the responses on September 9, 1999.

On August 16, 1999, the petitioners made a timely request for a postponement of the preliminary determination pursuant to section