Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room B–099, within ten days of the publication of this notice in the **Federal Register**. Requests should contain: (1) The party's name, address, telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. In accordance with 19 CFR 353.38(b), oral presentations will be limited to the issues raised in the briefs.

This determination is published pursuant to section 733(f) of the Act (19 U.S.C. 1673b(f)) and 19 CFR 353.15(a)(4).

Dated: January 26, 1995.

Susan G. Esserman,

Assistant Secretary for Import Administration.

[FR Doc. 95–2614 Filed 2–1–95; 8:45 am]

BILLING CODE 3510–DS–P

[A–201–817]

Preliminary Determination of Sales at Not Less Than Fair Value: Oil Country Tubular Goods From Mexico

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

EFFECTIVE DATE: February 2, 1995.

FOR FURTHER INFORMATION CONTACT: Jennifer Stagner or John Beck, Office of Antidumping Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone (202) 482–1673 and (202) 482–3464, respectively.

Preliminary Determination

The Department preliminarily determines that oil country tubular goods (OCTG) from Mexico are not being sold in the United States at less than fair value, as provided in section 733(b) of the Tariff Act of 1930, as amended (the Act). We have calculated a preliminary margin of zero percent for Mexican OCTG sold in the United States during the period of investigation.

Case History

Since the initiation of this investigation on July 20, 1994, (59 FR 37962, July 26, 1994), the following events have occurred.

On August 15, 1994, the U.S. International Trade Commission (ITC) issued an affirmative preliminary determination.

On August 26, 1994, based on statements from the petitioner and information from Metal Bulletin Books, Ltd., Iron and Steel Works of the World (10th ed. 1991), the Department issued a full antidumping questionnaire to Tubos de Acero de Mexico, S.A. (TAMSA). Additionally, the Department issued antidumping surveys to three other potential respondents: Tubacero S.A. de C.V. and Hylsa, S.A. de C.V. on August 26, 1994; and, Villacero Tuberia Nacional, S.A. de C.V. on September 1, 1994.

On September 27, 1994, the Department determined that TAMSA would be the sole mandatory respondent (see the September 27, 1994, memorandum from David L. Binder to Richard W. Moreland). TAMSA accounts for at least 60 percent of exports of OCTG from Mexico during the period of investigation

The Department received initial questionnaire responses in September, October, and November 1994, and deficiency responses in November and December 1994.

On November 3, 1994, the Department determined that TAMSA's home market was not viable within the meaning of section 773(a)(1)(B) of the Act and 19 CFR 353.48 and that Saudi Arabia was the appropriate third country market for this investigation (see the November 3, 1994, memorandum from David L. Binder to Richard W. Moreland). This decision was predicated on the decision not to expand the period of investigation to include home market sales made pursuant to long-term contracts (see the November 3, 1994, memorandum from Richard W. Moreland to Barbara R. Stafford).

On November 10, 1994, North Star Steel Ohio (the petitioner) timely requested that the Department postpone the preliminary determination in accordance with section 733(c)(1) of the Act (19 U.S.C. 1673b(c)(1)) and 19 CFR 353.15(c). We did so on November 15, 1994, (59 FR 60130, November 22, 1994).

On November 29, 1994, the petitioner submitted an allegation of sales at prices below the cost of production (COP) based on TAMSA's sales to Saudi Arabia. The Department initiated a COP investigation on December 22, 1994 (see the December 22, 1994, memorandum from Gary Taverman to Barbara R. Stafford). On December 28, 1994, the Department sent a section D questionnaire to the respondent. However, due to time constraints, we have not been able to use the section D questionnaire response in our preliminary determination.

On December 16, 1994, in accordance with 19 CFR 353.20(b), TAMSA requested that, in the event of an affirmative preliminary determination by the Department, the Department postpone the final determination. However, because this preliminary determination is negative, the criteria for a postponement of the final determination under 19 CFR 353.20(b)(1) have not been met. Accordingly, the final determination has not been postponed.

Scope of Investigation

For purposes of this investigation, OCTG are hollow steel products of circular cross-section, including oil well casing, tubing, and drill pipe, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished or unfinished (including green tubes and limited service OCTG products). This investigation does not cover casing, tubing, or drill pipe containing 10.5 percent or more of chromium. The OCTG subject to this investigation are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers:

7304.20.10.00, 7304.20.10.10, 7304.20.10.20, 7304.20.10.30, 7304.20.10.40, 7304.20.10.50, 7304.20.10.60, 7304.20.10.80, 7304.20.20.00, 7304.20.20.10, 7304.20.20.20, 7304.20.20.30, 7304.20.20.40, 7304.20.20.50, 7304.20.20.60, 7304.20.20.80, 7304.20.30.00, 7304.20.30.10, 7304.20.30.20, 7304.20.30.30, 7304.20.30.40, 7304.20.30.50, 7304.20.30.60, 7304.20.30.80, 7304.20.40.00, 7304.20.40.10, 7304.20.40.20, 7304.20.40.30, 7304.20.40.40, 7304.20.40.50, 7304.20.40.60, 7304.20.40.80, 7304.20.50.10, 7304.20.50.15, 7304.20.50.30, 7304.20.50.45, 7304.20.50.50, 7304.20.50.60, 7304.20.50.75, 7304.20.60.10, 7304.20.60.15, 7304.20.60.30, 7304.20.60.45, 7304.20.60.50, 7304.20.60.60, 7304.20.60.75, 7304.20.70.00, 7304.20.80.00, 7304.20.80.30, 7304.20.80.45, 7304.20.80.60, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.20.10.30, 7306.20.10.90, 7306.20.20.00, 7306.20.30.00, 7306.20.40.00, 7306.20.60.10, 7306.20.60.50, 7306.20.80.10, and 7306.20.80.50.

Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of these investigations is dispositive.

Period of Investigation

The period of investigation (POI) is January 1, 1994, through June 30, 1994.

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Statute and to the Department's regulations are in reference to the provisions as they existed on December 31, 1994.

Such or Similar Comparisons

We have determined for purposes of the preliminary determination that OCTG covered by this investigation comprises a single category of ''such or similar'' merchandise within the meaning of section 771(16) of the Act. Where there were no sales of identical merchandise in the third country to compare to U.S. sales, we made similar merchandise comparisons on the basis of: (1) Seamless or welded; (2) grade; (3) end finish; (4) outside diameter; (5) length; (6) normalization; and (7) wall thickness, as listed in Appendix V of the Department's antidumping questionnaire. We made adjustments, where appropriate, for differences in the physical characteristics of the merchandise, in accordance with section 773(a)(4)(C) of the Act.

Fair Value Comparisons

To determine whether TAMSA's sales of OCTG from Mexico to the United States were made at less than fair value, we compared the United States price (USP) to the foreign market value (FMV), as specified in the ''United States Price'' and ''Foreign Market Value'' sections of this notice.

United States Price

We based USP for some U.S. sales on purchase price, in accordance with section 772(b) of the Act, because the subject merchandise was sold to unrelated purchasers in the United States prior to importation and there was no other indication that exporter's sales price (ESP) methodology should be used. However, where certain sales to the first unrelated purchaser took place after importation into the United States, we based USP on ESP, in accordance with section 772(c) of the Act.

We have preliminarily determined that the sales of further manufactured merchandise classified by respondent as purchase price sales were, instead, ESP sales because: (1) The further manufacturing of the OCTG was performed by a related U.S. entity; and (2) the merchandise was stored in TAMSA's related U.S. entity's stockyard prior to further manufacturing. It is the Department's practice to treat sales made prior to importation that undergo further manufacturing in the United States as ESP sales when the sales are handled by a related U.S. entity (see Final Determination of Sales at Less Than Fair Value: New Minivans from Japan (57 FR 21937, May 26, 1992)).

For OCTG that was further manufactured in the United States, we deducted all value added in the United States, pursuant to section 772(e)(3) of the Act. The value added consists of the costs of the materials, fabrication, and general expenses associated with the portion of the merchandise further manufactured in the United States, as well as a proportional amount of profit attributable to the value added. We accepted TAMSA's cost data without making any adjustments for purposes of the preliminary determination. We calculated profit by deducting from the sales price of the finished product all production and selling costs incurred by the company. We then allocated the total profit proportionately to all components of costs. We deducted only the profit attributable to the value added. In determining the costs incurred to produce the finished merchandise, we included: (1) Materials; (2) fabrication; and (3) general expenses including selling (SG&A), and interest expense, in accordance with 19 CFR 353.41(e)(3).

We calculated purchase price and ESP based on FOB prices. For purchase price and ESP sales, we made deductions from gross unit price, where appropriate for foreign brokerage, foreign inland freight, marine insurance, ocean freight, U.S. duty, U.S. inland freight, U.S. brokerage, and load-in/load-out expenses, in accordance with section 772(d) of the Act.

For ESP sales only, we deducted credit expenses, quality inspection costs, indirect selling expenses, inventory carrying costs, and product liability premiums, in accordance with section 772(e) of the Act.

We made no adjustments for packing because the respondent reported that the OCTG was not packed before shipment.

For certain sales, TAMSA had not yet shipped or received payment for the sale. In order to calculate credit expenses, we assigned the average number of credit days when shipment and payment dates were missing, and used the date of the preliminary determination, January 26, 1995, as the assumed payment date when only payment dates were missing (see the January 26, 1995, concurrence memorandum).

Foreign Market Value

We compared the volume of home market sales of subject merchandise to the volume of third country sales to determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating FMV in accordance with 19 CFR 353.48(a). Pursuant to 19 CFR 353.48, we found that the home market was not viable because it represented less than five percent of the amount sold to third countries. We therefore based FMV on third country sales.

We determined, pursuant to 19 CFR 353.49(b), that Saudi Arabia is the most appropriate third country market because: (1) The volume of TAMSA's Saudi Arabian sales during the POI was the largest of any third country; (2) the merchandise exported to Saudi Arabia is most similar or identical to the merchandise exported to the United States; and (3) the Saudi Arabian market, in terms of organization and development, is similar to that of the U.S. market. However, the petitioner has questioned the legitimacy of certain sales made by TAMSA to the Saudi Arabian market. The Department intends to scrutinize these sales at verification.

We calculated FMV based on C&F prices to unrelated customers in Saudi Arabia. In light of the Court of Appeals for the Federal Circuit's (CAFC) decision in *Ad Hoc Committee of AZ–NM–TX–FL Producers of Gray Portland Cement* v. *United States,* Slip. Op. 93–1239 (Fed. Cir., January 4, 1994), the Department no longer can deduct third country market movement charges from FMV pursuant to its inherent power to fill in gaps in the antidumping statute. Instead, we will adjust for those expenses under the circumstance-of-sale provision of 19 CFR 353.56(a), as appropriate. Accordingly, in the present case, we deducted from FMV the following direct selling expenses pursuant to 19 CFR 353.56(a): Post-sale foreign brokerage, foreign inland freight, and ocean freight expenses.

For purchase price comparisons, pursuant to section 773(a)(4)(B) of the Act and 19 CFR 353.56(a)(2), we made circumstance-of-sale adjustments for direct selling expenses, which included credit and commissions, in accordance with 19 CFR 353.56(a)(2). We deducted commissions incurred on third country sales and added U.S. indirect selling expenses, capped by the amount of third country commissions. Total U.S. indirect selling expenses included U.S. inventory carrying costs, indirect selling expenses incurred in Mexico on U.S. sales and expenses incurred in the

United States, quality inspection costs, and product liability premiums.

For ESP comparisons, we made further deductions for credit expense and commissions. We deducted third country indirect selling expenses, capped by the amount of U.S. indirect selling expenses, in accordance with 19 CFR 353.56(b).

We made no adjustments for packing because the respondent reported that the OCTG was not packed before shipment.

For certain sales, TAMSA had not yet shipped or received payment for the sale. In order to calculate credit expenses, we applied the same methodology described above for USP.

Currency Conversion

Because certified exchange rates for Mexico were unavailable from the Federal Reserve, we made currency conversions for expenses denominated in Mexican pesos based on the official monthly exchange rates in effect on the dates of the U.S. sales as published by the International Monetary Fund.

Verification

As provided in section 776(b) of the Act, we will verify the information used in making our final determination.

Preliminary Margin Calculation

Based on the calculation methodology outlined above, we preliminarily calculated the following margins:

Manufacturer/producer/exporter	Margin Percentage
Tubos de Acero de Mexico, S.A	00.00
All others	00.00

ITC Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our preliminary determination.

If our final determination is affirmative, the ITC will determine whether these imports are materially injuring, or threaten material injury to, a U.S. industry before the later of 120 days after the date of this preliminary determination or 45 days after our final determination.

Public Comment

In accordance with 19 CFR 353.38, case briefs or other written comments in at least ten copies may be submitted by any interested party to the Assistant Secretary for Import Administration no later than March 6, 1995, and rebuttal briefs no later than March 13, 1995. We request that parties in this case provide an executive summary of no more than two pages in conjunction with case briefs on the major issues to be addressed. Further, briefs should contain a table of authorities. Citations to Commerce determinations and court decisions should include the page number where cited information appears. In preparing the briefs, please begin each issue on a separate page. In accordance with 19 CFR 353.38(b), we will hold a public hearing, if requested, to give interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. Tentatively, the hearing will be held on March 20, 1995, at 10:00 a.m. at the U.S. Department of Commerce, Room 1851, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230. Parties should confirm the time, date, and place of the hearing 48 hours before the scheduled time.

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room B–099, within ten days of the publication of this notice in the **Federal Register**. Requests should contain: (1) The party's name, address, telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. In accordance with 19 CFR 353.38(b), oral presentations will be limited to the issues raised in the briefs. This determination is published pursuant to section 733(f) of the Act (19 U.S.C. 1673b(f)) and 19 CFR 353.15(a)(4).

Dated: January 26, 1995.

Susan G. Esserman,

Assistant Secretary for Import Administration.

[FR Doc. 95–2615 Filed 2–1–95; 8:45 am]

BILLING CODE 3510–DS–P

[A–433–805]

Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Oil Country Tubular Goods From Austria

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

EFFECTIVE DATE: February 2, 1995.

FOR FURTHER INFORMATION CONTACT: William Crow or Lisa Girardi, Office of Antidumping Investigations, Import Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone (202) 482–0116 or (202) 482–4105, respectively.

Preliminary Determination

We preliminarily determine that oil country tubular goods (OCTG) from Austria are being sold in the United States at less than fair value, as provided in section 733(b) of the Tariff Act of 1930, as amended (the Act). The estimated margins are shown in the ''Suspension of Liquidation'' section of this notice.

Case History 1

Since the initiation of this investigation on July 27, 1994 (59 FR 37962, July 20, 1994), the following events have occurred.

On August 15, 1994, the U.S. International Trade Commission (ITC) issued an affirmative preliminary injury determination in this proceeding (see ITC Investigation No. 701–TA–363).

On August 26, 1994, the Department of Commerce (the Department) selected Voest-Alpine Stahlrohr Kindberg GmbH (Kindberg) as the sole mandatory respondent in the investigation, within the meaning of 19 CFR 353.42(b)(1), since this respondent accounts for at least 60 percent of exports of OCTG from Austria during the period of investigation (see the August 26, 1994, memorandum from David L. Binder to Richard W. Moreland, for more detailed information). Also that day, the Department issued an antidumping questionnaire to Kindberg.

On October 5, 1994, the Department determined that Kindberg's home market was not viable and determined that Russia was the appropriate third country market for this investigation (see the October 5, 1994, memorandum from David L. Binder to Richard W. Moreland). In their June 30, 1994, petition, the petitioners alleged that Kindberg's sales to Russia are at prices below the cost of production (COP). In our notice of initiation the Department stated that, based on the allegation in the petition, if there were not a viable home market for Kindberg, the Department would commence an investigation of sales below the cost of production with respect to third country sales. In the above-referenced October 5, 1994, decision memorandum, the Department determined that since Russian sales were the proper basis for FMV, the Department would investigate whether such sales were made below COP.

The Department received initial questionnaire responses in September and October 1994 and deficiency responses in November and December 1994. The Department issued additional deficiency letters on January 9 and January 23, 1995. The responses to these letters are due on January 27, 1995, after the preliminary determination.

On November 10, 1994, Koppel Steel Corporation, U.S. Steel Group (a unit of