a company has cooperated with the Department's request for information but fails to provide the information requested in a timely manner or in the form required, the Department will normally assign to that company the higher of (1) the highest margin calculated for that company in any previous review or the original investigation; or (2) the highest calculated margin for any respondent that supplied an adequate response for the current review. (*See Antifriction Bearings (Other than Tapered Roller Bearings) and Parts Thereof From the Federal Republic of Germany, et al.; Final Results of Administrative Review* (56 FR 31705, July 11, 1991).)

We have applied BIA to sales made by China National, Jiangsu, Yangzhou, Ningbo, Shanghai Automobile, and Tianjin. Because these firms did not respond to our questionnaire, as BIA we have applied the highest margin ever in the LTFV investigation or in this or prior administrative reviews. The highest rate in this proceeding is 42.42 percent, which the Department determined in the LTFV investigation. If the publication of the final results of the 1992–93 review occurs prior to the final results for this review, we will consider those results in our final BIA determination. These firms form the basis of the PRC country-wide rate, which is therefore also based on non-cooperative BIA.

Non-Shipper

Nantong submitted a questionnaire response to the Department stating that it did not ship lug nuts to the United States during the period of review. There is no evidence on the record to demonstrate that Nantong shipped subject merchandise to the United States during the period of review. We have preliminarily determined that Nantong merits a separate rate for this review period, as discussed in the separates rates section above. Assuming that we determine, in the final results of review for the 1992–93 period, that Nantong merits a separate rate for that period, we will assign to Nantong for this period its own rate we determine in the final results of the 1992–93 period.

Preliminary Results of the Review

We preliminarily determine that the following dumping margin exists:

Manufacturer/Exporter	Time Period	Margin (percent)
Jiangsu Rudong Grease-Gun Factory.	09/01/93–08/31/94	20.59

Parties to the proceeding may request disclosure within 5 days of the date of publication of this notice. Any interested party may request a hearing within 10 days of publication. Any hearing, if requested, will be held 44 days after the publication of this notice, or the first workday thereafter. Interested parties may submit case briefs within 30 days of the date of publication of this notice. Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than 37 days after the date of publication. The Department will publish a notice of final results of this administrative review, which will include the results of its analysis of issues raised in any such comments.

The Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between U.S. price and FMV may vary from the percentage stated above. The Department will issue appraisement instructions directly to the U.S. Customs Service.

Furthermore, the following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of lug nuts from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(1) of the Act: (1) For Rudong, which has a separate rate, the cash deposit rate will be the company-specific rate established in the final results of this administrative review; (2) for Nantong, which had no shipments to the United States during this review period and which has a separate rate, the cash deposit rate will be the company-specific rate established for the last period in which it was reviewed, *i.e.*, the 1992–93 period; (3) for the companies named above which were not found to have separate rates, China National, Jiangsu, Yangzhou, Ningbo, Shanghai Automobile, and Tianjin, as well as for all other PRC exporters, the cash deposit rate will be the highest margin ever in the LTFV investigation or in this or prior administrative reviews, the PRC rate; and (4) for non-PRC exporters of subject merchandise from the PRC, the cash deposit rate will be the rate applicable to the PRC supplier of that exporter.

These deposit rates, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 353.26 to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and 19 CFR 353.22.

Dated: August 8, 1995.

Susan G. Esserman,

Assistant Secretary for Import Administration.

[FR Doc. 95–20211 Filed 8–15–95; 8:45 am]

BILLING CODE 3510–DS–P

[A–602–803]

Certain Corrosion-Resistant Carbon Steel Flat Products from Australia: Preliminary Results of Antidumping Duty Administrative Review

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

ACTION: Notice of Preliminary Results of Antidumping Duty Administrative Review.

SUMMARY: In response to a request by one respondent, the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on *Certain Corrosion-Resistant Carbon Steel Flat Products from Australia* (A–602–803). This review covers one manufacturer/exporter of the subject merchandise to the United States during the period of review (POR) February 4, 1993, through July 31, 1994.

We have preliminarily determined that sales to the United States have been made below the foreign market value (FMV). If these preliminary results are adopted in our final results of administrative review, we will instruct U.S. Customs to assess antidumping duties equal to the difference between the United States Price (USP) and the FMV.

Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: August 16, 1995.

FOR FURTHER INFORMATION CONTACT: Bob Bolling or Sally Gannon, Office of Agreements Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230, telephone: (202) 482–3793.

SUPPLEMENTARY INFORMATION:

Background

On July 9, 1993, the Department published in the **Federal Register** (58 FR 37079) the final affirmative antidumping duty determination on Certain Corrosion-Resistant Carbon Steel Flat Products from Australia, and published an antidumping duty order on August 19, 1993 (58 FR 44161). On August 3, 1994, the Department published the notice of ''Opportunity to Request an Administrative Review'' of this order for the period February 4, 1993, through July 31, 1994 (59 FR 39543). The Department received requests for administrative review from the Australian National Industries Ltd. (ANI), and the Broken Hill Proprietary Company Ltd. (BHP). On September 8, 1994 (59 FR 46391), we initiated the administrative review of ANI, and on September 19, 1994 (59 FR 47842) we amended that initiation notice to include BHP. Subsequently, on November 3, 1994, ANI timely withdrew its request for an administrative review pursuant to section 353.22(a)(5) and on April 12, 1995, the Department published a ''Partial Termination of Antidumping Administrative Review'' (60 FR 18581).

The Department is now conducting this review in accordance with section 751 of the Tariff Act of 1930, as amended (the Tariff Act). This review covers sales of certain corrosion-resistant carbon steel flat products by BHP and its subsidiaries, BHP Trading, Inc. (''Trading''), BHP Coated Corporation (''Coated''), and BHP Steel Products USA Inc. (''Building''). The POR is February 4, 1993 through July 31, 1994.

Applicable Statute and Regulations

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

Scope of the Review

The products covered by this administrative review constitute one ''class of kind'' of merchandise: certain corrosion-resistant carbon steel flat products. These products include flat-rolled carbon steel products, of rectangular shape, either clad, plated, or coated with corrosion-resistant metals such as zinc, aluminum, or zinc-, aluminum-, nickel- or iron-based alloys, whether or not corrugated or painted, varnished or coated with plastics or other nonmetallic substances in addition to the metallic coating, in coils (whether or not in successively superimposed layers) and of a width of 0.5 inch or greater, or in straight lengths which, if of a thickness less than 4.75 millimeters, are of a width of 0.5 inch or greater and which measures at least 10 times the thickness or if of a thickness of 4.75 millimeters or more are of a width which exceeds 150 millimeters and measures at least twice the thickness, as currently classifiable in the HTS under item numbers 7210.31.0000, 7210.39.0000, 7210.41.0000, 7210.49.0030, 7210.49.0090, 7210.60.0000, 7210.70.6030, 7210.70.6060, 7210.70.6090, 7210.90.1000, 7210.90.6000, 7210.90.9000, 7212.21.0000, 7212.29.0000, 7212.30.1030, 7212.30.1090, 7212.30.3000, 7212.30.5000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7212.60.0000, 7215.90.1000, 7215.90.5000, 7217.12.1000, 7217.13.1000, 7217.19.1000, 7217.19.5000, 7217.22.5000, 7217.23.5000, 7217.29.1000, 7217.29.5000, 7217.32.5000, 7217.33.5000, 7217.39.1000, and 7217.39.5000. Included are flat-rolled products of nonrectangular cross-section where such-section is achieved subsequent to the rolling process (*i.e.,* products which have been ''worked after rolling'')—for example, products which have been bevelled or rounded at the edges. Excluded are flat-rolled steel products either plated or coated with tin, lead, chromium, chromium oxides, both tin and lead (''terne plate''), or both chromium and chromium oxides (''tin-free steel''), whether or not painted, varnished or coated with plastics or other nonmetallic substances in addition to the metallic coating. Also excluded are clad products in straight lengths of 0.1875 inch or more in composite thickness and of a width which exceeds 150 millimeters and measures at least twice the thickness. Also excluded are certain clad stainless flat-rolled products, which are three-layered corrosion-resistant carbon steel flat-rolled products less than 4.75 millimeters in composite thickness that consist of a carbon steel flat-rolled product clad on both sides with stainless steel in a 20%-60%-20% ratio. These HTS item numbers are provided for convenience and Customs purposes. The written description remains dispositive.

United States Price

The Department used purchase price and exporter's sales price (ESP) for Trading, ESP for Coated, and ESP for Building, as defined in section 772 of the Tariff Act.

A. Trading

Purchase price was based on the packed price, with sales terms ex dock paid F.O.B., to unrelated purchasers in the United States. We made deductions from purchase price, where appropriate, for foreign inland freight, foreign inland insurance, ocean freight, marine insurance, brokerage and handling, port charges, U.S. duty, wharfage, and U.S. inland freight. ESP was based on the packed, F.O.B. price to unrelated purchasers in the United States. We made deductions from ESP, where applicable, for foreign inland freight, foreign inland insurance, ocean freight, marine insurance, brokerage and handling, port charges, U.S. duty, U.S. inland freight, wharfage, credit expenses, warranty expenses, warehousing expenses, third-party commissions and indirect selling expenses (which include inventory carrying costs, selling expenses, unrelated processing expenses, and other U.S. incurred selling expenses).

B. Coated

ESP was based on the packed price, with various sales terms, to unrelated purchasers in the United States. We made deductions from ESP, where applicable, for foreign inland freight, foreign inland insurance, ocean freight, brokerage and handling, U.S. duty, U.S. inland freight, credit expenses, and indirect selling expenses (which include inventory carrying costs and selling expenses).

In addition, where appropriate, we made further deductions from ESP for all value-added to corrosion-resistant steel in the United States, pursuant to section 772(e)(3) of the Tariff Act. The value-added consists of the costs associated with the production of the further-manufactured products, other than the costs associated with the imported corrosion-resistant steel, and a proportional amount of any profit related to the further-manufacture. Profit was calculated by deducting all applicable expenses from the sales of the corrosion-resistant steel. The total profit was then allocated proportionally to all components of cost. Only the profit attributable to the value added was deducted from ESP. *See Color Televisions From Korea,* 55 FR 26225 (6/27/90).

In determining the costs incurred to produce the further-manufactured corrosion-resistant steel the Department included the appropriate (1) cost of manufacture, (2) movement and packing expenses, (3) selling, general and administrative expenses (SG&A), and (4) interest expenses.

For any further-manufactured sales where we found that the model-specific home market cost information necessary to build the total further-manufacturing cost was not provided, we used the costs (total cost of manufacturing, general and administrative expenses, and interest expenses) which corresponded to the lowest total cost of production identified in the home market cost database.

C. Building

ESP was based on the packed price, with various sales terms, to unrelated purchasers in the United States. We made deductions from ESP, where applicable, for foreign inland freight, foreign island insurance, ocean freight, brokerage and handling, U.S. duty, U.S. inland freight, freight to customer, credit expenses, third-party commissions, warranty expenses, credit notes, discounts and rebates, and indirect selling expenses (which include inventory carrying costs, selling expenses, and pre-sale freight). In addition, we made further deductions from ESP for all value-added to corrosion-resistant steel in the United States, as described above.

Where the customer level of trade was missing for certain sales and we were unable to perform the matching of these sales with the home market database, we applied to these sales the final weighted-average margin determined in the less than fair value (LTFV) investigation as the best information available (BIA) in accordance with our practice regarding partial BIA (*see Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof from France,* 60 FR 10900, 10907, February 28, 1995). For any further-manufactured sales where we found that the model-specific home market cost information necessary to build the total further manufacturing cost was not provided, we used costs as described above.

It is the Department's standard practice in ESP cases to conduct the review on the basis of sales made during the POR. Respondent claimed that certain merchandise was not subject to review because the merchandise entered prior to the suspension of liquidation (February 4, 1993). We have included all sales during the POR because there is not sufficient data to link sales during the POR to entries of subject merchandise prior to suspension of liquidation. *See Industrial Belts From Italy,* 57 FR 8295, 96 March 9, 1992.

Foreign Market Value

Based on a comparison of the volume of home market and third country sales, we determined that the home market was viable. Further, BHP had sales both to related and unrelated parties in the home market during the POR. After reviewing and verifying BHP's U.S. and home market sales to both unrelated and related purchasers and their ability to obtain downstream sales information, the Department determined that BHP need not report its home market sales made by its related distributors to the first unrelated party (downstream sales) because BHP's home market sales to the related distributors were made on an arm's length basis (see the Department's June 9, 1995, letter to BHP available in the public file). In addition, for sales to certain related parties that failed the arm's-length test, the Department did not require BHP to report the downstream sales made by these related parties because the related parties further-manufactured the products into merchandise outside the scope of this review. For a full discussion of how we treated BHP's sales to related parties in this review, see the Analysis Memorandum for this review, which is on file in room B–099 of the main building of the commerce Department.

BHP had sales of secondary merchandise (non-prime) in the home market; however, there were no sales of secondary merchandise in the U.S. market during the POR. Therefore, as per our established model match criteria, the Department only compared prime merchandise sold in the United States to prime merchandise sold in the home market.

Petitioners submitted an allegation of sales-below-cost on January 20, 1995, and supplemented the allegation on January 30, 1995. We reviewed petitioners' methodology and found that petitioners calculated the cost of production (COP) in accordance with 19 C.F.R. 353.51 and based their calculations on data submitted on the record by the respondents. We determined that petitioner's sales-below-cost methodology was reasonable, indicating that there were reasonable grounds to believe or suspect that, during this POR, BHP made sales of subject merchandise in the home market at prices less than the COP. Thus, in accordance with section 773(b) of the Tariff Act, the Department initiated an investigation on February 3, 1995, to determine whether BHP made home market sales of corrosion-resistant steel at prices less than the COP during the POR.

In accordance with section 773(b) of the Tariff Act, in determining whether to disregard home market sales made at prices below the COP, we examined whether such sales were made in substantial quantities over an extended period of time, and whether such sales were made at prices which permitted recovery of all costs within a reasonable period of time in the normal course of trade. We calculated COP for BHP as the sum of reported materials, labor, factory overhead, and general expenses, and compared the COP to home market prices, net price adjustments, discounts, rebates, movement expenses, and pre-packing and packing expenses in accordance with 19 CFR 353.51(c).

Pursuant to the Department's practice, for each model for which less than 10 percent, by quantity, of the home market sales during the POR were made at prices below the COP, we included all sales of that model in the computation of FMV. For each model for which 10 percent or more, but less than 90 percent, of the home market sales during the POR were priced below the merchandise's COP, we excluded from the calculation of FMV those home market sales which were priced below the merchandise's COP, provided that they were made over an extended period of time. For each model for which 90 percent or more of the home market sales during the POR were priced below the COP and were made over an extended period of time, we disregarded all sales of that model in our calculation and, in accordance with section 773(b) of the Tariff Act, we used the constructed value (CV) of those models, as described below. *See e.g., Mechanical Transfer Presses from Japan, Final Results of Antidumping Duty Administrative Review,* 59 FR 9958 (March 2, 1994).

In accordance with section 773(b)(1) of the Tariff Act, to determine whether sales below cost had been made over an extended period of time, we compared the number of months in which sales below cost occurred for a particular model to the number of months in which that model was sold. If the model was sold in fewer than three months, we did not disregard below-cost sales unless there were below-cost sales of that model in each month sold. If a model was sold in three or more months, we did not disregard below-cost sales unless there were sales below cost in at least three of the months in which the model was sold. *See Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan: Final Results of Antidumping Duty Administrative Reviews,* 58 FR 64720, 64729 (December 8, 1993).

BHP provided insufficient evidence that its below-cost sales of models were

at prices that would permit recovery of all costs within a reasonable period of time and in the normal course of trade. Thus, we disregarded those sales which were made below cost over an extended period of time pursuant to the methodology described above. For a full discussion of how we treated BHP's claim of cost recovery in this review, see the Analysis Memorandum for this review, which is on file in room B–099 of the main building of the Commerce Department.

We used CV as FMV for those U.S. models for which we were unable to find a home market match and calculated CV in accordance with section 773(e) of the Tariff Act. In our calculations, we included the cost of materials, labor, and factory overhead. Where the general expenses were less than the statutory minimum of 10 percent of the cost of manufacture (COM), we calculated general expenses as 10 percent of COM. Where the actual profits were less than the statutory minimum of 8 percent of the COM plus general expenses, we calculated profit as 8 percent of the sum of COM plus general expenses.

In accordance with section 773(a)(1)(A) of the Tariff Act, for those U.S. models for which we were able to find a home market such or similar match, we calculated FMV based on the packed, F.I.S. (''free into store'') home market sales price to unrelated purchasers or related purchasers which met the Department's arms-length test as described above. We made deductions from FMV, where applicable, for inland freight, inland insurance, credit expenses, warranty expenses, advertising expenses, discounts and rebates.

For home market sales with missing payment dates, we denied BHP's claim for a cash (settlement) discount. For sales with missing payment and shipment dates, we used the average inventory and credit periods of the remaining home market sales in order to calculate the inventory carrying cost and credit expense, respectively, for these sales. We will request the updated information from BHP after the preliminary results are issued. Additionally, we denied BHP's claim under section 353.55 that it had provided discounts of at least the same magnitude on 20 percent or more of its sales, and that it was therefore entitled to an adjustment for discounts on sales that had not actually received a discount. Using discounts of different magnitudes, respondent calculated average discounts for painted and updated products. Respondent then applied to each sale that received less than the average discount, or no discount, the amount necessary to bring the discount up to the full amount of the appropriate average discount. While BHP supported its claim that discounts were granted on more than 20 percent of sales, we denied the adjustment because respondent failed to demonstrate that the discounts actually granted were of at least the same magnitude, as required under 353.55(b)(1). For a full discussion of how we treated these claims and the missing data, see the Analysis Memorandum for this review, which is on file in room B–099 of the main building of the Commerce Department.

For purchase price comparisons, pursuant to section 773(a)(4)(B) of the Tariff Act and 19 CFR 353.56(a)(2), we made circumstance of sale adjustments to FMV, where appropriate, for differences in warranty, credit, and warehousing expenses. We deducted from FMV home market pre-packing and packing costs and added to FMV packing expenses incurred in Australia for U.S. sales. Where appropriate, we added U.S. third-party commissions to FMV and deducted from FMV the weighted-average home market indirect selling expenses (which included inventory carrying costs, indirect selling expenses, technical service expenses, and pre-sale freight expenses) up to the amount of the third-party commissions incurred on U.S. sales, in accordance with 19 CFR 353.56(b)(1). We also adjusted FMV, where appropriate, for physical differences in the merchandise, in accordance with 19 CFR 353.57.

For ESP comparisons, we deducted from FMV the weighted-average home market indirect selling expenses (which include inventory carrying costs, indirect selling expenses, technical service expenses, and pre-sale freight expenses), limiting the home market indirect selling expense deduction by the amount of indirect selling expenses incurred in the United States, in accordance with section 353.56(b)(2) of the Department's regulations. In cases where a third-party commission was granted on the U.S. sale only, we increased the amount classified as U.S. indirect selling expenses by the amount of the U.S. third-party commission for comparison to home market indirect selling expenses. Also, after deducting from FMV home market pre-packing and packing expenses, we added to FMV packing expenses incurred in Australia for U.S. sales. We also adjusted FMV, where appropriate, for physical differences in the merchandise, in accordance with 19 CFR 353.57.

Preliminary Results of Review

As a result of our comparison of USP to FMV, we preliminarily determine that the following margin exists for the period February 4, 1993, through July 31, 1994;

Manufacturer	Margin (percent)
BHP	20.10

Interested parties may request disclosure within 5 days of the date of publication of this notice and may request a hearing within 10 days of publication. Any hearing, if requested, will be held 44 days after the date of publication or the first business day thereafter. Case briefs and/or written comments from interested parties may be submitted no later than 30 days after the date of publication. Rebuttal briefs and rebuttals to written comments, limited to issues raised in those comments, may be filed not later than 37 days after the date of publication of this notice. The Department will publish the final results of this administrative review including the results of its analysis of issues raised in any such written comments or at a hearing.

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between the USP and FMV may vary from the percentages stated above.

Furthermore, the following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided for by section 751(a)(1) of the Tariff Act. A cash deposit of estimated antidumping duties shall be required on shipments of Certain Corrosion-Resistant Carbon Steel Flat Products from Australia as follows: (1) The cash deposit rate for the reviewed company will be the rate established in the final results of this review; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, or the original LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this review, the case deposit rate will be 24.96 percent. This is the

''all others'' rate from the LTFV investigation. *See Final Determination of Sales at Less Than Fair Value: Certain Corrosion-Resistant Carbon Steel Flat Products from Australia.* (58 FR 37079, July 9, 1993).

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 353.26 to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and this notice are in accordance with section 751(a)(1) of the Tariff Act (19 U.S.C. 1675(a)(1)) and 19 CFR 353.22.

Dated: August 8, 1995.

Susan G. Esserman,

Assistant Secretary for Import Administration.

[FR Doc. 95–20302 Filed 8–5–95; 8:45 am]

BILLING CODE 3510–DS–M

[A–122–820 (Lead Case Number) A–122–822 A–122–823]

Certain Corrosion-Resistant Carbon Steel Flat Products and Certain Cut-to-Length Carbon Steel Plate From Canada; Preliminary Results of Antidumping Duty Administrative Review

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

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

SUMMARY: In response to requests by respondents, Algoma Steel Inc. (Algoma), Continuous Colour Coat (CCC), Dofasco, Inc. (Dofasco), Manitoba Rolling Mills (MRM), Sorevco, Inc. (Sorevco), Stelco Inc. (Stelco), the Department of Commerce (the Department) is conducting the first administrative review of the antidumping duty orders on *Certain Corrosion-Resistant Carbon Steel Flat Products* (corrosion-resistant steel) (A–122–822) and *Certain Cut-to-Length Carbon Steel Plate* (A–122–823) (cut-to-length plate) from Canada. These reviews cover five manufacturers/exporters, Algoma, CCC, Dofasco, MRM, Sorevco, and Stelco, and entries of corrosion-resistant steel and cut-to-length plate into the United States during the period of review (POR) February 4, 1993, through July 31, 1994.

We have preliminarily determined that sales have been made below the foreign market value (FMV). If these preliminary results are adopted in our final results of administrative reviews, we will instruct U.S. Customs to assess antidumping duties equal to the difference between the United States price (USP) and the FMV.

Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: August 16, 1995.

FOR FURTHER INFORMATION CONTACT: John Drury (CCC), Eric Johnson (Dofasco/Sorevco), Elizabeth Patience (Algoma), Gerry Zapiain (Stelco), Steven Presing or Stephen Jacques, Office of Agreements Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–3793.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

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

Background

On July 9, 1993, the Department published in the **Federal Register** (58 FR 37099) the final affirmative antidumping duty determination on corrosion-resistant steel and cut-to-length plate from Canada, for which we published antidumping duty orders on August 19, 1993 (58 FR 44162). On August 3, 1994, the Department published the notice of ''Opportunity to Request an Administrative Review'' of these orders for the period February 4, 1993, through July 31, 1994 (59 FR 39543). The respondents, Algoma, CCC, Dofasco, MRM, Sorevco, and Stelco, requested administrative reviews. We initiated the reviews on September 8, 1994 (59 FR 46391). The Department is conducting these reviews in accordance with section 751 of the Tariff Act of 1930, as amended (the Tariff Act).

In the underlying investigations of less-than-fair-value (LTFV) sales, the Department conducted an analysis of Sorevco's relationship with Dofasco to determine whether the relationship between the related parties is such that one company is in a position to manipulate the other company's prices and/or production decisions (*See Brass Sheet and Strip from France*, 52 Fed. Reg. 812, 814 (January 9, 1987); *Certain Iron Construction Castings from Canada*, 55 Fed. Reg. 460 (January 5, 1990)). The Department's investigation revealed that, for the period of investigation, Sorevco should be ''collapsed'' with Dofasco. On October 31, 1994, the U.S.-Canada Binational Panel upheld the Department's decision to collapse Sorevco with Dofasco for the investigation. In the matter of: *Certain Corrosion-Resistant Carbon Steel Flat Products, USA–93–1904–03.*

The Department considered whether Sorevco should remain collapsed with Dofasco for the purposes of this administrative review.

It is the Department's practice to collapse related parties when the facts demonstrate that the relationship is such that there is a strong possibility of manipulation of prices and production decisions that would result in circumvention of the antidumping law. *See Nihon Cement Co., Ltd.* v. *United States*, Slip Op. 93–80 (CIT May 25, 1993); *Certain Iron Construction Castings from Canada*, 55 Fed. Reg. 460 (1990); *Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof from the Federal Republic of Germany*, 54 Fed. Reg. 18992, 19089 (1989). In determining whether to collapse related parties, the Department considered the level of common ownership; whether managerial employees or board members of one company sit on the board(s) of directors of the other related party(ies); the existence of production facilities for similar or identical products that would not require retooling either plant's facilities to implement a decision to restructure either company's manufacturing priorities; and whether the operations of the companies are intertwined (*e.g.*, sharing of sales information; involvement in production and pricing decisions, sharing of facilities or employees; transactions between the companies).

Although the Department considers all four factors, no one factor is determinative. Rather the determination whether to collapse is based on the totality of circumstances. *See Nihon Cement Co., Ltd.* v. *United States*, Slip Op. 93–80 at 51.

An analysis of the above-mentioned criteria as they relate to Dofasco and Sorevco for the current period of review revealed that collapsing of Dofasco and Sorevco is warranted. The two companies' close business relationship, Dofasco's 50 percent ownership of Sorevco and continuing presence on Sorevco's board, and the existence of similar production facilities demonstrates a strong possibility of future manipulation of production and