minimis within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (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 these reviews, a prior 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) the cash deposit rate for all other manufacturers or exporters will continue to be 30.72 percent, the ''All Others'' rate made effective by the LTFV investigation. These requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

These administrative reviews and notice are published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: September 29, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration.

[FR Doc. 00–25789 Filed 10–18–00; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

A–588–837

Large Newspaper Printing Presses and Components Thereof, Whether Assembled or Unassembled, From Japan: 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 the petitioner and two producers/exporters of the subject merchandise, the Department of Commerce is conducting an administrative review of the antidumping duty order on large newspaper printing presses and components thereof, whether assembled or unassembled, from Japan. This review covers two manufacturers/exporters of the subject merchandise to the United States (Mitsubishi Heavy Industries, Ltd. and Tokyo Kikai Seisakusho, Ltd.). The period of review is September 1, 1998 through August 31, 1999.

We preliminarily determine that sales have been made below the normal value for one of the two companies subject to this review. If these preliminary results are adopted in our final results of this administrative review, we will instruct the Customs Service to assess antidumping duties on all appropriate entries.

We invite interested parties to comment on these preliminary results. Parties who wish to submit comments in this proceeding are requested to submit with each argument: (1) A statement of the issue; and (2) a brief summary of the argument. Parties are also encouraged to provide a summary of the arguments not to exceed five pages and a table of statutes, regulations, and cases cited.

EFFECTIVE DATE: October 19, 2000.

FOR FURTHER INFORMATION CONTACT: James Nunno or Christopher Priddy, AD/CVD Enforcement Group I, Office 2, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–0783 or (202) 482–1130, respectively.

SUPPLEMENTARY INFORMATION:

Period of Review

The period of review (POR) is September 1, 1998 through August 31, 1999.

The Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act) are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to 19 CFR part 351 (1999).

Background

During the previous administrative review period, covering sales of the subject merchandise for the period September 1, 1997 through August 31, 1998, Mitsubishi Heavy Industries, Ltd. (MHI) reported a U.S. sale to the Bergen Record which was entered into contract during that review period. *See* MHI's section A questionnaire response, dated January 7, 1999, at Exhibit 1. However, we deferred review of this sale until this administrative review period because the entries relating to this sale were not fully delivered and installed by the conclusion of that review period.

On September 9, 1999, the Department of Commerce (the Department) published in the **Federal Register** a notice of ''Opportunity to Request an Administrative Review'' of the antidumping duty order on large newspaper printing presses and components thereof, whether assembled or unassembled (LNPP), from Japan covering the period September 1, 1998, through August 31, 1999. *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review,* 64 FR 48980 (Sept. 9, 1999).

On July 31, 1999, in accordance with 19 CFR 351.213(b), the petitioner, Goss Graphic Systems, Inc., requested an administrative review of the antidumping duty order for the following producers/exporters of LNPP: MHI and Tokyo Kikai Seisakusho, Ltd. (TKS). We also received requests for a review from MHI and TKS on July 31, 1999. We published a notice of initiation of this review on August 30, 1999. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Requests for Revocation in Part*, 64 FR 60161 (Nov. 4, 1999).

On November 24, 1999, we issued antidumping questionnaires to the two respondents. We received responses to these questionnaires in December 1999 and January 2000.

On December 14, 1999, TKS requested that it defer reporting a sale to Dow Jones & Company (Dow Jones) until the next administrative review because, although TKS entered into an LNPP sales contract with Dow Jones during the POR, the entries relating to this sale will not be fully delivered and installed by the conclusion of the present review. On December 21, 1999, we notified TKS that it may report data on the Dow Jones sale after it is completed, during the next administrative review.

On March 13, 2000, the Department extended the time limit for the preliminary results in this review until September 29, 2000. *See Large Newspaper Printing Presses from Japan and Germany: Postponement of Preliminary Results of Antidumping Duty Administrative Reviews*, 65 FR 13364 (Mar. 13, 2000).

We issued supplemental questionnaires to MHI in April and May 2000, and received responses to these questionnaires in May and June 2000. We issued supplemental questionnaires to TKS in March, May, July and August 2000, and received responses to these questionnaires in May, June, July and September 2000.

On June 23, 2000, the petitioner submitted a letter stating that MHI did not report home market sales that are contemporaneous with the date of its

U.S. sale. In June and July 2000, we asked both MHI and TKS to report additional home market sales to the Department. MHI and TKS reported this additional sales and cost information in July and August 2000. *See* the ''Home Market Sales Used to Calculate Constructed Value Profit and Selling Expenses'' section of the notice below for further discussion.

Pursuant to section 782(i)(3) of the Act, we conducted verification of MHI's sales and cost responses in Japan in July and August 2000. In addition, we conducted verification of MHI's U.S. sales responses in September 2000.

Scope of the Review

The products covered by this review are large newspaper printing presses, including press systems, press additions, and press components, whether assembled or unassembled, whether complete or incomplete, that are capable of printing or otherwise manipulating a roll of paper more than two pages across. A page is defined as a newspaper broadsheet page in which the lines of type are printed perpendicular to the running of the direction of the paper or a newspaper tabloid page with lines of type parallel to the running of the direction of the paper.

In addition to press systems, the scope of this review includes the five press system components. They are: (1) A printing unit, which is any component that prints in monocolor, spot color, and/or process (full) color; (2) a reel tension paster, which is any component that feeds a roll of paper more than two newspaper broadsheet pages in width into a subject printing unit; (3) a folder, which is a module or combination of modules capable of cutting, folding, and/or delivering the paper from a roll or rolls of newspaper broadsheet paper more than two pages in width into a newspaper format; (4) conveyance and access apparatus capable of manipulating a roll of paper more than two newspaper broadsheet pages across through the production process and which provides structural support and access; and (5) a computerized control system, which is any computer equipment and/or software designed specifically to control, monitor, adjust, and coordinate the functions and operations of large newspaper printing presses or press components.

A press addition is comprised of a union of one or more of the press components defined above and the equipment necessary to integrate such components into an existing press system.

Because of their size, large newspaper printing press systems, press additions, and press components are typically shipped either partially assembled or unassembled, complete or incomplete, and are assembled and/or completed prior to and/or during the installation process in the United States. Any of the five components, or collection of components, the use of which is to fulfill a contract for large newspaper printing press systems, press additions, or press components, regardless of degree of assembly and/or degree of combination with non-subject elements before or after importation, is included in the scope of this review. Also included in the scope are elements of a LNPP system, addition, or component, which taken altogether, constitute at least 50 percent of the cost of manufacture of any of the five major LNPP components of which they are a part.

For purposes of this review, the following definitions apply irrespective of any different definition that may be found in Customs rulings, U.S. Customs law or the *Harmonized Tariff Schedule of the United States* (HTSUS): the term ''unassembled'' means fully or partially unassembled or disassembled; and (2) the term ''incomplete'' means lacking one or more elements with which the LNPP is intended to be equipped in order to fulfill a contract for a LNPP system, addition or component.

This scope does not cover spare or replacement parts. Spare or replacement parts imported pursuant to a LNPP contract, which are not integral to the original start-up and operation of the LNPP, and are separately identified and valued in a LNPP contract, whether or not shipped in combination with covered merchandise, are excluded from the scope of this review. Used presses are also not subject to this scope. Used presses are those that have been previously sold in an arm's-length transaction to a purchaser that used them to produce newspapers in the ordinary course of business.

Also excluded from the scope, in accordance with the Department's determination in a changed-circumstances antidumping duty administrative review of this order with respect to MHI which resulted in the partial revocation of the order with respect to certain merchandise, are elements and components of LNPP systems, and additions thereto, which feature a 22 inch cut-off, 50 inch web width and a rated speed no greater than 75,000 copies per hour. *See Large Newspaper Printing Presses Components Thereof, Whether Assembled or Unassembled, from Japan: Final Results of Changed Circumstances Antidumping Duty Administrative Review and Intent to Revoke Antidumping Duty Order, In Part*, 64 FR 72315 (Dec. 27, 1999). In addition to the specifications set out in this paragraph, all of which must be met in order for the product to be excluded from the scope of the order, the product must also meet all of the specifications detailed in the five numbered sections following this paragraph. If one or more of these criteria is not fulfilled, the product is not excluded from the scope of the order.

1. *Printing Unit:* A printing unit which is a color keyless blanket-to-blanket tower unit with a fixed gain infeed and fixed gain outfeed, with a rated speed no greater than 75,000 copies per hour, which includes the following features:

- Each tower consisting of four levels, one or more of which must be populated.
- Plate cylinders which contain slot lock-ups and blanket cylinders which contain reel rod lock-ups both of which are of solid carbon steel with nickel plating and with bearers at both ends which are configured in-line with bearers of other cylinders.
- Keyless inking system which consists of a passive feed ink delivery system, an eight roller ink train, and a non-anilox and non-porous metering roller.
- The dampener system which consists of a two nozzle per page spraybar and two roller dampener with one chrome drum and one form roller.
- The equipment contained in the color keyless ink delivery system is designed to achieve a constant, uniform feed of ink film across the cylinder without ink keys. This system requires use of keyless ink which accepts greater water content.

2. *Folder:* A module which is a double 3:2 rotary folder with 160 pages collect capability and double (over and under) delivery, with a cut-off length of 22 inches. The upper section consists of three-high double formers (total of 6) with six sets of nipping rollers.

3. *RTP:* A component which is of the two-arm design with core drives and core brakes, designed for 50 inch diameter rolls; and arranged in the press line in the back-to-back configuration (left and right hand load pairs).

4. *Conveyance and Access Apparatus:* Conveyance and access apparatus capable of manipulating a roll of paper more than two newspaper broadsheets across through the production process, and a drive system which is of conventional shafted design.

5. *Computerized Control System:* A computerized control system, which is any computer equipment and/or software designed specifically to control, monitor, adjust, and coordinate the functions and operations of large newspaper printing presses or press components.

Further, this review covers all current and future printing technologies capable of printing newspapers, including, but not limited to, lithographic (offset or direct), flexographic, and letterpress systems. The products covered by this review are imported into the United States under subheadings 8443.11.10, 8443.11.50, 8443.30.00, 8443.59.50, 8443.60.00, and 8443.90.50 of the HTSUS. Large newspaper printing presses may also enter under HTSUS subheadings 8443.21.00 and 8443.40.00. Large newspaper printing press computerized control systems may enter under HTSUS subheadings 8471.49.10, 8471.49.21, 8471.49.26, 8471.50.40, 8471.50.80, and 8537.10.90. Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of this review is dispositive.

Home Market Sales To Calculate Constructed Value Profit and Selling Expenses

On June 23, 2000, Goss Graphic Systems, Inc., the petitioner in this proceeding, submitted a letter stating that MHI did not report home market sales that are contemporaneous with the date of its U.S. sale. On June 30, 2000, we asked MHI to report additional home market sales to the Department. Because this issue is not limited to MHI alone, we also requested additional sales from TKS.

Upon analysis of the home market sales on the record for both MHI and TKS in this administrative review, we determined that the appropriate universe of home market sales used to calculate constructed value (CV) profit and selling expenses should comprise all sales made during the period beginning with three months prior to the respondent's U.S. sale,[1] and then the nine subsequent months, including the month of sale. *See* the September 29, 2000, memorandum from the team to Richard W. Moreland entitled ''Universe of Home Market Sales Used to Calculate Profit and Selling Expenses for Constructed Value'' for further discussion.

[1] Both of the respondents in this administrative review shipped/entered only one LNPP into the United States during the POR that was completely assembled and installed.

Normal Value Comparisons

To determine whether MHI's and TKS's sales of LNPPs to the United States were made at less than normal value (NV), we compared constructed export price (CEP) to the NV, as described in the ''Constructed Export Price'' and ''Normal Value'' sections of this notice.

Although the home market was viable for both respondents, in accordance with section 773 of the Act, we based NV on CV because we determined that the unique, custom-built nature of each LNPP sold does not permit proper price-to-price comparisons. *See Large Newspaper Printing Presses and Components Thereof, Whether Assembled or Unassembled, From Japan: Preliminary Results of Antidumping Duty Administrative Reviews*, 64 FR 55243, 55245 (Oct. 12, 1999) *(LNPP Preliminary 1997–1998)* followed in *Large Newspaper Printing Presses and Components Thereof, Whether Assembled or Unassembled, From Japan: Final Results of Antidumping Duty Administrative Review and Partial Rescission of Administrative Reviews*, 65 FR 7492, 7495 (Feb. 15, 2000) *(LNPP Final 1997–1998)*.

Constructed Export Price

For both MHI and TKS, we based the U.S. price on CEP, in accordance with sections 772(b), (c), and (d) of the Act, because: (1) the sales contracts were executed by the respondents' affiliated U.S. sales agents; and (2) the respondents' affiliated U.S. sales agents engaged in a broad range of activities including coordination of installation, testing, and technical service expenses, which we have classified as further manufacturing. For MHI, we revised the reported data based on our findings at verification.

A. MHI

We calculated CEP based on the packed, installed price to an unaffiliated customer in the United States. We made deductions from the starting price, where appropriate, for foreign inland freight charges, foreign brokerage and handling charges, Japanese export insurance, international freight expenses, marine insurance, U.S. Customs duty, U.S. brokerage and handling charges, U.S. inland freight, and U.S. inland insurance, in accordance with section 772(c)(2)(A) of the Act.

We made additional deductions from CEP, where appropriate, for warranty, imputed credit, direct training expenses, and U.S. indirect selling expenses, including indirect warranty expenses and other indirect selling expenses incurred by MHI and its U.S. affiliate associated with economic activity occurring in the United States, in accordance with section 772(d)(1) of the Act.

As in prior segments of this proceeding, we calculated an imputed credit expense by multiplying an interest rate by the net balance of production costs incurred, and progress payments made, during the construction period. MHI reported this expense using a U.S.-dollar-denominated, short-term interest rate for the entire balance, consistent with our imputed credit expense methodology that relies on the interest rate applicable to the currency in which the sale is made. MHI used interest rates obtained from the Federal Reserve in their credit calculation. However, we recalculated MHI's imputed credit expense calculation using the U.S. interest rate based on MLP U.S.A. Inc.'s actual borrowing experience rather than interest rates obtained from the Federal Reserve. For a detailed explanation of this analysis, see the calculation memorandum issued for the preliminary results of this review, dated September 29, 2000.

In addition, we deducted the cost of further manufacturing or assembly, including installation expenses, in accordance with section 772(d)(2) of the Act. We classified installation charges as part of further manufacturing, because the U.S. installation process involves extensive technical activities on the part of engineers and installation supervisors. *See Mitsubishi Heavy Industries* v. *United States*, 15 F. Supp. 2d 807, 815–16 (CIT 1998) *(Mitsubishi)*. We relied on MHI's reported amount for further manufacturing except that we revised the calculation of the further manufacturing general and administrative (G&A) expense rate by using weighted-averages of MLP U.S.A. Inc.'s company wide G&A expenses and costs of goods sold based on its December 31, 1998 and December 31, 1999 financial statements.

Pursuant to section 772(d)(3) of the Act, we further reduced the starting price by an amount for profit, to arrive at CEP. In accordance with section 772(f) of the Act, we calculated the CEP profit rate using the expenses incurred by MHI and its affiliate on their sales of the subject merchandise in the United States and the foreign like product in the home market and the profit associated with those sales.

B. TKS

We calculated CEP based on the packed price to an unaffiliated customer

in the United States. We made deductions from the starting price, where appropriate, for foreign inland freight to port in Japan, foreign brokerage and handling, Japanese export insurance, international freight expenses, marine insurance, U.S. Customs duty, U.S. brokerage and handling, and unloading expenses, in accordance with section 772(c)(2)(A) of the Act.

We made additional deductions from CEP, where appropriate, for warranty, imputed credit, direct training expenses, and U.S. indirect selling expenses, including other indirect selling expenses incurred by TKS and its U.S. affiliate associated with economic activity occurring in the United States, in accordance with section 772(d)(1) of the Act. We calculated an imputed credit expense using the same methodology as discussed above for MHI.

In addition, we deducted the cost of any further manufacturing or assembly, including testing and technical service expenses in accordance with section 772(d)(2) of the Act. We classified testing and technical service expenses as part of further manufacturing, because the U.S. installation process involves extensive technical activities on the part of engineers and installation supervisors *(see Mitsubishi)*.

Pursuant to section 772(d)(3) of the Act, we further reduced the starting price by an amount for profit, to arrive at CEP. In accordance with section 772(f) of the Act, we calculated the CEP profit rate using the expenses incurred by TKS and its affiliate on their sales of the subject merchandise in the United States and the foreign like product in the home market and the profit associated with those sales.

Normal Value

As noted above under the ''Normal Value Comparisons'' section of this notice, we based NV on CV in accordance with section 773 of the Act because we determined that the unique, custom-built nature of each LNPP sold does not permit proper price-to-price comparisons, even though the home market was viable for both respondents.

Cost of Production Analysis and Constructed Value

Pursuant to section 773(b)(2)(A)(ii) of the Act, there are reasonable grounds to believe or suspect MHI and TKS made sales in the home market at prices below their cost of production (COP) in this review because the Department disregarded certain sales made by MHI and TKS during the less-than-fair-value (LTFV) investigation and during the previous administrative reviews pursuant to a finding that sales were made below cost. *See Notice of Final Determination of Sales at Less Than Fair Value: Large Newspaper Printing Presses and Components Thereof, Whether Assembled or Unassembled, From Japan*, 61 FR 38139, 38145 (July 23, 1996); and *LNPP Preliminary 1997–1998*, 64 FR at 55246 followed in *LNPP Final 1997–1998*. As a result, the Department initiated investigations to determine whether the respondents made home market sales during the POR at prices below their COP within the meaning of section 773(b) of the Act.

We calculated the COP based on the sum of each respondent's cost of materials and fabrication for the foreign like product, plus amounts for G&A and financial expenses, in accordance with section 773(b)(3) of the Act.

We compared the COP figures to home market prices of the foreign like product, as required under section 773(b) of the Act, in order to determine whether these sales had been made at prices below the COP. On a contract-specific basis, we compared the COP to home market prices, less any applicable movement charges, direct and indirect selling expenses, and packing expenses.

In determining whether to disregard home market sales made at prices below the COP, we examined whether such sales were made: (1) in substantial quantities within an extended period of time; and (2) at prices which permitted the recovery of all costs within a reasonable period of time in the normal course of trade. *See* section 773(b)(1) of the Act.

The results of our cost tests for both MHI and TKS indicated that certain home market sales were at prices below COP within an extended period of time, were made in substantial quantities, and would not permit the full recovery of all costs within a reasonable period of time. In accordance with section 773(b)(1) of the Act, we therefore excluded the below-cost sales from our analysis and used the remaining above-cost sales as the basis for determining selling expenses and profit.

In accordance with section 773(e) of the Act, we calculated CV based on the sum of each respondent's cost of materials, fabrication, selling, general and administrative (SG&A) expenses and U.S. packing costs. In accordance with section 773(e)(2)(A), we based SG&A expenses and profit on the amounts incurred and realized by each respondent in connection with the production and sale of the foreign like product in the ordinary course of trade, for consumption in the foreign country.

Company-specific calculations are discussed below.

A. MHI

We relied on MHI's reported COP and CV amounts, except in the following instances in which the costs were not appropriately quantified or valued:

1. We revised the calculation of the G&A expense rate by including pension expenses and past service costs in the numerator of the calculation.
2. We further revised the calculation of the G&A expense rate by dividing the weighted-average of unconsolidated G&A expenses by the unconsolidated cost of goods sold from MHI's financial statements for the fiscal years ended March 31, 1999, and March 31, 2000.
3. We revised the calculation of the financial expense rate to exclude offsets from short-term interest income earned on accounts receivable.
4. We recalculated the financial expense rate (revised as noted above) using the weighted-average expenses and cost of sales from MHI's consolidated financial statements for the fiscal years ended March 31, 1999, and March 31, 2000.
5. We recalculated the calculation of the sundry expense rate using the weighted-average expenses and cost of sales from MHI's unconsolidated financial statements for the fiscal years ended March 31, 1999, and March 31, 2000.
6. We added the cost for spare parts to CV.

See the September 29, 2000, memorandum from Michael P. Harrison to Neal Halper entitled ''Constructed value calculation adjustments for the preliminary determination'' for further discussion.

For CEP to CV comparisons, where appropriate, we deducted imputed credit, in accordance with sections 773(a)(6)(C)(iii) and 773(a)(8) of the Act. We calculated imputed credit for CV purposes in accordance with the methodology explained in the ''Constructed Export Price'' section of this notice. We imputed credit expenses for CV using the weighted-average, yen-based, short-term interest rate reported for the POR, since home market sales were denominated in yen.

We made a CEP offset adjustment to NV, as explained below, in accordance with section 773(a)(7)(B) of the Act, by deducting the home market indirect selling expenses, including indirect training, warranty, and technical service expenses, up to the amount of indirect selling expenses incurred on U.S. sales. Where applicable, we offset any home market commission using the amount of indirect selling expenses incurred on

the U.S. sale remaining after the deduction for the CEP offset, up to the amount of the home market commission, in accordance with 19 CFR 351.410(e).

B. TKS

We relied on TKS's reported COP and CV amounts except that we revised the total cost of manufacturing to reflect the fixed overhead costs recorded in the company's normal books and records for the fiscal period when manufacturing took place. *See* the September 29, 2000, memorandum from LaVonne Jackson to Neal Halper entitled ''Cost of Production and Constructed Value Calculation Adjustments for the Preliminary Determination'' for further discussion.

For CEP to CV comparisons, where appropriate, we deducted imputed credit, in accordance with sections 773(a)(6)(C)(iii) and 773(a)(8) of the Act. We calculated imputed credit for CV purposes in accordance with the methodology explained in the ''Constructed Export Price'' section of this notice. We imputed credit expenses for CV using the weighted-average, yen-based, short-term interest rate reported for the POR, since home market sales were denominated in yen.

We also made a CEP offset adjustment to NV, as explained below, in accordance with section 773(a)(7)(B) of the Act, by deducting the home market indirect selling expenses, up to the amount of indirect selling expenses incurred on U.S. sales.

Level of Trade and CEP Offset

In accordance with section 773(a)(1)(B) of the Act, to the extent practicable, we determine NV based on sales in the comparison market at the same level of trade as the export price (EP) or CEP transaction. The NV level of trade is that of the starting-price sales in the comparison market or, when NV is based on CV, that of the sales from which we derive SG&A expenses and profit. For EP, the level of trade is also that of the starting-price sale, which is usually from exporter to importer. For CEP, it is the level of the constructed sale from the exporter to the importer, after the deductions required under section 772(d) of the Act.

To determine whether NV sales are at a different level of trade than EP or CEP sales, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer in the comparison market. If the comparison-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 NV is based and comparison-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. Finally, for CEP sales, if the NV level is more remote from the factory than the CEP level and there is no basis for determining whether the difference in the levels between NV and CEP affects price comparability, we adjust NV under section 773(a)(7)(B) of the Act (the CEP-offset provision). *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa*, 62 FR 61731 (Nov. 19, 1997).

We note that the U.S. Court of International Trade (CIT) has held that the Department's practice of determining levels of trade for CEP transactions after CEP deductions is an impermissible interpretation of section 772(d) of the Act. *See Borden, Inc.* v. *United States*, 4 F. Supp. 2d 1221, 1241–42 (CIT 1998) (*Borden*.) The Department believes, however, that its practice is in full compliance with the statute. On June 4, 1999, the CIT entered final judgement in *Borden* on the level of trade issue. *See Borden Inc.* v. *United States*, Court No. 96–08–01970, Slip Op. 99–50 (CIT June 4, 1999). The government has filed an appeal of Borden which is pending before the U.S. Court of Appeals for the Federal Circuit. Consequently, the Department has continued to follow its normal practice of adjusting CEP under section 772(d) prior to starting a level of trade analysis, as articulated by the Department's regulations at section 351.412.

Both MHI and TKS claimed that they made home market sales at only one level of trade (*i.e.*, direct sales to end users), which is more advanced than the level of trade in the U.S. market (*i.e.*, CEP sales to the U.S. affiliate). According to MHI and TKS, the level of trade in the home market is not comparable to the CEP level of trade because the majority of the selling functions with respect to their U.S. sales were performed by their U.S. affiliates at a more remote level of trade than those selling functions relating to their home market sales. The respondents also claimed that the selling functions between the two markets differ even further once the applicable selling expenses are deducted from the CEP starting price. Therefore, both MHI and TKS requested that the Department grant them a CEP offset under section 773(a)(7)(B) of the Act.

In order to determine whether NV was established at a different LOT than CEP sales, we examined stages in the marketing process and selling functions along the chains of distribution between the respondents and their home market customers. We compared the selling functions performed for home market sales with those performed with respect to the CEP transaction, exclusive of economic activities occurring in the United States, pursuant to section 772(d) of the Act, to determine if the home market level of trade constituted a different and more advanced stage of distribution than the CEP level of trade.

Both respondents reported that they sold through one channel of distribution in the home market, and through a different channel in the United States. In Japan, MHI and TKS sold subject merchandise directly to unaffiliated customers, while in the United States, they both sold the subject merchandise through their affiliates, MLP U.S.A., Inc. and TKS (U.S.A.), respectively, who then sold the subject merchandise directly to unaffiliated purchasers.

We compared the selling functions and the level of activity in each distribution channel for each respondent, and found that several of the functions performed in the comparison market either were not performed in connection with the U.S. sale at the export level of trade, or were performed at a significantly lower level of activity on the part of MHI or TKS.

Moreover, as we have determined that installation expenses incurred on the U.S. sales should be treated as further manufacturing expenses, the CEP after deduction for all expenses under section 772(d) of the Act reflects an uninstalled LNPP. Supporting this contention is the fact that many of the same selling functions that are performed at the comparison market level of trade are performed not at the export level of trade, but by the respondents' U.S. affiliates. Based on this analysis, we conclude that the comparison market and U.S. channels of distribution and the sales functions associated with each are sufficiently different so as to constitute two different levels of trade, and we find that the comparison market sales are made at a more advanced level of trade than are CEP sales. Because MHI and TKS made sales in the home market at only one level of trade, the difference in the level of trade cannot be quantified. Further, we do not have information which would allow us to examine pricing patterns based on the respondents' sales of other products, and there are no other respondents or other record information on which such an analysis could be based. Accordingly, because the data available do not form an appropriate basis for

making a level of trade adjustment, but the level of trade in the home market is at a more advanced stage of distribution than the level of trade of the CEP, we have made a CEP offset to NV in accordance with section 773(a)(7)(B) of the Act.

Currency Conversion

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

Preliminary Results of Review

As a result of our review, we preliminarily determine that the following margins exist for the period September 1, 1998, through August 31, 1999:

Manufacturer/exporter	Percent margin
Mitsubishi Heavy Industries, Ltd ..	3.88
Tokyo Kikai Seisakusho, Ltd	0.00

The Department will disclose to parties the calculations performed in connection with these preliminary results within five days of the date of publication of this notice. Interested parties may request a hearing within 30 days of the 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 not later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than 35 days after the date of publication of this notice. The Department will publish a notice of the final results of this administrative review, which will include the results of its analysis of issues raised in any such case briefs, within 120 days of the publication of these preliminary results.

Assessment Rates

Upon completion of this administrative review, the Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. For assessment purposes, we calculated an importer-specific assessment rate for the subject merchandise by dividing the dumping margin calculated for the U.S. sale examined by the total entered value of the sale examined. Pursuant to 19 CFR 351.106(c)(2), we will instruct the Customs Service to liquidate without regard to antidumping duties all entries for any importer for whom the assessment rate is de minimis (*i.e.*, less than 0.50 percent). The Department will issue appraisement instructions directly to the Customs Service.

Cash Deposit Instructions

The following cash 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 by section 751(a)(1) of the Act: (1) the cash deposit rates for MHI and TKS will be those established in the final results of this review, except if the rate is less than 0.50 percent, and therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (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, a prior 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) the cash deposit rate for all other manufacturers or exporters will continue to be 58.69 percent, the ''All Others'' rate made effective by the LTFV investigation. These requirements, 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 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during these review periods. 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.

We are issuing and publishing this determination in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: September 29, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration.

[FR Doc. 00–25790 Filed 10–18–00; 8:45 am]

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DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[I.D. 101200E]

Pacific Fishery Management Council; Public Meeting

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

ACTION: Notice of public meeting.

SUMMARY: The Pacific Fishery Management Council's (Council) Highly Migratory Species Plan Development Team (HMSPDT) will hold a work session which is open to the public.

DATES: The work session will be Tuesday, November 14, 2000, 8 a.m. to 5 p.m.; Wednesday, November 15, 2000, 8 a.m. to 5 p.m.; and Thursday, November 16, 2000, from 8 a.m. until business for the day is completed.

ADDRESSES: The work session will be held in the large conference room at NMFS Southwest Fisheries Science Center, 8604 La Jolla Shores Drive, Room D-203, La Jolla, CA 92038-0271; telephone: (619) 546-7000.

Council address: Pacific Fishery Management Council, 2130 SW Fifth Avenue, Suite 224, Portland, OR 97201.

FOR FURTHER INFORMATION CONTACT: Dan Waldeck, Pacific Fishery Management Council; (503) 326-6352.

SUPPLEMENTARY INFORMATION: The primary purpose of the work session is to continue development of the draft fishery management plan (FMP) for highly migratory species (HMS). Specific agenda topics may include: species landed by HMS gears, bycatch species, data collection species, management issues and options, research and data collection programs, and review of draft FMP sections.

Management measures that may be adopted in the FMP for HMS fisheries off the West Coast include permit and reporting requirements for commercial and recreational harvest of HMS resources, time and/or area closures to minimize gear conflicts or bycatch, adoption or confirmation of state regulations for HMS fisheries, and allocations of some species to noncommercial use. The FMP is likely to include a framework management process to add future new measures, including the potential for collaborative management efforts with other regional fishery management councils with interest in HMS resources. It would also include essential fish habitat and habitat areas of particular concern, including