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Acting Deputy Assistant Secretary, to Robert S. LaRussa, Assistant Secretary. Accordingly, the deadline for issuing the preliminary results of this review is now due no later than July 31, 1999. In accordance with section 751(a)(3)(A) of the Act, we plan to issue the final results of this administrative review within 120 days after publication of the preliminary results.

Dated: February 26, 1999.

Holly A. Kuga,

Acting Deputy Assistant Secretary, Import Administration.

[FR Doc. 99–5397 Filed 3–3–99; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–588–833]

Stainless Steel Bar From Japan: Preliminary Results of Antidumping Administrative Review

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

ACTION: Notice of preliminary results of antidumping administrative review.

SUMMARY: The Department of Commerce is conducting an administrative review of the antidumping duty order on stainless steel bar from Japan in response to a request from a respondent, Aichi Steel Works, Ltd. This review covers the period February 1, 1997, through January 31, 1998.

We preliminarily determine that sales have been made below normal value (NV). Interested parties are invited to comment on these preliminary results. Parties who submit argument are requested to submit with the argument (1) a statement of the issue and (2) a brief summary of the argument.

EFFECTIVE DATE: March 4, 1999.

FOR FURTHER INFORMATION CONTACT: Minoo Hatten or Robin Gray, Office of AD/CVD Enforcement, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone (202) 482–1690 or (202) 482–4023, respectively.

SUPPLEMENTARY INFORMATION:

The Applicable Statute

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

Background

On February 27, 1998, the Department received a request from Aichi Steel Works, Ltd. (Aichi) to conduct an administrative review of the antidumping duty order on stainless steel bar (SSB) from Japan. On March 23, 1998, the Department published a notice of initiation of an administrative review of Aichi, covering the period February 1, 1997, through January 31, 1998, in the **Federal Register** (63 FR 13837).

On May 29, 1998, Al Tech Specialty Steel Corp., Dunkirk, N.Y., Carpenter Technology Corp., Reading, PA, Republic Engineered Steels, Inc., Massillon, OH, Slater Steels Corp., Fort Wayne, IN, Talley Metals Technology, Inc., Hartsville, SC, and the United Steel Workers of America, AFL–CIO/CLC, collectively petitioners in the less-than-fair value (LTFV) investigation (hereafter petitioners), requested that the Department conduct an investigation to determine if Aichi made sales at prices below its cost of production (COP) during the 1997–1998 review period.

On July 10, 1998, based on petitioners' allegation and the evidence on the record, the Department determined that there were reasonable grounds to believe or suspect that Aichi made sales at prices below its COP, in accordance with section 773(b)(2) (A)(i) of the Act, and initiated a COP investigation of Aichi pursuant to section 773(b)(1) of the Act (see the Memorandum To File (July 10, 1998) located in Room B–099 of the main Commerce building).

On September 28, 1998, the Department conducted a sales verification using standard verification procedures. Our verification results are outlined in the public version of the verification report (*see* verification report from analysts to file, dated December 21, 1998).

Scope of Review

The merchandise covered by this review is stainless steel bar (SSB). For purposes of this review, the term ''stainless steel bar'' means articles of stainless steel in straight lengths that have been either hot-rolled, forged, turned, cold-drawn, cold-rolled or otherwise cold-finished, or ground, having a uniform solid cross section along their whole length in the shape of circles, segments of circles, ovals, rectangles (including squares), triangles, hexagons, octagons or other convex polygons. SSB includes cold-finished SSBs that are turned or ground in straight lengths, whether cold-finished SSBs that are turned or ground in straight lengths, whether produced from hot-rolled bar or from straightened and cut rod or wire, and reinforcing bars that have indentations, ribs, groves, or other deformations produced during the rolling process.

Except as specified above, the term does not include stainless steel semi-finished products, cut-length flat-rolled products (*i.e.,* cut-length rolled products which if less than 4.75 mm in thickness have a width measuring at least 10 times the thickness or if 4.75 mm or more in thickness having a width which exceeds 150 mm and measures at least twice the thickness), wire (i.e., cold-formed products in coils, of any uniform solid cross section along their whole length, which do not conform to the definition of flat-rolled products), and angles, shapes and sections.

The SSB subject to this order is currently classifiable under subheadings 7222.10.0005, 7222.10.0050, 7222.20.0005, 7222.20.0045, 7222.20.0075, and 7222.30.0000 of the Harmonized Tariff Schedule of the United States (''HTSUS''). Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of this order is dispositive.

United States Price

In calculating the price to the United States, we used export price (EP) as defined in section 772(a) of the Act, because the subject merchandise was sold to an unaffiliated U.S. purchaser in the United States prior to the date of importation into the United States and the use of constructed export price was not indicated by the facts of record.

We calculated EP for U.S. sales based on F.O.B. Japan port prices to the United States. We made adjustments, where appropriate, for domestic inland freight, warehousing expenses, and brokerage and handling, in accordance with section 772(c)(2)(A) of the Act.

Aichi claimed that an upward adjustment to EP was appropriate to account for a ''duty drawback'' program. As stated in Certain Welded Carbon Standard Steel Pipes and Tubes from India (62 FR 47632, 47635, September 10, 1997), ''we determine whether an adjustment to U.S. price for a respondent's claimed duty drawback is appropriate when the respondent can demonstrate that it meets both parts of our two-part test. There must be: (1) a sufficient link between the import duty and the rebate, and (2) a sufficient amount of raw materials imported and used in the production of the final exported product.'' As discussed below, because the respondent met these criteria, we have made an adjustment to EP.

Aichi participates in Japan's duty-drawback program through its operation of a ''hozei area,'' which is similar to a bonded warehouse. Aichi posts a bond on all materials that enter the warehouse. If Aichi utilizes the imported materials for the production of merchandise that is exported, Japanese Customs Authority then releases the bond. If the imported materials are not used in the production of exported merchandise, Aichi pays import duties on the materials.

We examined a listing Aichi sent to the hozei area as notification of the export of merchandise that was manufactured using materials entered under bond. We tied specific transactions from this listing to the U.S. sales listing Aichi submitted to the Department. See Verification Report dated December 21, 1998. Thus, we granted an upward adjustment to EP because Aichi was able to show both (1) a link between the import duty and the rebate, and (2) a sufficient amount of raw materials imported and used in the production of the final exported product.

No other adjustments to EP were claimed.

Normal Value

On April 27, 1998, Aichi requested that the Department not require it to report home market sales that would not likely be needed for matching purposes. Aichi claimed that there are a limited number of home market sales of SSB during the period of review (POR) that will match to U.S. sales for purposes of calculating dumping margins. In addition, Aichi requested that it not be required to report resale information for its affiliated customers (downstream sales), with the exception of its subsidiary trading company, Aiko Corporation.

On May 1, 1998, the Department granted Aichi's request in part by permitting Aichi to report only home market sales of hot-rolled merchandise. In the letter of May 1, 1998, the Department requested additional information from Aichi concerning its downstream sales. On June 11, 1998, the Department issued additional questions seeking further clarification of downstream-sales information.

After a complete analysis of all the information on the record, on July 14, 1998, the Department informed Aichi that it was required to report all downstream sales made by its affiliates.

In order to determine whether there is a sufficient volume of sales in the home market to serve as a basis for calculating NV, we compare the respondent's volume of home market sales of the foreign like product to the volume of U.S. sales of the subject merchandise, in accordance with section 773(a) of the Act. Because the aggregate volume of home market sales of the foreign like product was greater than five percent of the aggregate volume of U.S. sales of the subject merchandise, we determined that the home market provides a viable basis for calculating NV. Therefore, in accordance with section 773(a)(1)(B)(i) of the Act, we based NV on the price at which the foreign like product was first sold to unaffiliated customers for consumption in the exporting country, in the usual commercial quantities and in the ordinary course of trade. We matched EP sales to sales at the same LOT in the home market and made no LOT adjustment. (See *Level of Trade* below.)

After disregarding appropriate below-cost sales (see *Cost-of-Production Analysis* below), pursuant to section 777A(d)(2) of the Act, we compared the EP sales of individual transactions to the monthly weighted-average price of sales of the most similar foreign like product. Where possible, we based NV on delivered prices to unaffiliated purchasers in the home market. Where applicable, we made adjustments to home market price for billing adjustments, inland freight, warehousing expenses, discounts and rebates. Subject merchandise sold in the United States was compared to home market products by applying the following criteria on a hierarchical basis: general type of finish, grade, remelting, type of final finishing operation, shape and size.

Home market prices were based on delivered prices to affiliated or unaffiliated purchasers. When applicable, we made adjustments for differences in packing and for movement expenses in accordance with sections 773(a)(6)(A) and (B) of the Act. We also made adjustments for differences in cost attributable to differences in physical characteristics of the merchandise pursuant to section 773(a)(6)(C)(ii) of the Act and for differences in circumstances of sale (COS) in accordance with section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410. To make COS adjustments, we reduced home market price by an amount for home market credit and we increased it by an amount for U.S. credit expenses.

Level of Trade

As set forth in section 773(a)(1)(B)(i) of the Act and in the Statement of Administrative Action (SAA) accompanying the Uruguay Round Agreements Act, at 829–831 (see H.R. Doc. No. 316, 103d Cong., 2d Sess. 829–831 (1994)), to the extent practicable, the Department calculates NV based on sales at the same level of trade (LOT) as the U.S. sales (either EP or Constructed Export Price). When the Department is unable to find sale(s) in the comparison market at the same LOT as the U.S. sale(s), the Department may compare sales in the U.S. and foreign markets at different LOTs. The NV LOT is that of the starting-price sales in the home market. When NV is based on CV, the LOT is that of the sales from which we derive selling, general and administrative expenses (SG&A) and profit.

To determine whether home market sales are at a different LOT than U.S. sales, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. If the comparison-market sales are at a different LOT and the differences affect price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison-market sales at the LOT of the export transaction, we make a LOT adjustment under section 773(a)(7)(A) of the Tariff Act. See *Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa,* 62 FR 61731 (November 19, 1997).

In implementing these principles in this review, we examined information from the respondent regarding the marketing stages involved in the reported home market and EP sales, including a description of the selling activities performed by Aichi for each channel of distribution. Aichi reported three channels of distribution in the home market and claimed five levels of trade for its home market sales—consignment sales to trading companies, consignment sales to direct distributors, non-consignment sales to trading companies, non-consignment sales to distributors and non-consignment sales to end-users. During verification, we examined Aichi's reported LOTs further.

Based on our analysis of information on the record, we determine that there are no differences with respect to selling functions between consignment and non-consignment sales. Specifically, there are no differences between consignment and non-consignment sales with respect to strategic and economic planning, market research, computer, legal, accounting, audit, business systems development assistance, personnel assistance, engineering services, research and development technical programs, advertising, procurement and sourcing, sales calls/assistance and post-sale warehousing. The distinction between consignment and non-consignment sales is that in consignment sales situations, Aichi permits the customer to take possession of the product without requiring that the customer pay for the product until the customer sells to its downstream customer. This distinction, however, does not relate to the nature of the selling activities provided. See Preliminary results analysis memorandum from case analyst to file, dated February 22, 1999, in room B–099.

Aichi reported sales to three types of customers in the home market: trading companies, end-users, and distributors. Selling functions performed with respect to sales to trading companies included strategic and economic planning, market research, computer, legal and business-systems development, engineering services and post-sale warehousing. In addition to these functions, other functions performed for sales to end-users included R&D technical programs, advertising, and sales calls/assistance. Distributors were also offered personnel training and manpower assistance in addition to the services offered to trading companies and end-users. Based on these differences, we found that the three types of home market customers constituted three different levels of trade.

We found that Aichi made EP sales of various models of merchandise through unaffiliated trading companies, a channel of distribution similar to the home market channel involving sales to trading companies. As with sales through the trading-company channel of distribution in the home market, Aichi performed only a few selling functions when selling merchandise to trading companies that exported the merchandise to the United States. Thus, we found that the LOT for this U.S. channel of distribution was the same as the LOT for the home market trading company channel of distribution. See *Id*.

Cost-of-Production Analysis

As stated in the Background section of this notice, the Department initiated a COP investigation for Aichi to determine whether Aichi made home market sales during the POR at prices below their respective COPs (as defined by section 773(b) of the Act). In accordance with section 773(b)(3) of the Act, we calculated the COP based on the sum of the costs of materials and fabrication employed in producing the foreign like product, plus SG&A expenses and all costs and expenses incidental to packing the merchandise. In our COP analysis, we used the home market sales and COP information Aichi provided in its questionnaire responses.

After calculating the COP, in accordance with section 773(b)(1) of the Act, we tested whether home market sales of SSB were made at prices below the COP within an extended period of time in substantial quantities and whether such prices permitted the recovery of all costs within a reasonable period of time. We compared model-specific COPs to the reported home market prices less any applicable movement charges, discounts, and rebates.

Pursuant to section 773(b)(2)(C) of the Act, when less than 20 percent of Aichi's sales of a given product were at prices below the COP, we did not disregard any below-cost sales of that product because the below-cost sales were not made in substantial quantities within an extended period of time. When 20 percent or more of Aichi's sales of a given product during the POR were at prices less than the COP, we disregarded the below-cost sales because they were made in substantial quantities within an extended period of time. See sections 773(b)(2)(B) and (C) of the Act. Additionally, based on comparisons of prices to weighted-average COPs for the POR, we determined that the sales were at prices which would not permit recovery of all costs within a reasonable period of time, as defined by section 773(b)(2)(D) of the Act.

Constructed Value

In accordance with section 773(a)(4) of the Act, we used constructed value (CV) as the basis for NV when there were no usable sales of the foreign like product in the comparison market. We calculated CV in accordance with section 773(e) of the Act. We included the cost of materials and fabrication, SG&A expenses, and profit in the calculation of CV. In accordance with section 773(e)(2)(A) of the Act, we based SG&A expenses and profit on the amounts incurred and realized by Aichi in connection with the production and sale of the foreign like product in the ordinary course of trade for consumption in the home market.

When appropriate, we make adjustments to CV in accordance with section 773(a)(8) of the Act and 19 CFR 351.410 for COS differences and LOT differences. For comparisons to EP, we make COS adjustments by deducting home market direct selling expenses from and adding U.S. direct selling expenses to NV.

We calculated CV at the same LOT as the EP. Therefore we made no LOT adjustment.

Preliminary Results of Review

As a result of our comparison of EP and NV, we preliminarily determine a weighted-average dumping margin of 5.91 percent for Aichi for the period February 1, 1997, through January 31, 1998.

Any interested party may request a hearing within 30 days of publication of this notice. Any hearing, if requested, will be held 37 days after the date of publication of this notice, or the first workday thereafter. Issues raised in hearings will be limited to those raised in the respective case and rebuttal briefs. 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 35 days after the date of publication.

Parties who submit argument are requested to submit with the argument (1) a statement of the issue, and (2) a brief summary of the argument. 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 or at a hearing.

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. In accordance with 19 CFR 351.212(b)(1), we have calculated an exporter/customer-specific assessment value for subject merchandise. Upon completion of this review, the Department will issue appraisement instructions directly to the Customs Service.

Furthermore, the following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of SSB from Japan entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(c) of the Act: (1) The cash deposit rate for Aichi will be the rate established in the final results of this review; (2) 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 (3) for all other producers and/or exporters of this merchandise, the cash deposit rate shall be 61.47 percent, the all-others rate established in the LTFV investigation (59 FR 66930, December 28, 1994).

This deposit rate, 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 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.

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

Dated: February 26, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 99–5396 Filed 3–3–99; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

Industry Sector and Functional Advisory Committees for Trade Policy Matters; Request for Nominations

AGENCY: International Trade Administration, Trade Development.

ACTION: Request for nominations.

SUMMARY: The Secretary of Commerce and the United States Trade Representative (USTR) are seeking nominations for appointment to each of the Industry Sector and Functional Advisory Committees on Trade Policy Matters. Nominations will be accepted for current vacancies and those that occur throughout the remainder of the charter term, which expires March 19, 2000. In order to qualify for representation on an Industry Sector or Functional Advisory Committee (ISAC/IFAC), nominees must be U.S. citizens representing U.S. manufacturing and service firms that trade internationally or an industry association whose members are primarily U.S. owned and are involved in international trade.

Priority will be given to manufacturing establishments and firms that are outside of the Washington, D.C. area. U.S.-based subsidiaries of foreign companies, non-government organizations, and academic institutions do not quality for representation on a committee.

Recruitment: Vacancies occur throughout the charter period and new appointments are made on a rolling basis. Nominations for the current charter period will be accepted at any time up to March 2000. Recruitment information is available on the International Trade Administration website at *www.ita.doc.gov/icp*. Further inquiries may be directed to Tamara Underwood, Acting Director, Industries Consultations Program, U.S. Department of Commerce, 14th and Constitution Avenue, NW, Room 2015–B, Washington, D.C. 20230.

SUPPLEMENTARY INFORMATION: Pursuant to the Federal Advisory Committee Act (5 U.S.C. appendix 2), the Secretary of Commerce (the Secretary) and the United States Trade Representative (USTR) have renewed the Charters of seventeen ISACs and three IFACs. The Secretary and USTR welcome nominations for the Industry Sector Advisory Committees for Trade Policy Matters (ISACs) and the Industry Functional Advisory Committees for Trade Policy Matters (IFACs) listed below:

• Industry Sector Advisory Committees for Trade Policy Matters (ISAC) on:

Aerospace Equipment (ISAC 1);
Capital Goods (ISAC 2);
Chemicals and Allied Products (ISAC 3);
Consumer Goods (ISAC 4);
Electronics and Instrumentation (ISAC 5);
Energy (ISAC 6);
Ferrous Ores and Metals (ISAC 7);
Footwear, Leather, and Leather Products (ISAC 8);
Building Products and Other Materials (ISAC 9);
Lumber and Wood Products (ISAC 10);
Nonferrous Ores and Metals (ISAC 11);
Paper and Paper Products (ISAC 12);
Services (ISAC 13);
Small and Minority Business (ISAC 14);
Textiles and Apparel (ISAC 15);
Transportation, Construction, Mining, and Agricultural Equipment (ISAC 16);
Wholesaling and Retailing (ISAC 17); and

• Industry Functional Advisory Committees on Trade Policy Matters on:

Customs (IFAC 1);
Standards (IFAC 2);
Intellectual Property Rights (IFAC 3).

Background

In section 135 of the Trade Act of 1974 (1974 Trade Act), 19 U.S.C. 2155), as amended, Congress established a private-sector advisory system to ensure that U.S. trade policy and trade negotiation objectives adequately reflect U.S. commercial and economic interests. Section 135 directs the President to

> ''seek information and advice from representative elements of the private sector and the non-Federal governmental sector with respect to—
>
> (A) negotiating objectives and bargaining positions before entering into a trade agreement under [title I of the 1974 Trade Act and section 1102 of the Omnibus Trade and Competitiveness Act of 1988];
>
> (B) the operation of any trade agreement once entered into; including preparation for dispute settlement panel proceedings to which the United States is a party; and
>
> (C) other matters arising in connection with the development, implementation, and administration of the trade policy of the United States. * * *''

The Secretary of Commerce and the USTR co-chair the seventeen ISACs and three IFACs.

Functions

The duties of the ISACs and IFACs are to provide the President with advice on objectives and bargaining positions for multilateral trade negotiations, bilateral trade negotiations, and other trade related matters. The committees provide bipartisan, industry input in the development of trade policy objectives. The committees' efforts result in strengthening the U.S. negotiating position by enabling the United States to display a united front when it negotiates trade agreements with other nations.

The ISACs provide advice and information on issues that affect specific sectors of U.S. industry. The ISACs address market-access problems; barriers to trade; tariff levels; discriminatory foreign procurement practices; information, marketing, and advocacy needs of their sector; and other important trade issues.

The IFACs focus on cross-cutting issues that affect all industry sectors, such as customs matters, product standards, and intellectual property rights. Other functional issues, such as government procurement and subsidies, are handled in ad hoc meetings. Each ISAC may also select a member to serve