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71302, (318) 473-7920

Maine

PO Box 405, 444 Stillwater Avenue, Suite 2,
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Massachusetts, Connecticut, and Rhode Island

451 West Street, Amherst, MA 01002, (413)
253-4300

Michigan

Suite 200, 3001 Coolidge Road, East Lansing,
MI 48823, (517) 324-5100

Minnesota

410 AgriBank Building, 375 Jackson Street,
St. Paul, MN 55101-1853, (651) 602-7800

Mississippi

Federal Building, Suite 831, 100 W. Capitol
Street, Jackson, MS 39269, (601) 956-4316

Missouri

Parkade Center, Suite 235, 601 Business Loop
70 West, Columbia, MO 65203, (573) 876-
0976

Montana

Unit 1, Suite B, 900 Technology Boulevard,
Bozeman, MT 59715, (406) 585-2580

Nebraska

Federal Building, Room 152, 100 Centennial
Mall N, Lincoln, NE 68508, (402) 437-5551

Nevada

1390 S. Curry Street, Carson City, NV 89703-
9910, (775) 887-1222

New Jersey

Tarnsfield Plaza, Suite 22, 790 Woodlane
Road, Mt. Holly, NJ 08060, (609) 265-3600

New Mexico

Room 255, 6200 Jefferson Street, NE
Albuquerque, NM 87109, (505) 761-4950

New York

The Galleries of Syracuse, 441 S. Salina
Street, Suite 357, Syracuse, NY 13202-
2541, (315) 477-6400

North Carolina

Suite 260, 4405 Bland Road, Raleigh, NC
27609, (919) 873-2000

North Dakota

Federal Building, Room 208, 220 East Rooser,
PO Box 1737, Bismarck, ND 58502-1737,
(701) 250-4781

Ohio

Federal Building, Room 507, 200 N. High
Street, Columbus, OH 43215-2477, (614)
255-2400

Oklahoma

Suite 108, 100 USDA, Stillwater, OK 74074-
2654, (405) 742-1000

Oregon

Suite 1410, 101 SW Main, Portland, OR
97204-3222, (503) 414-3300

Pennsylvania

Suite 330, One Credit Union Place,
Harrisburg, PA 17110-2996, (717) 237-
2299

Puerto Rico

PO Box 366106, San Juan, PR 00936-6101,
(787) 766-5095

South Carolina

Strom Thurmond Federal Building, 1835
Assembly Street, Room 1007, Columbia, SC
29201, (803) 765-5163

South Dakota

Federal Building, Room 210, 200 Fourth
Street, SW, Huron, SD 57360, (605) 352-
1100

Tennessee

Suite 300, 3322 W. End Avenue, Nashville,
TN 37203-1084, (615) 783-1300

Texas

Federal Building, Suite 102, 101 S. Main,
Temple, TX 76501, (254) 742-9700

Utah

Wallace F. Bennett Federal Building, 125 S.
State Street, Room 4311, Salt Lake City, UT
84147, (801) 524-4320

Vermont and New Hampshire

City Center, 3rd Floor 89 Main Street,
Montpelier, VT 05602, (802) 828-6000

Virginia

Culpeper Building, Suite 238, 1606 Santa
Rosa Road, Richmond, VA 23229
(804) 287-1550

Washington

Suite B, 1835 Black Lake Blvd., SW,
Olympia, WA 98512-5715, (360) 704-7740

West Virginia

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Morgantown, WV 26505-7500, (304) 291-
4791

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4949 Kirschling Court, Stevens Point, WI
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Wyoming

Federal Building, Room 1005, 100 East B, PO
Box 820, Casper, WY 82602, (307) 261-
6300

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DEPARTMENT OF COMMERCE**International Trade Administration**

[A-484-801]

Electrolytic Manganese Dioxide From Greece: 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: Based on a request by a Greek
producer, Tosoh Hellas A.I.C., the
Department of Commerce is conducting
an administrative review of the
antidumping duty order on electrolytic
manganese dioxide from Greece.

We have preliminarily determined
that sales by Tosoh Hellas A.I.C. have
not been made below normal value. If
these preliminary results are adopted in
our final results of administrative
review, we will instruct U.S. Customs to
liquidate without regard to antidumping
duties all entries of EMD from Tosoh
Hellas A.I.C. during the period of
review.

We invite interested parties to
comment on these preliminary results.
Parties who 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.

EFFECTIVE DATE: May 8, 2000.

FOR FURTHER INFORMATION CONTACT:

Hermes Pinilla or Richard Rimlinger,
Import Administration, International
Trade Administration, U.S. Department
of Commerce, Washington, DC 20230;
telephone: (202) 482-4733.

SUPPLEMENTARY INFORMATION:*The Applicable Statute and Regulations*

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 of Commerce's (the
Department's) regulations are to 19 CFR
Part 351 (1999).

Background

On April 17, 1989, the Department
published in the **Federal Register** (54
FR 15243) the antidumping duty order
on electrolytic manganese dioxide
(EMD) from Greece. Tosoh Hellas A.I.C.
(Tosoh) requested a review on April 29,
1999. In response to this request, the
Department published a notice of
initiation of administrative review on
May 20, 1999, in accordance with 19
CFR 351.213(b) (64 FR 28973). The
Department is conducting this
administrative review in accordance
with section 751 of the Act.

Scope of Review

Imports covered by this review are
shipments of EMD from Greece. EMD is

manganese dioxide (MnO₂) that has been refined in an electrolysis process. The subject merchandise is an intermediate product used in the production of dry-cell batteries. EMD is sold in three physical forms, powder, chip, or plate, and two grades, alkaline and zinc-chloride. EMD in all three forms and both grades is included in the scope of the order. This merchandise is currently classifiable under item number 2820.10.0000 of the Harmonized Tariff Schedule of the United States (HTSUS). The HTSUS number is provided for convenience and customs purposes. It is not determinative of the products subject to the order. The written product description remains dispositive.

Period of Review

The period of review (POR) is April 1, 1998, through March 31, 1999.

Product Comparability and Home Market Viability

In a July 20, 1999, submission, and in several subsequent submissions from Kerr-McGee Chemical LLC and Chemetals Inc. (collectively "the petitioners"), the petitioners allege three points concerning the selection of comparable merchandise: (1) The zinc-chloride-grade EMD sold in the home market is not a foreign like product that can be compared to the alkaline-grade EMD sold to the United States under the definition set forth in section 771(16)(B) of the Act; (2) the current review presents an unusual situation in which the home market sales of EMD, though accounting for more than five percent of sales to the United States, should not be considered a viable comparison market; and (3) a particular market situation exists which warrants rejection of home market sales for comparison purposes.

We have preliminarily determined the following: (1) The subject merchandise sold in Greece is a foreign like product as defined under section 771(16)(B) of the Act; (2) the home market is viable within the meaning of section 773(a)(1)(C)(ii) of the Act; and (3) a particular market situation does not exist within the meaning of section 773(a)(1)(C)(iii) of the Act.

With respect to the first point, we examined whether the EMD grade sold in the home market met the standards of section 771(16)(B) of the Act. Specifically, pursuant to section 771(16)(B) of the Act, we evaluated the following criteria: (1) Whether the foreign like product was produced in the same country and by the same person as the subject merchandise; (2) whether the merchandise in question is like in component material or materials

and in the purposes for which used; and (3) whether the two grades (*i.e.*, zinc-chloride and alkaline) of EMD are approximately equal in commercial value.

Based on the information provided on the record we found that the merchandise in question is produced in the same country and by the same person as the subject merchandise. In addition, we found that both the U.S.—and home market—sold grades of EMD are produced using the same component materials and both grades are used as cathode material in the production of dry-cell batteries.

With regard to the commercial-value criterion, we found that the products satisfy our twenty-percent difference-in-merchandise test which we generally apply to evaluate the commercial-value criterion of the statute. *See Import Administrative Policy Bulletin 92.2 "Difference in Merchandise, 20 percent rule"* (July 29, 1992); *Certain Forged Stainless Steel Flanges From India: Final Results of Antidumping Duties Administrative Review*, 61 FR 51263, 51265 (October 1, 1996); *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*, 63 FR 63860, 63874 (November 17, 1998). In addition, information the respondent submitted on March 13, 2000, shows that the two products have less than a two-percent difference in price when sold to a particular third-country market, the respondent's only market in which both zinc-chloride-grade and alkaline-grade EMD are sold. This less than two-percent difference in price, when considered in conjunction with a difference-in-merchandise adjustment of less than 20 percent, provides an indication that the grades are approximately equal in commercial value. Therefore, we preliminarily determine that the two products are "approximately equal in commercial value" as set forth in section 771(16)(B)(iii) of the Act.

Based on the reasons stated above, we determined that zinc-chloride-grade EMD is a foreign like product as defined under section 771(16)(B) of the Act. For a detailed explanation of our analysis, see the Decision Memorandum from Office Director to Deputy Assistant Secretary dated May 1, 2000 ("Decision Memo").

With respect to the petitioners' second point, we analyzed whether the current review presents an unusual situation in which home market sales of

EMD constituting more than five percent of sales to the United States should not be considered viable. Based on our interpretation of the statute, we have preliminarily found that in this case there is no unusual situation which makes our application of our normal statutory five-percent viability test inappropriate. Therefore, since the aggregate quantity of the respondent's home market sales is more than five-percent of the aggregate quantity of the respondent's U.S. sales, we find that it is viable in accordance with our statute and regulations. For a detailed explanation of our analysis, see the Decision Memo.

Finally, with respect to the petitioners' final point, that a particular market situation exists, the petitioners assert in their July 20, 1999, submission, that there are a number of elements which do not permit a proper price-to-price comparison in this review period. According to the petitioners, these elements are as follows: (1) The component materials used in the home market product are unlike the component materials in the U.S. product; (2) the two types of EMD differ substantially in the purposes for which they are used; (3) the two types of EMD differ substantially in commercial value; and (4) Tosoh's home market sales are incidental or insignificant to Tosoh. The petitioners argue that all of these factors create a particular market situation that prevents the Department from making an appropriate price-to-price comparison.

The Act states that there may be "particular market situations" in a foreign market that do not permit a proper comparison with EP or CEP sales. Although the Act does not identify these "particular market situations," several are identified in the Statement of Administrative Action (SAA), H. Doc. 103-316, vol. 1, 103d Cong., 2d sess., 822 (1994). These include: (1) Where a single sale in a foreign market constitutes five percent of sales to the United States; (2) where there are such extensive government controls over pricing in a foreign market that prices in that market cannot be considered competitively set; and (3) where there are differing patterns of demand in the United States and a foreign market. Finally, 19 CFR 351.404(c)(2) permits the Department to decline to calculate normal value on the basis of prices in a viable home market if parties establish to the Department's satisfaction that certain situations in the viable market would not permit a proper comparison of like product prices in that market with EP or CEP sales. See SAA at 822.

We have found no evidence of a particular market situation, within the meaning of section 773(a)(1)(C)(iii) of the Act, which would prevent a proper price comparison and which warrants a departure from the normal five-percent viability test. For example, there is no evidence to suggest that a single sale in the home market constitutes five percent of sales to the United States, that there are extensive government controls over pricing in the Greek home market, or that there are differing patterns of demand for EMD in the United States and in the home market. For a detailed explanation of our analysis, see our Decision Memo.

Because the criteria on which the petitioners rely in their particular market-situation argument reflect the definition of a foreign like product in sections 771(16)(B) (ii) and (iii) of the Act, we examined whether the SAA mentions any of the criteria as determinants of a particular market situation. Based on our analysis of the SAA, we found that the SAA does not mention any of the criteria on which the petitioners rely in their particular-market-situation argument as a measure for finding that a particular market situation exists. For a detailed explanation of our analysis, see the Decision Memo.

Constructed Export Price

For the price to the United States, we used constructed export price (CEP) as defined in section 772(b) of the Act. We calculated CEP based on the packed, delivered prices to unaffiliated purchasers in the United States. We made deductions for any movement expenses in accordance with section 772(c)(2)(A) of the Act.

In accordance with section 772(d)(1) of the Act and the SAA (at 823–824), we calculated the CEP by deducting selling expenses associated with economic activities occurring in the United States, including direct selling expenses and indirect selling expenses.

With respect to CEP profit, section 772(d)(3) of the Act requires the Department, in determining CEP, to identify and deduct from the starting price in the U.S. market an amount for profit allocable to selling and further-manufacturing activities in the United States. Section 772(f) of the Act provides the rule for determining the amount of CEP profit to deduct from the CEP starting price. In this review, since we do not have any cost information to calculate CEP profit, we determined that the best available sources of profit information are the 1998 financial statements which the respondent and its U.S. affiliate submitted in response to

section A of our questionnaire. See Analysis Memorandum dated April 28, 2000 (“Analysis Memo”).

Finally, in accordance with section 772(d)(1)(B) of the Act, we adjusted CEP to reflect a rebate which Tosoh is contractually obligated to make to its customer based on the relationship of its price, after all previously described adjustments, and normal value. For further details see Analysis Memo.

Normal Value

In calculating normal value, as we stated above, we determined that the quantity of foreign like product sold by the respondent in the exporting country was sufficient to permit a proper comparison with the sales of the subject merchandise to the United States pursuant to section 773(a)(1) of the Act because the quantity of sales in the home market was greater than five percent of the sales to the U.S. market. Therefore, in accordance with section 773(a)(1)(B)(i) of the Act, we based normal value on the price at which the foreign like product was sold for consumption in the exporting country. See Analysis Memo.

We calculated monthly, weighted-average normal values. Because identical merchandise was not sold during the relevant contemporaneous period, we compared U.S. sales to sales of the most similar foreign like product in accordance with section 771(16)(B) of the Act.

Home market prices were based on packed, free-on-truck prices to the unaffiliated purchasers in the home market. Where applicable, we made adjustments for differences in packing in accordance with section 773(a)(6)(A) of the Act. We also made adjustments for differences in costs 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. With respect to our comparisons to CEP, we made COS adjustments by deducting home-market direct selling expenses from normal value. We also made adjustments for home-market indirect selling expenses to offset U.S. indirect selling expenses.

Level of Trade

To the extent practicable, we determined normal value for sales at the same level of trade as the U.S. sales in accordance with section 773(a)(1)(B) of the Act. The normal value level of trade is that of the starting-price sales in the home market. See 19 CFR 351.412(c)(iii).

To determine whether home market sales were at a different level of trade than U.S. sales, we examined stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. Tosoh reported that there was only one channel of distribution in the home market, and we conclude that there is only one level of trade. Because all of Tosoh's U.S. sales were CEP sales, we identified the level of trade based on the price after the deduction of expenses and profit under section 772(d) of the Act, pursuant to 19 CFR 351.412(c)(ii). Based on our analysis, we considered CEP sales to constitute a single level of trade. Based on the record, we found that there were significant differences between the selling activities associated with the home market level of trade and those associated with the CEP level of trade. Therefore, we determined that CEP sales were at a different level of trade from the home market sales. Consequently, we could not match U.S. sales to sales at the same level of trade in the home market. Moreover, data necessary to determine a level-of-trade adjustment was not available. Therefore, because home market sales were made at a more advanced stage of distribution than that of the CEP level, we made a CEP-offset adjustment when comparing CEP and home market sales in accordance with section 773(a)(7)(B) of the Act. For a more detailed description of our analysis, see the Level-of-Trade section of our Analysis Memo.

Preliminary Results of Review

As a result of our review, we preliminarily determine the weighted-average dumping margin of 0.00 for Tosoh for the period April 1, 1998, through March 31, 1999.

Any interested party may request a hearing within 30 days of publication of this notice. Any hearing, if requested, will be held 40 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 of this notice.

Parties who submit arguments are requested to submit with the arguments: (1) A table of contents, (2) a statement of the issue, (3) a list of authorities used, and (4) an executive summary of issues. Executive summaries should be limited to five pages total, including footnotes.

Hearing requests should specify the number of participants and provide a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs. All memoranda to which we refer in this notice can be found in the public reading room, located in the Central Records Unit, room B-099 of the main Department of Commerce building.

The Department will publish the final results of this administrative review, including the results of its analysis of issues raised in any such written briefs or at a hearing. The Department will issue final results of this review within 120 days of publication of these preliminary results.

Upon completion of the final results of this administrative review, if there is no change from our preliminary results, we will instruct the Customs Service to liquidate all appropriate entries without regard to antidumping duties.

On April 20, 2000, the International Trade Commission (ITC) determined that revoking the existing antidumping duty orders on electrolytic manganese dioxide from Greece and Japan would not be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. Therefore, because the order will be revoked as a result of the ITC's determination with an effective date of January 1, 2000, no deposit requirements will be effective for 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.

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) 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: May 1, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration.

[FR Doc. 00-11461 Filed 5-5-00; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-588-806]

Electrolytic Manganese Dioxide 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: Based on a request by a Japanese producer, Tosoh Corporation, the Department of Commerce is conducting an administrative review of the antidumping duty order on electrolytic manganese dioxide from Japan.

We have preliminarily determined that sales by Tosoh Corporation have not been made below normal value. If these preliminary results are adopted in our final results of administrative review, we will instruct Customs to liquidate without regard to antidumping duties all entries of EMD from Tosoh Corporation during the period of review.

We invite interested parties to comment on these preliminary results. Parties who 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.

EFFECTIVE DATE: May 8, 2000.

FOR FURTHER INFORMATION CONTACT: Larry Tabash or Richard Rimlinger, Import Administration, International Trade Administration, U.S. Department of Commerce, Washington, D.C. 20230; telephone: (202) 482-5047 or (202) 482-4477, respectively.

SUPPLEMENTARY INFORMATION:

The Applicable Statute and Regulations

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 of Commerce's (the Department's) regulations are to 19 CFR Part 351 (1999).

Background

On April 17, 1989, the Department published in the **Federal Register** (54 FR 15243) the antidumping duty order on electrolytic manganese dioxide

(EMD) from Japan. On June 30, 1999, the Department published a notice of initiation of administrative review in accordance with 19 CFR 351.213(b). The Department is conducting this administrative review in accordance with section 751 of the Act.

Scope of Review

Imports covered by this review are sales of EMD from Japan. EMD is manganese dioxide (MnO₂) that has been refined in an electrolysis process. The subject merchandise is an intermediate product used in the production of dry-cell batteries. EMD is sold in three physical forms, powder, chip or plate, and two grades, alkaline and zinc-chloride. EMD in all three forms and both grades is included in the scope of the order. This merchandise is currently classifiable under item number 2820.10.0000 of the Harmonized Tariff Schedule (HTSUS) of the United States. The HTSUS number is provided for convenience and customs purposes. It is not determinative of the products subject to the order. The written product description remains dispositive.

Period of Review

The period of review (POR) is April 1, 1998, through March 31, 1999.

Product Comparisons

Two product-comparison issues arose prior to the completion of these preliminary results. First, the sub-types of alkaline-grade EMD Tosoh sold in the home market and a sub-type of alkaline-grade EMD Tosoh sold to the United States varied by physical characteristics such as moisture, mesh, and particle size.

Tosoh provided in its questionnaire response a product-matching table identifying the various sub-types of alkaline-grade EMD it sold in the home market and to the United States. In its July 21, 1999, submission, the respondent stated that the sub-type of alkaline-grade EMD it sold to the United States was not sold in the home market during the POR and that the Department should match the sub-type sold in the United States to the closest sub-type of alkaline-grade EMD sold in the home market. Kerr-McGee Chemical LLC and Chemetals Inc. (collectively "the petitioners") responded that the Department should disregard the respondent's proposed product-matching criteria and base normal value of EMD exported to the United States on all sales of alkaline-grade EMD in the home market because, they argue, it is the Department's practice to base model-matching schemes only on