preselected sales. Further, the petitioner asserts that the respondent failed to take into account certain outstanding short-term loan balances in its calculation of the interest rate used to compute credit costs. Finally, the petitioner cites page 54 of the Department's Italian verification report where it claims the Department notes that the payment dates reported by Dalmine were either incorrect or not available.

The respondent admits that it did not update payment data in its home market sales listing after the submission of December 19, 1994 (which reported all payments as of November 25, 1994). Nevertheless, the respondent acknowledges that, for purposes of calculating imputed credit costs in its March 6, 1995, filing, it assumed incorrectly that all sales unpaid as of November 1994 remained unpaid as of March 6, 1995. As a result, the imputed credit calculation was wrong for sales paid between November 25, 1994, and March 6, 1995. The respondent urges the Department to calculate the imputed credit cost adjustment for all sales for which no home market payment date was reported using November 1, 1994, as the date of payment, since this is a more conservative approach than that employed in the Preliminary Determination.

## DOC Position

We disagree with both the petitioner and the respondent. During the Italian verification, we were able to verify the payment dates for preselected and surprise home market sales. The petitioner's reference to page 54 of the Italian sales verification report in support of its statement that payment dates were not available for sales not paid after November 23, 1994, is incorrect. The Italian sales verification report in its entire discussion of payment dates and credit expenses makes no statement regarding the unavailability of payment dates. We used the earliest verified payment date, November 18, 1994, as the payment date in the credit expense calculation for sales without reported payment dates which were shipped before November 18, 1994. We assumed no credit expenses were incurred for sales without reported payment dates which were shipped after November 18, 1994.

### Comment 5

The petitioner argues that the respondent incorrectly based its commission offset on U.S. indirect selling expenses taken from Dalmine's U.S. subsidiary's (TAD USA's) 1993 SG&A expenses. The petitioner maintains that the Department must use

the verified 1994 SG&A expenses to the extent that it offsets home market commissions.

According to the respondent, it acted reasonably in basing the indirect selling expenses in its questionnaire response on 1993 SG&A expense data, given that 1994 data was unavailable at the time the response was being prepared. The respondent concedes that the 1994 data obtained at verification would be more useful to the Department than the 1993 data.

## DOC Position

It is the Department's practice to use the most recent verified data for indirect selling expenses in our margin calculations. Accordingly, we used the verified 1994 SG&A figures in our final determination calculations.

## Comment 6

The petitioner claims that Dalmine incorrectly reported average rather than actual foreign inland freight on U.S. sales. The petitioner also claims that the respondent could have reported actual foreign inland freight charges because its records are computerized. Therefore, the petitioner urges the Department to assign the highest foreign inland freight charge observed at verification to all U.S. sales.

In reply, the respondent claims the difference between the highest foreign inland freight charge used in its calculation of average freight and the average foreign inland freight reported for all U.S. sales is immaterial. Moreover, the respondent maintains that its inland and ocean freight documents are not computerized.

# DOC Position

We agree with the respondent. There is no evidence that the respondent's automated system allowed it to link individual sales with the freight charges incurred for those sales. At verification, we noted the actual per unit foreign inland freight charges for the U.S. preselected sales did not differ materially from the average charge reported in the sales listing.

### Comment 7

In its case brief, the respondent requests that the Department clarify which of its customers are related within the meaning of the U.S. antidumping duty law.

In its rebuttal brief, the petitioner claims that there is no need to make this distinction for the purposes of the final determination. Should the Department address such an issue, the petitioner requests that it do so in a manner consistent with any findings made in

the Antidumping Duty Investigation of Oil Country Tubular Goods from Italy (A–475–816).

## DOC Position

We agree with the petitioner that such a finding is unnecessary. The respondent identified all related parties in its questionnaire response. We verified the accuracy of that response (see page 6 of our home market verification report). No further determination is necessary.

#### Comment 8

The respondent argues that tubes and pipes are distinct products, and urges the Department to clarify that the scope of this proceeding is limited to pipes. In its case brief, the respondent included an affidavit from a steel pipe and tube expert in which the expert explains that hollow steel products known as "pipe" have specific technical and commercial characteristics distinct from those hollow steel products commonly known as "tubes." According to this expert, the pipe producing and consuming industries consider pipe to be a product with any combination of outside diameter ("OD") and wall thickness set forth in the American Society for Testing Materials ("ASTM") standard B36.10. This expert reports that hollow steel products that do not correspond to the OD and wall specifications set forth in this standard are not pipes. The respondent's expert also cites numerous reasons why products produced to nonpipe sizes are normally not used in subject pipe applications. Finally, the respondent notes that according to the American Iron & Steel Institute, tubing, as distinguished from pipe, is normally produced to outside or inside diameter dimensions and to a great variety of diameters and wall thicknesses, and to chemical compositions and mechanical properties not commonly available in pipe. Therefore, the respondent requests that the Department clarify that products produced to non-pipe dimensions are not subject to this investigation.

The petitioner argues that the petition and the published scope expressly state that subject seamless pipe includes all outside diameters not exceeding 4.5 inches regardless of wall thickness. The petitioner contends that the specifications covered by the scope of this investigation allow products to be made to non-standard dimensions and notes that neither the petition, nor the published scope, distinguishes between pipes and tubes. In addition, the petitioner states that the ITC found a single like product containing both pipes and tubes using an analysis