

from Finland, for which we published an antidumping duty order on August 19, 1993 (58 FR 44172). On August 3, 1994, the Department published the notice of "Opportunity to Request an Administrative Review" of this order for the period February 4, 1993, through July 31, 1994 (59 FR 39543). The respondent, Rautaruukki Oy, requested an administrative review. We initiated the review on September 8, 1994 (59 FR 46391). The Department is conducting this review in accordance with section 751 of the Tariff Act of 1930, as amended (the Tariff Act).

### Scope of the Review

The products covered by this administrative review constitute one "class or kind" of merchandise: certain cut-to-length carbon steel plate. These products include hot-rolled carbon steel universal mill plates (*i.e.*, flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 millimeters but not exceeding 1,250 millimeters and of a thickness of not less than 4 millimeters, not in coils and without patterns in relief), of rectangular shape, neither clad, plated nor coated with metal, whether or not painted, varnished, or coated with plastics or other nonmetallic substances; and certain hot-rolled carbon steel flat-rolled products in straight lengths, of rectangular shape, hot rolled, neither clad, plated, nor coated with metal, whether or not painted, varnished, or coated with plastics or other nonmetallic substances, 4.75 millimeters or more in thickness and of a width which exceeds 150 millimeters and measures at least twice the thickness, as currently classifiable in the Harmonized Tariff Schedule (HTS) under item numbers 7208.31.0000, 7208.32.0000, 7208.33.1000, 7208.33.5000, 7208.41.0000, 7208.42.0000, 7208.43.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.11.0000, 7211.12.0000, 7211.21.0000, 7211.22.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, and 7212.50.0000. Included are flat-rolled products of nonrectangular cross-section where such cross-section is achieved subsequent to the rolling process (*i.e.*, products which have been "worked after rolling")—for example, products which have been bevelled or rounded at the edges. Excluded is grade X-70 plate. These HTS item numbers are provided for convenience and Customs purposes. The written description remains dispositive.

The POR is February 4, 1993, through July 31, 1994, and covers entries made of certain cut-to-length carbon steel

plate by one manufacturer/exporter (Rautaruukki Oy).

### United States Price

All of Rautaruukki Oy's U.S. sales were based on the price to the first unrelated purchaser in the United States. The Department determined that purchase price, as defined in section 772 of the Tariff Act, was the appropriate basis for calculating United States price (USP).

Before making adjustments to purchase price, we modified the U.S. sales database based on findings made at the sales and cost verifications. We revised technical service and ocean freight expenses, and reclassified the level of trade. Subsequently, we made adjustments to purchase price, where appropriate, for foreign brokerage and handling, and ocean freight. We disallowed advertising and technical services as U.S. direct selling expenses. These expenses were disallowed because Rautaruukki Oy failed to provide sufficient information supporting the claim that these were direct selling expenses. We also adjusted USP for taxes in accordance with our practice as outlined in various determinations, including *Silicomanganese from Venezuela; Final Determination of Sales at Less Than Fair Value*, 59 FR 55435, 55439 (November 7, 1994).

No other adjustments were claimed or allowed.

### Foreign Market Value

Based on a comparison of the volume of home market and third country sales, we determined that the home market was viable. Therefore, in accordance with section 773(a)(1)(A) of the Tariff Act, we based FMV on the packed, delivered price to related and unrelated purchasers in the home market.

Based on the Department's previous determination of sales made at below the cost of production (COP) in the original less-than-fair-value (LTFV) investigation, in accordance with section 773(b) of the Tariff Act, we determined that there were reasonable grounds to believe or suspect that, for this review period, Rautaruukki Oy made sales of subject merchandise in the home market at prices less than the COP. As a result, we investigated whether Rautaruukki Oy sold such or similar merchandise in the home market at prices below the COP. In accordance with 19 CFR 353.51(c), to determine whether home market prices were below COP, we calculated COP for Rautaruukki Oy as the sum of reported materials, fabrication, labor, general, and packing expenses.

We made the following adjustments to Rautaruukki Oy's reported costs. Certain expenses incurred during the POR (*e.g.*, a cancelled coal contract, the cost of byproducts, and an unrealized exchange gain) that were not included in Rautaruukki Oy's cost management system, but were included in the company's financial accounting system, were added to the COP. We adjusted COP for an extraordinary expense reported in Rautaruukki Oy's profit and loss statements, but not recorded in the cost management systems which were used to prepare the response. We also adjusted for changes made to interest expenses in 1993.

We compared home market selling prices, net of inland freight, discounts and rebates, credit expenses and warranty expenses as direct selling expenses, and packing expenses, to each product's COP.

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

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

In accordance with section 773(b)(1) of the Tariff Act, to determine whether sales below cost had been made over an extended period of time, we compared the number of months in which sales below cost occurred for a particular model to the number of months in which that model was sold. If the model was sold in fewer than three months, we