

### United States Price

We based USP on purchase price, in accordance with section 772(b) of the Act, because the subject merchandise was sold to an unrelated purchaser before importation into the United States and because exporter's sales price methodology was not otherwise indicated.

We calculated USP on the basis of packed, CIF duty paid prices to unrelated customers. In accordance with section 772(d)(2)(A) of the Act, we made deductions from U.S. price, where appropriate, for foreign brokerage, foreign inland freight, ocean freight, marine insurance, U.S. duty, and U.S. brokerage and handling.

In order to calculate imputed credit on U.S. sales where the date of payment was not reported, we used the date of this preliminary determination as the date of payment. Where the respondent did not properly account for the quantities shipped on different invoices for a purchase order, we recalculated credit by weight-averaging the credit expenses for each invoice by the respective quantities shipped for each invoice to determine one weighted-average credit expense for the purchase order.

### Foreign Market Value

Because there were no sales of the subject merchandise in the home market during the POI, we found that the home market was not viable, in accordance with 19 CFR 353.48(a). India was selected as the most appropriate third country on which to base FMV because: (1) The merchandise exported to India is most similar or identical to the merchandise exported to the United States; (2) the volume of sales during the POI was the second largest of any third country; and (3) TR's sales to India were to an OCTG market whose organization and development were similar to that of the U.S. market, based on our analysis of the sales and distribution process for those sales. (see January 5, 1995, memorandum from David L. Binder to Gary Taverman).

We excluded from our analysis those sales in the third country market database with negative quantities or negative sales prices.

We calculated FMV based on C&F and CIF prices to processor-distributors and trading companies in India.

In light of the Court of Appeals for the Federal Circuit's (CAFC) decision in *Ad Hoc Committee of AZ-NM-TX-FL Producers of Gray Portland Cement v. United States*, 13 F.3d 398 (Fed. Cir. 1994), the Department can no longer deduct third country market movement

charges from FMV pursuant to its inherent power to fill gaps in the antidumping statute. Instead, we will adjust for those expenses under the circumstance-of-sale provision of 19 CFR 353.56(a), as appropriate.

Accordingly, in the present case, we deducted from FMV the following direct selling expenses pursuant to 19 CFR 353.56(a): post-sale third-country inland freight and insurance, ocean freight, and marine insurance expenses.

We deducted third-country packing costs and added U.S. packing costs in accordance with section 773(a)(1) of the Act. We also made circumstance-of-sale adjustments for a third-country direct selling expense, imputed credit, in accordance with 19 CFR 353.56(a)(2). In order to calculate imputed credit on sales to India where the date of payment was not reported, we used the date of this preliminary determination as the date of payment. Where the respondent did not properly account for the quantities shipped on different invoices for a purchase order, we recalculated credit by weight-averaging the credit expenses for each invoice by the respective quantities shipped for each invoice to determine one weighted-average credit expense for the purchase order.

### Cost of Production (COP)

As stated above, the petitioners made a sales-below-cost allegation on November 2, 1994. The Department initiated a sales-below-cost investigation on January 9, 1995, and issued its section D questionnaire on January 11, 1995. The section D response is due on February 1, 1995, and thus a COP analysis cannot be undertaken for purposes of the preliminary determination. We will undertake such an analysis for purposes of the final determination.

### Currency Conversion

We have made currency conversions based on the official exchange rates, certified by the Federal Reserve Bank of New York, in effect on the dates of the U.S. sales.

### Verification

As provided in section 776(b) of the Act, we will verify the information used in making our final determination.

### Preliminary Margin Calculation

Based on the calculation methodology outlined above, we preliminarily calculated the following margins:

Producer/manufacturer/exporter	Margin percentage
Tubos Reunidos S.A. ....	00.00
All others .....	00.00

### ITC Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our preliminary determination.

If our final determination is affirmative, the ITC will determine whether these imports are materially injuring, or threaten material injury to, the U.S. industry before the later of 120 days after the date of this preliminary determination or 45 days after our final determination.

### Public Comment

In accordance with 19 CFR 353.38, case briefs or other written comments in at least ten copies may be submitted by any interested party to the Assistant Secretary for Import Administration no later than March 7, 1995, and rebuttal briefs no later than March 14, 1995. We request that parties in this case provide an executive summary of no more than two pages in conjunction with case briefs on the major issues to be addressed. Further, briefs should contain a table of authorities. Citations to Commerce determinations and court decisions should include the page number where cited information appears. In preparing the briefs, please begin each issue on a separate page. In accordance with 19 CFR 353.38(b), we will hold a public hearing, if requested, to give interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. Tentatively, the hearing will be held on March 21, 1995, at 1 p.m. at the U.S. Department of Commerce, Room 1414, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230. Parties should confirm the time, date, and place of the hearing 48 hours before the scheduled time.

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room B-099, within ten days of the publication of this notice in the **Federal Register**. Requests should contain: (1) The party's name, address, telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. In accordance with 19 CFR 353.38(b), oral presentations will be limited to the issues raised in the briefs.

This determination is published pursuant to section 733(f) of the Act (19 U.S.C. 1673b(f)) and 19 CFR 353.15(a)(4).