

only rarely will dividend income earned from a company's investment activities meet this standard. See *Final Determination of Sales at Less Than Fair Value: Certain Carbon and Alloy Steel Wire Rod from Canada*, 59 FR 18791, 18795 (April 20, 1994).

Thyssen argues in its brief that its dividend income qualifies as an offset because it is "short-term" income from current assets, such as "interest on current bank accounts, interest on time and fixed-term deposits and interest on short-term securities." However, the verification exhibit referred to by Thyssen as support actually characterizes the income in question as "dividends from securities of working capital." Cost Verification Report, Exhibit K. This is very similar to the facts in *NTN Bearings*, where the CIT upheld the Department's denial of the offset. *NTN Bearing* at 33. See also *Television Receivers, Monochrome and Color, from Japan; Final Results of Antidumping Duty Administrative Review*, 56 FR 34180, 34184 (July 26, 1991). Indeed, Thyssen made little if any effort to demonstrate why its dividend income qualified as an offset. Therefore, because Thyssen failed to show the necessary nexus between its dividend income and manufacturing operations, we have denied the claimed offset.

Comment 8: Thyssen reported separate cost and allocated expense data for sales observations according to the fiscal year in which the sales took place. The Department conformed its computer programs so that they could utilize these fiscal year data. Thyssen argues that the Department incorrectly calculated one weighted-average home market direct selling expense and one weighted-average home market indirect selling expense for the entire POR. Thyssen argues that this is inconsistent with the Department's utilization of separate fiscal year costs and expenses for all of the other elements utilized in calculating constructed value.

Petitioners argue that calculating two such general expenses per control number ("CONNUM"), as requested by Thyssen, would improperly separate the class or kind into two categories, each of which has a separate cost. Petitioners argue more generally that the reporting of two costs and/or expenses per CONNUM conflicts with the statute and Department practice, distorts the effects of the costs and expenses, and is administratively burdensome.

Consequently, petitioners argue that the Department should re-calculate a single weighted average for all costs and expenses covering the two fiscal periods.

Department's Position: We disagree with petitioners' assertion that the reporting of costs for the two fiscal periods covered by the POR violates the antidumping statute which directs the Department to calculate for constructed value, the "general expenses and profit equal to that usually reflected in sales of merchandise in the same general class or kind as the merchandise under consideration." Thyssen did calculate general expenses for the same class or kind of merchandise in accordance with the statute for the two fiscal periods encompassed within the POR. We have determined that computing general expenses by fiscal period does not, in effect, divide the class or kind of merchandise because the calculation for each period covers the entire class or kind. Using expenses associated with each fiscal period has not distorted our analysis because we have used contemporaneous prices and expenses. Contrary to petitioners' assertions, attempting to recalculate a single weighted average for all costs and expenses covering the two fiscal periods would be extraordinarily burdensome. We inadvertently did not account for two fiscal years in the instance noted by Thyssen, and have adjusted the programming language for weighted-average home market direct and indirect selling expenses so those calculations are in accordance with the Department's general use of separate fiscal year data. In this instance we have used the reported data.

Comment 9: Thyssen argues that the Department, through clerical error, improperly calculated Thyssen's fiscal 1992/93 cost of manufacture for cost of production. Thyssen argues that the Department failed in one instance, due to a missing zero, to follow its June 16, 1995, COP, CV, and Further Manufacturing Concurrence Memorandum in correcting Thyssen's thirteenth month adjustment.

Department's Position: We agree with Thyssen, and have incorporated the correct information in the programming for the final results.

Comment 10: Thyssen asserts that the Department improperly failed to adjust for physical differences in merchandise when comparing U.S. sales to home market sales falling within the same control number (or CONNUM, identified in the sales data bases as CONNUMU and CONNUMH, respectively).

According to Thyssen, it reported its variable manufacturing costs on a weighted-average basis for each CONNUMU and CONNUMH, with the weighted average derived from actual costs attributable to each individual

invoice. Consequently, Thyssen argues that the material costs, labor costs and overhead expenses were not necessarily identical for all sales within a particular CONNUM. Similarly, because the physical characteristics of the merchandise grouped together in the U.S. sales listing often differed from the physical characteristics of merchandise grouped together in the home market sales listing, the variable cost of manufacturing for U.S. sales (VCOMU) often differed from variable cost of manufacturing for home market sales (VCOMH) for product groupings with the same identifying CONNUM.

As noted in the May 17, 1995, cost verification report at 22, "the variable cost of manufacturing in the home market sales listing and the U.S. sales listing was computed by calculating a variable cost of manufacturing for each sale and weight averaging all sale specific model costs within the control number." Thyssen asserts that the Department verified that Thyssen had quantified its product-specific cost differences resulting from differences in physical characteristics not reflected in the model matching characteristics upon which the determination of specific CONNUMs is based. Therefore, according to Thyssen, the Department established that the differences in the VCOMH and VCOMU for product groupings with the same identifying CONNUM were based on the physical differences in the merchandise actually falling within each group.

As support, Thyssen refers to section 771(16)(A) of the Act, which uses the phrase "identical in physical characteristics." Because this phrase is not defined, Thyssen argues that it must be construed in accordance with its common meaning, i.e., "exactly the same." Thyssen cites various cases where the Department noted that its product groupings are not necessarily limited to a single "identical" product. See, e.g., *Antifriction Bearings (Other than Tapered Roller Bearings) and Parts Thereof from France; et al.; Final Results of Antidumping Duty Administrative Reviews*, 57 FR 28360, 28364-66 (June 24, 1992); *Antifriction Bearings (Other than Tapered Roller Bearings) and Parts Thereof from the Federal Republic of Germany, Final Determination of Sales at Less than Fair Value*, 54 FR 18992, 19072 (May 3, 1989). Thyssen concludes that the Department has refused to make adjustments for differences in costs of producing merchandise only when the products in question had identical physical characteristics. See *Import Administration Policy Bulletin*, No. 93.2 (July 29, 1992).