Dated: December 29, 1997.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 98–487 Filed 1–8–98; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–201–504]

Porcelain-on-Steel Cookware From Mexico: 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: In response to a request by the petitioner, General Housewares Corporation, the Department of Commerce is conducting an administrative review of the antidumping duty order on porcelain-on-steel cookware from Mexico. This review covers Cinsa, S.A. de C.V. and Esmaltaciones de Norte America, S.A. de C.V., manufacturers/exporters of the subject merchandise to the United States. The period of review is December 1, 1995, through November 30, 1996.

We preliminarily determine that sales have been made below normal value. If these preliminary results are adopted in our final results of administrative review, we will instruct the Customs Service to assess antidumping duties on all appropriate entries.

Interested parties are invited to comment on these preliminary results. Parties who submit arguments in this proceeding should also submit with the argument: (1) a statement of the issue, and (2) a brief summary of the argument.

EFFECTIVE DATE: January 9, 1998.

FOR FURTHER INFORMATION CONTACT: Kate Johnson/Dorlores Peck or Mary Jenkins, Office 5, AD/CVD Enforcement Group II, Import Administration—Room B099, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–4929 or 482–1756, respectively.

SUPPLEMENTARY INFORMATION:

The Applicable Statute

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930, as amended (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 the provisions codified at 19 CFR part 353 (April 1997). Where we cite to the Department's new regulations (19 CFR part 351, 62 FR 27926 (May 19, 1997) (New Regulations)) as an indication of current Department practice, we have so stated.

Background

On October 10, 1986, the Department published in the **Federal Register** (51 FR 36435) the final affirmative antidumping duty determination on certain porcelain-on-steel cookware from Mexico. We published an antidumping duty order on December 2, 1986 (51 FR 43415).

On December 3, 1996, the Department published in the **Federal Register** a notice advising of the opportunity to request an administrative review of this order for the period December 1, 1995, through November 30, 1996 (the POR) (61 FR 64050). The Department received a request for an administrative review of Cinsa, S.A. de C.V. (Cinsa) and Esmaltaciones de Norte America, S.A. de C.V. (ENASA) from General Housewares Corporation, the petitioner. We published a notice of initiation of the review on January 17, 1997 (62 FR 2647). On June 10, 1997, the petitioner made an allegation that Cinsa and ENASA were reimbursing the affiliated U.S. importer, Cinsa International Corporation (CIC), for antidumping deposits and assessment liabilities during the POR.

During the period June 23 through June 27, 1997, we conducted verifications of Cinsa and ENASA, as well as CIC.

On August 19, 1997, the Department extended the time limit for the preliminary results in this case until December 31, 1997. *See Extension of Time Limit for Antidumping Duty Administrative Review,* 62 FR 44108, August 17, 1997.

The Department is conducting this review in accordance with section 751(a) of the Act.

Scope of the Review

The products covered by this review are porcelain-on-steel cookware, including tea kettles, which do not have self-contained electric heating elements. All of the foregoing are constructed of steel and are enameled or glazed with vitreous glasses. This merchandise is currently classifiable under *Harmonized Tariff Schedule of the United States* (HTSUS) subheading 7323.94.00. Kitchenware currently classifiable under HTSUS subheading 7323.94.00.30 is not subject to the order. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this proceeding is dispositive.

Verification

As provided in Section 782(i) of the Act, we conducted verifications of Cinsa, ENASA and CIC from June 23 through June 27, 1997. We conducted the verifications using standard verification procedures including on-site inspection of the manufacturers' facilities, the examination of relevant accounting, sales, and other financial records, and selection of original documentation containing relevant information. Our verification results are outlined in the public version of the verification report which is on file in the Central Records Unit (CRU) in room B–099 of the Main Commerce Building.

Based on verification, we made certain changes to data in the sales listing submitted by Cinsa and ENASA used to calculate the preliminary margins (*See* Memorandum to the File dated December 30, 1997).

Affiliated Parties

Cinsa and ENASA are both wholly-owned subsidiaries of ISLO S.A. de C.V., which in turn is wholly-owned by the Grupo Saltillo, S.A. de C.V. Because Cinsa and ENASA are controlled by the same parent, they are affiliated within the meaning of section 771(3)(F) of the Act.

Since Cinsa and ENASA are affiliated producers of subject merchandise, we analyzed whether the two producers should be treated as a single entity for the purpose of assigning an antidumping margin using the Department's standard ''collapsing'' test. *See* reference to 19 CFR 351.401(f) on page two. During the course of this review, we verified that the manufacturing facilities of ENASA are separate from those of Cinsa, and that the machinery Cinsa used to produce ''ranch style'' cookware cannot be used to make the ENASA ''euro-style'' cookware, and vice versa, without fundamental and expensive retooling. Accordingly, because we have determined that the production facilities of Cinsa and ENASA would require substantial retooling in order to produce similar or identical products, as in prior reviews, we are not treating these firms

as a single entity for the purposes of assigning and antidumping margin.

Product Comparisons

In accordance with section 771(16) of the Act, we considered all products produced by Cinsa and ENASA covered by the description in the ''Scope of the Review'' section, above, and sold in the home market during the POR to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. Where there were no sales of identical merchandise in the home market to compare to U.S. sales, we compared U.S. sales to the most similar foreign like product. In making the product comparisons, we matched foreign like products based on the physical characteristics reported by the respondents in the following order: quality, gauge, cookware category, model, shape, wall shape, diameter, width, capacity, weight, interior coating, exterior coating, grade of frit (a material component of enamel), color, decoration, and cover, if any. With regard to sets, where there were no sales of identical merchandise in the home market to compare to U.S. sales of subject merchandise sold in sets, we compared U.S. sales of sets to the constructed value (CV) of the set.

Cinsa did not report all of the required physical characteristic data for one U.S. product. Accordingly, we were unable to identify the most similar home market sales to that product. As facts available, we compare U.S. sales of this product to CV.

In addition, Cinsa and ENASA did not report cost information for all sales made during the POR. Accordingly, we must apply facts available to these sales. However, given the level of cooperation of the two respondents, we have no basis to apply adverse facts available in this instance. Therefore, we have used the average of all positive margins for those sales without reported costs.

As in our final results of review for the period December 1, 1994, through November 30, 1995, (*Porcelain-on-Steel Cookware from Mexico: Final Results of Antidumping Duty Administrative Review,* 62 FR 42496, August 7, 1997 (POS9 Final)), we have rejected Cinsa's argument that heavy gauge (HG) and medium gauge (MG) euro-style cookware manufactured by ENASA and light gauge (LG) ranch-style cookware manufactured by Cinsa constitute distinct ''classes or kinds'' of merchandise and, therefore, require the Department to calculate one margin for HG and MG cookware and a separate margin for LG cookware. The scope of the order constitutes a single class or kind of merchandise, *i.e.* the ''subject merchandise.''

Consistent with our practice (*see, e.g., Final Results of Antidumping Duty Administrative Review: Cold-rolled Carbon Steel Flat Products from the Netherlands,* 61 FR 48465, (September 13, 1996)), we compared prime quality models sold in the United States to identical prime quality models sold in the home market. Where no home market sales of identical prime quality models existed, we compared the U.S. sales of prime quality models to the most similar home market prime quality model. There were no U.S. sales of second quality models.

Allegation of Reimbursement

The Department examined at verification the issue of whether, as the petitioner alleged, CIC was reimbursed for antidumping duties. With respect to capital contributions made by GISSA Holding USA to CIC during the POR, we found that since its inception in early January of 1995, the affiliated importer, CIC, has received two cash transfers in the form of capital contributions. The first transfer constituted start-up funds and was not tied to antidumping duty deposits or assessments. In a public submission on the record of the tenth review (1995–1996), the respondents Cinsa and ENASA specifically stated that a second capital contribution made in April 1997 by CIC's affiliate, GISSA Holding USA, was provided to ensure that CIC would have enough funds to cover anticipated antidumping duties and assessment liability subsequent to the liquidation of fifth (1990–1991) and seventh (1992–1993) POR entries during the tenth (1995–1996) POR. Because GISSA Holding, USA is not a producer or exporter of the subject merchandise, we cannot, *ipso facto,* conclude that a producer or exporter paid for, or reimbursed to, the importer antidumping duties. Thus, we preliminary do not find reimbursement within the meaning of 19 CFR 353.26(a). However, we will continue to examine this issue in light of comments by the parties and may, if warranted, seek additional information.

Comparisons

To determine whether sales of porcelain-on-steel cookware by Cinsa and ENASA to the United States were made at less than normal value (NV), we compared export price (EP) or constructed export price (CEP) to the NV, as described in the ''Export Price and Constructed Export Price'' and ''Normal Value'' sections of this notice.

Mexico experienced significant inflation during the POR, as measured by the producer price index issued by the Bank of Mexico. Accordingly, to avoid the distortions caused by the effects of this level of inflation on prices, we limited our comparisons to sales in the same month and did not apply the Department's 90/60 rule, whereby the Department may use as NV comparison market prices from the three months prior to and the two months after the month in which the U.S. sale was made. *See e.g., Porcelain-on-Steel Cookware from Mexico: Final Results of Antidumping Duty Administrative Review,* 62 FR 42496 (August 7, 1997).

Export Price and Constructed Export Price

For certain sales made by Cinsa and ENASA, we calculated EP in accordance with section 772(a) of the Act, because the subject merchandise was sold directly to the first unaffiliated purchaser in the United States prior to importation and because CEP methodology was not otherwise indicated. We based EP on packed prices to unaffiliated purchasers in the United States. We made deductions from the starting price, where appropriate, for U.S. and foreign inland freight, U.S. and Mexican brokerage and handling expenses, U.S. duty and rebates.

For the remaining sales made by Cinsa and ENASA during the POR, we calculated CEP in accordance with section 772(b) of the Act, because the subject merchandise was sold by CIC after having been imported into the United States. We based CEP on packed prices to unaffiliated purchasers in the United States. We made deductions from the starting price, where appropriate, for U.S. and foreign inland freight, U.S. and Mexican brokerage and handling expenses, U.S. duty and rebates.

We made further deductions, where appropriate, for credit, commissions, and indirect selling expenses that were associated with economic activities occurring in the United States. Finally, we made an adjustment for profit in accordance with section 772(d)(3) of the Act.

Normal Value

Based on a comparison of the aggregate quantity of home market and U.S. sales, we determined that the quantity of the foreign like product sold 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) of the Act. Therefore, we based NV on either (1) the price (exclusive of value-added tax) at which the foreign like

product was first sold for consumption in the home market, in accordance with section 773(a)(1)(B)(i) of the Act or (2) CV, in accordance with section 773(a)(4) of the Act, as noted in the ''Price to Price Comparisons'' and ''Price to CV Comparisons'' sections of this notice.

Level of Trade

In accordance with section 773(a)(1)(B) of the Act, to the extent practicable, we determine NV based on sales in the comparison market at the same level of trade (''LOT'') as the EP or CEP transaction. The NV LOT is that of the starting-price sales in the comparison market or, when NV is based on constructed value (''CV''), that of the sales from which we derive selling, general and administrative (''SG&A'') expenses and profit. For EP, the U.S. LOT is also the level of the starting-price sale, which is usually from exporter to importer. For CEP, it is the level of the constructed sale from the exporter to the importer. To determine whether NV sales are at a different LOT than EP or CEP, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. If the comparison-market sales are at a different LOT, and the difference affects price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison-market sales at the LOT of the export transaction, we make an LOT adjustment under section 773(a)(7)(A) of the Act. Finally, for CEP sales, if the NV level is more remote from the factory than the CEP level and there is no basis for determining whether the difference in the levels between NV and CEP affects price comparability, we adjust NV under section 773(a)(7)(B) of the Act (the CEP offset provision). *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa,* 62 FR 61731 (November 19, 1997).

In this review, Cinsa and ENASA reported three channels of distribution in the home market: (1) direct sales to customers from the Saltillo plant, (2) sales shipped from their Mexico city warehouse, and (3) sales shipped from their Guadalajara warehouse. In analyzing the data in the home market sales listing by distribution channel and sales function, we found that the three home market channels did not differ significantly with respect to selling activities. Similar services, such as freight and delivery services and inventory maintenance, were offered to all or some portion of customers in each channel. Based on this analysis, we find that the three home market channels of distribution comprise a single level of trade.

Cinsa and ENASA reported both EP and CEP sales in the U.S. market. The EP sales were made by the exporter to the unaffiliated customer, who received the merchandise at the border between Mexico and the United States (FOB Laredo, Texas). We noted that EP sales involved basically the same selling functions associated with the home market level of trade described above. Therefore, based upon this information, we have determined that the level of trade for all EP sales is the same as that in the home market.

The CEP sales were based on sales made by the exporter to CIC, the U.S. affiliated reseller, who then sold the merchandise directly to unaffiliated purchasers in the United States from its San Antonio warehouse. Based on our analysis, after the section 772(d) deductions, there are two selling activities associated with Cinsa's and ENASA's sales to CIC reflected in the CEP: (1) freight and other movement expenses from the plant to the affiliated reseller's San Antonio warehouse, and (2) freight and delivery services (excluding actual freight charges), and inventory maintenance, and other support services (such as sales personnel, order processing personnel, and billing personnel), which are the same functions found in the home market. Therefore, we determine that Cinsa's and ENASA's CEP sales and their home market sales are made at the same level of trade. Accordingly, because we find the U.S. sales and home market sales to be at the same level of trade, no level of trade adjustments under section 773(a)(7)(A) of the Act are warranted.

CEP Offset

Section 773(a)(7)(B) of the Act provides for an adjustment to NV when NV is based on a level of trade different from that of the CEP if the NV level is more remote from the factory than the CEP and if we are unable to determine whether the difference in levels of trade between CEP and NV affects the comparability of their prices. This latter situation can occur where there is no home market level of trade equivalent to the U.S. sales level or where there is a different home market level of trade but the data are insufficient to support a conclusion on price effect. This adjustment, the CEP offset, is identified in section 773(a)(7)(B) and is the lesser of the following:

The indirect selling expenses on the home market sale, or

The indirect selling expenses from the starting price in calculating CEP.

The CEP offset is not automatic each time we use CEP.

In their questionnaire responses, Cinsa and ENASA claimed that the sales support activities (such as freight and delivery services, excluding actual freight charges, and inventory maintenance), and other support services (such as sales personnel, order processing personnel, and billing personnel) provided to home market and to U.S. customers are generally the same. The respondents nevertheless requested an adjustment to NV when NV is compared to U.S. CEP sales because they claim that home market sales are made at a more advanced level of trade than CEP sales because the NV sales price includes indirect selling expenses attributable to sales support activities and other support services noted above, while the CEP sales price is exclusive of all indirect selling expenses and the selling functions attributable thereto.

However, as discussed above, we find that the selling functions performed at the CEP level are essentially the same as those performed in the home market. Accordingly, we consider the home market and CEP levels of trade comparable. We disagree with respondents' assertion that differences in indirect selling expenses reflect a difference in level of trade. Because we find the CEP and home market levels of trade are the same, an adjustment to NV is not warranted.

Cost of Production Analysis

The Department disregarded certain sales made by Cinsa for the period December 1, 1994, through November 30, 1995, (the most recently completed review of Cinsa) pursuant to a finding in that review that sales were made below cost. Thus, in accordance with section 773(b)(2)(A)(ii) of the Act, there are reasonable grounds to believe or suspect that the respondent Cinsa made sales in the home market at prices below the cost of producing the merchandise in the current review period. As a result, the Department initiated an investigation to determine whether the respondent made home market sales during the POR at prices below its cost of production (COP) within the meaning of section 773(b) of the Act.

The petitioner alleged that there are reasonable grounds to believe or suspect that ENASA made home market sales during the POR at prices that were less than its COP. On May 15, 1997, the Department initiated a sales below cost investigation to determine whether ENASA made home market sales during

the POR at prices below its COP within the meaning of section 773(b) of the Act.

A. Calculation of COP

We calculated the COP based on the sum of Cinsa's and ENASA's cost of materials and fabrication costs for the foreign like product, plus amounts for home market SG&A and packing costs in accordance with section 773(b)(3) of the Act.

As noted above in the ''Product Comparisons'' section, the Mexican economy experienced significant inflation during the POR. Therefore, in order to avoid the distortive effect of inflation on our comparisons of costs and prices, we requested that the respondents submit monthly, model-specific production costs for each month of the POR. We calculated a model-specific total and variable cost of manufacturing (COM) during the POR. Using the producer price index for Mexico maintained by the Bank of Mexico, we indexed the total and variable POR model-specific costs to a common point, *i.e.*, November 1996, the month of the POR. We then divided the sum of the total POR model-specific costs by the total model-specific production quantity to obtain a model-specific POR weighted-average cost corresponding to the November 1996 reference point. The weighted-average COM was then restated based on the currency value in each respective month and used to calculate a month COP for each product.

We relied on COP information submitted by Cinsa and ENASA, except in the following instances where it was not appropriately quantified or valued: (1) frit prices from an affiliated supplier did not approximate fair market value prices; therefore, we increased direct materials by the percentage required to adjust the reported cost of frit to reflect fair market prices; (2) we added profit sharing expenses to the variable cost of manufacture because they relate to the compensation of direct labor; and (3) we revised Cinsa's submitted interest costs to exclude the calculation of negative interest expense.

B. Test of Home Market Prices

We compared the monthly weight-averaged per unit COP figures, indexed to account for the effects of inflation as noted above, to home market sales of the foreign like product as required under section 773(b) of the Act, in order to determine whether these sales were made at prices below the COP. In determining whether to disregard home market sales made at prices below the COP, we examined whether: (1) within an extended period of time, such sales were made in substantial quantities; and (2) such sales were made a prices which permitted the recovery of all costs within a reasonable period of time. On a product-specific basis, we compared the COP to the home market prices, less any applicable movement charges, rebates, discounts, and direct and indirect selling expenses.

C. Results of COP Test

Pursuant to section 773(b)(2)(C), where less than 20 percent of the respondent's sales of a given product were at prices less than the COP, we did not disregard any below-cost sales of that product because we determined that the below-cost sales were not made in ''substantial quantities.'' Where 20 percent or more of a respondent's sales of a given product during the POR were at prices less than the COP, we disregarded the below-cost sales were such sales were found to be made at prices which would not permit the recovery of all costs within a reasonable period of time (in accordance with section 773(b)(2)(D) of the Act). Where all comparison sales of a specific product were disregarded based on the COP test, we calculated NV based on CV, in accordance with section 773(b)(1) of the act.

D. Calculation of CV

In accordance with section 773(e)(1) of the Act, we calculated a CV based on the sum of the respondents' cost of materials, fabrication, SG&A, and U.S. Packing costs as reported in the U.S. sales listing. We calculated CV based on the methodology described in the calculation of COP above.

In accordance with section 773(e)(2)A), we based SG&A and profit on the actual amounts incurred and realized by Cinsa and ENASA in connection with the production and sale of the foreign like product in the ordinary course of trade, for consumption in the foreign country. For selling expenses, we used the weighted-average home market selling expense. Where we compared EP to CV, we deducted from CV the weighted-average home market direct selling expenses and added the U.S. direct selling expenses, in accordance with section 773(a)(8) of the Act and section 353.56(a)(2) of the Department's regulations.

E. Price to Price Comparisons

For those comparison products for which there were sales at prices above the COP, we based the respondents' NV on home market prices. For both of the respondents, we calculated NV based on the VA-exclusive gross unit price and deducted, where appropriate, inland freight, rebates, and early payment discounts.

For comparisons in Cinsa and ENASA's EP sales, we made a circumstance-of-sale adjustment, where appropriate, for differences in credit expenses. For comparisons to Cinsa's and ENASA's CEP sales, we also deducted credit expenses and commissions from NV (no commissions were incurred on EP sales). We made adjustments for differences in packing expenses for both Cinsa and ENASA. We also made adjustments to NV, where appropriate, for differences in costs attributable to differences in physical characteristics of the merchandise, pursuant to section 773(a)(6)(C)(ii) of the Act.

In order to make appropriate adjustment for physical differences between the products compared, and to account for the effects of inflation, all costs were expressed in currency values corresponding to November 1996, the last month of the POR. Using these November-based costs, we then calculated a per-unit model-specific weighted-average variable and total COM. These weighted-average costs were then indexed to the currency value of the month of the comparison U.S. sale. The adjusted monthly variable costs of manufacturing for U.S. and home market products were then compared to arrive at the difference in merchandise adjustment.

F. Price to CV

Where we compared EP or CEP to CV, we made circumstance-of-sale adjustments by deducting from CV the weighted-average home market direct selling expenses and adding the United States direct selling expenses.

Currency Conversion

We made currency conversions based on the official exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank of New York. Section 773A(a) of the Act directs the Department to use a daily exchange rate in order to convert foreign currencies into U.S. dollars, unless the daily rate involves a ''fluctuation.'' In accordance with the Department's practice, we have determined as a general matter that a fluctuation exists when the daily exchange rate differs from a benchmark by 2.25 percent. The benchmark is defined as the rolling average of rates for the past 40 business days. When we determine a fluctuation existed, we substitute the benchmark for the daily rate.

Preliminary Results of the Review

As a result of this review, we preliminarily determine that the following weighted-average dumping margins exist:

Manufacturer/ exporter	Period	Margin
Cinsa	12/1/95–11/30/96	15.94
ENASA	12/1/95–11/30/96	63.76

Parties to the proceeding may request disclosure within five days of the date of publication of this notice. Any interested party may request a hearing within 10 days of publication. Any hearing, if requested, will be held 44 days after the date of publication or the first business day thereafter.

Issues raised in hearings will be limited to those raised in the respective case briefs and rebuttal briefs. Case briefs from interested parties and rebuttal briefs, limited to the issues raised in the respective case briefs, may be submitted not later than 30 days and 37 days, respectively, from the date of publication of these preliminary results. Parties who submit case briefs or rebuttal briefs in this proceeding are requested to submit with each argument (1) a statement of the issue and (2) a brief summary of the argument.

The Department will subsequently issue the final results of this administrative review, including the results of its analysis of issues raised in any such written briefs or at the hearing, if held, not later than 120 days after the date of publication of this notice.

The Department shall determine and the Customs Service shall assess antidumping duties on all appropriate entries. The Department will issue appropriate appraisement instructions directly to the Customs Service upon completion of this review.

Furthermore, the following deposit requirements will be effective upon publication of the final results of this antidumping duty review for all shipments of porcelain-on-steel cookware from Mexico, entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a) of the Tariff Act: (1) the cash deposit rates for the reviewed companies will be those established in the final results of review; (2) for exporters not covered in this review, but covered in the LTFV investigation or prior reviews, the cash deposit rate will continue to be the company-specific rate from the LTFV investigation or the prior review; (3) if the exporter is not a firm covered in this review, a prior review, or the original LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; (4) the cash deposit rate for all other manufactures or exporters will continue to be 29.52 percent, the ''All Others'' rate made effective by the LTFV investigation. These requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 353.26 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.

This administrative review and notice are published in accordance with section 751(a)(1) of the Act and 19 CFR 353.22.

Dated: December 31, 1997.

Richard W. Moreland,

Acting Assistant Secretary for Import Administration.

[FR Doc. 98–485 Filed 1–8–98; 8:45 am]

BILLING CODE 3510–DS–M

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–506]

Porcelain-on-Steel Cooking Ware From the People's Republic of China; 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: In response to a request by an importer of the subject merchandise, the Department of Commerce is conducting an administrative review of the antidumping duty order on porcelain-on-steel cooking ware from the People's Republic of China. The review covers one manufacturer/exporter of the subject merchandise and its affiliated third-country reseller in Hong Kong and the period December 1, 1995, through November 30, 1996.

We preliminarily determine that sales have been made below normal value. If these preliminary results are adopted in our final results of administrative review, we will instruct the U.S. Customs Service to assess antidumping duties on all appropriate entries. Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: January 9, 1998.

FOR FURTHER INFORMATION CONTACT: Lorenza Olivas or Suzanne King, Office of CVD/AD Enforcement VI, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–2786.

SUPPLEMENTARY INFORMATION:

Applicable Statute

Unless otherwise indicated, all citations to the statute are references to the provisions as of January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930, as amended, (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 353 (April 1997).

Background

On December 2, 1986, the Department published in the **Federal Register** the antidumping duty order on Porcelain-on-Steel (POS) cooking ware from the People's Republic of China (PRC) (51 FR 43414). On December 3, 1996, the Department published in the **Federal Register** a notice of opportunity to request an administrative review of this antidumping duty order (61 FR 64051). On December 20 and 26, 1996, in accordance with 19 CFR 353.22(a), an importer of the subject merchandise to the United States, CGS International, requested that the Department conduct an administrative review of Clover Enamelware Enterprise, Ltd. of China (Clover), a manufacturer/exporter, and its third-country reseller Lucky Enamelware Factory Ltd. of Hong Kong (Lucky). We published the notice of initiation of this review covering the period December 1, 1995, through November 30, 1996, on January 17, 1996 (62 FR 2647). The Department is conducting this administrative review in accordance with section 751(a) of the Act.

Scope of the Review

Imports covered by this review are shipments of POS cooking ware, including tea kettles, which do not have self-contained electric heating elements. All of the foregoing are constructed of steel and are enameled or glazed with vitreous glasses. The merchandise is