

Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time.

Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, within ten days of the publication of this notice. Requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs. If this investigation proceeds normally, we will make our final determination by 135 days after the publication of this notice in the **Federal Register**.

This determination is published pursuant to section 733(d) of the Act.

Dated: May 5, 1997.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 97-12394 Filed 5-9-97; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-583-826]

Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Collated Roofing Nails From Taiwan

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

EFFECTIVE DATE: May 12, 1997.

FOR FURTHER INFORMATION CONTACT: Everett Kelly or Ellen Grebasch, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-4194 or (202) 482-3773, respectively.

The Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to the current regulations, as amended by the interim regulations published in the

Federal Register on May 11, 1995 (60 FR 25130).

Preliminary Determination

We preliminarily determine that collated roofing nails ("CRN") from Taiwan are being, or are likely to be, sold in the United States at less than fair value ("LTFV"), as provided in section 733 of the Act. The estimated margins of sales at LTFV are shown in the "Suspension of Liquidation" section of this notice.

Case History

Since the initiation of this investigation (Notice of Initiation of Antidumping Duty Investigations: Collated Roofing Nails from the People's Republic of China, the Republic of Korea, and Taiwan (61 FR 67306, December 20, 1996), the following events have occurred:

On January 17, 1997, the United States International Trade Commission ("ITC") issued an affirmative preliminary injury determination in this case (see ITC Investigation Nos. 731-TA-757-759).

During November 1996 through January 1997, the Department obtained information from various sources identifying producers/exporters of the subject merchandise. (See Memorandum to the File, dated May 5, 1997, for a detailed explanation of the Department's search for producers/exporters of the subject merchandise.) During January and February, based on this information, the Department issued antidumping questionnaires to Unicatch Industrial Co. Ltd. ("Unicatch"), K. Ticho Industries Co., Ltd. ("K. Ticho"), Hao Chun B&M Corporation ("Hao Chun"), Lei Chu Enterprise Co., Ltd. ("Lei Chu"), Forrader Union Company ("Forrader"), Double Dragon Ent. Co. Ltd. ("Dragon"), S&J Wire Products Company, Ltd. ("S&J"), Certified Products Inc. ("Certified"), Sun Jade Handicraft Ltd. ("Sun Jade"), Master United Corporation ("United"), Trim International Incorporated ("Trim"), and Romp Coil Nail Industries ("Romp"). The questionnaire is divided into four sections: Section A requests general information concerning a company's corporate structure and business practices, the merchandise under investigation that it sells, and the sales of the merchandise in all of its markets. Sections B and C request home market sales listings and U.S. sales listings, respectively. Section D requests information on the cost of production ("COP") of the foreign like product and constructed value ("CV") of the subject merchandise.

The Department received responses to Section A of the questionnaire during February and March, 1997. K. Ticho did not respond to the Department's questionnaire. (See the "Fair Value Comparisons" section below, for further discussion).

On March 13, 1997, pursuant to section 777A(c) of the Act, the Department determined that, due to the large number of exporters/producers of the subject merchandise, it would limit the number of mandatory respondents in this investigation. The Department determined that the resources available to it for this investigation and the two companion investigations limited our ability to analyze any more than the responses of the four largest exporters/producers of the subject merchandise in this investigation. Based on Section A questionnaire responses, the Department determined that the four largest companies, and therefore the mandatory respondents in this proceeding, were: Unicatch, Lei Chu, Romp, and S&J. (For detailed information regarding this issue, see memorandum to Lou Apple from the CRN team, dated March 13, 1997.)

Unicatch, Lei Chu, Romp, and S&J submitted questionnaire responses in February and March 1997. We issued supplemental requests for information in March and April 1997, and received supplemental responses to these requests in April 1997.

On April 14, 16, 23, and 25, 1997, the Paslode Division of Illinois Tool Works Inc. ("Petitioner") filed comments on the Unicatch, Lei Chu, Romp, and S&J questionnaire responses.

Postponement of Final Determination and Extension of Provisional Measures

On April 22, 1997, Respondents Unicatch and Lei Chu requested that, pursuant to section 735(a)(2)(A) of the Act, in the event of an affirmative preliminary determination in this investigation, the Department postpone its final determination until not later than 135 days after the date of publication of the affirmative preliminary determination in the **Federal Register**. In accordance with section 735(a)(2)(A) of the Act and 19 CFR 353.20(b), inasmuch as our preliminary determination is affirmative, Unicatch and Lei Chu account for a significant proportion of exports of the subject merchandise under investigation, and we are not aware of the existence of any compelling reasons for denying the request, we are granting the respondents' request and postponing the final determination. Suspension of liquidation will be extended

accordingly. See Preliminary Determination of Sales at Less Than Fair Value: Large Newspaper Printing Presses and Components Thereof, Whether Assembled or Unassembled, from Japan (61 FR 8029, March 1, 1996).

Scope of Investigation

The product covered by this investigation is CR nails made of steel, having a length of $1\frac{13}{16}$ to $1\frac{1}{16}$ inches (or 20.64 to 46.04 millimeters), a head diameter of 0.330 inch to 0.415 inch (or 8.38 to 10.54 millimeters), and a shank diameter of 0.100 inch to 0.125 inch (or 2.54 to 3.18 millimeters), whether or not galvanized, that are collated with two wires.

CR nails within the scope of this investigation are classifiable under the Harmonized Tariff Schedule of the United States ("HTSUS") subheading 7317.00.55.05. Although the HTSUS subheading is provided for convenience and customs purposes, our written description of the scope of this investigation is dispositive.

Period of Investigation

The period of this investigation ("POI") comprises each exporter's four most recent fiscal quarters prior to the filing of the petition. In this case, the POI for all companies is October 1, 1995 through September 30, 1996.

Fair Value Comparisons

A. K. Ticho

As discussed above, K. Ticho did not respond to the Department's questionnaire. Section 776(a)(2) of the Act provides that if an interested party withholds information that has been requested by the Department, fails to provide such information in a timely manner and in the form requested, significantly impedes a proceeding, or provides such information but the information cannot be verified, the Department shall use the facts otherwise available in reaching the applicable determination. Because K. Ticho failed to submit the information that the Department specifically requested, we must base our determination for K. Ticho on the facts available.

Section 776(b) of the Act provides that adverse inferences may be used against a party that has failed to cooperate by not acting to the best of its ability to comply with a request for information. K. Ticho's decision not to participate in the Department's investigation demonstrates that K. Ticho has failed to act to the best of its ability in this investigation. Thus, the Department has determined that, in selecting from among the facts

otherwise available, an adverse inference is warranted. As adverse facts available, we are assigning to K. Ticho the higher of the petition margin or margin calculated for any respondent in this investigation. Because the margins in the petition (as recalculated by the Department at initiation) were higher than any of the calculated margins, we used the highest margin stated in the *Notice of Initiation*, 40.28%, as total adverse facts available for K. Ticho.

Section 776(c) of the Act provides that where the Department selects from among the facts otherwise available and relies on "secondary information," such as the petition, the Department shall, to the extent practicable, corroborate that information from independent sources reasonably at the Department's disposal. The Statement of Administrative Action accompanying the URAA, H.R. Doc. No. 316, 103d Cong., 2d Sess. (1994) (hereinafter, the "SAA"), states that "corroborate" means to determine that the information used has probative value. See SAA at 870.

In the petition, the petitioner based its allegation of export price on price quotes from two manufacturer/exporters of CRN in Taiwan. These price quotations were adjusted for movement expenses using customs data and IM-145 Import Statistics. See *Notice of Initiation*, 61 FR at 67307-08. As stated in *Final Determination of Sales at Less Than Fair Value: Certain Pasta From Turkey*, 61 FR 30309 (June 14, 1996), we consider price quotations as information from independent sources. The export price calculations were based upon independent sources and Import Statistics, both sources which we consider to require no further corroboration by the Department. Therefore, we determined at initiation, and continue to find, that the calculations set forth in the petition have probative value.

The petitioner based Normal Value ("NV") on CV. See *Notice of Initiation*, 61 FR at 67308. To calculate CV, the petitioner used manufacturing costs based on its own production experience, its 1995 audited financial statements, and publicly available industry data. *Id.* The CV calculations in the petition are consistent with the CVs reported by the respondents on the record of this investigation. As such, we determine that the NV calculations have probative value. (See memorandum, dated May 5, 1997.)

Based on our pre-initiation analysis and reexamination of the price information supporting the petition, we determine that the highest margin stated in the *Notice of Initiation* is

corroborated within the meaning of section 776(c) of the Act.

B. Unicatch, Lei Chu, S&J, and Romp

To determine whether sales of the subject merchandise by Unicatch, Lei Chu, S&J, and Romp to the United States were made at less than fair value, we compared the Export Price ("EP") or Constructed Export Price ("CEP") to the NV, as described in the EP, CEP, and "Normal Value" sections of this notice, below. In accordance with section 777A(d)(1)(A)(i) of the Act, we compared POI-wide weighted-average EPs or CEPs to weighted-average NVs.

In making our comparisons, in accordance with section 771(16) of the Act, we considered all products sold in the home market, fitting the description specified in the "Scope of Investigation" section of this notice, above, to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. Unicatch, Lei Chu, S&J, and Romp reported that they had no viable home market or third country sales during the POI. We therefore made no price-to-price comparisons. See the "Normal Value" section of this notice, below, for further discussion.

Level of Trade and CEP Offset

As set forth in section 773(a)(1)(B)(i) of the Act and in the SAA at 829-331, to the extent practicable, the Department will calculate NV based on sales at the same level of trade as the U.S. sales. When the Department is unable to find sales in the comparison market at the same level of trade as the U.S. sale(s), the Department may compare sales in the U.S. and foreign markets at different levels of trade. Section 773(a)(7)(A) provides that if we compare a U.S. sale with a home market sale made at a different level of trade, when appropriate, we will adjust NV to account for this difference. When NV is based on CV, the level of trade is that of the sales from which we derive selling, general and administrative ("SG&A") expenses and profit.

For comparisons to CEP sales, section 773(a)(7)(B) establishes the procedure for making a CEP offset when two conditions are met. First, the NV is established at a level of trade which constitutes a more advanced stage of distribution than the level of trade of the CEP, and second, the data available do not establish an appropriate basis for calculating a level of trade adjustment.

We have not applied a level of trade adjustment or CEP offset for any respondent in this investigation because none of the respondents claimed a level of trade adjustment and we are unable

to determine whether the NVs for each respondent are calculated at different levels of trade than their U.S. sales. As explained below in the "Normal Value" section of this notice, we calculated NV for each respondent based entirely on CV. We derived SG&A and profit from data contained in each respondents' financial statements. This data does not permit an appropriate level of trade analysis because we are unable to isolate the particular selling expenses associated with the selling functions for each respondents' NV. Therefore, we find insufficient evidence on the record to justify a level of trade adjustment or CEP offset.

Export Price/Constructed Export Price

Unicatch

We used EP in accordance with section 772(a) of the Act where the subject merchandise was sold to unaffiliated customers prior to importation and the CEP methodology was not indicated by the facts of record. We used CEP in accordance with section 772(b) of the Act where the subject merchandise was sold to unaffiliated customers after importation. We calculated EP/CEP, as appropriate, based on packed prices, either FOB Taiwan, C&F USA, CIF USA, Free on Board ("FOR") Taiwan, or FOB U.S. affiliate's warehouse to the first unaffiliated purchaser in the United States. For both EP and CEP sales we made deductions from the starting price (gross unit price) for discounts, inland freight from the plant/warehouse to port of exit, Taiwan brokerage and handling, international freight, marine insurance, U.S. inland freight from port to the warehouse, and U.S. customs duties, where appropriate. We also adjusted the starting price and quantity for returns. We added to both EP and CEP reported duty drawback amounts.

For Unicatch's CEP sales, we made additional deductions, in accordance with section 772(d) (1) and (2) of the Act, for commissions, credit expenses, indirect selling expenses, and inventory carrying costs. Pursuant to section 772(d)(3) of the Act, the price was further reduced by an amount for profit, to arrive at the CEP. In accordance with section 773(f) of the Act, the CEP profit rate was calculated using the expenses incurred by Unicatch and its affiliates on their sales of the subject merchandise in the United States and the profit associated with those sales. Because Unicatch had no home market sales, we did not include any home market expenses in the CEP profit rate calculation.

Lei Chu

We used EP in accordance with section 772(a) of the Act because the subject merchandise was sold to unaffiliated customers before importation and the CEP methodology was not indicated by the facts of record. We calculated EP based on packed prices, either FOB, CNF USA, or CIF USA to the first unaffiliated purchaser in the United States. Where appropriate, we made deductions from the starting price (gross unit price) for inland freight from the plant/warehouse to port of exit, brokerage and handling in Taiwan, international freight, marine insurance, and bank charges. We added to EP reported duty drawback amounts.

S&J

We used EP in accordance with section 772(a) of the Act because the subject merchandise was sold to unaffiliated customers before importation and the CEP methodology was not indicated by the facts of record. We calculated EP based on packed prices, either FOB, CNF, or CIF to the first unaffiliated purchaser in the United States. Where appropriate, we made deductions from the starting price (gross unit price) for inland freight from the plant/warehouse to port of exit, brokerage and handling in Taiwan, international freight, marine insurance and direct selling expenses.

Romp

We used EP in accordance with section 772(a) of the Act because the subject merchandise was sold to unaffiliated customers before importation and the CEP methodology was not indicated by the facts of record. We calculated EP based on packed prices, FOB to the first unaffiliated purchaser in the United States. Where appropriate, we made deductions from the starting price (gross unit price) for inland freight from the plant/warehouse to port of exit, and brokerage and handling in Taiwan. We added to EP reported duty drawback amounts.

Normal Value

In order to determine whether there is a sufficient volume of sales in the home market to serve as a viable basis for calculating NV (*i.e.*, the aggregate volume of home market sales of the foreign like product is greater than five percent of the aggregate volume of U.S. sales), we compare each respondent's volume of home market sales of the foreign like product to the volume of U.S. sales of the subject merchandise, in accordance with section 773(a)(1)(C) of the Act. Unicatch, Lei Chu, S&J, and Romp reported that they had no home

market sales during the POI. Therefore, we have determined that none of the respondents have a viable home market. Because Unicatch, Lei Chu, S&J, and Romp also reported that they had no third country sales during the POI, we based normal value on CV in accordance with section 773(a)(4) of the Act.

Calculation of CV

In accordance with section 773(e)(1) of the Act, we calculated CV based on the sum of a respondent's cost of materials, fabrication, SG&A, profit and U.S. packing costs as reported in the U.S. sales databases. In this case, none of the respondents had home market selling expenses or home market profit upon which to base CV.

Section 773(e)(2)(B) of the Act sets forth three alternatives for computing profit and SG&A without establishing a hierarchy or preference among the alternative methods. We did not have the necessary cost data for methods one (calculating SG&A and profit incurred by the producer on the home market sales of merchandise of the same general category as the exports in question), or two (averaging SG&A and profit of other investigated producers of the foreign like product). The third alternative (section 773(e)(2)(B)(iii) of the Act) provides that profit and SG&A may be computed by any other reasonable method, capped by the amount of profit normally realized on sales in the home market of the same general category of products. The SAA states that, if the Department does not have the data to determine amounts for profit under alternatives one and two or a profit cap under alternative three, it may apply alternative three (without determining the cap) on the basis of "the facts available." SAA at 841. Therefore, as the facts available, we are using each respondent's overall profit and SG&A rate associated with its total sales as recorded in its most recent financial statement. Because the figures recorded in the financial statements are company-specific and contemporaneous with the POI, we preliminarily determine this data to be a reasonable surrogate for SG&A and profit of the subject merchandise. However, we will consider the issue of appropriate SG&A and profit information further for the final determination and invite comment on this issue.

Price to CV Comparisons

Because we based SG&A for CV on the financial statements of each individual company, where we compared CV to EP, we did not make any circumstance of sale adjustments for direct expenses and

commissions as we were unable to split out from total SG&A these expenses.

Currency Conversion

We made currency conversions into U.S. dollars based on the official exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank.

Section 773A(a) of the Act directs the Department to convert foreign currencies based on the dollar exchange rate in effect on the date of sale of the subject merchandise, except if it is established that a currency transaction on forward markets is directly linked to an export sale. When a company demonstrates that a sale on forward markets is directly linked to a particular export sale in order to minimize its exposure to exchange rate losses, the Department will use the rate of exchange in the forward currency sale agreement.

Section 773A(a) also 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. It is the Department's practice to find that a fluctuation exists when the daily exchange rate differs from the benchmark rate by 2.25 percent. The benchmark is defined as the moving average of rates for the past 40 business days. When we determine a fluctuation to have existed, we substitute the benchmark rate for the daily rate, in accordance with established practice. Further, section 773A(b) directs the Department to allow a 60-day adjustment period when a currency has undergone a sustained movement. A sustained movement has occurred when the weekly average of actual daily rates exceeds the weekly average of benchmark rates by more than five percent for eight consecutive weeks. (For an explanation of this method, Policy Bulletin 96-1: Currency Conversions (61 FR 9434, March 8, 1996)). Such an adjustment period is required only when a foreign currency is appreciating against the U.S. dollar. The use of an adjustment period was not warranted in this case because the New Taiwan dollar did not undergo a sustained movement.

Critical Circumstances

The petition contained a timely allegation that there is a reasonable basis to believe or suspect that critical circumstances exist with respect to imports of subject merchandise. Section 733(e)(1) of the Act provides that the Department will determine that there is a reasonable basis to believe or suspect that critical circumstances exist if: (A)(i)

there is a history of dumping and material injury by reason of dumped imports in the United States or elsewhere of the subject merchandise, or (ii) the person by whom, or for whose account, the merchandise was imported knows or should have known that the exporter was selling the subject merchandise at less than its fair value and that there was likely to be material injury by reason of such sales, and (B) there have been massive imports of the subject merchandise over a relatively short period.

To determine that there is a history of dumping of the subject merchandise, the Department normally considers evidence of an existing antidumping duty order on CRN in the United States or elsewhere to be sufficient. See e.g., Preliminary Determinations of Critical Circumstances: Brake Drums and Rotors from the People's Republic of China, 61 FR 55269 (Oct. 25, 1996); Notice of Final Determinations of Sales at Less Than Fair Value: Brake Drums and Rotors from the People's Republic of China, 62 FR 9160 (Feb. 28, 1997). Currently, no countries have outstanding antidumping duty orders on CRN from Taiwan. The petitioner alleged a history of dumping based upon antidumping orders on steel wire nails from Korea and the People's Republic of China, both of which covered CRN. See Certain Steel Wire Nails From Korea; Final Results of Changed Circumstances Administrative Review and Revocation of Antidumping Duty Order, 50 FR 40045 (Oct. 1, 1985); Final Results of Changed Circumstances Administrative Review and Revocation of Antidumping Duty Order; Certain Steel Wire Nails from The People's Republic of China, 52 FR 33463 (Sept. 3, 1987). We preliminarily determine that these antidumping orders are not a sufficient basis to find a history of dumping because both orders were revoked several years ago. However, we will consider this issue further for the final determination and we invite interested parties to comment on the issue.

In determining whether an importer knew or should have known that the exporter was selling subject merchandise at less than fair value and thereby causing material injury, the Department normally considers margins over 15% for EP sales and 25% for CEP sales to impute knowledge of dumping and of resultant material injury. Brake Drums and Rotors, 62 FR at 9164-65. In this investigation, none of the exporters/manufacturers has a margin over 15% for EP sales or 25% for CEP sales. Based on these facts, we determine that the first criterion for ascertaining whether

or not critical circumstances exist is not satisfied. Therefore, we have not analyzed the shipment data for any of these companies to examine whether imports of CRN have been massive over a relatively short period. Thus, because neither alternative of the first criterion has been met, we preliminarily determine that there is no reasonable basis to believe or suspect that critical circumstances exist with respect to exports of CRN from Taiwan by Unicatch, Lei Chu, Romp, and S&J.

Regarding all other exporters, because we do not find that critical circumstances exist for any of the investigated companies, we also determine that critical circumstances do not exist for companies covered by the "All Others" rate.

We will make a final determination concerning critical circumstances when we make our final determination in this investigation, if the final determination is affirmative.

Verification

As provided in section 782(i) of the Act, we will verify all information determined to be acceptable for use in making our final determination.

Suspension of Liquidation

In accordance with section 733(d) of the Act, we are directing the Customs Service to suspend liquidation of all imports of subject merchandise—except those exported by Unicatch or Lei Chu—that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. We will instruct the Customs Service to require a cash deposit or the posting of a bond equal to the weighted-average amount by which the NV exceeds the export price, as indicated in the chart below. These suspension of liquidation instructions will remain in effect until further notice. The weighted-average dumping margins are as follows:

Exporter/manufacturer	Weighted-average margin percentage
Unicatch	0
Lei Chu	4.38
Romp	6.09
S&J	6.21
K. Ticho	40.28
All Others	5.39

Pursuant to section 735(c)(5)(A) of the Act, the Department has excluded zero margins and the margin determined entirely under section 776 of the Act from the calculation of the "All Others Rate."

ITC Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our determination. If our final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after our final determination whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

Public Comment

Case briefs or other written comments in at least ten copies must be submitted to the Assistant Secretary for Import Administration no later than July 30, 1997, and rebuttal briefs, no later than August 6, 1997. A list of authorities used and an executive summary of issues should accompany any briefs submitted to the Department. Such summary should be limited to five pages total, including footnotes. In accordance with section 774 of the Act, we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. Tentatively, the hearing will be held on August 7th, at 9:00 a.m. in Room 1412 at the U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time.

Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, within ten days of the publication of this notice. Requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs. If this investigation proceeds normally, we will make our final determination by 135 days after the publication of this notice in the **Federal Register**.

This determination is published pursuant to section 733(d) of the Act.

Dated: May 5, 1997.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 97-12395 Filed 5-9-97; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE
International Trade Administration
[A-201-504]
Porcelain-on-Steel Cookware From Mexico: Notice of Final Results of Antidumping Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of final results of antidumping duty administrative review.

SUMMARY: On November 24, 1995, the Department of Commerce (the Department) published the preliminary results of its administrative review of the antidumping duty order on porcelain-on-steel (POS) cookware from Mexico. This review covers the period December 1, 1993, through November 30, 1994.

We gave interested parties an opportunity to comment on the preliminary results. Based on our analysis of the comments received and the correction of certain clerical and computer program errors, we have changed the preliminary results, as described below in the comments section of this notice.

EFFECTIVE DATE: May 12, 1997.

FOR FURTHER INFORMATION CONTACT: Katherine Johnson or Mary Jenkins, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone, (202) 482-4929 or (202) 482-1756, respectively.

SUPPLEMENTARY INFORMATION:
Background

On November 24, 1995, the Department published in the **Federal Register** the Notice of Preliminary Results of Administrative Review: Porcelain-on-Steel Cookware from Mexico (60 FR 58044) (Preliminary Results). The Department has now completed that administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

Scope of the Review

The merchandise covered by this review is porcelain-on-steel cookware, including tea kettles that 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 entering under HTSUS subheading 7323.94.00.30 is not subject to the order. Although the HTSUS subheadings are provided for convenience and Customs purposes, our written description of the scope of this proceeding is dispositive.

The period of review (POR) is December 1, 1993, to November 30, 1994. The review covers one manufacturer/exporter of Mexican POS cookware, Cinsa, S.A. de C.V. (Cinsa).

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute and to the Department's regulations are in reference to the provisions as they existed on December 31, 1994.

Product Comparisons

In accordance with the Department's standard methodology, we calculated transaction-specific U.S. prices for Cinsa based on purchase price (PP), and compared these U.S. sales to foreign market values (FMVs) based on either monthly weighted-average home market prices or constructed value (CV). For price-to-price comparisons, we made comparisons based on the following product characteristics: gauge (*i.e.*, whether heavy or light), quality, product configuration/size (*e.g.*, frying pan, roaster), number of enamel coats, and color.

We have determined that heavy gauge (HG) and light gauge (LG) cookware are not such or similar merchandise (*see Final Analysis Changes for the 8th Review of Porcelain-on-Steel Cookware from Mexico*, Memorandum from the Team to Louis Apple, Acting Director, Group II, AD/CVD Enforcement dated February 21, 1997, (*Final Analysis Memorandum*)). For this reason, and because Cinsa made no home market sales of HG merchandise and there were no CV data on the record for Cinsa's sales of HG merchandise, we assigned these HG sales the weighted average of all margins calculated for Cinsa's U.S. sales of LG cookware. *See Comments 1-4.*

Verification

As provided in section 776(b) of the Tariff Act, we verified information provided by Cinsa using standard verification procedures, including onsite inspection of the manufacturers' facilities, the examination of relevant sales and financial records, and selection of original documentation containing relevant information. Although primarily engaged in the production and sale of LG cookware,