

351.310(c). Any hearing, if requested, will be held on October 20, 1999. Interested parties may submit case briefs no later than October 11, 1999, in accordance with 19 CFR

351.309(c)(1)(i). Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than October 18, 1999. The Department will issue a notice of final results of this sunset review, which will include the results of its analysis of issues raised in any such comments, no later than December 28, 1999.

This five-year ("sunset") review and notice are in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: August 20, 1999.

**Joseph A. Spetrini,**

*Acting Assistant Secretary for Import Administration.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-122-601]

#### Preliminary Results of Full Sunset Review: Brass Sheet and Strip From Canada

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

**ACTION:** Notice of Preliminary Results of Full Sunset Review: Brass Sheet and Strip from Canada.

**SUMMARY:** On February 1, 1999, the Department of Commerce ("the Department") initiated a sunset review of the antidumping duty order on brass sheet and strip from Canada (64 FR 4840) pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"). On the basis of a notice of intent to participate filed on behalf of domestic interested parties and adequate substantive responses filed on behalf of domestic interested parties and respondent interested parties, the Department determined to conduct a full review. As a result of this review, the Department preliminarily finds that revocation of the antidumping duty order would be likely to lead to continuation or recurrence of dumping at the levels indicated in the *Preliminary Results of Review* section of this notice.

**FOR FURTHER INFORMATION CONTACT:**

Scott E. Smith or Melissa G. Skinner, Office of Policy for Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street & Constitution

Avenue, NW, Washington, D.C. 20230; telephone: (202) 482-5050 or (202) 482-1560, respectively.

**EFFECTIVE DATE:** August 26, 1999.

#### Statute and Regulations

This review is being conducted pursuant to sections 751(c) and 752 of the Act. The Department's procedures for the conduct of sunset reviews are set forth in *Procedures for Conducting Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders*, 63 FR 13516 (March 20, 1998) ("Sunset Regulations"). Guidance on methodological or analytical issues relevant to the Department's conduct of sunset reviews is set forth in the Department's Policy Bulletin 98:3—*Policies Regarding the Conduct of Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders; Policy Bulletin*, 63 FR 18871 (April 16, 1998) ("Sunset Policy Bulletin").

#### Scope

Imports covered by this order are shipments of brass sheet and strip, other than leaded or tinned, from Canada. The chemical composition of the subject merchandise is defined in the Copper Development Association (C.D.A.) 200 Series or the Unified Numbering System (U.N.S.) C2000 Series. This order does not cover products the chemical compositions of which are defined by other C.D.A. or U.N.S. series. In physical dimensions, the products covered by this order have a solid rectangular cross section over 0.006 inches (0.15 millimeters) through 0.188 inches (4.8 millimeters) in finished thickness or gauge, regardless of width. Coiled, wound-on-reels (traverse wound), and cut-to-length products are included. The merchandise is currently classifiable under item numbers 7409.21.00 and 7409.29.00 of the Harmonized Tariff Schedule of the United States ("HTS"). The HTS item numbers are provided for convenience and customs purposes only. The written description remains dispositive.

On February 28, 1990, the Department determined that Arrowhead Metals Limited ("Arrowhead") had officially gone out of business and, therefore, would no longer be subject to the order (55 FR 39682, September 28, 1990). On November 8, 1991, the Department revoked the order with regard to Ratcliffs/Severn Limited ("Ratcliffs") (56 FR 57317, November 8, 1991). Finally, on May 13, 1992, the Department determined that Wolverine Tube, Inc. ("Wolverine") had acquired the production facilities of Noranda Metals, Inc. ("Noranda") and, therefore,

had become the successor-in-interest to Noranda (57 FR 20460, May 13, 1992). Only Arrowhead and Noranda were involved in the original investigation. Due to the revocations of the order for Arrowhead and Ratcliffs, Wolverine is currently the only company subject to the order.

#### History of the Order

The antidumping duty order on brass sheet and strip from Canada was published in the **Federal Register** on January 12, 1987 (52 FR 1217). During the original investigation, the Department calculated a dumping margin of 2.51 percent for Arrowhead and 11.54 percent for Noranda. The Department also established an all others rate of 8.10 percent.

Since that time the Department has conducted eight administrative reviews of this order.<sup>6</sup> On May 13, 1992, the Department determined that Wolverine was the successor-in-interest to Noranda (57 FR 20460). As discussed in the section above, the only known producer/exporter currently subject to the order is Wolverine. The Department notes that, to date, there have been no duty absorption findings in this proceeding.

#### Background

On February 1, 1999, the Department initiated a sunset review of the antidumping duty order on brass sheet and strip from Canada (64 FR 4840) pursuant to section 751(c) of the Act. On February 16, 1999, the Department received a Notice of Intent to Participate on behalf of the Heyco Metals, Inc., Hussey Copper Ltd., Olin Corporation-Brass Group, Outokumpu American Brass, PMX Industries, Inc., Revere Copper Products, Inc., the International Association of Machinists and Aerospace Workers, the United Auto

<sup>6</sup> See *Brass Sheet and Strip from Canada; Final Results of Antidumping Duty Administrative Review*, 55 FR 31414 (August 2, 1990); *Brass Sheet and Strip from Canada; Final Results and Revocation, in Part, of Antidumping Duty Administrative Review*, 56 FR 57317 (November 8, 1991); *Brass Sheet and Strip from Canada; Final Results of Antidumping Duty Administrative Review*, 57 FR 20460 (May 13, 1992) ("1990 Review Final"); *Brass Sheet and Strip from Canada; Final Results of Antidumping Duty Administrative Review*, 60 FR 49582 (September 26, 1995); *Brass Sheet and Strip from Canada; Final Results of Antidumping Duty Administrative Review*, 61 FR 46618 (September 4, 1996); *Brass Sheet and Strip from Canada; Final Results of Antidumping Duty Administrative Review*, 62 FR 16759 (April 8, 1997); *Brass Sheet and Strip from Canada; Final Results of Antidumping Duty Administrative Review*, 63 FR 33037 (January 17, 1998); and *Brass Sheet and Strip from Canada; Final Results of Antidumping Duty Administrative Review and Notice of Intent Not To Revoke Order in Part*; issued on August 9, 1999, the expected date of publication in the **Federal Register** is August 24, 1999.

Workers, and the United Steelworkers of America (AFL-CIO/CLC) (collectively, "the domestic interested parties"), within the applicable deadline specified in section 351.218(d)(1)(i) of the *Sunset Regulations*. The domestic interested parties claimed interested party status under sections 771(9)(C) and (D) of the Act as U.S. brass mills, rerollers, and unions whose workers are engaged in the production of subject brass sheet and strip in the United States. We received a complete substantive response to the notice of initiation from the domestic interested parties on March 3, 1999. We received a complete substantive response on behalf of Wolverine on March 4, 1999. In its substantive response, Wolverine, a Canadian producer of brass sheet and strip, claimed interested party status under section 771(9)(A) of the Act. We received rebuttal responses on behalf of both the domestic interested parties and Wolverine on March 12, 1999.

Using the Department's trade statistics, the United States Census Bureau's IM146 Reports, and the information provided by Wolverine concerning its exports to the United States, and the fact that Wolverine is the only company still subject to the order, the Department determined that Wolverine accounted for significantly more than 50 percent of the value of total exports of the subject merchandise over the five calendar years preceding the initiation of the sunset review. Therefore, the Department determined that respondent interested parties provided an adequate response to the notice of initiation, and the Department determined to conduct a full (240 day) sunset review in accordance with section 351.218(e)(2)(i) of the *Sunset Regulations*.

The Department determined that the sunset review of the antidumping duty order on brass sheet and strip from Canada is extraordinarily complicated. In accordance with section 751(c)(5)(C)(v) of the Act, the Department may treat a review as extraordinarily complicated if it is a review of a transition order (i.e., an order in effect on January 1, 1995). (See section 751(c)(6)(C) of the Act.) Therefore, on May 21, 1999, the Department extended the time limit for completion of the preliminary results of this review until not later than August 20, 1999, in accordance with section 751(c)(5)(B) of the Act.<sup>1</sup> The

Department, therefore, intends to issue the final results of this review not later than December 28, 1999.

#### Determination

In accordance with section 751(c)(1) of the Act, the Department is conducting this review to determine whether revocation of the antidumping duty order would be likely to lead to continuation or recurrence of dumping. Section 752(b) of the Act provides that, in making this determination, the Department shall consider the weighted-average dumping margins determined in the original investigation and subsequent reviews and the volume of imports of the subject merchandise for the period before and the period after the issuance of the antidumping duty order, and shall provide to the International Trade Commission ("the Commission") the magnitude of the margin of dumping likely to prevail if the order is revoked.

The Department's preliminary determinations concerning continuation or recurrence of dumping and magnitude of the margin likely to prevail are discussed below. In addition, parties' comments with respect to continuation or recurrence of dumping and the magnitude of the margin likely to prevail are addressed within the respective sections below.

#### Continuation or Recurrence of Dumping

##### Parties' Comments

In its substantive response, the domestic interested parties state that it is highly likely that dumping would continue if the order were revoked. (See Substantive Response of the Domestic Interested Parties of March 3, 1999 at 31.) The domestic interested parties recognize that, currently, only Wolverine is subject to the order.

With respect to whether imports of the subject merchandise have either fallen dramatically or ceased following imposition of the antidumping duty order, the domestic interested parties argue that imports of the subject merchandise from Canada declined significantly. To illustrate this, the domestic interested parties state that from 1983 to 1985, the three years before imposition of the order, Canadian imports of brass sheet and strip averaged 10.2 million pounds. However, in 1987, the year immediately after the imposition of the order, Canadian imports fell to 6.8 million pounds and only averaged approximately 7 million pounds for the period from 1987 to 1989. (See Substantive Response of the Domestic Interested Parties at 35–36.)

Additionally, the domestic interested parties argue that the increase in the dumping margins for Arrowhead and Noranda in 1990 caused imports to fall from roughly 6 million pounds in 1989 to below 2 million pounds in 1990. The domestic interested parties also argue that the only reason for the later reduction in Wolverine's margins (to *de minimis* levels) was due to the fact that it was only selling modest volumes of subject brass sheet and strip in the United States. (See Substantive Response of the Domestic Interested Parties of March 3, 1999 at 36.) Finally, the domestic industry claims that imports of brass sheet and strip from Canada have risen by 11 million pounds in 1998 and that they believe Wolverine resumed significant volumes and dumping of exports of the subject merchandise to the United States in the belief that revocation would occur in mid-1998.

In conclusion, the domestic interested parties argue that the behavior of Canadian producers and exporters, specifically Wolverine, indicates that commercially significant volumes of brass sheet and strip cannot be sold in the United States without dumping.

Wolverine, in its substantive response of March 4, 1999, argues that it is in a very unique position, as compared to other companies in other sunset reviews of antidumping duty orders. The reason for this is that, according to the company, the Department has found a *de minimis* dumping margin for Wolverine in the preliminary and final results of each administrative review conducted by the Department since the 1993.<sup>2</sup> Furthermore, Wolverine argues that, were it not for the Department's error in the final results of the 1996 administrative review which resulted in a dumping margin in excess of *de minimis*, the Department likely would have revoked the order with respect to Wolverine in the final results. Between the preliminary results of the 1996 administrative review, in which the

<sup>2</sup> See *Brass Sheet and Strip from Canada; Preliminary Results of Antidumping Duty Administrative Review*, 61 FR 1560 (January 22, 1996); *Brass Sheet and Strip from Canada; Final Results of Antidumping Duty Administrative Review*, 61 FR 46618 (September 4, 1996); *Brass Sheet and Strip from Canada; Final Results of Antidumping Duty Administrative Review*, 62 FR 16759 (April 8, 1997); *Brass Sheet and Strip from Canada; Preliminary Results of Antidumping Duty Administrative Review*, 64 FR 6039 (February 8, 1999). In April 1999, the Department granted Wolverine's request to terminate the 1993 administrative review (63 FR 23269). In the final results of the 1996 administrative review, the Department calculated an above *de minimis* margin for Wolverine. However, the final results of the 1996 administrative review are currently being reviewed by a NAFTA Dispute Resolution Panel.

<sup>1</sup> See *Brass Sheet and Strip From Canada, Brass Sheet and Strip From the Netherlands, Porcelain-on-Steel Cooking Ware From Mexico, Porcelain-on-Steel Cooking Ware From Mexico: Extension of Time Limit for Preliminary Results of Five-Year Reviews*, 64 FR 28983 (May 28, 1999).

Department preliminarily determined to revoke the order with respect to Wolverine, and the final results of that review, the Department collected no additional information that would cause the preliminary results to change and, therefore, according to Wolverine, the order should have been revoked.

Furthermore, Wolverine provided, in the course of this sunset review, additional information in support of its proposition that dumping is unlikely to resume if Wolverine were revoked from the order. Wolverine asserts that it services small customers that require small quantities of a variety of products and that its "market niche" in North America appears to be largely saturated. Wolverine argues that its production capacity is limited and that it has no excess capacity to use to manufacture additional subject merchandise for export to the United States. In addition, Wolverine contends that its budgeting and marketing processes are focused on the development of non-subject merchandise and increasing Canadian sales. Lastly, Wolverine asserts that its sales process incorporates monitoring to ensure against future dumping.

In rebuttal, the domestic interested parties argue that Wolverine has shipped very small volumes of subject merchandise to the United States over the past several years and that these volumes are far below the total volume of imports of subject merchandise from Canada around the time of the imposition of the order. The domestic interested parties further argue that the Department's preliminary determination in the 1996 administrative review should not be relied upon in making sunset determinations. Furthermore, the domestic interested parties argue that the 0.67 percent dumping margin found in the 1996 administrative review should stand, despite the Department's admission of error in the calculation of Wolverine's dumping margin.

In summation, the domestic interested parties argue that the Department should conclude that revocation of the Canadian antidumping duty order would likely lead to continuation or recurrence of dumping. The domestic interested parties assert that both Noranda and Wolverine persisted in dumping at increased rates for several years after the order entered into force and Wolverine has managed to obtain *de minimis* or zero dumping margins only in periods when it has had U.S. sales volumes so low as to not be in commercial quantities. Because of this, the domestic interested parties argue that the Department should find a likelihood of continuation or recurrence of dumping.

In its rebuttal comments, Wolverine argue that it has sold and continues to sell commercially meaningful and increasing volumes of subject merchandise in the United States without dumping. Wolverines further argues that the Department has determined, in previous administrative reviews, that Wolverine's sales in the United States are of commercially meaningful volumes. Wolverine also asserts that 13-year old dumping margins from the investigation in this proceeding are logically, factually, and legally irrelevant. Wolverine asserts that prior to its acquisition of Noranda's Fergus facility in 1988, it (Wolverine) had no legal or managerial responsibility for the Fergus plant. Thus, Noranda's pricing policies and costs of production, presumably reflected in the Department's calculation of Noranda's dumping margin in the investigation, have no relevance to Wolverine's dumping margins or the Department's sunset determination, with respect to likelihood of continuation or recurrence of dumping.

#### *Department's Determination*

Drawing on the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act ("URAA"), specifically the Statement of Administrative Action ("the SAA"), H.R. Doc. No. 103-316, vol. 1 (1994), the House Report, H.R. Rep. No. 103-826, pt.1 (1994), and the Senate Report, S. Rep. No. 103-412 (1994), the Department issued its *Sunset Policy Bulletin* providing guidance on methodological and analytical issues, including the basis for likelihood determinations. The Department clarified that determinations of likelihood will be made on an order-wide basis (see section II.A.2 of the *Sunset Policy Bulletin*). Additionally, the Department normally will determine that revocation of an antidumping duty order is likely to lead to continuation or recurrence of dumping where (a) dumping continued at any level above *de minimis* after the issuance of the order, (b) imports of the subject merchandise ceased after the issuance of the order, or (c) dumping was eliminated after the issuance of the order and import volumes for the subject merchandise declined significantly (see section II.A.3. of the *Sunset Policy Bulletin*).

As discussed in section II.A.3 of the *Sunset Policy Bulletin*, the SAA at 890, and the House Report at 63-64, the existence of dumping margins after the order, or the cessation of imports after the order, is highly probative of the

likelihood of continuation or recurrence of dumping. If companies continue to dump with the discipline of an order in place, it is reasonable to assume that dumping would continue if the discipline were revoked. If imports cease after the order is issued, it is reasonable to assume that the exporters could not sell in the United States without dumping and that, to reenter the U.S. market, they would have to resume dumping.

On August 9, 1999, the Department issued its final results of the 1997 administrative review.<sup>3</sup> In that determination, the Department found an above *de minimis* dumping margin of 0.71 percent for Wolverine. As discussed in section II.A.3. of the *Sunset Policy Bulletin*, the SAA at 890, and the House Report at 63-64, if companies continue dumping with the discipline of an order in place, the Department may reasonably infer that dumping would continue if the discipline were removed.

With respect to whether imports of the subject merchandise ceased following the imposition of the order, the Department has reviewed the U.S. Census Bureau IM146 Reports, the final results and publicly ranged import volumes from previous administrative reviews, and participants' submissions in this sunset review. Based on these sources, we find that imports of subject merchandise have existed throughout the life of the order, and continue to exist.<sup>4</sup> However, an examination of this information demonstrates a significant decrease in the import volumes of subject merchandise during the periods in which the Department calculated *de minimis* dumping margins for Wolverine compared with the periods in which Wolverine had significant dumping margins. The Department finds that such a situation may indicate that Wolverine was only able to eliminate dumping by significantly reducing its exports of subject merchandise to the United States (see Memo to File, Re: Import Volumes of Brass Sheet and Strip from Canada, dated August 19, 1999).

Based on this analysis, the Department finds that the existence of dumping margins after the issuance of the order is highly probative of the likelihood of continuation or recurrence

<sup>3</sup> This determination was issued on August 9, 1999, however, it has not yet been published. The expected date of publication in the *Federal Register* is August 24, 1999.

<sup>4</sup> The Department notes, as stated in *Brass Sheet and Strip from Canada: Final Results of Antidumping Duty Administrative Review*, 57 FR 20460 (May 13, 1992), that there were no imports of subject merchandise from Noranda/Wolverine during calendar year 1990.

of dumping. A deposit rate above a *de minimis* level continues in effect for imports of the subject merchandise from the only known Canadian producer/exporter. Therefore, given that dumping has continued during the life of the order, the Department preliminarily determines that dumping is likely to continue if the order were revoked.

Because the Department is basing its likelihood determination on the continued existence of above *de minimis* dumping margins and continued imports of the subject merchandise, it is not necessary to address parties' comments concerning the reduction in import volumes of the subject merchandise over the life of the order, the *de minimis* dumping margins found by the Department in previous administrative reviews, Wolverine's budgeting and marketing process, its market demographics, or its sales monitoring program.

### Magnitude of the Margin

#### Parties' Comments

In its substantive and rebuttal responses, the domestic interested parties assert that a dumping margin of 25.49 percent, from the 1992 administrative review, is likely to prevail if the order were to be revoked because it was calculated based upon the Department's first analysis of Wolverine's data after Wolverine had taken over Noranda's Fergus facility and because it is the highest margin calculated by the Department for Wolverine. The domestic interested parties argue that in the three year period before the filing of the petition (1983–1985), imports of brass sheet and strip from Canada averaged 10.2 million pounds annually. However, in the first full year following the imposition of the order (1987), imports from Canada fell to 6.8 million pounds. Since 1990, import volumes of the subject merchandise have remained below 2 million pounds. The domestic interested parties further argue that the *de minimis* margins obtained by Wolverine for the calendar years 1995, 1996, and 1997, have only been achieved through a substantial reduction in its exports of the subject merchandise.

The domestic interested parties claim, however, that in 1998, imports of brass sheet and strip surged by 11 million pounds. It asserts that Wolverine resumed significant volumes and dumping of exports of the subject merchandise to the United States in the belief that revocation would occur in mid-1998. Based on these factors, the domestic interested parties assert that

this apparent pattern of behavior by Wolverine is indicative of the fact that Wolverine cannot sell any commercially meaningful volumes of the subject merchandise in the United States without dumping and, therefore, the report of a *de minimis* margin to the Commission would be inappropriate.

Wolverine, in its substantive and rebuttal responses, argues that the dumping margin likely to prevail if the order were to be revoked is zero. Wolverine asserts that it has demonstrated this to the Department in four consecutive administrative reviews. Further, they argue that the dumping margin established for Wolverine in the 1994 administrative review was based on the best information available and is in no way relevant to the dumping margin likely to prevail if the order were to be revoked. In addition, the 21.32 percent dumping margin calculated for Noranda and subsequently assigned to Wolverine in the 1990 administrative review also is inappropriate. Wolverine argues that Noranda's pricing policies and costs of production, presumably reflected in the Department's calculation of Noranda's dumping margin in the original investigation and subsequent two administrative reviews, have no relevance to Wolverine's dumping margins because Wolverine had no affiliation with Noranda at the time the 21.32 percent dumping margin was calculated.

#### Department's Determination

In the *Sunset Policy Bulletin*, the Department stated that it will normally provide to the Commission the margin that was determined in the final determination in the original investigation. Further, for companies not specifically investigated or for companies that did not begin shipping until after the order was issued, the Department normally will provide a margin based on the "all others" rate from the investigation. (See section II.B.1 of the *Sunset Policy Bulletin*.) Exceptions to this policy include the use of a more recently calculated margin, where appropriate, and consideration of duty absorption determinations. (See sections II.B.2 and 3 of the *Sunset Policy Bulletin*.)

The Department, in its final determination of sales at less than fair value, published weighted-average dumping margins for two producers/exporters of brass sheet and strip from Canada (51 FR 44319, December 9, 1986). The Department also published an "all others" rate in this determination. We note that, to date, the Department has not issued any duty absorption findings in this case.

The Department disagrees with the domestic interested parties, in part, concerning the dumping margin likely to prevail if the order were to be revoked. The domestic interested parties' argument, that the Department should use the 25.49 percent dumping margin from the 1992 administrative review because it is the first dumping margin calculated after the Department made a successor-in-interest determination (and is the highest dumping margin ever calculated in the proceeding) is inconsistent with the Department's "successorship" finding.

In the 1990 administrative review, the Department examined Wolverine's purchase of Noranda in order to make its "successorship" determination. See *1990 Review Final*, 57 FR at 20461. At issue in "successorship" cases is the appropriate rate to be assigned to entities affected by, for example, an acquisition of all or part of another company's assets, a transfer of another company's corporate control, or some other change which raises the questions of the company's status in the proceeding. In determining the appropriate rate, the Department examines the totality of circumstances. In the *1990 Review Final*, therefore, after considering all of the information on the record, the Department determined that Wolverine should receive the same cash deposit rate as Noranda because Wolverine was essentially the same business operation as Noranda. Specifically, the Department found that production facilities, essential personnel, customers, and management were transferred from Noranda to Wolverine without interruption. *Id.* Because the Department has previously determined that, at the time of the purchase of Noranda by Wolverine, there was no change in the business operations of the company, the domestic interested parties' argument that there is a distinction between Wolverine and Noranda for the purposes of dumping margin calculations provides insufficient reason for the Department to choose the "first" rate calculated for Wolverine as the dumping margin likely to prevail if the order were to be revoked.

With respect to the decreases in import volumes during the life of the order, the Department disagrees with the domestic industry's interpretation and evaluation. After an examination of the record in this proceeding as well as the submissions from the participants in this sunset review, the Department found that Wolverine is currently the only Canadian producer and/or exporter of the subject merchandise. Therefore, the Department finds that it would be

unreasonable to compare the present import volumes of Wolverine with the pre-order import volumes of two (or more) producers/exporters who were subject to the order in 1987. If this comparison were made, the Department would almost certainly find that total imports had decreased over the life of the order because there are fewer producers/exporters who are currently subject to the order. Because of this, the Department believes that it is more appropriate to examine all available import volumes for Wolverine (Noranda) over the life of the order.

With respect to the domestic interested parties' claims concerning the surge in imports in 1998, the Department is not persuaded by its argument. The Department agrees with Wolverine and the proprietary argument that it has made concerning this purported surge. As a result of the information concerning this increase in import volumes provided by both the domestic industry and Wolverine, the Department preliminarily finds that there was no surge in imports of subject merchandise from Wolverine in calendar year 1998 (see *Memo to File, Re: 1998 Import Volume Surge*, dated August 19, 1999).

However, the Department also disagrees with Wolverine's argument concerning the dumping margin likely to prevail. The Department finds that the existence of dumping margins after the issuance of the order is highly probative of the likelihood of continuation or recurrence of dumping. More importantly, a deposit rate above a *de minimis* level continues in effect for imports of the subject merchandise from Wolverine. Because a dumping margin above a *de minimis* level is currently in effect and because imports of the subject merchandise continue, we find the use of a zero dumping margin to be inappropriate to report to the Commission.

Furthermore, Wolverine's argument implies that the Department should report a more recently calculated dumping margin to the Commission. The Department disagrees with Wolverine's basis for this argument. According to the SAA at 890-91 and the House Report at 64, declining (or no) dumping margins accompanied by steady or increasing imports may indicate that companies do not have to dump in order to maintain market share. As a result, decreasing margins may be more representative of a company's behavior in the absence of the order. In the instant case, however, the zero or *de minimis* dumping margins have not been accompanied by steady or increasing imports. Instead, as noted

above, they have been associated with periods where Wolverine's imports were significantly below its imports in prior periods.

Based on the above analysis, the Department finds the margin from the original investigation is the only calculated rate that reflects the behavior of producers and exporters without the discipline of the order. Therefore, consistent with the *Sunset Policy Bulletin*, we preliminarily determine that the margin calculated in the Department's original investigation is probative of the behavior of Canadian producers and exporters of brass sheet and strip if the order were revoked. We will report to the Commission the company-specific and all others rates from the original investigation contained in the Preliminary Results of Review section of this notice.

#### Preliminary Results of Review

As a result of this review, the Department preliminarily finds that revocation of the order is likely to lead to continuation or recurrence of dumping at the margins listed below:<sup>5</sup>

| Manufacturer/Exporter           | Margin (percent) |
|---------------------------------|------------------|
| Wolverine (formerly Noranda) .. | 11.54            |
| All Others .....                | 8.10             |

Any interested party may request a hearing within 30 days of publication of this notice in accordance with 19 CFR 351.310(c). Any hearing, if requested, will be held on October 20, 1999. Interested parties may submit case briefs no later than October 11, 1999, in accordance with 19 CFR 351.309(c)(1)(i). Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than October 18, 1999. The Department will issue a notice of final results of this sunset review, which will include the results of its analysis of issues raised in any such comments, no later than December 28, 1999.

This five-year ("sunset") review and notice are in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: August 20, 1999.

**Joseph A. Spetrini,**

*Acting Assistant Secretary for Import Administration.*

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<sup>5</sup> On September 28, 1990, the Department acknowledged that Arrowhead had gone out of business (see *Brass Sheet and Strip From Canada; Termination in Part of Antidumping Duty Administrative Review*, 55 FR 39682 (September 28, 1990)).

## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-201-505]

#### Preliminary Results of Expedited Sunset Review: Porcelain-on-Steel Cooking Ware From Mexico

**AGENCY:** Import Administration, International Trade Administration, U.S. Department of Commerce.

**ACTION:** Notice of Preliminary Results of Expedited Sunset Review: Porcelain-on-Steel Cooking Ware from Mexico.

**SUMMARY:** On February 1, 1999, the Department of Commerce ("the Department") initiated a sunset review of the countervailing duty order on porcelain-on-steel cooking ware from Mexico pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"). On the basis of a notice of intent to participate filed on behalf of domestic interested parties and adequate substantive responses filed on behalf of domestic and respondent interested parties, the Department is conducting a full sunset review. As a result of this review, the Department preliminarily determines that revocation of the countervailing duty order would not be likely to lead to continuation or recurrence of a countervailing subsidy.

**FOR FURTHER INFORMATION CONTACT:** Martha V. Douthit or Melissa G. Skinner, Office of Policy for Import Administration, International Trade Administration, U.S. Department of Commerce, 14th St. & Constitution Ave., NW., Washington, D.C. 20230; telephone (202) 482-3207 or (202) 482-1560, respectively.

**EFFECTIVE DATE:** August 26, 1999.

#### Statute and Regulations

This review is being conducted pursuant to sections 751(c) and 752 of the Act. The Department's procedures for the conduct of sunset reviews are set forth in *Procedures for Conducting Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders*, 63 FR 13516 (March 20, 1998) ("Sunset Regulations"). Guidance on methodological or analytical issues relevant to the Department's conduct of sunset reviews is set forth in the Department's Policy Bulletin 98:3—*Policies Regarding the Conduct of Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders; Policy Bulletin*, 63 FR 18871 (April 16, 1998) ("Sunset Policy Bulletin").