

## DEPARTMENT OF COMMERCE

## International Trade Administration

[A-583-508]

**Final Results of Expedited Sunset Review: Porcelain-on-Steel Cooking Ware From Taiwan**

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

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

**SUMMARY:** On February 1, 1999, the Department of Commerce ("the Department") initiated a sunset review of the antidumping order on porcelain-on-steel ("POS") cooking ware from Taiwan 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 and adequate substantive response filed on behalf of a domestic interested party, and inadequate response (in this case, no response) from respondent interested parties, the Department is conducting an expedited review. As a result of this review, the Department finds that revocation of the antidumping order would be likely to lead to continuation or recurrence of dumping at the levels indicated in the Final Results of Review section of this notice.

**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) 482-5050 or (202) 482-1560, respectively.

**EFFECTIVE DATES:** September 17, 1999.

**Statute and Regulations**

These reviews were 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**

The product covered by this antidumping duty order is POS cooking ware from Taiwan 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. Kitchenware and teakettles are not subject to this order. The merchandise is currently classifiable under the HTS item 7323.94.00. The HTS subheading is provided for convenience and U.S. Customs purposes.

On October 30, 1996, Cost Plus, Inc.'s 10 piece porcelain-on-steel fondue set was found to be within the scope of the order (see *Notice of Scope Rulings*, 62 FR 9176 (February 28, 1992)).

On August 18, 1995, Blair Corporation's Blair cooking ware items #1101 (seven piece cookware set), #271911 (eight-quart stock pot), and #271921 (twelve-quart stock pot) were found to be outside the scope of the order (see *Notice of Scope Rulings*, 60 FR 36782 (July 18, 1995)).

On September 3, 1992, in response to a request from Mr. Stove Ltd., stove top grills and drip pans were found to be outside the scope of the order (see *Notice of Scope Rulings*, 57 FR 57420 (December 4, 1992)).

On September 25, 1992, in response to a request from Metrokane Inc., the "Pasta Time" pasta cooker was found to be within the scope of the order (see *Notice of Scope Rulings*, 57 FR 57420 (December 4, 1992)).

On August 23, 1990, in response to a request from RSVP, BBQ grill baskets were found to be outside the scope of the order (see *Notice of Scope Rulings*, 55 FR 43020 (October 25, 1990)).

**History of the Order**

On October 10, 1986, the Department issued a final determination of sales at less-than-fair value on imports of POS cooking ware from Taiwan.<sup>1</sup> On December 2, 1986, the antidumping duty order for POS cooking from Taiwan was published in the **Federal Register** (51 FR 43416).

In the original investigation, the Department found dumping margins that ranged from 1.99 percent to 23.12 percent for six Taiwanese producers and exporters of the subject merchandise. With the exception of one changed circumstance review, there have been no administrative reviews of this order.<sup>2</sup>

<sup>1</sup> See *Porcelain-On-Steel Cooking Ware from Taiwan: Final Determination of Sales at Less-Than-Fair Value*, 51 FR 36425 (October 10, 1986).

<sup>2</sup> See *Porcelain-on-Steel Cooking Ware from Taiwan: Final Results of Changed Circumstances Antidumping Duty Administrative Review*, and

The antidumping duty order remains in effect for all producers and exporters of POS cooking ware from Taiwan.

**Background**

On February 1, 1999, the Department initiated sunset reviews of the antidumping duty orders on POS cooking ware from Taiwan pursuant to section 751(c) of the Act. On February 16, 1999 we received a Notice of Intent to Participate on behalf of a domestic interested party, Columbian Home Products, LLC ("CHP"), within the deadline specified in section 351.218(d)(1)(i) of the *Sunset Regulations*. On March 3, 1999, the Department received a complete substantive response from CHP within the deadline specified in section 351.218(d)(3)(i) of the *Sunset Regulations*. CHP claimed interested party status under section 771(9)(C) of the Act, as a U.S. producer of POS cooking ware. CHP asserts that it is the sole domestic producer of POS cooking ware.

We did not receive any response from respondent interested parties in this review. As a result, and in accordance with our regulations (19 CFR § 351.218(e)(1)(ii)(C)(2)) we are conducting an expedited review.

The Department determined that the sunset review of the antidumping duty order on POS cooking ware from Taiwan 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 June 7, 1999, the Department extended the time limit for completion of final results of this review until no later than August 30, 1999, in accordance with section 751(c)(5)(B) of the Act.<sup>3</sup>

**Determination**

In accordance with section 751(c)(1) of the Act, the Department conducted this review to determine whether revocation of the antidumping order would be likely to lead to continuation or recurrence of dumping. Section 752(c)(1) of the Act provides that, in making this determination, the Department shall consider the weighted-average dumping margins determined in the investigation and subsequent reviews and the volume of imports of the subject merchandise for the period

*Revocation in Part of Antidumping Duty Order*, 62 FR 10024 (March 5, 1997).

<sup>3</sup> See *Notice of Extension of Time Limit for Final Results of Five-Year ("Sunset") Reviews*, 64 FR 30305 (June 7, 1999).

before and the period after the issuance of the antidumping order. Pursuant to section 752(c)(3) of the Act, the Department 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 determinations concerning continuation or recurrence of dumping and magnitude of the margin are discussed below. In addition, CHP's comments with respect to the continuation or recurrence of dumping and the magnitude of the margin are addressed within the respective sections below.

### Continuation or Recurrence of Dumping

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 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*).

In addition to considering the guidance on likelihood cited above, section 751(c)(4)(B) of the Act provides that the Department shall determine that revocation of an order is likely to lead to continuation or recurrence of dumping where a respondent interested party waives its participation in the sunset review. In the instant review, the Department did not receive a response from any respondent interested party. Pursuant to section 351.218(d)(2)(iii) of the *Sunset Regulations*, this constitutes a waiver of participation.

In its substantive response, CHP argues that dumping would be likely to continue or recur if the antidumping

duty order on POS cooking ware from Taiwan were revoked. CHP argues that the relationship between dumping margins and import volumes strongly suggests that dumping will continue at significant margins if the orders were revoked.

CHP argues that in the Department's final determination of sales at less-than-fair-value, six producers/exporters of POS cooking ware from Taiwan were assigned dumping margins ranging from 1.99 to 23.12 percent. CHP asserts that each of these margins are above the 0.5 percent *de minimis* standard applied in sunset reviews, and these dumping margins continue to exist.

With respect to imports of the subject merchandise from Taiwan, CHP argues that imports have decreased significantly since the antidumping duty order was put in place. Citing the Department's Bureau of Census import trade statistics, CHP argues that since the imposition of the order, imports from Taiwan declined by 75 percent. Further, CHP argues that in the most recent five years (1994 to 1998), imports declined by more than 60 percent, from 4,293 (thousand units) to 1,643 (thousand units).<sup>4</sup>

In conclusion, CHP argues that a decrease in import volume after the issuance of the order, coupled with the continuation of dumping margins above *de minimis* levels, is probative that producers and exporters of POS cooking ware from Taiwan will continue to dump if the order were revoked. Therefore, CHP maintains that the Department should determine that there is a likelihood of the continuation of dumping of POS cooking ware from Taiwan if the order were revoked.

As discussed in section II.A.3 of the *Sunset Policy Bulletin*, the SAA at 890, and the House Report at 63-64, existence of dumping margins 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, the Department may reasonably infer that dumping would continue if the discipline of the order were revoked. Dumping margins above *de minimis* levels continue to exist for companies subject to this order. Therefore, given that dumping above *de minimis* continued over the life of the orders, imports decreased significantly after the order, respondent interested parties waived their right to participate in the instant reviews, and absent argument and evidence to the contrary, the Department determines that dumping

<sup>4</sup> See CHP's Substantive Response, March 3, 1999, Attachment 1.

would likely continue if the order were revoked for POS cooking ware from Taiwan.

### Magnitude of the Margin

In the *Sunset Policy Bulletin*, the Department stated that, consistent with the SAA and House Report, the Department will provide to the Commission the company-specific margins from the investigation because that is the only calculated rate that reflects the behavior of exporters without the discipline of an order. 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*.) We note that, to date, we have not issued any duty absorption finding in these cases.

In its substantive response, CHP urges the Department to follow the guidance of the SAA and its stated policy and provide to the Commission the margins from the original investigation.

CHP argues that the Department should apply the rates from the original investigation because they are the only rates available to the Department, given that there have been no administrative reviews of this order.

We agree with CHP. Absent argument and evidence to the contrary, we find that the margins calculated in the original investigation are probative of the behavior of Taiwanese producers/exporters if the order were revoked. Therefore, we will report to the Commission the margins contained in the *Final Results of Review* of this notice.

### Final Results of Review

As a result of this review, the Department finds that revocation of the antidumping order would be likely to lead to continuation or recurrence of dumping at the levels indicated below.

Manufacturer/exporter	Margin (percent)
First Enamel Industrial Corp.	9.04
Tian Shine Enterprise Co., Ltd. ....	1.99
Tou Tien Metal (Taiwan) Co., Ltd. ....	2.67
Li-Fong Industrial Corp. ....	2.63
Li-Mow Enamelling Co., Ltd. ....	6.48
Receive Will Industry Co., Ltd. ....	23.12

Manufacturer/exporter	Margin (percent)
All Others .....	6.82

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305 of the Department's regulations. Timely notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

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

Dated: August 27, 1999.

**Bernard T. Carreau,**

*Acting Assistant Secretary for Import Administration.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-122-814]

#### Pure Magnesium From Canada; Final Results of Antidumping Duty Administrative Review and Determination Not to Revoke Order in Part

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

**ACTION:** Notice of final results of administrative review and determination not to revoke order in part.

**SUMMARY:** On May 11, 1999, the Department of Commerce published the preliminary results of the administrative review of the antidumping duty order on pure magnesium from Canada and its notice of intent not to revoke the order with respect to pure magnesium produced by Norsk Hydro Canada Inc. We gave interested parties an opportunity to comment on the preliminary results. Based on our analysis of the comments received, we have made certain changes for the final results.

This review covers one producer/exporter of pure magnesium to the United States during the period August 1, 1997, through July 31, 1998. The review indicates no dumping margins during the review period.

**EFFECTIVE DATE:** September 17, 1999.

**FOR FURTHER INFORMATION CONTACT:** Zak Smith, Import Administration, AD/CVD Enforcement Group I, Office 1, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, D.C. 20230; telephone (202) 482-0189.

#### SUPPLEMENTARY INFORMATION:

##### Applicable Statute and Regulations

The Department of Commerce ("the Department") is conducting this administrative review in accordance with section 751 of the Tariff Act of 1930 ("the Act"), as amended. 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 Act by the Uruguay Round Agreements Act ("URAA"). In addition, unless otherwise indicated, all citations to the Department's regulations are to those codified at 19 CFR Part 351 (April 1998).

##### Background

On May 11, 1999, the Department published the preliminary results of the administrative review of the antidumping duty order on pure magnesium from Canada and notice of the intent not to revoke the order in part (64 FR 25276) ("*Preliminary Results*"). The producer/exporter in this review is Norsk Hydro Canada Inc. ("NHCI"). We received case briefs from NHCI and petitioner, Magnesium Corporation of America ("Magcorp"), and a rebuttal brief from NHCI (*see Interested Party Comments*, below).

##### Scope of the Review

The product covered by this review is pure magnesium. Pure unwrought magnesium contains at least 99.8 percent magnesium by weight and is sold in various slab and ingot forms and sizes. Granular and secondary magnesium are excluded from the scope of this review. Pure magnesium is currently classified under subheading 8104.11.0000 of the Harmonized Tariff Schedule ("HTS"). The HTS item number is provided for convenience and for customs purposes. The written description remains dispositive.

##### Determination Not to Revoke Order in Part

The Department "may revoke, in whole or in part" an antidumping duty order upon completion of a review under section 751 of the Act. While Congress has not specified the procedures that the Department must follow in revoking an order, the Department has developed a procedure

for revocation that is described in 19 CFR 351.222. This regulation requires, inter alia, that a company requesting revocation must submit the following: (1) A certification that the company has sold the subject merchandise at not less than normal value ("NV") in the current review period and that the company will not sell at less than NV in the future; (2) a certification that the company sold the subject merchandise in each of the three years forming the basis of the request in commercial quantities; and (3) an agreement to reinstatement of the order if the Department concludes that the company, subsequent to the revocation, sold subject merchandise at less than NV. *See* 19 CFR 351.222(e)(1). Upon receipt of such a request, the Department may revoke an order, in part, if it concludes that (1) the company in question has sold subject merchandise at not less than NV for a period of at least three consecutive years; (2) it is not likely that the company will in the future sell the subject merchandise at less than NV; and (3) the company has agreed to its immediate reinstatement in the order if the Department concludes that the company, subsequent to the revocation, sold subject merchandise at less than NV. *See* 19 CFR 351.222(b)(2).

In our *Preliminary Results*, we determined that "NHCI does not qualify for revocation of the order on pure magnesium because it does not have three consecutive years of sales in commercial quantities at not less than normal value" (*see Preliminary Results* at 25277).

After consideration of the various comments that were submitted in response to the *Preliminary Results*, we determine that NHCI did not sell the subject merchandise in the United States in commercial quantities in each of the three years cited by NHCI to support its request for revocation. Specifically, NHCI made one sale in one of the relevant years and two sales in another. One or two sales to the United States during a one year period is not consistent with NHCI's selling activity prior to the order, nor is it consistent with NHCI's selling activity in the home market (*see Memorandum from Team to Susan Kuhbach, "Commercial Quantities,"* dated September 8, 1999 ("Commercial Quantities Memorandum")), for a discussion of NHCI's selling activity). Therefore, we find that NHCI does not qualify for revocation of the order on pure magnesium under 19 CFR 351.222(e)(1)(ii).

We note that on January 29, 1999, a panel established by the Dispute