

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13G
(Rule 13d-102)

INFORMATION STATEMENT PURSUANT TO RULES 13d-1 AND 13d-2
UNDER THE SECURITIES EXCHANGE ACT OF 1934
(Amendment No. 3)(1)

OWENS-ILLINOIS, INC.
(Name of Issuer)

COMMON STOCK, PAR VALUE \$.01 PER SHARE
(Title of Class of Securities)

690768-40-3
(CUSIP Number)

(1)The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1. Names of Reporting Persons
S.S. or I.R.S. Identification No. of Above Persons

KKR ASSOCIATES, L.P.

2. Check the Appropriate Box if a Member of a Group (a) []
(b) []

3. SEC Use Only

4. Citizenship or Place of Organization

NEW YORK

Number of Shares Beneficially Owned By Each Reporting Person With	5. Sole Voting Power	-0-
	6. Shared Voting Power	36,000,000
	7. Sole Dispositive Power	-0-
	8. Shared Dispositive Power	36,000,000

9. Aggregate Amount Beneficially Owned by Each Reporting Person

36,000,000

10. Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares []

11. Percent of Class Represented by Amount in Row (9)

29.9

12. Type of Reporting Person

PN

ITEM 1.

- (A) NAME OF ISSUER:
Owens-Illinois, Inc.
- (B) ADDRESS OF ISSUER'S PRINCIPAL EXECUTIVE OFFICES:
One SeaGate
Toledo, Ohio 43666

ITEM 2.

- (A) NAME OF PERSON FILING:
KKR Associates, L.P.
- (B) ADDRESS OF PRINCIPAL BUSINESS OFFICE:
9 West 57th Street
New York, New York 10019
- (C) CITIZENSHIP:
New York
- (D) TITLE OF CLASS OF SECURITIES:
Common Stock, par value \$.01 per share
- (E) CUSIP NUMBER:
690768-40-3

ITEM 3. Not applicable

ITEM 4. OWNERSHIP

- (A) AMOUNT BENEFICIALLY OWNED:
KKR Associates, L.P., a New York limited partnership, is the sole general partner of OII Associates, L.P., a Delaware limited partnership, OII Associates II, L.P., a Delaware limited partnership, and KKR Partners II, L.P., a Delaware limited partnership, in which capacity it may be deemed to be the beneficial owner of the shares of Owens-Illinois, Inc. common stock beneficially owned by OII Associates, L.P., OII Associates II, L.P. and KKR Partners II, L.P. As of December 31, 1996, (i) OII Associates, L.P. was the record owner of 34,920,000 shares of common stock of Owens-Illinois, Inc.; (ii) OII Associates II, L.P. was the record owner of 231,400 shares of common stock of Owens-Illinois, Inc.; and (iii) KKR Partners II, L.P. was the record owner of 848,600 shares of common stock of Owens-Illinois, Inc.

Henry R. Kravis, George R. Roberts, Paul E. Raether, Robert I. MacDonnell, Michael W. Michelson, James H. Greene, Jr., Michael T. Tokarz, Edward A. Gilhuly, Perry Golkin, Clifton S. Robbins and Scott Stuart are the general partners of KKR Associates, L.P., and Messrs. Kravis and Roberts are also the members of the Executive Committee of KKR Associates, L.P., and in such capacity may be deemed to share beneficial ownership of any shares of common stock of Owens-Illinois, Inc. beneficially owned or deemed to be beneficially owned by KKR Associates, L.P., but disclaim any such beneficial ownership.

(B) PERCENT OF CLASS:

29.9%

(C) NUMBER OF SHARES AS TO WHICH SUCH PERSON HAS:

(i) Sole power to vote or direct the vote:

-0-

(ii) Shared power to vote or to direct the vote:

36,000,000

(iii) Sole power to dispose or to direct the disposition of:

-0-

(iv) Shared power to dispose or to direct the disposition of:

36,000,000

ITEM 5. OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS

Not applicable.

ITEM 6. OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON

Not applicable.

ITEM 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY

Not applicable.

ITEM 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP

Not applicable.

ITEM 9. NOTICE OF DISSOLUTION OF GROUP

Not applicable.

ITEM 10. CERTIFICATION

Not applicable.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 13, 1997

KKR ASSOCIATES, L.P.

By: /s/ Edward A. Gilhuly

Name: Edward A. Gilhuly
Title: General Partner