

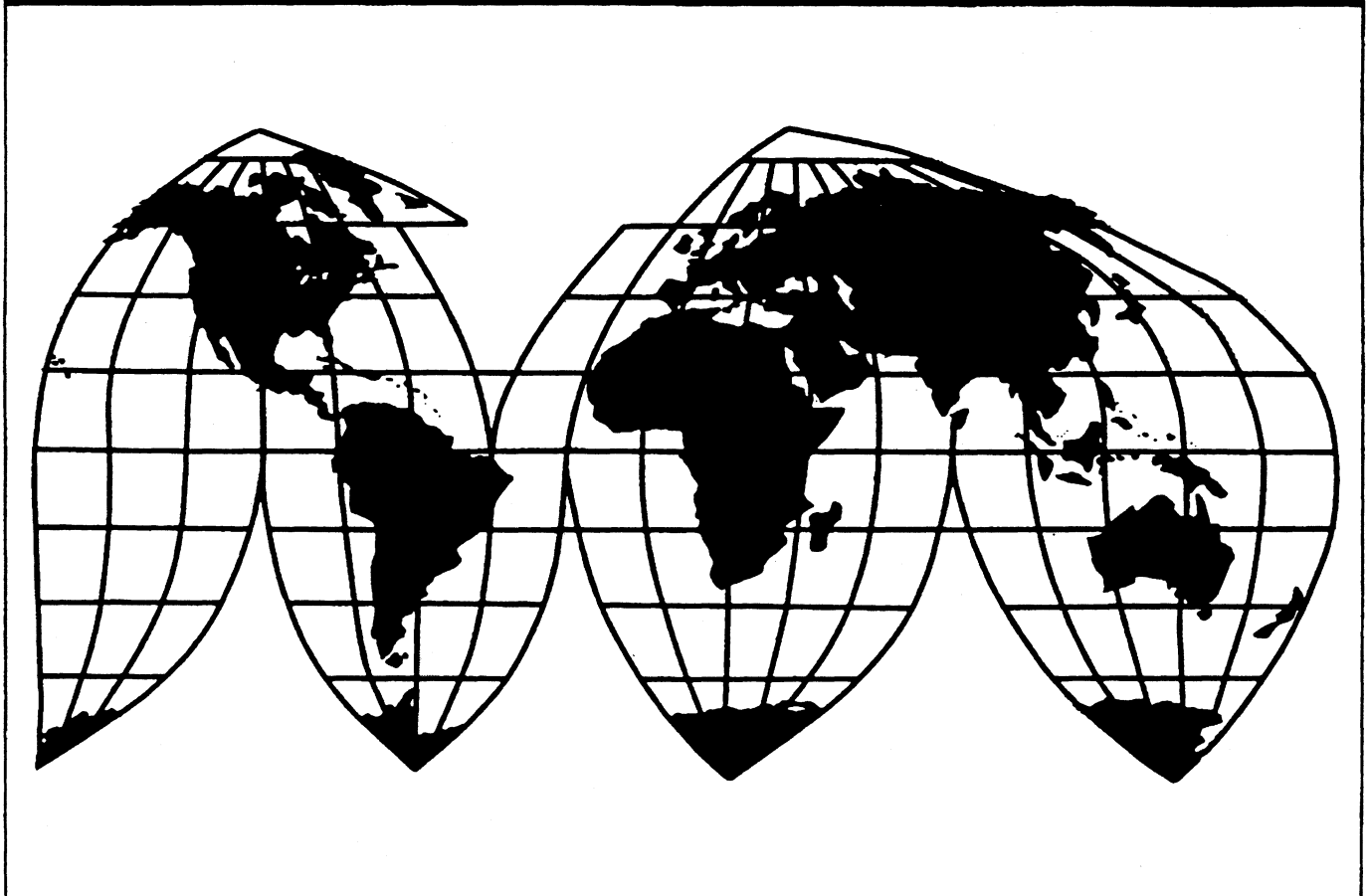
Certain Cold-Rolled Steel Products From China, Indonesia, Slovakia, and Taiwan

Investigations Nos. 731-TA-831-832, 835, and 837 (Final)

Publication 3320

July 2000

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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Note.—Information that would reveal confidential operations of individual concerns may not be published and therefore has been deleted from this report. Such deletions are indicated by asterisks.

GLOSSARY OF ABBREVIATIONS

AISI	American Iron and Steel Institute
ASTM	American Society for Testing and Materials
Bethlehem	Bethlehem Steel Corp.
China Steel	China Steel Corp.
Commerce	U.S. Department of Commerce
Commission	U.S. International Trade Commission
Gulf States	Gulf States Steel, Inc.
HTS	Harmonized Tariff Schedule of the United States
Ispat/Inland	Ispat/Inland, Inc
Krakatau	P.T. Krakatau Steel
LTFV	Less than fair value
LTV	LTV Steel Co., Inc.
National	National Steel Corp.
PRC	People's Republic of China
SAE	Society of Automotive Engineers
SDI	Steel Dynamics, Inc.
USX	U.S. Steel Group, division of USX Corp.
VSZ	VSZ, a.s.
Weirton	Weirton Steel Corp.

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigations Nos. 731-TA-831-832, 835, 837 (Final)

CERTAIN COLD-ROLLED STEEL PRODUCTS FROM CHINA, INDONESIA, SLOVAKIA, AND TAIWAN

DETERMINATIONS

On the basis of the record¹ developed in the subject investigations, the United States International Trade Commission determines,² pursuant to section 735(b) of the Tariff Act of 1930 (19 U.S.C. § 1673d(b)) (the Act), that an industry in the United States is not materially injured or threatened with material injury, and the establishment of an industry in the United States is not materially retarded, by reason of imports from China, Indonesia, Slovakia, and Taiwan of certain cold-rolled steel products that have been found by the Department of Commerce to be sold in the United States at less than fair value (LTFV).

BACKGROUND

The Commission instituted these investigations effective June 2, 1999, following receipt of petitions filed with the Commission and the Department of Commerce by Bethlehem Steel Corporation (Bethlehem, PA); U.S. Steel Group (Pittsburgh, PA); Ispat Inland, Inc. (East Chicago, IL); LTV Steel Co., Inc. (Cleveland, OH); National Steel Corporation (Mishawaka, IN); Gulf States Steel, Inc. (Gadsden, AL); Steel Dynamics, Inc. (Butler, IN); Weirton Steel Corporation (Weirton, WV); and the United States Steelworkers of America, Pittsburgh, PA. The final phase of the investigations was scheduled by the Commission following notification of preliminary determinations by the Department of Commerce that imports of certain cold-rolled steel products from China, Indonesia, Slovakia, and Taiwan were being sold at LTFV within the meaning of section 733(b) of the Act (19 U.S.C. § 1673b(b)). Notice of the scheduling of the Commission's investigations and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* of December 1, 1999 (64 FR 67307). The hearing was held in Washington, DC, on January 20, 2000, and all persons who requested the opportunity were permitted to appear in person or by counsel.

¹ The record is defined in sec. 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR § 207.2(f)).

² Commissioner Lynn M. Bragg dissenting.

VIEWS OF THE COMMISSION

Based on the record in these investigations, we determine that an industry in the United States is not materially injured or threatened with material injury by reason of imports of certain cold-rolled steel products from China, Indonesia, Slovakia, and Taiwan that the Department of Commerce (“Commerce”) found to be sold in the United States at less than fair value (“LTFV”).¹

I. THE COMMISSION ADOPTS THE VIEWS STATED IN CERTAIN COLD-ROLLED STEEL PRODUCTS FROM ARGENTINA, BRAZIL, JAPAN, RUSSIA, SOUTH AFRICA, AND THAILAND AND CERTAIN COLD-ROLLED STEEL PRODUCTS FROM TURKEY AND VENEZUELA

On June 2, 1999, the domestic industry filed petitions seeking the imposition of antidumping and countervailing duties on imports of certain cold-rolled steel products from 12 countries: Argentina, Brazil, China, Indonesia, Japan, Russia, Slovakia, South Africa, Taiwan, Thailand, Turkey, and Venezuela. On March 20, 2000, the Commission published its determinations with respect to six of those countries: Argentina, Brazil, Japan, Russia, South Africa, and Thailand.² On May 17, 2000, the Commission published its determinations with respect to two additional countries, Turkey and Venezuela.³ The Commission was required to issue its determinations with respect to those countries in March 2000 and May 2000 because Commerce issued its final determinations with respect to those countries earlier than its determinations with respect to China, Indonesia, Slovakia, and Taiwan.

The record in these investigations is nearly identical to the record on which the determinations regarding imports from Argentina, Brazil, Japan, Russia, South Africa, Thailand, Turkey, and Venezuela were based.⁴ Therefore, for purposes of these determinations, we adopt the findings and analysis in the Commission’s views regarding imports from Argentina, Brazil, Japan, Russia, South Africa, Thailand, Turkey, and Venezuela for like product, domestic industry, negligibility, and conditions of competition, including captive consumption.⁵

¹ Commissioner Bragg dissenting. See Dissenting Views of Commissioner Lynn M. Bragg.

² 65 Fed. Reg. 15008 (Mar. 20, 2000). See Certain Cold-Rolled Steel Products from Argentina, Brazil, Japan, Russia, South Africa, and Thailand, Invs. Nos. 701-TA-393 and 731-TA-829-830, 833-834, 836, and 838 (Final), USITC Pub. 3283 (Mar. 2000) (hereinafter “Cold-Rolled I”).

³ 65 Fed. Reg. 31348 (May 17, 2000). See Certain Cold-Rolled Steel Products from Turkey and Venezuela, Invs. Nos. 731-TA-839-840 (Final), USITC Pub. 3297 (May 2000) (hereinafter “Cold-Rolled II”).

⁴ Under section 771(7)(G)(iii) of the Tariff Act of 1930, as amended (“the Act”), the record in the instant investigations closed on the same date as that of the determinations regarding imports from Argentina, Brazil, Japan, Russia, South Africa, Thailand, Turkey, and Venezuela, except that the record in these investigations also includes Commerce’s final determinations in these investigations and the parties’ final comments concerning the significance of those determinations.

⁵ We note that the negative determination and subsequent termination of the investigations regarding Argentina, Brazil, Japan, Russia, South Africa, Thailand, Turkey, and Venezuela render moot the consideration of some domestic producers as related parties. See Cold-Rolled I at 7-9. In light of our decision in those investigations and in these determinations not to exclude any domestic producers as related parties, we find no need to revisit the issue of related parties in these determinations. Similarly, our observations regarding the likely effects of a trade agreement with Russia are not relevant to these determinations but would not have affected our overall analysis.

II. CUMULATION

A. In General

Section 771(7)(G)(i) of the Act requires the Commission to cumulate subject imports from all countries as to which petitions were filed and/or investigations self-initiated by Commerce on the same day, if such imports compete with each other and with the domestic like product in the United States market.⁶ In assessing whether subject imports compete with each other and with the domestic like product, the Commission has generally considered four factors, including:

- (1) the degree of fungibility between the subject imports from different countries and between imports and the domestic like product, including consideration of specific customer requirements and other quality related questions;
- (2) the presence of sales or offers to sell in the same geographical markets of subject imports from different countries and the domestic like product;
- (3) the existence of common or similar channels of distribution for subject imports from different countries and the domestic like product; and
- (4) whether the subject imports are simultaneously present in the market.⁷

While no single factor is necessarily determinative, and the list of factors is not exclusive, these factors are intended to provide the Commission with a framework for determining whether the subject imports compete with each other and with the domestic like product.⁸ Only a “reasonable overlap” of competition is required.⁹

Because the petitions in these investigations were filed on the same day, the first statutory criterion for cumulation is satisfied. In addition, three of the four statutory exceptions to the general cumulation rule do not apply in the final phase of these investigations.¹⁰ One of the four statutory exceptions to cumulation, 19 U.S.C. § 1677(7)(G)(ii)(II), provides that the Commission “shall not cumulatively assess the volume and effect of imports...from any country with respect to which the investigation has been terminated.” The Act further provides that, if either Commerce or the Commission reaches a final negative determination in an antidumping or countervailing duty

⁶ 19 U.S.C. § 1677(7)(G)(i).

⁷ See Certain Cast-Iron Pipe Fittings from Brazil, the Republic of Korea, and Taiwan, Invs. Nos. 731-TA-278-280 (Final), USITC Pub. 1845 (May 1986), aff'd, Fundicao Tupy, S.A. v. United States, 678 F. Supp. 898 (Ct. Int'l Trade), aff'd, 859 F.2d 915 (Fed. Cir. 1988).

⁸ See, e.g., Wieland Werke, AG v. United States, 718 F. Supp. 50 (Ct. Int'l Trade 1989).

⁹ See Goss Graphic System, Inc. v. United States, 33 F. Supp. 2d 1082 (Ct. Int'l Trade 1998) (“cumulation does not require two products to be highly fungible”); Mukand Ltd. v. United States, 937 F. Supp. 910, 916 (Ct. Int'l Trade 1996); Wieland Werke, AG, 718 F. Supp. at 52 (“Completely overlapping markets are not required.”).

¹⁰ These exceptions concern imports from Israel, countries as to which Commerce has made preliminary negative determinations, and countries designated as beneficiaries under the Caribbean Basin Economic Recovery Act. 19 U.S.C. § 1677(7)(G)(ii).

investigation, “the investigation shall be terminated upon publication of notice of that negative determination...”¹¹ The Commission’s notice of its final negative determinations in the countervailing and antidumping duty investigations of imports from Argentina, Brazil, Japan, Russia, South Africa, and Thailand were published in the *Federal Register* on March 20, 2000.¹² The Commission’s notice of its final negative determinations in the antidumping duty investigations of imports from Turkey and Venezuela were published in the *Federal Register* on May 17, 2000.¹³ Accordingly, we find that those investigations have been terminated and that section 1677(7)(G)(ii)(II) precludes cumulation of imports from those countries in these instant investigations.¹⁴

Therefore, with the exception of imports from the countries whose investigations have been terminated, we are required to determine whether there is a reasonable overlap of competition both between the domestic like product and subject imports from each of the subject countries, as well as among the subject imports from all four of the subject countries.

B. Analysis

In Cold-Rolled I, the Commission cumulated subject imports from all 12 subject countries, finding a sufficient degree of fungibility of the subject imports with each other and the domestic merchandise, overlap of geographic markets, common or similar channels of distribution, and simultaneous presence in the U.S. market.¹⁵ For purposes of these determinations, we again find that each of the criteria for cumulation is met with respect to all four subject countries.¹⁶

¹¹ 19 U.S.C. §§ 1671d(c)(2) and 1673d(c)(2).

¹² 65 Fed. Reg. 15008 (Mar. 20, 2000).

¹³ 65 Fed. Reg. 31348 (May 17, 2000).

¹⁴ We have considered the record closing provision applicable to staggered investigations and find that it does not alter the operation of the statutory bar to cumulation for terminated investigations for two reasons. First, Congress’s express purpose in adopting the record closing provision was to avoid the kind of analysis the Commission previously performed under the “recent order rule,” which was a test for determining whether imports as to which the Commission had reached an affirmative determination in the earlier of staggered votes were having continuing adverse effects as of vote day in the later investigation, despite the imposition of an order between the votes. The Uruguay Round Agreements Act, Statement of Administrative Action, H.R. Doc. No. 103-316, Vol. 1 at 186 (1994) (“SAA”) at 848-849. The “recent order” situation does not arise when the first of the staggered votes is negative rather than affirmative. Second, the statutory exception to cumulation for terminated investigations necessarily contemplates that the Commission will take into account determinations it makes after the date specified for closing the record to new factual information since the determinations that result in the termination of an investigation (whether based on negligibility or a negative final determination) ordinarily are made after that closing date. Indeed, the Commission’s rules define the entire record in an investigation to include the determination. 19 CFR § 207.2(f)(2). This approach is consistent with Commission practice. See, e.g., Melamine Institutional Dinnerware from China, Indonesia, and Taiwan, Invs. Nos. 731-TA-741-743 (Final), USITC Pub. 3106 (Feb. 1997) at 20-21. In any event, as shown by our earlier decision, we would have made the same determinations had we cumulated subject imports from all 12 countries initially named in the petitions.

¹⁵ Cold-Rolled I at 11-14.

¹⁶ Respondents from Indonesia and Slovakia argued that the Commission is barred from cumulating the subject imports of countries whose imports are deemed to be individually negligible. We addressed those arguments in our views in Cold-Rolled I and incorporate those views by reference herein. See Cold-Rolled I at 11 n.65.

1. Fungibility

According to domestic producers, domestically produced cold-rolled steel and imported cold-rolled steel are broadly interchangeable.¹⁷ Importers also reported that domestically produced and imported cold-rolled steel products are broadly interchangeable, with certain limitations.¹⁸ *** noted a lack of interchangeability between the domestic product and subject imports from Indonesia because of the superior quality of the domestic product.¹⁹ Arguments were also presented by respondents that subject imports did not compete with each other, particularly with respect to Slovakia, and particularly with respect to quality differences.²⁰

Purchasers of cold-rolled steel products were asked whether they had actually substituted product from one country for those from another country for the same end use. Seventeen of 40 had substituted product from two or more different countries. The results show a mix of substituted product and a mix of applications, including automotive.²¹

2. Geographic Overlap

Domestically-produced cold-rolled steel is shipped nationwide.²² Subject imports from each of the four subject countries entered every region between January 1996 and September 1999.²³ The Great Lakes region was the most common destination for subject imports from Slovakia and Taiwan, with approximately half of subject imports from those two countries entering that region.²⁴ Close to one-half of all subject imports from China entered the U.S. in the East region, while over 70 percent of subject imports from Indonesia entered the Gulf or West region.²⁵ Relatively small shares of subject imports from Slovakia entered the West region; relatively small shares of subject imports from China entered the Great Lakes region.²⁶

3. Channels of Distribution

The domestic industry internally consumes a large volume of its production of certain cold-rolled steel in the process of producing downstream products such as tin mill black plate and coated products.²⁷ Of the domestic product sold in the merchant market in 1998, a significant portion was sold

¹⁷ CR of February 18, 2000 (hereinafter "CR") at II-8, PR of February 18, 2000 (hereinafter "PR") at II-5.

¹⁸ CR at II-9, PR at II-5.

¹⁹ CR at II-10, PR at II-6.

²⁰ Indonesian Prehearing Brief at 11-12, Slovakian Prehearing Brief at 12.

²¹ CR at II-18-II-19, PR at II-12.

²² CR at IV-9, PR at IV-8.

²³ CR at Table IV-5, PR at Table IV-5.

²⁴ CR at Table IV-5, Pr at Table IV-5.

²⁵ CR at Table IV-5, Pr at Table IV-5.

²⁶ CR at Table IV-5, PR at Table IV-5.

²⁷ CR at Table I-2, PR at Table I-2.

to distributors, processors, and service centers.²⁸ Of the sales to end users, customers in the automotive and appliance sectors were leading purchasers.²⁹

U.S. importers sell the subject merchandise on the open market, primarily to distributors, processors, and service centers. In 1998, the share of subject imports shipped to that segment topped *** percent for subject imports from each of the four subject countries.³⁰ While the automotive sector is an important market for domestically-produced cold-rolled steel products, only subject imports from *** were sold to the automotive sector, and even for subject imports from *** the automotive sector accounted for *** percent of all subject imports.³¹

4. Simultaneous Presence

Cold-rolled steel products produced in the United States were present in the market throughout the period under investigation.³² Subject imports from China, Slovakia, and Taiwan were present in the market in at least three-quarters of the 45 months, and subject imports from China and Taiwan were present in at least 44 of the 45 months.³³ Subject imports from Indonesia were present in each year, including eight months of 1998 and four of the first nine months in 1999.³⁴

5. Conclusion

Based on the evidence in the record of the general fungibility among the subject imports and the domestic like product, broad geographic distribution, similar channels of distribution, and the simultaneous presence of subject imports in the U.S. market, we find a reasonable overlap of competition among the subject imports and between the subject imports and the domestic like product. There are some quality differences perceived by both purchasers and importers between certain subject imports and the domestic product. Subject imports and the domestic like product differ notably in the channels of distribution through which the respective products flow, with virtually *** subject imports being sold on the open market to distributors and processors, compared to *** of the domestic like product. While subject imports from every country entered every region during the period under investigation, the pattern of regional distribution was different for subject imports from each country. Subject imports from Indonesia were not present in the U.S. market to the same high degree as subject imports from the other three countries. However, cumulation is appropriate when there is a reasonable overlap of competition and cumulation is not dependent on a perfect match on all factors. Therefore, we find a reasonable overlap of competition among subject imports and with the domestic like product in the U.S. market. Consequently, we cumulate subject imports from all four of the subject countries for the purpose of analyzing whether the domestic industry is materially injured by reason of the subject imports.

²⁸ CR at Table I-2, PR at Table I-2.

²⁹ CR at Table I-2, PR at Table I-2.

³⁰ CR at Table I-2, PR at Table I-2.

³¹ CR at Table I-2, PR at Table I-2.

³² CR at IV-10, PR at IV-8.

³³ CR at Table IV-6, PR at Table IV-6.

³⁴ CR at Table IV-6, PR at Table IV-6.

III. NO MATERIAL INJURY BY REASON OF LTFV IMPORTS

In the final phase of antidumping duty investigations, the Commission determines whether an industry in the United States is materially injured by reason of the subject imports under investigation.³⁵ In making this determination, the Commission must consider the volume of the subject imports, their effect on prices for the domestic like product, and their impact on domestic producers of the domestic like product, but only in the context of U.S. production operations.³⁶ The statute defines “material injury” as “harm which is not inconsequential, immaterial, or unimportant.”³⁷ In assessing whether the domestic industry is materially injured by reason of subject imports, we consider all relevant economic factors that bear on the state of the industry in the United States.³⁸ No single factor is dispositive, and all relevant factors are considered “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”³⁹

For the reasons discussed below, we determine that the domestic industry producing certain cold-rolled steel is not materially injured by reason of LTFV imports from China, Indonesia, Slovakia, and Taiwan.

A. Volume of Cumulated Subject Imports

Section 771(7)(C)(i) of the Act provides that the “Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant.”⁴⁰

We found the volume of subject imports not to be significant in our earlier determination, when the cumulated volume of subject imports from 12 countries was substantially larger than the cumulated volume of subject imports from the four remaining subject countries in the instant cases.⁴¹ Here we find

³⁵ 19 U.S.C. §§ 1671d(b) and 1673d(b).

³⁶ 19 U.S.C. § 1677(7)(B)(i). The Commission “may consider such other economic factors as are relevant to the determination” but shall “identify each [such] factor . . . [a]nd explain in full its relevance to the determination.” 19 U.S.C. § 1677(7)(B). See also Angus Chemical Co. v. United States, 140 F.3d 1478 (Fed. Cir. 1998).

³⁷ 19 U.S.C. § 1677(7)(A).

³⁸ 19 U.S.C. § 1677(7)(C)(iii).

³⁹ 19 U.S.C. § 1677(7)(C)(iii).

⁴⁰ 19 U.S.C. § 1677(7)(C)(i).

⁴¹ Cold-Rolled I at 20-21. In the instant cases, the volume of subject imports increased between 1996 and 1998, rising from 115,507 short tons in 1996 to 339,979 short tons in 1998. CR at Table IV-2, PR at Table IV-2. Most of the increase occurred between 1996 and 1997, when subject imports rose by over 170,000 short tons, an increase of 153.0 percent. CR at Table IV-2, PR at Table IV-2. Subject imports declined 26.0 percent in interim 1999 compared to interim 1998. CR at Table C-1, PR at Table C-1. As a share of total domestic consumption, including internal transfers, subject imports rose from 0.4 percent in 1996 to 1.0 percent in 1998. CR at Table C-1, PR at Table C-1. The share of total domestic consumption held by subject imports in interim 1999 was 0.7 percent, compared to 0.9 percent for interim 1998. CR at Table C-1, PR at Table C-1. The share of open market consumption accounted for by subject imports rose from 0.7 percent in 1996 to 2.0 percent in 1998. CR at Table C-2, PR at Table C-2. Their share of open market consumption slipped from 1.9 percent in interim 1998 to 1.4 percent in interim 1999. CR at Table C-2, PR at Table C-2. The actual increase in subject import volume between 1997 and 1998, approximately 47,782 short tons, was approximately 0.1 percent of total open market apparent domestic consumption.

that the lesser volume of subject imports is too small to be considered significant when viewed in light of the conditions of competition in this industry, especially in light of the attenuated competition between subject imports and the domestic like product, and in light of our discussion of price effects below.

C. Price Effects of the Cumulated Subject Imports

Section 771(C)(ii) of the Act provides that, in evaluating the price effects of the subject imports, the Commission shall consider whether –

(I) there has been significant price underselling by the imported merchandise as compared with the price of domestic like products of the United States, and

(II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.⁴²

We discussed the reasons why prices were unlikely to be suppressed or depressed to any significant degree by subject imports in our views in our earlier cold-rolled determinations.⁴³ We find that the same conditions described in that opinion apply here and therefore adopt by reference our reasoning as expressed in those views.⁴⁴

In sum, while the small volume of subject imports may have contributed to some extent to the price declines in the market, we conclude that the contribution of subject imports to those price declines was not significant.

D. Impact of Cumulated Subject Imports on the Domestic Industry⁴⁵

Section 771(7)(C)(iii) provides that the Commission, in examining the impact of the subject imports on the domestic industry, “shall evaluate all relevant economic factors which have a bearing on the state of the industry.”⁴⁶ These factors include output, sales, inventories, capacity utilization, market

⁴² 19 U.S.C. § 1677(7)(C)(ii).

⁴³ See Cold-Rolled I at 21-24.

⁴⁴ See Cold-Rolled I at 21-24. We note that there are some differences in the degree of underselling from that described in Cold-Rolled I. Subject imports undersold domestic product in 90.0 percent of all price/product comparisons in 1996, in 93.0 percent in 1997, in 96.1 percent in 1998, and 93.1 percent in interim 1999. CR at Tables F-1-F-6, PR at Tables F-1-F-6.

⁴⁵ The statute instructs the Commission to consider the “magnitude of the dumping margin” in an antidumping proceeding as part of its consideration of the impact of subject imports. 19 U.S.C. § 1677(7)(C)(iii)(V). The final margins as calculated by Commerce were as follows: China, 23.72 percent; Indonesia, 43.90 percent to 83.79 percent; Slovakia, 109.21 percent to 163.89 percent; and Taiwan, 14.97 percent. CR of June 16, 2000 at I-4, PR of June 16, 2000 at I-4.

⁴⁶ 19 U.S.C. § 1677(7)(C)(iii). See also SAA at 851 and 885 (“In material injury determinations, the Commission considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they also may demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.” Id. at 885).

share, employment, wages, productivity, profits, cash flow, return on investment, ability to raise capital, and research and development. No single factor is dispositive and all relevant factors are considered “within the context of the business cycle and conditions of competition that are distinctive to the industry.”⁴⁷

We have already concluded that the volume and price effects of the subject imports are not significant. We discussed the reasons why the volume effects and price effects of the subject imports were not having a significant impact on the domestic industry in our views in our earlier cold-rolled determinations.⁴⁸ We find that the same conditions described in that opinion apply here and therefore adopt our reasoning as expressed in those views herein by reference.⁴⁹

In light of our conclusion that the volume and price effects of subject imports are not material, we do not find material injury to the domestic industry by reason of the subject imports.

IV NO THREAT OF MATERIAL INJURY BY REASON OF SUBJECT IMPORTS

A. Cumulation for Purposes of Threat Analysis

In assessing whether a domestic industry is threatened with material injury by reason of imports from two or more countries, the Commission has the discretion to cumulate the volume and price effects of such imports if they meet the requirements for cumulation in the context of present material injury.⁵⁰ In deciding whether to cumulate, we also consider whether the subject imports are increasing at similar rates and have similar pricing patterns.⁵¹

Petitioners have argued that all subject imports should be cumulated for purposes of a threat determination. Various respondents have argued against cumulation.

In these investigations, we note that the volume of subject imports from all four countries was higher in 1998 than in 1996.⁵² The volume of subject imports declined overall in interim 1999 compared to interim 1998, with subject imports from three of the four countries declining while subject imports from Taiwan increased.⁵³ Prices, as shown by average unit values, declined for subject imports from every country between 1996 and 1998 except for Slovakia.⁵⁴ Declines occurred in AUVs for subject imports from all four countries in interim 1999 compared to interim 1998 and the declines were fairly uniform, ranging from 21.1 to 27.0 percent.⁵⁵ Similar pricing patterns were shown for most countries and products, with price declines throughout the period under investigation.⁵⁶

⁴⁷ 19 U.S.C. § 1677(7)(C)(iii).

⁴⁸ See Cold-Rolled I at 24-25.

⁴⁹ See Cold-Rolled I at 24-25.

⁵⁰ 19 U.S.C. § 1677(7)(H).

⁵¹ See Torrington Co. v. United States, 790 F. Supp. 1161 (Ct. Int'l Trade 1992); Metallverken Nederland B.V. v. United States, 728 F. Supp. 730, 741-42 (Ct. Int'l Trade 1989); Asociacion Colombiana de Exportadores de Flores v. United States, 704 F. Supp. 1068, 1072 (Ct. Int'l Trade 1988).

⁵² CR at Table IV-2, PR at Table IV-2.

⁵³ CR at Table IV-2, PR at Table IV-2.

⁵⁴ CR at Table IV-2, PR at Table IV-2.

⁵⁵ CR at Table IV-2, PR at Table IV-2.

⁵⁶ CR at Tables F-1 to F-6, PR at Tables F-1 to F-6.

We recognize that, at least for some of the countries, there are factors that argue against cumulation for purposes of our threat analysis. However, on balance, we find enough overlap of conditions of competition and similarities in price and volume trends to warrant exercising our discretion to cumulate all subject imports. We therefore cumulate the dumped and subsidized imports from all countries subject to these investigations in assessing the threat of material injury to the industry by subject imports.

B. Statutory Factors

Section 771(7)(F) of the Act directs the Commission to determine whether the U.S. industry is threatened with material injury by reason of the subject imports by analyzing whether “further dumped or subsidized imports are imminent and whether material injury by reason of imports would occur unless an order is issued or a suspension agreement is accepted.”⁵⁷ The Commission may not make such a determination “on the basis of mere conjecture or supposition,” and considers the threat factors “as a whole” in making its determination whether further dumped or subsidized imports are imminent and whether material injury by reason of imports would occur unless an order is issued.⁵⁸ In making our determination, we have considered all statutory factors that are relevant to these investigations.⁵⁹ We have also taken into account the current condition of the domestic industry.⁶⁰

We found that the cumulated subject imports of all 12 countries, which included subject imports from the four countries currently at issue, did not threaten the domestic industry with material injury in our prior determinations.⁶¹ Our consideration of all statutory factors relevant to these investigations reveals that the same factual underpinning for our finding of no threat of material injury in our earlier determinations is present, or is even more compelling, in these investigations.⁶² Therefore, for the reasons expressed in our earlier determinations, we do not find that the domestic industry is threatened with material injury by reason of the subject imports.⁶³

⁵⁷ 19 U.S.C. § 1673d(b) and 1677(7)(F)(ii).

⁵⁸ 19 U.S.C. § 1677(7)(F)(ii).

⁵⁹ 19 U.S.C. § 1677(7)(F)(I). Factor I, concerning countervailable subsidies, and Factor VII, regarding raw and processed agriculture products, are inapplicable to the investigations at issue.

⁶⁰ Suramerica de Aleaciones Laminadas, C.A. v. United States, 44 F.3d 978 (Fed. Cir. 1994). The Federal Circuit held that 19 U.S.C. § 1677(7)(F)(i) requires the Commission to consider “all relevant factors” that might tend to make the existence of a threat of material injury more probable or less probable, including domestic industry support for the petition and the views of other interested parties such as consumers. 44 F.3d at 984. The court stated that the Commission “may use its sound discretion in determining the weight to afford these and all other factors, but . . . cannot ignore them.” Id. at 984. The Commission cannot limit its analysis to the enumerated statutory criteria when there is other pertinent information in the record. Id.

⁶¹ Cold-Rolled I at 26-27.

⁶² As in our earlier determinations, the countries subject to investigation have shown generally declines in subject import volumes in the interim 1999 period, *** rates of capacity utilization, *** levels of domestic consumption of domestically-produced certain cold-rolled steel products, *** inventory levels, a lack of significant outstanding orders and *** planned capacity increases. CR at Tables VII-3, VII-4, VII-7, and VII-9, PR at Tables VII-3, VII-4, VII-7, and VII-9.

⁶³ See Cold-Rolled I at 26-27.

CONCLUSION

For the foregoing reasons, we determine that the domestic industry producing certain cold-rolled steel is not materially injured or threatened with material injury by reason of imports of certain cold-rolled steel from China, Indonesia, Slovakia, and Taiwan that Commerce found to be sold in the United States at less than fair value.

DISSENTING VIEWS OF COMMISSIONER LYNN M. BRAGG

*Certain Cold-Rolled Steel Products from China, Indonesia, Slovakia, and Taiwan
Inv. Nos. 731-TA-831-832, 835, and 837 (Final)*

For the reasons set forth below, I determine that the domestic cold-rolled steel industry is materially injured by reason of subject imports from China, Indonesia, Slovakia, and Taiwan. Accordingly, I dissent from the negative determinations rendered by the majority in these investigations.

I. Material Injury:

The instant investigations arise out of a group of simultaneously filed petitions that also included the Commission's recently completed investigations of certain cold-rolled steel products from Argentina, Brazil, Japan, Russia, South Africa, and Thailand,¹ as well as from Turkey and Venezuela.² Under section 771(7)(G)(iii) of the Tariff Act of 1930, as amended, the Commission is required to render determinations in the instant investigations based upon the same record as that of the Commission's determinations regarding subject imports from Argentina, Brazil, Japan, Russia, South Africa, Thailand, Turkey, and Venezuela, except that the record in these investigations also includes Commerce's final determinations with regard to China, Indonesia, Slovakia, and Taiwan, as well as the parties' final comments concerning the significance of such determinations.³ The record in the instant investigations is otherwise identical to that examined by the Commission in determinations regarding imports from Argentina, Brazil, Japan, Russia, South Africa, Thailand, Turkey, and Venezuela; consequently, I adopt the findings and analyses contained in my determinations regarding imports from the foregoing eight countries⁴ for purposes of defining the domestic like product and domestic industry, negligibility,

¹ Certain Cold-Rolled Steel Products from Argentina, Brazil, Japan, Russia, South Africa, and Thailand, Inv. Nos. 701-TA-393 and 731-TA-829-830, 833-834, 836, and 838 (Final), USITC Pub. 3283 (March 2000).

² Certain Cold-Rolled Steel Products from Turkey and Venezuela, Inv. Nos. 731-TA-839-840 (Final), USITC Pub. 3297 (May 2000).

³ 19 U.S.C. § 1677(7)(G)(iii); see Certain Hot-Rolled Steel Products from Brazil and Russia, Inv. Nos. 701-TA-384 (Final) and 731-TA-806 and 808 (Final), USITC Pub. 3223 at 3 (August 1999).

⁴ Certain Cold-Rolled Steel Products from Argentina, Brazil, Japan, Russia, South Africa, and Thailand, *Dissenting Views of Chairman Lynn M. Bragg*, Inv. Nos. 701-TA-393 and 731-TA-829-830, 833-834, 836, and 838 (Final), USITC Pub. 3283 at 29-40 (March 2000); Certain Cold-Rolled Steel Products from Turkey and Venezuela, *Dissenting Views of Chairman Lynn M. Bragg*, Inv. Nos. 731-TA-839-840 (Final), USITC Pub. 3297 at 13-14 (May 2000).

cumulation,⁵ captive production and other conditions of competition, and material injury, in the instant investigations of subject imports from China, Indonesia, Slovakia, and Taiwan.

Based upon my cumulative analysis of subject imports from the twelve countries for which petitions were filed on the same day, I find that the domestic industry is materially injured by reason of subject imports from China, Indonesia, Slovakia, and Taiwan.

II. Conclusion:

Based upon the foregoing, I determine that the domestic industry producing certain cold-rolled steel is materially injured by reason of subject imports from China, Indonesia, Slovakia, and Taiwan.

⁵ I again determine to cumulate subject imports from all twelve countries for which petitions were filed on the same day, notwithstanding the fact that a Commission majority previously rendered negative determinations with regard to Argentina, Brazil, Japan, Russia, South Africa, and Thailand, as well as with regard to Turkey and Venezuela. In my view, the record closing provision of 19 U.S.C. § 1677(7)(G)(iii) precludes the Commission from considering any information that postdates the closing of the record in these investigations on February 25, 2000, except as expressly provided by statute (*i.e.* Commerce's final antidumping determinations and party final comments thereon). I have previously articulated this approach in similar circumstances. See Certain Steel Wire Rod From Canada, Germany, Trinidad & Tobago, and Venezuela, Inv. Nos. 731-TA-763-766 (Final), USITC Pub. 3087, at 8 n.31 (March 1998) (cross-cumulation of imports subject to countervailing duty investigations warranted in staggered determinations notwithstanding the fact that the CVD investigations previously had been terminated). Once the prerequisites for cumulation are satisfied (*i.e.* filing of petitions on the same day coupled with a reasonable overlap of competition), I do not believe that the statute dictates disparate analyses simply because certain of the investigations are concluded before others; indeed, to conclude otherwise carries implications for the analysis beyond the question of cumulation. For example, if imports subject to previously terminated investigations are no longer deemed amenable to cumulation in staggered investigations (assuming the prerequisites for cumulation are otherwise satisfied), the Commission may be required in certain circumstances to revisit its findings concerning negligibility. These circumstances were not, however, present in the instant investigations.

PART I: BACKGROUND

These investigations were instituted in response to petitions filed on June 2, 1999, by Bethlehem (Bethlehem, PA); USX (Pittsburgh, PA); Ispat/Inland (East Chicago, IN); LTV (Cleveland, OH); National (Mishawaka, IN); Gulf States (Gadsden, AL); SDI (Butler, IN); Weirton (Weirton, WV); and the United Steelworkers of America (Pittsburgh, PA). The petitions allege that an industry in the United States is materially injured, and threatened with material injury, by reason of imports from China, Indonesia, Slovakia, and Taiwan of certain cold-rolled carbon steel products that are alleged to be sold in the United States at LTFV.¹

¹ For purposes of these investigations, the products covered are certain cold-rolled (cold-reduced) flat-rolled carbon-quality steel products, neither clad, plated, nor coated with metal, but whether or not annealed, painted, varnished, or coated with plastics or other non-metallic substances, both in coils, 0.5 inch wide or wider (whether or not in successively superimposed layers and/or otherwise coiled, such as spirally oscillated coils), and also in straight lengths, which, if less than 4.75 mm in thickness, having a width that is 0.5 inch or greater and that measures at least 10 times the thickness; or, if of a thickness of 4.75 mm or more, having a width exceeding 150 mm and measuring at least twice the thickness. The products described above may be rectangular, square, circular, or other shape and include products of either rectangular or non-rectangular cross-section where such cross-section is achieved subsequent to the rolling process (*i.e.*, products which have been “worked after rolling”)—for example, products which have been beveled or rounded at the edges.

Specifically included in this scope are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (IF)) steels, high strength low alloy (HSLA) steels, and motor lamination steels. IF steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium and/or niobium added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, titanium, vanadium, and molybdenum. Motor lamination steels contain micro-alloying levels of elements such as silicon and aluminum.

Steel products included in the scope of these investigations, regardless of definitions in the HTS, are products in which: (1) iron predominates, by weight, over each of the other contained elements; (2) the carbon content is 2 percent or less, by weight; and (3) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

- 1.80 percent of manganese, or
- 2.25 percent of silicon, or
- 1.00 percent of copper, or
- 0.50 percent of aluminum, or
- 1.25 percent of chromium, or
- 0.30 percent of cobalt, or
- 0.40 percent of lead, or
- 1.25 percent of nickel, or
- 0.30 percent of tungsten, or
- 0.10 percent of molybdenum, or
- 0.10 percent of niobium (also called columbium), or
- 0.15 percent of vanadium, or
- 0.15 percent of zirconium.

All products that meet the written physical description, and in which the chemistry quantities do not exceed any one of the noted element levels listed above, are within the scope of these investigations unless specifically excluded. The following products, by way of example, are outside of and/or specifically excluded from the scope of these investigations:

- SAE grades (formerly also called AISI grades) above 2300;

(continued.)

¹ (...continued)

- Ball bearing steels, as defined in the HTS;
- Tool steels, as defined in the HTS;
- Silico-manganese steel, as defined in the HTS;
- Silicon-electrical steels, as defined in the HTS, that are grain-oriented;
- Silicon-electrical steels, as defined in the HTS, that are not grain-oriented and that have a silicon level exceeding 2.25 percent;
- All products (proprietary or otherwise) based on an alloy ASTM specification (sample specifications: ASTM A506, A507);
- Non-rectangular shapes, not in coils, which are the result of having been processed by cutting or stamping and which have assumed the character of articles or products classified outside chapter 72 of the HTS;
- Silicon electrical steels, as defined in the HTS, that are not grain-oriented and that have a silicon level less than 2.25 percent , and
 - (a) are fully-processed, with a core loss of less than 0.14 watts/pound per mil (0.001 inch), or
 - (b) are semi-processed, with a core loss of less than 0.085 watts/pound per mil (0.001 inch);
- Certain shadow mask steel;
- Certain flapper valve steel;
- Certain ultra thin gauge steel strip of a thickness of less than or equal to 0.100 mm;
- Certain silicon steel, fully processed, core-plated, with a thickness of 0.024 inch \pm 0.0015 inch, width of 33 to 45.5 inches, and maximum core loss of 3.8 watts/pound;
- Certain aperture mask steel;
- Certain annealed and temper-rolled cold-rolled continuously cast steel, with a defect free surface suitable for nickel plating;
- Certain annealed and temper-rolled cold-rolled continuously cast steel, with guaranteed high tensile strength;
- Certain annealed and temper-rolled cold-rolled continuously cast steel, with a thickness of 0.0061 inch, and certificate of analysis per Cable System International (CSI) Specification 96012;
- Certain full hard tin mill black plate, continuously cast, with a defect free surface suitable for nickel plating;
- Certain ultra bright tin mill black plate meeting ASTM 7A specifications for surface finish and RA of seven micro-inches or lower;
- Concast cold-rolled drawing quality sheet steel, tin mill black plate, or commercial quality sheet steel with commercial bright/luster 7a both sides, RMS 12 maximum;
- Certain single reduced black plate, 53 pound base weight (0.0058 inch thick);
- Certain single reduced black plate, 55 pound base weight;
- Certain single reduced black plate, 65 pound base weight (0.0072 inch thick);
- Certain cold-rolled black plate bare steel strip, 0.0058 inch thick;
- Certain cold-rolled black plate bare steel strip, in coils, 0.0060 inch thick;
- Certain “blued steel” coil (also known as “steamed blue steel” or “blue oxide”) with a thickness of 0.30 mm to 0.42 mm and width of 609 mm to 1219 mm, in coil form;
- Certain cold-rolled steel sheet, whether coated or not coated with porcelain enameling prior to importation, with a thickness of less than or equal to 0.019 inch and width of 35 to 60 inches, and with restricted chemical specifications;
- certain cold-rolled steel, with a thickness of 0.800-2.000 mm, and width of over 66 inches, with certain guaranteed tensile strength and chemical restrictions;
- Certain band saw steel;
- Certain transformation-induced plasticity (TRIP) steel, three varieties;
- Certain corrosion-resistant cold-rolled steel, three varieties;
- Porcelain enameling sheet, drawing quality, in coils 0.014 inch in thickness, +0.002, -0.000, meeting ASTM A-424-96 Type 1 specifications, and suitable for two coats.

(continued.I.}

This report contains only information related specifically to Commerce's final determinations on LTFV imports from China, Indonesia, Slovakia, and Taiwan. All other data collected in the investigations is contained in the Commission's report on Argentina, Brazil, Japan, Russia, South Africa, and Thailand, Invs. Nos. 701-TA-393 and 731-TA-829-830, 833-834, 836, and 838 (Final), USITC publication 3283, March 2000. On March 13, 2000, the Commission transmitted to Commerce its determination and views on those countries. Relevant *Federal Register* notices appear in appendix A; results of the COMPAS runs are in appendix B. General information relating to the background of the investigations is provided below.

<u>Date</u>	<u>Action</u>
June 2, 1999	Petitions filed with the Commission and Commerce; institution of the Commission's investigations (64 FR 31018, June 9, 1999)
June 25	Commerce's notice of initiation (64 FR 34194)
July 26	Commission's preliminary determinations transmitted to Commerce. The Commission determined allegedly subsidized imports from Indonesia, Thailand and Venezuela to be negligible, terminating the countervailing duty investigations on those countries (64 FR 41458, July 30, 1999).
October 1	Commerce's preliminary affirmative countervailing duty determination and alignment with final antidumping duty determination on Brazil (64 FR 53332)
October 27	Commerce's postponement of preliminary antidumping duty determination on Slovakia (64 FR 57842)
November 4	Commission notification of Commerce's preliminary affirmative antidumping duty determinations on Argentina, Japan, and Thailand (64 FR 60410, November 5, 1999), Brazil (64 FR 61249, November 10, 1999), Russia (64 FR 61261), South Africa (64 FR 61270), and Venezuela (64 FR 61826, November 15, 1999)
November 15	Commerce's notice of postponement of preliminary antidumping determinations on China, Indonesia, Taiwan, and Turkey (64 FR 61825)

¹ (...continued)

Note: Excluded products are more specifically defined in Commerce's Federal Register notice .

The merchandise subject to these investigations is typically classified in the HTS at subheadings: 7209.15.0000, 7209.16.0030, 7209.16.0060, 7209.16.0090, 7209.17.0030, 7209.17.0060, 7209.17.0090, 7209.18.1530, 7209.18.1560, 7209.18.2510, 7209.18.2550, 7209.18.6000, 7209.25.0000, 7209.26.0000, 7209.27.0000, 7209.28.0000, 7209.90.0000, 7210.70.3000, 7210.90.9000, 7211.23.1500, 7211.23.2000, 7211.23.3000, 7211.23.4500, 7211.23.6030, 7211.23.6060, 7211.23.6075, 7211.23.6085, 7211.29.2030, 7211.29.2090, 7211.29.4500, 7211.29.6030, 7211.29.6080, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7225.19.0000, 7225.50.6000, 7225.50.7000, 7225.50.8010, 7225.50.8015, 7225.50.8085, 7225.99.0090, 7226.19.1000, 7226.19.9000, 7226.92.5000, 7226.92.7050, 7226.92.8050, and 7226.99.0000.

The column 1-general (most-favored-nation) rates of duty for the subject products, applicable to the 12 countries subject to investigation, range from 1 percent to 2.8 percent ad valorem. These duty rates became effective January 1, 2000; are subject to phased reduction pursuant to concessions granted by the United States under the Uruguay Round of Multilateral Trade Negotiations (Pres. Proc. 6763); and are scheduled to be eliminated on January 1, 2004.

I-3

December 13	Commerce's postponement of preliminary antidumping duty determination on Slovakia (64 FR 69491)
January 7, 2000	Commission notification of Commerce's preliminary affirmative antidumping duty determinations and postponement of final antidumping duty determinations on China (65 FR 1117), Indonesia (65 FR 1103), Slovakia (65 FR 1110), and Taiwan (65 FR 1095)
January 20	Commission's hearing
January 27	Commission notification of Commerce's final affirmative antidumping duty determinations on Argentina, Japan, and Thailand (65 FR 5520, February 4, 2000), Brazil (65 FR 5554), Russia (65 FR 5510), and South Africa (65 FR 5529); final affirmative countervailing duty determination on Brazil (65 FR 5536); suspension of antidumping duty investigation on Russia (65 FR 5500); and postponement of final antidumping duty determination on Venezuela (65 FR 5499)
March 3	Commission's vote on Argentina, Brazil, Japan, Russia, South Africa, and Thailand
March 13	Commission determinations and views to Commerce on Argentina, Brazil, Japan, Russia, South Africa, and Thailand (65 FR 15008, March 20, 2000)
March 21	Commerce's final antidumping duty determination on Turkey (65 FR 15123)
April 6	Commerce's final antidumping duty determination on Venezuela (65 FR 18047)
April 27	Commission's vote on Turkey and Venezuela
May 4	Commission determinations and views to Commerce on Turkey and Venezuela
May 26	Commission notification of Commerce's final antidumping duty determinations on China (65 FR 34660, May 31, 2000), ¹ Indonesia (65 FR 34655), ² Slovakia (65 FR 34657), ³ and Taiwan (65 FR 34658) ⁴
June 30	Commission's vote on China, Indonesia, Slovakia, and Taiwan
July 10	Commission determinations and views to Commerce on China, Indonesia, Slovakia, and Taiwan

¹ The weighted-average dumping margins calculated in Commerce's final determination on China are as follows: 23.72 percent (PRC-wide rate).

² The weighted-average dumping margins calculated in Commerce's final determination on Indonesia are as follows: 83.79 percent (Krakatau) and 43.90 percent (all others).

³ The weighted-average dumping margins calculated in Commerce's final determination on Slovakia are as follows: 163.89 percent (VSZ) and 109.21 percent (all others).

⁴ The weighted-average dumping margins calculated in Commerce's final determination on Taiwan are as follows: 14.97 percent (China Steel) and 14.97 percent (all others).

APPENDIX A

FEDERAL REGISTER NOTICES

DEPARTMENT OF COMMERCE

International Trade Administration
[A-570-854]

Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon Quality Steel Products From The People's Republic of China

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

ACTION: Notice of final determination of sales at less than fair value.

EFFECTIVE DATE: May 31, 2000.

FOR FURTHER INFORMATION CONTACT: Carrie Blozy, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue N.W., Washington, DC 20230; telephone: (202) 482-0165.

The Applicable Statute

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations at 19 CFR part 351 (April 1999).

Final Determination

We determine that certain cold-rolled flat-rolled carbon quality steel products ("cold-rolled steel") from the People's Republic of China ("PRC") is being, or is likely to be, sold in the United States at less than fair value ("LTFV"), as provided in section 735 of the Act. The estimated margin of sales are shown in the "Continuation of Suspension of Liquidation" section of this notice.

Case History

We published in the *Federal Register* the preliminary determination in this investigation on January 7, 2000. See *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Cold-Rolled Flat-Rolled Carbon-Quality Steel Products from the People's Republic of China* 65 FR 1117 (January

7, 2000) ("*Preliminary Determination*"). Since the publication of the *Preliminary Determination*, the following events have occurred.

The Department issued supplemental questionnaires to Shanghai Baosteel Group Corporation ("Baosteel") on February 14 and 29, 2000. Baosteel filed submissions on January 7, January 18, February 28, and March 14, 2000. The Department began its verification of Baosteel's sales and factor of production questionnaire responses on March 13, 2000. On March 16, 2000, Mr. Chen Delin, Vice-Director of the Legal Department of Baosteel, advised the verifiers that Baosteel was terminating the verification as a result of competing demands on Baosteel's time. Additionally, counsel for Baosteel requested that the verifiers return all documentation that had been provided by Baosteel in support of the Department's review of certain areas of Baosteel's response. Therefore, the verification team immediately terminated the verification and returned all documents collected during the course of verification to Baosteel's counsel. See *Memorandum For Edward Yang; "Verification of Sales and Factors of Production for Shanghai Baosteel Group Corporation (Baosteel) in the Antidumping Duty Investigation of Certain Cold-Rolled Flat-Rolled Carbon Quality Steel Products from the People's Republic of China"*, (March 22, 2000). This memorandum and all other Departmental memoranda referred to herein, are on file in the Central Records Unit, room B-099 of the main Commerce building.

On March 29, 2000, petitioners (Bethlehem Steel Corporation, Ispat Inland Inc., LTV Steel Company, Inc., National Steel Corporation, and U.S. Steel Group, a unit of USX Corporation, (collectively "petitioners") submitted their case brief with respect to Baosteel. Baosteel did not submit any comments.

Period of Investigation

The period of investigation is October 1, 1998, through March 31, 1999.

Analysis of Comment Received

All issues raised in the case brief by parties to this investigation are addressed in the "Issues and Decision Memorandum" ("*Decision Memorandum*") from Joseph A. Spetrini, Deputy Assistant Secretary, Import Administration, to Troy H. Cribb, Acting Assistant Secretary for Import Administration, dated May 22, 2000, which is hereby adopted by this notice. A list of the issues which parties have raised and to which we have responded, all of which are in the

Decision Memorandum, is attached to this notice as an Appendix. Parties can find a complete discussion of all issues raised in this investigation and the corresponding recommendations in this public memorandum which is on file in B-099. In addition, a complete version of the *Decision Memorandum* can be accessed directly on the World Wide Web at www.ita.doc.gov/import_admin/records/frn/. The paper copy and electronic version of the *Decision Memorandum* are identical in content.

Scope of Investigation

For a description of the scope of this investigation, see the "Scope of Investigation" section of the *Decision Memorandum*, which is on file in B-099 and available on the Web at www.ita.doc.gov/import_admin/records/frn/.

Use of Facts Available

For a discussion of our application of facts available, see the "Facts Available" section of the *Decision Memorandum*, which is on file in B-099 and available on the Web at www.ita.doc.gov/import_admin/records/frn/.

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we are directing the Customs Service to continue to suspend liquidation of all entries of subject merchandise from the PRC, that are entered, or withdrawn from warehouse, for consumption on or after January 7, 2000 (the date of publication of the *Preliminary Determination* in the *Federal Register*). The Customs Service shall continue to require a cash deposit or posting of a bond equal to the estimated amount by which the normal value exceeds the U.S. price as shown below. These suspension of liquidation instructions will remain in effect until further notice.

The weighted-average dumping margin is as follows:

Manufacturer/exporter	Weighted-average margin (percent)
PRC-Wide rate	23.72

ITC Notification

In accordance with section 735(d) of the Act, we have notified the International Trade Commission ("ITC") of our determination. As our final determination is affirmative, the ITC will, within 45 days, determine whether these imports are materially injuring, or

threaten material injury to, the U.S. industry. If the ITC determines that material injury, or threat of material injury does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing Customs officials to assess antidumping duties on all imports of the subject merchandise entered for consumption on or after the effective date of the suspension of liquidation.

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act.

Dated: May 22, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration.

**Appendix I—Issues in Decision Memo
Comments and Responses**

1. Adverse Facts Available.

[FR Doc. 00-13581 Filed 5-30-00; 8:45 am]

BILLING CODE 3510-DS-P

ACTION: Notice of final determination of sales at less than fair value.

EFFECTIVE DATE: May 31, 2000.

FOR FURTHER INFORMATION CONTACT:

Arland DiGirolamo or Abdelali Elouaradia at (202) 482-1278 or (202) 482-0498, respectively; Import Administration, Room 1870, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

The Applicable Statute and Regulations

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 of Commerce (the Department) regulations are to 19 CFR Part 351 (1998).

Final Determination

We determine that cold-rolled flat-rolled carbon-quality steel products (cold-rolled steel products) from Indonesia are being sold, or are likely to be sold, in the United States at less than fair value (LTFV), as provided in section 735 of the Act. The estimated margins of sales at LTFV are shown in the "Suspension of Liquidation" section of this notice.

Case History

The preliminary determination in this investigation was issued on December 28, 1999. See *Notice of Preliminary Determination of Sales at Less than Fair Value and Postponement of Final Determination: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products from Indonesia*, 65 FR 1103 (January 7, 2000) (*Preliminary Determination*). The investigation covers one manufacturer/exporter, PT Krakatau Steel (Krakatau). The period of the investigation (POI) is April 1, 1998 through March 31, 1999.

From January 10 through January 14, 2000, the Department conducted a sales verification of Krakatau's sales data. The Department found that Krakatau had failed to report a large percentage of its U.S. sales of subject merchandise. Based on these findings, the Department canceled its cost verification of Krakatau, and issued a memorandum recommending the issuance of a final determination based on total facts available. See Memorandum from The Team to Holly Kuga, dated February 28, 2000 (*AFA Memo*). On March 7, 2000,

DEPARTMENT OF COMMERCE

International Trade Administration

[A-560-807]

Notice of Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products From Indonesia

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

the petitioners¹ submitted a case brief arguing that the Department, in selecting a facts available rate, should apply the highest calculated dumping margin for any non-aberrational U.S. sale. Krakatau did not file a case brief. No rebuttal briefs were filed, and the petitioners withdrew their request for a hearing.

Scope of Investigation

For purposes of this investigation, the products covered are certain cold-rolled (cold-reduced) flat-rolled carbon-quality steel products, neither clad, plated, nor coated with metal, but whether or not annealed, painted, varnished, or coated with plastics or other non-metallic substances, both in coils, 0.5 inch wide or wider (whether or not in successively superimposed layers and/or otherwise coiled, such as spirally oscillated coils), and also in straight lengths, which, if less than 4.75 mm in thickness having a width that is 0.5 inch or greater and that measures at least 10 times the thickness; or, if of a thickness of 4.75 mm or more, having a width exceeding 150 mm and measuring at least twice the thickness. The products described above may be rectangular, square, circular or other shape and include products of either rectangular or non-rectangular cross-section where such cross-section is achieved subsequent to the rolling process (*i.e.*, products which have been "worked after rolling")—for example, products which have been beveled or rounded at the edges.

The above is simply a summary of the products covered by the investigation. For the dispositive description of the scope of this investigation, see the "Scope of Investigation" section of the Decision Memorandum, which is on file in Room B-099 of the Department's Main Building and available on the World Wide Web at www.ita.doc.gov/import_admin/records/frn.

Analysis of Comments Received

All issues raised in the brief by the petitioners in this case are addressed in the "Issues and Decision Memorandum" (Decision Memorandum) from Holly Kuga, Acting Deputy Assistant Secretary, Import Administration, to Troy H. Cribb, Acting Assistant Secretary for Import Administration, dated May 22, 2000, which is hereby adopted by this notice. A list of the

issues which parties have raised and to which we have responded, all of which are in the Decision Memorandum, is attached to this notice as an Appendix. Parties can find a complete discussion of all issues raised in this investigation and the corresponding recommendations in this public memorandum, which is on file in B-099.

In addition, a complete version of the Decision Memorandum can be accessed directly on the World Wide Web at www.ita.doc.gov/import_admin/records/frn. The paper copy and electronic version of the Decision Memorandum are identical in content.

Changes Since the Preliminary Determination

Given the magnitude of the unreported U.S. sales of subject merchandise, we have determined to base the final determination in this case on adverse facts available. See AFA Memo. As adverse facts available, we have relied upon the highest POI-wide, product-specific margin calculated in the preliminary determination (83.79 percent). See Decision Memorandum, accessible in B-099 and on the World Wide Web at www.ita.doc.gov/import_admin/records/frn/.

Suspension of Liquidation

Pursuant to section 735(c)(1)(B) of the Act, we are instructing Customs to continue to suspend liquidation of all entries of cold-rolled flat-rolled carbon-quality steel products from Indonesia that are entered, or withdrawn from warehouse, for consumption on or after January 7, 2000, the date of publication of the *Preliminary Determination*. The Customs Service shall continue to require a cash deposit or the posting of a bond based on the estimated weighted-average dumping margins shown below. The suspension of liquidation instructions will remain in effect until further notice.

Section 735(c)(5)(B) of the Act provides that, where the estimated weighted-averaged dumping margins established for all exporters and producers individually investigated are zero or de minimis or are determined entirely under section 776 of the Act, the Department may use any reasonable method to establish the estimated all-others rate for exporters and producers not individually investigated. Our recent practice under these circumstances has been to assign, as the "all others" rate, the simple average of the margins in the petition. See *Notice of Final Determinations of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel*

Products From Argentina, Japan and Thailand, 65 FR 5520 (February 4, 2000); see also *Notice of Final Determination of Sales at Less Than Fair Value: Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Plate in Coil from Canada* ("Stainless Steel Plate from Canada"), 64 FR 15457 (March 31, 1999); and *Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Plate in Coil from Italy* ("Stainless Steel Plate from Italy"), 64 FR 15458, 15459 (March 21, 1999).

In this case, we have calculated the dumping margins for the sole Indonesian respondent based entirely on adverse facts available. Consistent with our practice, we have assigned to all other manufacturers/exporters the simple average of the margins in the petition, which is 43.90 percent.²

We determine that the following weighted-average dumping margins exist for April 1, 1998, through March 31, 1999:

Manufacturer/exporter	Weighted-average margin (percent)
PT Krakatau Steel	83.79
All Others	43.90

ITC Notification

In accordance with section 735(d) of the Act, we have notified the International Trade Commission (ITC) of our determination. As our final determination is affirmative, the ITC will determine, within 45 days, whether these imports are causing material injury, or threat of material injury, to an industry in the United States. If the ITC determines that material injury or threat of injury does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing Customs officials to assess antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse for consumption on or after the effective date of the suspension of liquidation.

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act.

² We note that this was the only margin provided in the petition. A-6

¹ Petitioners in this case are Bethlehem Steel Corporation, Gulf States Steel, Inc., Ispat Inland Inc., LTV Steel Company Inc., National Steel Company, Steel Dynamics, Inc., U.S. Steel Group, a unit of USX Corporation, Weirton Steel Corporation, United Steelworkers of America, and Independent Steelworkers Union (collectively, petitioners).

Dated: May 22, 2000.

Troy H. Cribb,

*Acting Assistant Secretary for Import
Administration.*

Appendix I—Issues in Decision Memo

Comments and Responses

Facts Available.

[FR Doc. 00-13578 Filed 5-30-00; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE**International Trade Administration**

[A-859-801]

Notice of Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products From Slovakia

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

ACTION: Notice of final determination of sales at less than fair value.

EFFECTIVE DATE: May 31, 2000.

FOR FURTHER INFORMATION CONTACT: Doug Campau or Abdelali Elouaradia at (202) 482-1784 or (202) 482-0498, respectively; Import Administration, Room 1870, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

The Applicable Statute and Regulations

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 of Commerce (the Department) regulations are to 19 CFR Part 351 (April 1997).

Final Determination

We determine that cold-rolled flat-rolled carbon-quality steel products (cold-rolled steel) from Slovakia are being sold, or are likely to be sold, in the United States at less than fair value (LTFV), as provided in section 735 of the Act. The estimated margins of sales at LTFV are shown in the "Suspension of Liquidation" section of this notice.

Case History

The preliminary determination in this investigation was issued on December 28, 1999. See *Notice of Preliminary Determination of Sales at Less than Fair Value and Postponement of Final*

Determination: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products from Slovakia, 65 FR 1110 (January 7, 2000). The investigation covers one manufacturer/exporter, VSZ, a.s. (VSZ). The period of the investigation (POI) is April 1, 1998, through March 31, 1999.

On January 7, 2000, VSZ requested that the Department rescind the initiation of the aforementioned investigation, arguing that the Department's retroactive revocation of Slovakia's NME status removed the legal basis for initiation, as the petitioners' dumping allegations had been based on Slovakia's NME status. Petitioners objected to VSZ's request on January 18, 2000. On February 1, 2000, VSZ submitted a notification of withdrawal from the Department's verification.

On February 23, 2000, both the petitioners and VSZ filed case briefs. On March 1, 2000, petitioners submitted a rebuttal brief. No rebuttal briefs were filed by VSZ, and both parties withdrew their request for a hearing.

Scope of Investigation

For purposes of this investigation, the products covered are certain cold-rolled (cold-reduced) flat-rolled carbon-quality steel products, neither clad, plated, nor coated with metal, but whether or not annealed, painted, varnished, or coated with plastics or other non-metallic substances, both in coils, 0.5 inch wide or wider (whether or not in successively superimposed layers and/or otherwise coiled, such as spirally oscillated coils), and also in straight lengths, which, if less than 4.75 mm in thickness having a width that is 0.5 inch or greater and that measures at least 10 times the thickness; or, if of a thickness of 4.75 mm or more, having a width exceeding 150 mm and measuring at least twice the thickness. The products described above may be rectangular, square, circular or other shape and include products of either rectangular or non-rectangular cross-section where such cross-section is achieved subsequent to the rolling process (*i.e.*, products which have been "worked after rolling")—for example, products which have been beveled or rounded at the edges.

The above is simply a summary of the products covered by the investigation. For the dispositive description of the scope of this investigation, see the "Scope of Investigation" section of the

¹ Petitioners in this case are Bethlehem Steel Corporation, Gulf States Steel, Inc., Ispat Inland Inc., LTV Steel Company Inc., National Steel Company, Steel Dynamics, Inc., U.S. Steel Group, a unit of USX Corporation, Weirton Steel Corporation, United Steelworkers of America, and Independent Steelworkers Union (collectively, petitioners).

Decision Memorandum, which is on file in Room B-099 of the Department's Main Building and available on the World Wide Web at www.ita.doc.gov/import_admin/records/frn.

Analysis of Comments Received

All issues raised by the petitioners in their case briefs are addressed in the "Issues and Decision Memorandum" (Decision Memorandum) from Holly Kuga, Acting Deputy Assistant Secretary, Import Administration, to Troy H. Cribb, Acting Assistant Secretary for Import Administration, dated May 22, 2000, which is hereby adopted by this notice. A list of the issues which parties have raised and to which we have responded, all of which are in the Decision Memorandum, is attached to this notice as an Appendix. Parties can find a complete discussion of all issues raised in this review and the corresponding recommendations in this public memorandum which is on file in room B-099.

In addition, a complete version of the Decision Memorandum can be accessed directly on the World Wide Web at www.ita.doc.gov/import_admin/records/frn. The paper copy and electronic version of the Decision Memorandum are identical in content.

Changes Since the Preliminary Determination

Because VSZ did not allow the Department to verify its submitted data, we have determined that the use of facts available is warranted under sections 776(a)(2)(C) and (D) of the Act. Moreover, we have determined that an adverse inference is warranted under section 776(b) of the Act, given that VSZ's refusal to allow verification constitutes failure to cooperate in this investigation by not acting to the best of its ability. As adverse facts available, we first assumed that the large number of U.S. sales for which the respondent had not received payment are in fact bad debt. We treated this bad debt expense as a direct selling expense, and made a circumstance of sale adjustment to normal value for these expenses. We then calculated margins for VSZ's reported sales using the reported data. From those calculations, we selected as adverse facts available the highest weighted-average, model-specific margin for the POI. See Decision Memorandum, accessible in room B-099 and on the Web at www.ita.doc.gov/import_admin/records/frn/.

Suspension of Liquidation

Pursuant to section 735(c)(1)(B) of the Act, we are instructing the Customs Service to continue to suspend

liquidation of all entries of cold-rolled flat-rolled, carbon-quality steel products from Indonesia that are entered, or withdrawn from warehouse, for consumption on or after January 7, 2000, the date of publication of the *Preliminary Determination*. The Customs Service shall continue to require a cash deposit or the posting of a bond based on the estimated weighted-average dumping margins shown below. The suspension of liquidation instructions will remain in effect until further notice.

Section 735(c)(5)(B) of the Act provides that, where the estimated weighted-averaged dumping margins established for all exporters and producers individually investigated are zero or *de minimis* or are determined entirely under section 776 of the Act, the Department may use any reasonable method to establish the estimated all-others rate for exporters and producers not individually investigated. Our recent practice under these circumstances has been to assign, as the "all others" rate, the simple average of the margins in the petition. See *Notice of Final Determinations of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products From Argentina, Japan and Thailand*, 65 FR 5520 (February 4, 2000); see also *Notice of Final Determination of Sales at Less Than Fair Value: Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Plate in Coil from Canada* ("Stainless Steel Plate from Canada"), 64 FR 15457 (March 31, 1999); and *Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Plate in Coil from Italy* ("Stainless Steel Plate from Italy"), 64 FR 15458, 15459 (March 21, 1999).

In this case, we have calculated the dumping margins for the sole Slovak respondent based entirely on adverse facts available. Given the circumstances of this case, and the discretion provided by Section 735(c)(5)(B) of the Act, we have selected a somewhat different methodology than that followed in other recent cases. Instead of relying on the simple average of the petition margins, we have relied on the weighted-average of the margins obtained for each product sold during the POI, by using the respondent's data and making the adverse inference that any U.S. sales for which payment was outstanding as of the respondent's latest submission was bad debt. The resulting margin, applicable to all other manufacturers/exporters, is 109.21 percent.

We determine that the following weighted-average dumping margins

exist for April 1, 1998, through March 31, 1999:

Exporter/manufacturer	Weighted-average margin (percent)
VSZ, a.s	163.89
All Others	109.21

ITC Notification

In accordance with section 735(d) of the Act, we have notified the International Trade Commission (ITC) of our determination. As our final determination is affirmative, the ITC will determine, within 45 days, whether these imports are causing material injury, or threat of material injury, to an industry in the United States. If the ITC determines that material injury or threat of injury does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping order directing Customs officials to assess antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse for consumption on or after the effective date of the suspension of liquidation.

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act.

Dated: May 22, 2000.

Troy H. Cribb,
Acting Assistant Secretary for Import Administration.

Appendix I—Issues in Decision Memo

Comments and Responses

1. Rescission of Initiation
2. Facts Available

[FR Doc. 00-13579 Filed 5-30-00; 8:45 am]

BILLING CODE 3510-DS-P

482-3003 or (202) 482-1777, respectively; Import Administration, International Trade Administration, U.S. Department of Commerce, Washington, D.C. 20230.

The Applicable Statute and Regulations

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 of Commerce ("the Department") regulations are to 19 CFR Part 351 (1999).

Final Determination

We determine that cold-rolled flat-rolled carbon-quality steel products (cold-rolled steel products) from Taiwan are being sold, or are likely to be sold, in the United States at less than fair value (LTFV), as provided in section 735 of the Act. The estimated margins of sales at LTFV are shown in the "Suspension of Liquidation" section of this notice.

Case History

The preliminary determination in this investigation was issued on December 28, 1999. See *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products from Taiwan*, 65 FR 1095 (January 7, 2000). The investigation initially covered two manufacturers/exporters: China Steel Corporation (CSC), and Taiwan Tokkin Corporation (Tokkin). Since the preliminary determination, the Department has concluded that the merchandise exported by Taiwan Tokkin, for the purpose of this investigation, is of Japanese origin. As a result, this final determination covers only CSC. See *Issues and Decision Memorandum (Decision Memorandum)* from Holly A. Kuga, Acting Deputy Assistant Secretary for Import Administration, to Troy H. Cribb, Acting Assistant Secretary for Import Administration, dated May 22, 2000, which is hereby adopted by this notice. The period of investigation is April 1, 1998, through March 31, 1999.

From January 17 through January 21, 2000, the Department conducted a verification of CSC's sales data.¹

¹ The Department also conducted verification of the information submitted by Tokkin. However, as noted above, the Department has determined that Tokkin's merchandise exported to the United States during the POI to be of Japanese origin, such that this final determination covers only CSC-10

DEPARTMENT OF COMMERCE

International Trade Administration

[A-583-834]

Notice of Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products From Taiwan

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

ACTION: Notice of final determination of sales at less than fair value.

EFFECTIVE DATE: May 31, 2000.

FOR FURTHER INFORMATION CONTACT: Edward Easton or Keir Whitson, at (202)

Counsel to CSC requested a hearing on February 7, 2000, and withdrew the request on March 10, 2000. No other interested party requested a hearing. The petitioners² and CSC submitted case briefs on April 7, 2000, and rebuttal briefs on April 12, 2000. On April 25 and April 26, 2000, the petitioners submitted requests that the Department reject certain information contained in CSC's rebuttal brief, on the grounds that it contained new factual information that had been untimely filed. On April 26, 2000, CSC responded to the petitioners' claims that CSC's rebuttal brief contained new factual information. The Department determined that certain information was untimely filed, and disregarded that information in reaching its final determination. See *Memorandum to the File*, dated May 22, 2000.

Scope of Investigation

For purposes of this investigation, the products covered are certain cold-rolled (cold-reduced) flat-rolled carbon-quality steel products, neither clad, plated, nor coated with metal, but whether or not annealed, painted, varnished, or coated with plastics or other non-metallic substances, both in coils, 0.5 inch wide or wider, (whether or not in successively superimposed layers and/or otherwise coiled, such as spirally oscillated coils), and also in straight lengths, which, if less than 4.75 mm in thickness having a width that is 0.5 inch or greater and that measures at least 10 times the thickness; or, if of a thickness of 4.75 mm or more, having a width exceeding 150 mm and measuring at least twice the thickness. The products described above may be rectangular, square, circular or other shape and include products of either rectangular or non-rectangular cross-section where such cross-section is achieved subsequent to the rolling process (*i.e.*, products which have been "worked after rolling")—for example, products which have been beveled or rounded at the edges.

The above is simply a summary of the products covered by the investigation. For the dispositive description of the scope of this investigation, see the "Scope of Investigation" section of the *Decision Memorandum*, which is on file in Room B-099 of the Department's Main Building and available on the

² Petitioners in this case are Bethlehem Steel Corporation, Gulf States Steel, Inc., Ispat Inland Inc., LTV Steel Company Inc., National Steel Company, Steel Dynamics, Inc., U.S. Steel Group (a unit of USX Corporation), Weirton Steel Corporation, United Steelworkers of America, and Independent Steelworkers Union (collectively, the petitioners).

World Wide Web at www.ita.doc.gov/import-admin/records/frn.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this antidumping proceeding are addressed in the *Issues and Decision Memorandum* ("Decision Memorandum") from Holly Kuga, Acting Deputy Assistant Secretary, Import Administration, to Troy H. Cribb, Acting Assistant Secretary for Import Administration, dated May 22, 2000, which is hereby adopted by this notice. A list of the issues which parties have raised and to which we have responded, all of which are in the *Decision Memorandum*, is attached to this notice as an Appendix. Parties can find a complete discussion of all issues raised in this investigation and the corresponding recommendations in this public memorandum, which is on file in B-099. In addition, a complete version of the *Decision Memorandum* can be accessed directly on the World Wide Web at www.ita.doc.gov/import_admin/records/frn. The paper copy and electronic version of the *Decision Memorandum* are identical in content.

Changes Since the Preliminary Determination

Based on our findings at verification and analysis of comments received, we have made adjustments to the preliminary determination calculation methodology in determining the final dumping margin in this proceeding. These adjustments are discussed in the *Decision Memorandum*.

Suspension of Liquidation

Pursuant to section 735(c)(1)(B) of the Act, we are instructing Customs to continue to suspend liquidation of all entries of cold-rolled flat-rolled carbon-quality steel products from Taiwan that are entered, or withdrawn from warehouse, for consumption on or after January 7, 2000, the date of publication of the *Preliminary Determination*. The Customs Service shall continue to require a cash deposit or the posting of a bond based on the estimated weighted-average dumping margins shown below. The suspension of liquidation instructions will remain in effect until further notice.

We determine that the following weighted-average dumping margins exist for April 1, 1998, through March 31, 1999:

Manufacturer/exporter	Weighted-Average Margin (percent)
China Steel Corporation	14.97
All Others	14.97

ITC Notification

In accordance with section 735(d) of the Act, we have notified the International Trade Commission (ITC) of our determination. As our final determination is affirmative, the ITC will determine, within 45 days, whether these imports are causing material injury, or are a threat of material injury, to an industry in the United States. If the ITC determines that material injury or threat of injury does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping order directing Customs officials to assess antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse for consumption on or after the effective date of the suspension of liquidation. The Department will also instruct the Customs Service to regard cold-rolled steel products manufactured by Tokkin, as described in the *Decision Memorandum*, to be of Japanese origin, and to terminate the suspension of liquidation of such products with respect to this proceeding. If the Department finds that Tokkin exports to the United States cold-rolled steel that the Department determines to be of Taiwan origin, those entries will be subject to the "all others" rate in this investigation.

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act.

Dated: May 22, 2000.

Troy H. Cribb,
Acting Assistant Secretary for Import Administration.

Appendix

Issues Covered in Decision Memorandum

1. Country of Origin
2. Rejection of CSC's Special Incentive Program Discounts
3. Re-coding of certain CSC home market sales
4. Adverse inference for CSC's stevedoring expenses
5. Adverse inference for CSC's home market warranty expenses
6. Materials—scrap recovery
7. Materials—inventory valuation adjustments
8. General and administrative expense
9. General and administrative expense and financial expense ratios

- 10. Exchange gains and losses
- 11. Non-operating income and expenses
- 12. Scrap revenue
- 13. Short-term interest income

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APPENDIX B
COMPAS PRESENTATION

ASSUMPTIONS

The COMPAS model¹ is a supply and demand model that assumes that domestic and imported products are less than perfect substitutes. Such models, also known as Armington models, are relatively standard in applied trade policy analysis and are used extensively for the analysis of trade policy changes both in partial and general equilibrium. Based on the discussion contained in part II of the Commission's report on Argentina, Brazil, Japan, Russia, South Africa, and Thailand, invs. Nos. 701-TA-393 and 731-TA-829-830, 833-834, 836, and 838 (Final), USITC Publication 3283, March 2000, the staff selected a range of estimates that represent price-supply, price-demand, and product-substitution relationships (i.e., supply elasticity, demand elasticity, and substitution elasticity) in the U.S. cold-rolled steel products market. The model uses these estimates with data on market shares, Commerce's estimated margins of dumping, transportation costs, and current tariffs to analyze the likely effect of unfair pricing of subject imports on the U.S. domestic like product industry.

FINDINGS²

Estimated effects of the LTFV Indonesian imports on the total U.S. cold-rolled steel industry are as follows: 0.0 percent to 0.1 percent reduction in revenue, 0.0 percent to 0.1 percent reduction in output, and 0.0 percent reduction in price. Estimated effects of the LTFV Indonesian imports on the open U.S. cold-rolled steel industry are as follows: 0.1 percent to 0.2 percent reduction in revenue, 0.1 percent to 0.2 percent reduction in output, and 0.0 percent reduction in price. Detailed estimated effects of the LTFV Indonesian imports on the total and open U.S. markets are shown in tables B-1 and B-2, respectively.

Estimated effects of the LTFV Slovakian imports on the total U.S. cold-rolled steel industry are as follows: 0.1 percent reduction in revenue, 0.1 percent reduction in output, and 0.0 percent reduction in price. Estimated effects of the LTFV Slovakian imports on the open U.S. cold-rolled steel industry are as follows: 0.3 percent reduction in revenue, 0.3 percent reduction in output, and 0.1 percent reduction in price. Detailed estimated effects of the LTFV Slovakian imports on the total and open U.S. markets are shown in tables B-3 and B-4, respectively.

Estimated effects of the LTFV Taiwanese imports on the total U.S. cold-rolled steel industry are as follows: 0.0 percent to 0.1 percent reduction in revenue, 0.0 percent to 0.1 percent reduction in output, and 0.0 percent reduction in price. Estimated effects of the LTFV Taiwanese imports on the open U.S. cold-rolled steel industry are as follows: 0.1 percent to 0.3 percent reduction in revenue, 0.1 percent to 0.3 percent reduction in output, and 0.0 percent to 0.1 percent reduction in price. Detailed estimated effects of the LTFV Taiwanese imports on the total and open U.S. markets are shown in tables B-5 and B-6, respectively.

Commerce did not make any changes in its margin calculations for China from its *Preliminary Determination*. Therefore, the estimated effects of the LTFV Chinese imports on the total and open U.S. markets did not change from those shown in tables G-9 and G-22 of the Commission's report on Argentina, Brazil, Japan, Russia, South Africa, and Thailand, invs. Nos. 701-TA-393 and 731-TA-829-830, 833-834, 836, and 838 (Final), USITC Publication 3283, March 2000.

¹ COMPAS version 1.4 (dumping, 6/1/93).

² Estimates are based on October 1998-September 1999 data.

Table B-1

The estimated effects of LTFV pricing of imports from Indonesia (total market)

INPUTS (in percentages)	06/02	Indonesia	From:	To:
Margin:	43.9	Substitution Elast.		
Domestic Share:	91.5	Domestic/Unfair:	2	4
Unfair Import Share:	0.1	Domestic/Fair:	2	4
		Unfair/Fair:	3	5
Avg U.S. tariff and transportation rate:	11.3	Aggregate Demand Elast:	0.25	0.75
Domestic Content:	0	Domestic Supply Elast:	5	10
Dom. Capacity Util:	88.2	Fair Supply Elast:	10	inf

Estimated Impact of Dumping on U.S. Market (as percent of "fair" values) But-for Imports:

SCENARIOS	#1	#2	#3	#4	Imports:
Domestic Price:	-0.0%	-0.0%	-0.0%	-0.0%	-0.0%
Domestic Output:	-0.1%	-0.1%	-0.0%	-0.0%	-0.1%
Domestic Revenue:	-0.1%	-0.1%	-0.0%	-0.0%	-0.1%
"BUT-FOR" ESTIMATIONS					
Domestic Share:	91.5%	91.5%	91.5%	91.5%	91.6%
Unfair Import Share:	0.1%	0.1%	0.1%	0.1%	--
Fair Share:	8.4%	8.4%	8.4%	8.4%	8.4%
Capacity Utilization:	88.2%	88.2%	88.2%	88.2%	88.3%

Estimated Impact of Dumping on Imports (as a percentage of "fair" values)

Unfair Import Price:	-28.3%	-28.3%	-28.3%	-28.3%	--
Unfair Import Output:	99.8%	99.8%	99.8%	99.9%	--
Unfair Import Revenue:	43.3%	43.3%	43.3%	43.3%	--
Fair Import Price:	-0.0%	0.0%	-0.0%	0.0%	-0.0%
Fair Import Output:	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%
Fair Import Revenue:	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%

INPUTS SCENARIOS #1 #2 #3 #4 But-for Imports:

ELASTICITIES OF SUBSTITUTION	#1	#2	#3	#4	Imports:
Dom/Unfair Imports:	2	2	2	2	--
Dom/Fair Imports:	2	2	2	2	--
Unfair/Fair Imports:	3	3	3	3	--
Domestic Supply Elast:	5	10	5	10	5
Fair Import Supply Elast:	10	inf	10	inf	10
Aggregate Demand Elast:	-0.25	-0.25	-0.75	-0.75	--

Table B-2

The estimated effects of LTFV pricing of imports from Indonesia (open market)

INPUTS (in percentages)	06/02	Indonesia	From:	To:
Margin:	43.9	Substitution Elast.		
Domestic Share:	82.2	Domestic/Unfair:	3	5
Unfair Import Share:	0.2	Domestic/Fair:	3	5
		Unfair/Fair:	3	5
Avg U.S. tariff and transportation rate:	11.3	Aggregate Demand Elast:	0.25	0.75
Domestic Content:	0	Domestic Supply Elast:	5	10
Dom. Capacity Util:	88.2	Fair Supply Elast:	10	inf

Estimated Impact of Dumping on U.S. Market (as percent of "fair" values)

But-for

SCENARIOS	#2	#3	#4	Imports:
Domestic Price:	-0.0%	-0.0%	-0.0%	-0.0%
Domestic Output:	-0.2%	-0.1%	-0.1%	-0.2%
Domestic Revenue:	-0.2%	-0.2%	-0.1%	-0.2%
"BUT-FOR" ESTIMATIONS				
Domestic Share:	82.3%	82.3%	82.3%	82.4%
Unfair Import Share:	0.1%	0.1%	0.1%	--
Fair Share:	17.6%	17.6%	17.6%	17.6%
Capacity Utilization:	88.4%	88.3%	88.3%	88.3%

Estimated Impact of Dumping on Imports (as a percentage of "fair" values)

Unfair Import Price:	-28.3%	-28.3%	-28.3%	--
Unfair Import Output:	170.5%	170.6%	170.7%	--
Unfair Import Revenue:	94.0%	94.0%	94.1%	--
Fair Import Price:	0.0%	-0.0%	0.0%	-0.0%
Fair Import Output:	-0.2%	-0.2%	-0.2%	-0.2%
Fair Import Revenue:	-0.2%	-0.2%	-0.2%	-0.2%

::

INPUTS

But-for

SCENARIOS	#2	#3	#4	Imports:
ELASTICITIES OF SUBSTITUTION				
Dom/Unfair Imports:	3	3	3	--
Dom/Fair Imports:	3	3	3	--
Unfair/Fair Imports:	3	3	3	--
Domestic Supply Elast:	10	5	10	5
Fair Import Supply Elast:	inf	10	inf	10
Aggregate Demand Elast:	-0.25	-0.75	-0.75	--

Table B-3

The estimated effects of LTFV pricing of imports from Slovakia (total market)

INPUTS (in percentages)	06/02	Slovakia	From:	To:
Margin:	109.21	Substitution Elast.		
Domestic Share:	91.5	Domestic/Unfair:	2	4
Unfair Import Share:	0.1	Domestic/Fair:	2	4
		Unfair/Fair:	3	5
Avg U.S. tariff and transportation rate:	12.8	Aggregate Demand Elast:	0.25	0.75
Domestic Content:	0	Domestic Supply Elast:	5	10
Dom. Capacity Util:	88.2	Fair Supply Elast:	10	inf

Estimated Impact of Dumping on U.S. Market (as percent of "fair" values)

SCENARIOS	#3	#4	But-for Imports:
Domestic Price:	-0.0%	-0.0%	-0.0%
Domestic Output:	-0.1%	-0.1%	-0.1%
Domestic Revenue:	-0.1%	-0.1%	-0.1%
"BUT-FOR" ESTIMATIONS			
Domestic Share:	91.5%	91.5%	91.6%
Unfair Import Share:	0.0%	0.0%	--
Fair Share:	8.4%	8.4%	8.4%
Capacity Utilization:	88.3%	88.3%	88.3%

Estimated Impact of Dumping on Imports (as a percentage of "fair" values)

Unfair Import Price:	-49.2%	-49.2%	--
Unfair Import Output:	309.6%	309.7%	--
Unfair Import Revenue:	108.1%	108.1%	--
Fair Import Price:	-0.0%	0.0%	-0.0%
Fair Import Output:	-0.1%	-0.2%	-0.1%
Fair Import Revenue:	-0.2%	-0.2%	-0.1%

INPUTS SCENARIOS	#3	#4	But-for Imports:
ELASTICITIES OF SUBSTITUTION			
Dom/Unfair Imports:	2	2	--
Dom/Fair Imports:	2	2	--
Unfair/Fair Imports:	3	3	--
Domestic Supply Elast:	5	10	5
Fair Import Supply Elast:	10	inf	10
Aggregate Demand Elast:	-0.75	-0.75	--

Table B-4

The estimated effects of LTFV pricing of imports from Slovakia (open market)

INPUTS (in percentages)	06/02	Slovakia	From:	To:
Margin:	109.21	Substitution Elast.		
Domestic Share:	82.2	Domestic/Unfair:	3	5
Unfair Import Share:	0.3	Domestic/Fair:	3	5
		Unfair/Fair:	3	5
Avg U.S. tariff and transportation rate:	12.8	Aggregate Demand Elast:	0.25	0.75
Domestic Content:	0	Domestic Supply Elast:	5	10
Dom. Capacity Util:	88.2	Fair Supply Elast:	10	in

Estimated Impact of Dumping on U.S. Market (as percent of "fair" values)

SCENARIOS	But-for Imports:
Domestic Price:	-0.1%
Domestic Output:	-0.3%
Domestic Revenue:	-0.3%
"BUT-FOR" ESTIMATIONS	
Domestic Share:	82.4%
Unfair Import Share:	--
Fair Share:	17.6%
Capacity Utilization:	88.4%

Estimated Impact of Dumping on Imports (as a percentage of "fair" values)

Unfair Import Price:	--
Unfair Import Output:	--
Unfair Import Revenue:	--
Fair Import Price:	-0.0%
Fair Import Output:	-0.3%
Fair Import Revenue:	-0.3%

INPUTS SCENARIOS	But-for Imports:
ELASTICITIES OF SUBSTITUTION	
Dom/Unfair Imports:	--
Dom/Fair Imports:	--
Unfair/Fair Imports:	--
Domestic Supply Elast:	5
Fair Import Supply Elast:	10
Aggregate Demand Elast:	--

Table B-5

The estimated effects of LTFV pricing of imports from Taiwan (total market)

INPUTS (in percentages)	06/02	Taiwan	From:	To:
Margin:	14.97	Substitution Elast.		
Domestic Share:	91.5	Domestic/Unfair:	2	4
Unfair Import Share:	0.2	Domestic/Fair:	2	4
		Unfair/Fair:	3	5
Avg U.S. tariff and transportation rate:	13.1	Aggregate Demand Elast:	0.25	0.75
Domestic Content:	0	Domestic Supply Elast:	5	10
Dom. Capacity Util:	88.2	Fair Supply Elast:	10	inf

Estimated Impact of Dumping on U.S. Market (as percent of "fair" values)

SCENARIOS	#1	#2	#3	#4	#5	#6	#7	#8
Domestic Price:	-0.0%	-0.0%	-0.0%	-0.0%	-0.0%	-0.0%	-0.0%	-0.0
Domestic Output:	-0.0%	-0.0%	-0.0%	-0.0%	-0.1%	-0.1%	-0.1%	-0.1
Domestic Revenue:	-0.0%	-0.0%	-0.0%	-0.0%	-0.1%	-0.1%	-0.1%	-0.1
"BUT-FOR" ESTIMATIONS								
Domestic Share:	91.5%	91.5%	91.5%	91.5%	91.6%	91.6%	91.6%	91.6
Unfair Import Share:	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1
Fair Share:	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3
Capacity Utilization:	88.2%	88.2%	88.2%	88.2%	88.3%	88.3%	88.3%	88.3

Estimated Impact of Dumping on Imports (as a percentage of "fair" values)

Unfair Import Price:	-11.7%	-11.7%	-11.7%	-11.7%	-11.7%	-11.7%	-11.7%	-11.7
Unfair Import Output:	29.5%	29.5%	29.5%	29.5%	65.9%	65.9%	65.9%	65.9
Unfair Import Revenue:	14.3%	14.4%	14.4%	14.4%	46.5%	46.5%	46.5%	46.6
Fair Import Price:	-0.0%	0.0%	-0.0%	0.0%	-0.0%	0.0%	-0.0%	0.0
Fair Import Output:	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1
Fair Import Revenue:	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1

INPUTS

SCENARIOS	#1	#2	#3	#4	#5	#6	#7	#8
ELASTICITIES OF SUBSTITUTION								
Dom/Unfair Imports:	2	2	2	2	4	4	4	4
Dom/Fair Imports:	2	2	2	2	4	4	4	4
Unfair/Fair Imports:	3	3	3	3	5	5	5	5
Domestic Supply Elast:	5	10	5	10	5	10	5	10
Fair Import Supply Elast:	10	inf	10	inf	10	inf	10	in
Aggregate Demand Elast:	-0.25	-0.25	-0.75	-0.75	-0.25	-0.25	-0.75	-0.75

Table B-6

The estimated effects of LTFV pricing of imports from Taiwan (open market)

INPUTS (in percentages)	06/02	Taiwan	From:	To:
Margin:	14.97	Substitution Elast.		
Domestic Share:	82.2	Domestic/Unfair:	3	5
Unfair Import Share:	0.5	Domestic/Fair:	3	5
		Unfair/Fair:	3	5
Avg U.S. tariff and transportation rate:	13.1	Aggregate Demand Elast:	0.25	0.75
Domestic Content:	0	Domestic Supply Elast:	5	10
Dom. Capacity Util:	88.2	Fair Supply Elast:	10	inf

Estimated Impact of Dumping on U.S. Market (as percent of "fair" values)

SCENARIOS	#1	#2	#3	#4	#5	#6	#7	#8
Domestic Price:	-0.0%	-0.0%	-0.0%	-0.0%	-0.1%	-0.0%	-0.0%	-0.0
Domestic Output:	-0.2%	-0.2%	-0.1%	-0.1%	-0.3%	-0.3%	-0.2%	-0.2
Domestic Revenue:	-0.2%	-0.2%	-0.1%	-0.1%	-0.3%	-0.3%	-0.3%	-0.3
"BUT-FOR" ESTIMATIONS								
Domestic Share:	82.3%	82.3%	82.3%	82.3%	82.4%	82.3%	82.4%	82.3
Unfair Import Share:	0.4%	0.4%	0.4%	0.4%	0.3%	0.3%	0.3%	0.3
Fair Share:	17.3%	17.3%	17.3%	17.3%	17.3%	17.3%	17.3%	17.3
Capacity Utilization:	88.3%	88.3%	88.3%	88.3%	88.4%	88.4%	88.4%	88.4

Estimated Impact of Dumping on Imports (as a percentage of "fair" values)

Unfair Import Price:	-11.7%	-11.7%	-11.7%	-11.7%	-11.7%	-11.7%	-11.7%	-11.7
Unfair Import Output:	44.8%	44.9%	44.9%	45.0%	85.2%	85.4%	85.4%	85.5
Unfair Import Revenue:	27.9%	28.0%	28.0%	28.0%	63.5%	63.8%	63.7%	63.8
Fair Import Price:	-0.0%	0.0%	-0.0%	0.0%	-0.0%	0.0%	-0.0%	0.0
Fair Import Output:	-0.2%	-0.2%	-0.1%	-0.2%	-0.4%	-0.4%	-0.3%	-0.3
Fair Import Revenue:	-0.2%	-0.2%	-0.2%	-0.2%	-0.4%	-0.4%	-0.3%	-0.3

INPUTS

SCENARIOS	#1	#2	#3	#4	#5	#6	#7	#8
ELASTICITIES OF SUBSTITUTION								
Dom/Unfair Imports:	3	3	3	3	5	5	5	5
Dom/Fair Imports:	3	3	3	3	5	5	5	5
Unfair/Fair Imports:	3	3	3	3	5	5	5	5
Domestic Supply Elast:	5	10	5	10	5	10	5	10
Fair Import Supply Elast:	10	inf	10	inf	10	inf	10	in
Aggregate Demand Elast:	-0.25	-0.25	-0.75	-0.75	-0.25	-0.25	-0.75	-0.75

