

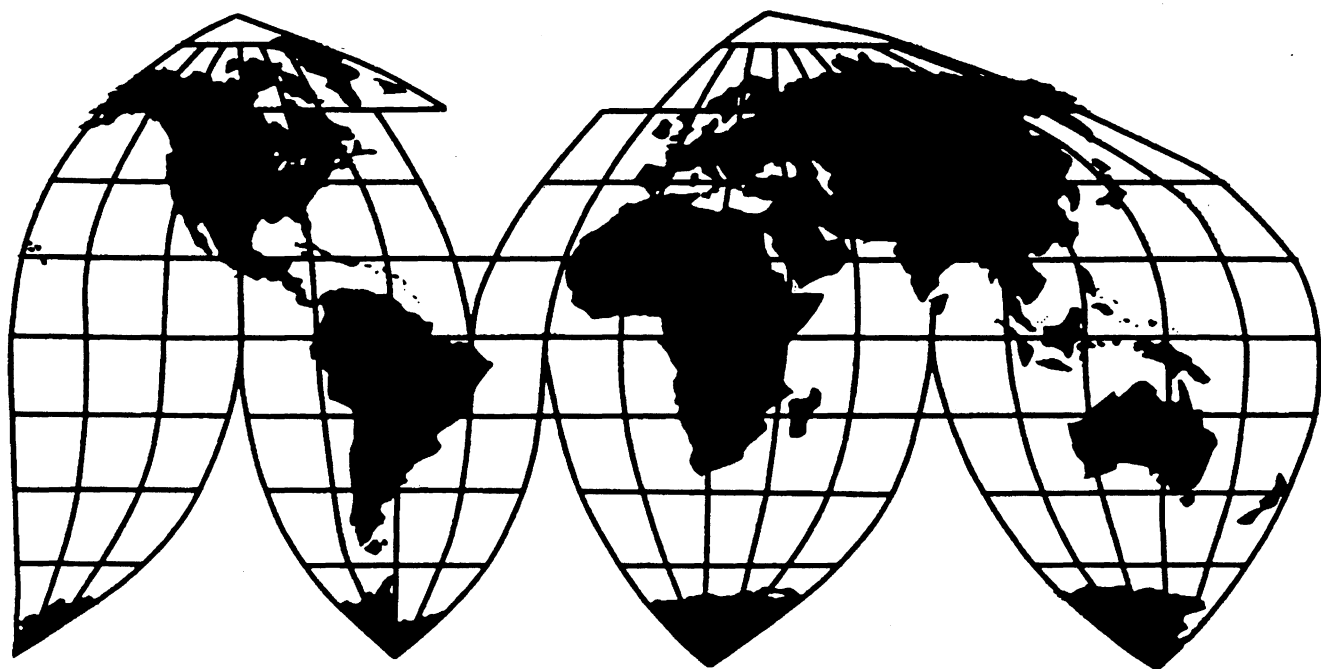
Certain Steel Concrete Reinforcing Bars From Austria, Belarus, China, Indonesia, Japan, Korea, Latvia, Moldova, Poland, Russia, Ukraine, and Venezuela

Investigations Nos. 731-TA-872-883 (Preliminary)

Publication 3343

August 2000

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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Certain Steel Concrete Reinforcing Bars From Austria, Belarus, China, Indonesia, Japan, Korea, Latvia, Moldova, Poland, Russia, Ukraine, and Venezuela



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Note.--Information that would reveal confidential operations of individual concerns may not be published and therefore has been deleted from this report.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.

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigations Nos. 731-TA-872-883 (Preliminary)

CERTAIN STEEL CONCRETE REINFORCING BARS FROM AUSTRIA, BELARUS, CHINA, INDONESIA, JAPAN, KOREA, LATVIA, MOLDOVA, POLAND, RUSSIA, UKRAINE, AND VENEZUELA

DETERMINATIONS

On the basis of the record¹ developed in the subject investigations, the United States International Trade Commission determines, pursuant to section 733(a) of the Tariff Act of 1930 (19 U.S.C. § 1673b(a)), that there is a reasonable indication that a regional industry in the United States is materially injured or threatened with material injury by reason of imports from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland, and Ukraine of certain steel concrete reinforcing bars, provided for in subheading 7214.20.00 of the Harmonized Tariff Schedule of the United States,² that are alleged to be sold in the United States at less than fair value (LTFV). The Commission further determines, pursuant to section 733(a) of the Tariff Act of 1930 (19 U.S.C. § 1673b(a)), that there is no reasonable indication that an industry in the United States is materially injured or threatened with material injury, or that the establishment of an industry in the United States is materially retarded, by reason of such imports from Japan.³ Finally, pursuant to 19 U.S.C. § 1677(24)(A) the Commission determines that the subject imports from Austria, Russia, and Venezuela are negligible,⁴ and thereby, pursuant to 19 U.S.C. § 1673b(a)(1), the Commission's investigations with respect to Austria, Russia, and Venezuela are terminated.

COMMENCEMENT OF FINAL PHASE INVESTIGATIONS

Pursuant to section 207.18 of the Commission's rules, the Commission also gives notice of the commencement of the final phase of its investigations. The Commission will issue a final phase notice of scheduling which will be published in the *Federal Register* as provided in section 207.21 of the Commission's rules upon notice from the Department of Commerce (Commerce) of affirmative preliminary determinations in the investigations under section 733(b) of the Act, or, if the preliminary determinations are negative, upon notice of affirmative final determinations in the investigations under section 735(a) of the Act. Parties that filed entries of appearance in the preliminary phase of the investigations need not enter a separate appearance for the final phase of the investigations. Industrial

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 For purposes of these investigations, certain steel concrete reinforcing bars are all steel concrete reinforcing bars ("rebar") sold in straight lengths. Specifically excluded are plain rounds (*i.e.*, non-deformed or smooth bars) and rebar that has been further processed through bending or coating.

³ Commissioner Lynn M. Bragg dissenting.

⁴ Commissioner Lynn M. Bragg dissenting. Commissioner Bragg finds that there is a potential that such imports from Austria, Russia, and Venezuela will imminently account for more than 7 percent of the total import volume of all such merchandise such that there is a reasonable indication that a regional industry in the United States is threatened with material injury by reason of imports of the subject merchandise from Austria, Russia, and Venezuela that are alleged to be sold in the United States at LTFV.

users, and, if the merchandise under investigation is sold at the retail level, representative consumer organizations have the right to appear as parties in Commission antidumping and countervailing duty investigations. The Secretary will prepare a public service list containing the names and addresses of all persons, or their representatives, who are parties to the investigations.

BACKGROUND

On June 28, 2000, petitions were filed with the Commission and the Department of Commerce by the Rebar Trade Action Coalition (RTAC) (Washington, DC) and its individual members⁵ alleging that a regional industry in the United States is materially injured or threatened with material injury by reason of LTFV imports of certain steel concrete reinforcing bars from Austria, Belarus, China, Indonesia, Japan, Korea, Latvia, Moldova, Poland, Russia, Ukraine, and Venezuela. Accordingly, effective June 28, 2000, the Commission instituted antidumping duty investigations Nos. 731-TA-872-883 (Preliminary).

Notice of the institution of the Commission's investigations and of a public conference 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 July 7, 2000 (65 FR 42029). The conference was held in Washington, DC, on July 19, 2000, and all persons who requested the opportunity were permitted to appear in person or by counsel.

⁵ The members of RTAC are AmeriSteel (Tampa, FL); Auburn Steel Co., Inc. (Auburn, NY); Birmingham Steel Corp. (Birmingham, AL); Border Steel, Inc. (El Paso, TX); CMC Steel Group (Seguin, TX); Marion Steel Co. (Marion, OH); Riverview Steel (Glassport, PA); and Nucor Steel (Darlington, SC). Auburn Steel Co., Inc., is not a petitioner with respect to Indonesia and Japan.

VIEWS OF THE COMMISSION

Based on the record in these preliminary investigations, we find that there is a reasonable indication that a regional industry in the United States is materially injured by reason of imports from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland, and Ukraine of steel concrete reinforcing bars (“rebar”) that are allegedly sold in the United States at less than fair value (“LTFV”).¹

We also find that imports of rebar from Austria, Russia, and Venezuela that are sold in the United States are negligible.² Finally, we find that imports of rebar from Japan are not sufficiently concentrated in the region.³ We therefore conclude there is no reasonable indication that a regional industry in the United States is materially injured or threatened with material injury by reason of the allegedly LTFV imports of rebar from Japan.⁴

I. THE LEGAL STANDARD FOR PRELIMINARY DETERMINATIONS

The legal standard for preliminary antidumping duty determinations requires the Commission to determine, based upon the information available at the time of the preliminary determination, whether there is a reasonable indication that a domestic industry is materially injured, threatened with material injury, or whether the establishment of an industry is materially retarded, by reason of the allegedly unfairly traded imports.⁵ In applying this standard, the Commission weighs the evidence before it and determines whether “(1) the record as a whole contains clear and convincing evidence that there is no material injury or threat of such injury; and (2) no likelihood exists that contrary evidence will arise in a final investigation.”⁶

II. DOMESTIC LIKE PRODUCT AND INDUSTRY

A. In General

To determine whether there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of imports of the subject merchandise, the

¹ Commissioner Askey finds that there is a reasonable indication that the regional industry is threatened with material injury by reason of imports from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland, and Ukraine of rebar that are allegedly sold in the United States at less than fair value (“LTFV”). See Additional Views of Commissioner Thelma J. Askey.

² Commissioner Lynn M. Bragg dissenting with respect to the finding that Austria, Russia, and Venezuela are negligible for purposes of a threat analysis. See Dissenting Views of Commissioner Lynn M. Bragg Regarding Imports from Austria, Japan, Russia, and Venezuela.

³ Commissioner Bragg dissenting with respect to the determination that imports from Japan were not sufficiently concentrated in the region. See Dissenting Views of Commissioner Lynn M. Bragg Regarding Imports from Austria, Japan, Russia, and Venezuela.

⁴ Commissioner Bragg dissenting. See Dissenting Views of Commissioner Lynn M. Bragg Regarding Imports from Austria, Japan, Russia, and Venezuela.

⁵ 19 U.S.C. § 1673b(a); see also American Lamb Co. v. United States, 785 F.2d 994, 1001-04 (Fed. Cir. 1986); Aristech Chemical Corp. v. United States, 20 CIT 353, 354 (1996).

⁶ American Lamb, 785 F.2d at 1001 (Fed. Cir. 1986); see also Texas Crushed Stone Co. v. United States, 35 F.3d 1535, 1543 (Fed. Cir. 1994).

Commission first defines the “domestic like product” and the “industry.”⁷ Section 771(4)(A) of the Tariff Act of 1930, as amended (“the Act”), defines the relevant domestic industry as the “producers as a [w]hole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.”⁸ In turn, the Act defines “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation”⁹

The decision regarding the appropriate domestic like product(s) in an investigation is a factual determination, and the Commission has applied the statutory standard of “like” or “most similar in characteristics and uses” on a case-by-case basis.¹⁰ No single factor is dispositive, and the Commission may consider other factors it deems relevant based on the facts of a particular investigation.¹¹ The Commission looks for clear dividing lines among possible like products and disregards minor variations.¹² Although the Commission must accept the determination of the Department of Commerce (“Commerce”) as to the scope of the imported merchandise allegedly subsidized or sold at LTFV, the Commission determines what domestic product is like the imported articles Commerce has identified.¹³

⁷ 19 U.S.C. § 1677(4)(A).

⁸ 19 U.S.C. § 1677(4)(A).

⁹ 19 U.S.C. § 1677(10).

¹⁰ See, e.g., NEC Corp. v. Dep’t of Commerce, 36 F. Supp. 2d 380, 383 (Ct. Int’l Trade 1998); Nippon Steel Corp. v. United States, 19 CIT 450, 455 (1995); Torrington Co. v. United States, 747 F. Supp. 744, 749, n.3 (Ct. Int’l Trade 1990) aff’d, 938 F.2d 1278 (Fed. Cir. 1991) (“every like product determination ‘must be made on the particular record at issue’ and the ‘unique facts of each case’”). The Commission generally considers a number of factors including: (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution; (4) customer and producer perceptions of the products; (5) common manufacturing facilities, production processes and production employees; and, where appropriate, (6) price. See Nippon, 19 CIT at 455, n.4; Timken Co. v. United States, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996).

¹¹ See, e.g., S. Rep. No. 96-249, at 90-91 (1979).

¹² Nippon Steel, 19 CIT at 455; Torrington, 747 F. Supp. at 748-49; see also S. Rep. No. 96-249, at 90-91 (1979) (Congress has indicated that the like product standard should not be interpreted in “such a narrow fashion as to permit minor differences in physical characteristics or uses to lead to the conclusion that the product and article are not ‘like’ each other, nor should the definition of ‘like product’ be interpreted in such a fashion as to prevent consideration of an industry adversely affected by the imports under consideration.”).

¹³ Hosiden Corp. v. Advanced Display Mfrs., 85 F.3d 1561, 1568 (Fed. Cir. 1996) (Commission may find a single like product corresponding to several different classes or kinds defined by Commerce); Torrington, 747 F. Supp. at 748-52 (affirming Commission determination of six like products in investigations where Commerce found five classes or kinds).

B. Product Description

In its notice of initiation, Commerce defined the imported merchandise within the scope of these investigations as follows:

all steel concrete reinforcing bars (rebar) sold in straight lengths, currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under item number 7214.20.00 Specifically excluded are plain rounds (*i.e.*, non-deformed or smooth bars) and rebar that has been further processed through bending or coating.¹⁴

The subject merchandise is hot-rolled deformed rebar, designed specifically to enhance the tensile and shear-stress strength of concrete structures.¹⁵ Rebar is sold to customers in various forms or stages of fabrication, but only stock deformed rebar, which is not further processed, is subject to these investigations.¹⁶

The parties agree that there should be one domestic like product.¹⁷ Based on the information obtained in these preliminary investigations, we find that there is one domestic like product, rebar, coextensive with the scope of these investigations.

C. Domestic Industry

The domestic industry is defined as “the producers as a [w]hole of a domestic like product.”¹⁸ In defining the domestic industry, the Commission’s general practice has been to include in the industry all of the domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.¹⁹ Based on the definition of the domestic like product, the industry consists of all domestic producers of rebar in the region defined below.

There are two domestic industry issues in this preliminary investigation: (1) whether there is a regional industry; and (2) whether any of the producers of the domestic like product should be excluded from the industry as related parties.

¹⁴ 65 Fed. Reg. 45754, 45755 (July 25, 2000).

¹⁵ Confidential Version of the Staff Report (“CR”) as revised by INV-X-180 and INV-X-181, at I-5-7, Public Version of the Staff Report (“PR”) at I-5-6.

¹⁶ Id.

¹⁷ The Commission, in a prior decision in 1997 concerning rebar, also found one domestic like product coextensive with Commerce’s scope. Steel Concrete Reinforcing Bars From Turkey, Inv. No. 731-TA-745 USITC Pub. 3034 (Final) (April 1997)(“Rebar from Turkey”) at 4. In these investigations, Commerce’s scope differs slightly from the 1997 case as it presently excludes rebar in coils.

¹⁸ 19 U.S.C. § 1677(4)(A).

¹⁹ See United States Steel Group v. United States, 873 F. Supp. 673, 681-84 (Ct. Int’l Trade 1994), aff’d, 96 F.3d 1352 (Fed. Cir. 1996).

III. DOMESTIC INDUSTRY AND REGIONAL INDUSTRY ANALYSIS

A. General Considerations

Petitioners have proposed that the Commission undertake a regional industry analysis. The proposed region would include 30 states (all states east of the Mississippi River plus Arkansas, Louisiana, Missouri, and Texas) as well as the District of Columbia and Puerto Rico.²⁰

Section 771(4)(C) of the Tariff Act of 1930, as amended by the URAA,²¹ provides that:

In appropriate circumstances, the United States, for a particular product market, may be divided into 2 or more markets and the producers within each market may be treated as if they were a separate industry if--

(i) the producers within such market sell all or almost all of their production of the domestic like product in question in that market, and

(ii) the demand in that market is not supplied, to any substantial degree, by producers of the product in question located elsewhere in the United States.

In such appropriate circumstances, material injury, the threat of material injury, or material retardation of the establishment of an industry may be found to exist with respect to an industry even if the domestic industry as a whole, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of that product, is not injured, if there is a concentration of dumped imports or imports of merchandise benefitting from a countervailable subsidy into such an isolated market and if the producers of all, or almost all, of the production within that market are being materially injured or threatened by material injury, or if the establishment of an industry is being materially retarded, by reason of the dumped imports or imports of merchandise benefitting from a countervailable subsidy. The term "regional industry" means the domestic producers within a region who are treated as a separate industry under this subparagraph.²²

The statute sets up three prerequisites that must be satisfied before the Commission can reach an affirmative determination under a regional industry analysis.²³ The Commission must determine that

²⁰ CR at I-2, PR at I-1-2. The thirty states proposed by Petitioners to be included in the region are Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, Delaware, Virginia, Maryland, West Virginia, North Carolina, South Carolina, Georgia, Florida, Mississippi, Alabama, Tennessee, Kentucky, Ohio, Indiana, Illinois, Wisconsin, Michigan, Missouri, Arkansas, Louisiana and Texas. Id.

²¹ The Uruguay Round Agreements Act ("URAA") amendments to the Tariff Act of 1930 ("the Act"), P.L. 103-465, approved Dec. 8, 1994, 108 Stat. 4809. 19 U.S.C. § 1671 et seq., as amended.

²² 19 U.S.C. § 1677(4)(C). The URAA changes to the regional industry provisions were not intended to affect substantive Commission practice. The definition of "regional industry" in the last sentence was added and technical language changes were made by the URAA. The URAA also amended the statute to require that Commerce "to the maximum extent possible, direct that duties be assessed only on the subject merchandise of the specific exporters or producers that exported the subject merchandise for sale in the region concerned during the period of investigation." 19 U.S.C. § 1673e(d).

²³ Texas Crushed Stone Co. v. United States, 822 F. Supp. 773, 777, aff'd, 35 F.3rd 1535 (Fed. Cir. 1994) ("the ITC's case-by-case approach represents a 'legitimate policy choice' made by the agency in interpreting and applying

there is: (1) a regional market satisfying the requirements of the statute, (2) a concentration of dumped imports into the regional market, and (3) material injury or threat thereof to producers of all or almost all of the regional production, or material retardation to the establishment of an industry due to the subsidized or dumped imports. The Commission will proceed to the subsequent step only if each preceding step is satisfied.

B. Analysis

1. Background and Proposed Alternative Regions

The Commission has found, in the past, that "appropriate circumstances" exist for the Commission to engage in a regional industry analysis for products with low value-to-weight ratios and where high transportation costs make the areas in which the product is produced necessarily isolated and insular.²⁴ In a recent investigation involving a similar domestic like product, the Commission found that while transportation costs are not a substantial part of any final delivered price to customers, the low value-to-weight ratio for rebar restricted the geographical area in which it could be competitively sold. Moreover, the Commission noted that the industry practice of "freight absorption" or "freight equalization" made transportation costs important as a component of rebar sales by the domestic producer. The Commission found that regional shipments of rebar generally were concentrated within a 250 mile radius of the producing mill.²⁵

In these investigations, domestic producers generally reported that transportation costs accounted for 5 to 8 percent of the total delivered cost for U.S. inland transportation. Transportation charges for imports from the subject countries generally ranged from 8.9 percent to 14.6 percent, with the exception of Austria, which was 2.8 percent.²⁶ While transportation costs are not a substantial part of any final delivered price to customers, rebar is a low value-to-weight product, estimated to be \$273.16 per ton in 1999, which appears to restrict the geographical area in which rebar can be competitively sold.

In these investigations, shipments of rebar are reportedly concentrated within 500 miles of the producing mill.²⁷

the statute." *Id.* at 1542), affirming *Crushed Limestone from Mexico*, Inv. No. 731-TA-562 (Preliminary), USITC Pub. 2533 (July 1992) ("*Limestone*"). See also *Atlantic Sugar, Ltd. v. United States*, 519 F. Supp. 916, 920 (Ct. Int'l Trade 1981)(court cautioned against "arbitrary or free handed sculpting of regional markets.").

²⁴ See, e.g., *Limestone*, USITC Pub. 2533; *Nepheline Syenite from Canada*, Inv. No. 731-TA-525 (Final), USITC Pub. 2502 (April 1992), *aff'd*, *Feldspar Corp v. United States*, 825 F. Supp. 1095 (Ct. Int'l Trade 1993); *Gray Portland Cement and Cement Clinker from Mexico ("Mexico Cement")*, Inv. No. 731-TA-451 (Final), USITC Pub. 2305 (August 1990), *aff'd*, *Cemex, S.A. v. United States*, 790 F. Supp. 290 (Ct. Int'l Trade 1992), *aff'd*, 989 F.2d 1202 (Fed. Cir. 1993). Rebar is used in tandem with cement to make reinforced concrete, which dictates a close correlation in markets for both commodity products. Petitioners argued that this correlation supported treating rebar like cement for purposes of a regional industry analysis. Petitioners' Br. at 16-17.

²⁵ *Rebar from Turkey*, at 10-11.

²⁶ CR and PR at Table V-1.

²⁷ CR at II-2, PR at II-1. Three of the 16 responding regional domestic producers reported that at least 50 percent of sales are to customers within 0-100 miles. Of the 25 responding importers, 16 reported that at least 50 percent of sales are to customers within 100 miles. Although the evidence in the record indicates that most sales to customers occurred within five hundred miles, the questionnaires only asked how many sales to customers were within 100 - 1000 miles of the producing mills. Commissioners Miller, Hillman, and Askey intend to explore this issue further in any final phase of these investigations. CR at II-2, PR at II-1.

We therefore determine for purposes of these preliminary investigations, that a regional analysis is appropriate and have accepted the petitioners' definition of the region.^{28 29 30}

Alternative Regions

In considering alternative regions, the Commission has looked to whether there was competition among the imports and the domestic producers in the region and in the proposed alternatives to the region. The Commission has not required actual competition but only that there were "no current or future limitations on sales by the petitioner in these states."^{31 32}

Respondents have argued for the exclusion of Puerto Rico from the proposed region.³³ While there is no domestic producer of rebar in Puerto Rico, there have been shipments into Puerto Rico of both subject imports and rebar produced within the region. In the May 1999-April 2000 period,

²⁸ Commissioners Miller, Hillman, and Askey intend to revisit the appropriateness of a regional industry in any final phase of these investigations. For example, they recognize that there are similar trends concerning subject import volumes and average unit prices within and outside the region. They therefore invite the parties to address what factors the Commission should consider in determining whether a regional analysis is appropriate.

²⁹ Chairman Koplan and Vice-Chairman Okun do not intend to revisit the appropriateness of a regional industry analysis in any final phase of these investigations.

³⁰ Commissioner Bragg is satisfied with both the appropriateness of a regional industry analysis in these preliminary investigations, as well as the definition of the regional industry; barring any unforeseeable developments in the record, she does not intend to revisit these issues in any final phase investigations.

To the extent there is any question that a national, as opposed to regional industry analysis, is warranted in these investigations, Commissioner Bragg would consider this an additional factor raising important and outcome determinative questions of fact and law, which mitigates strongly in favor of an affirmative preliminary determination with regard to Japan. See Dissenting Views of Commissioner Lynn M. Bragg Regarding Imports from Austria, Japan, Russia, and Venezuela; see also American Lamb Co. v. United States, 785 F.2d 994, 1001-04 (Fed. Cir. 1986).

³¹ Nepheline Syenite from Canada, Inv. No. 731-TA-525 (Preliminary), USITC Pub. 2415 at 20-22 (Aug. 1991)(Commission included states to which petitioner did not ship, noting that there was evidence of actual marketing by petitioner in those states). See, e.g., Certain Fresh Potatoes from Canada ("Round White Potatoes"), Inv. No. 731-TA-124 (Preliminary), USITC Pub. 1364 (March 1983)(marketing of round white potatoes in the states of New Jersey, Delaware, and Maryland, even though there were no producers of the like product in those states, was enough to include those states in the region); Offshore Platform Jackets and Piles from the Republic of Korea and Japan, ("Offshore Platform Jackets") Inv. Nos. 701-TA-248 (Final) and 731-TA-259 and 260 (Final), USITC 1848 at 8-10 (May 1986).

³² In the past, the Commission has added states to make a region contiguous when there have been non-region states between the states in the proposed non-contiguous region. See, e.g., Gray Portland Cement and Cement Clinker From Mexico, Inv. No. 731-TA-451 (Preliminary), USITC Pub. 2235 at 13-16 (Nov. 1989) (Commission included the Gulf states to make proposed separate Southwest and Florida regions contiguous). The Commission, however, has rejected adding to a proposed region the closest geographically located states (North Carolina, South Carolina, Georgia and Florida) for the sole purpose of making an island territory, Puerto Rico (included in the proposed region), contiguous to the region to be assessed. Nepheline Syenite, USITC Pub. 2415 at 21 and 22 (August 1991).

³³ In prior regional industry cases, even though there was no production within Puerto Rico, the Commission included it in the region, because (1) demand was not met to any substantial degree by shipments from domestic producers outside of the region and (2) shipments from regional producers competed with imports. Conversely, the Commission did not include another state in that region because it did not meet the criteria for inclusion. Nepheline Syenite, USITC Pub. 2415 at 22 (August 1991).

224,858 tons of subject imports were exported to Puerto Rico.³⁴ Additionally, respondents acknowledge that regional producers ship to Puerto Rico. Moreover, there is no evidence in these preliminary investigations that demand in Puerto Rico is supplied by domestic producers outside of the region to any substantial degree.³⁵ For the foregoing reasons, we include Puerto Rico in the region, for purposes of the preliminary phase of these investigations.

Respondents also argue for the exclusion of Texas from the region, relying on the Commission's finding in Rebar from Turkey that Texas was a market separate and isolated from the regional industry in that case, since there were only limited shipments into Texas by regional producers and very minimal shipments into the region by Texas producers.³⁶ The record in these investigations, however, indicates that Texas mills regularly ship into the rest of the region, with the ***.³⁷ At the same time, non-Texan regional mills regularly ship to Texas. For example, ***. As for subject imports into Texas, Houston is now the entry port for one-third of all subject imports. Therefore, we find that Texas should be included in the region for purposes of these preliminary investigations.³⁸

2. Market Isolation Criteria

a. Sales of "all or almost all" within the region

Producers in the region shipped more than 93.1 percent of their U.S. shipments of rebar within the region throughout the period of investigation.³⁹ We find that this level satisfies the statutory market isolation criterion of Section 771(4)(C)(i) of the Act that "producers within such market sell all or almost all of their production of the domestic like product in that market."⁴⁰

³⁴ Petition Volume I, Exhibit 5, citing official imports statistics.

³⁵ Questionnaire responses from domestic producers outside region that provided shipments by state.

³⁶ Belarusian Respondent's Br. at 7-10; Moldovan Respondent's Br. at 2.

³⁷ Producers' Questionnaire Responses.

³⁸ Although the Petitioners did not include the states of Iowa, Oklahoma, and Minnesota in the proposed region, the proximity of these states and the presence of two domestic producers of rebar in these states raises the issue of whether they should be included in the region. According to the record, less than *** percent of regional producers' shipments is shipped to these states and *** percent of rebar production from those states was shipped into the region during the period of investigation. Producer Questionnaire Responses. While regional shipments into these states were low, shipments from these three states into the region appear to be ***. For purposes of the preliminary phase of these investigations, we determine that Oklahoma, Iowa and Minnesota should not be included in the region but plan to revisit the issue in any final phase of these investigations.

³⁹ CR and PR at Table I-1. Regional producers' shipments in the region as a share of their total U.S. shipments were 93.5 percent in 1997, 93.5 percent in 1998, 93.1 percent in 1999. *Id.* In the interim periods, regional producers' shipments as a share of their total U.S. shipments were 94.6 in January-March 1999 and 94.4 percent in January-March 2000. *Id.*

⁴⁰ 19 U.S.C. § 1677(4)(C)(i). This is within the range the Commission previously has considered sufficient to satisfy this criterion. See Texas Crushed Stone, 822 F. Supp. 773, *aff'd*, 35 F.3d 1535 (Fed. Cir. 1994); Cemex, S.A. v. United States, 790 F. Supp. at 292-294, *aff'd*, 989 F.2d 1202 (Fed. Cir. 1993).

b. Demand in region supplied by U.S. producers outside region

The percentage of consumption in the region that was supplied by U.S. producers outside the region was very low during the period of investigation.⁴¹ The share of regional consumption supplied by U.S. producers outside the region was 3.9 percent in 1997, 3.4 percent in 1998, and 3.5 percent in 1999. In the interim periods, the share of regional consumption supplied by U.S. producers outside the region was 4.3 percent in January-March 1999 and 3.5 percent in January-March 2000. These percentages fall within the range⁴² that the Commission previously has found to satisfy the second market isolation criterion of Section 771(C)(4)(ii) that "demand in that market is not supplied, to any substantial degree, by producers of the product in question located elsewhere in the United States."⁴³

Having found that the two market isolation criteria have been satisfied, we determine that a regional industry exists for purposes of these preliminary investigations.

3. Concentration of Imports⁴⁴

In the second step of the regional industry analysis, we determine whether the statutory requirement of concentration of imports within the pertinent region is satisfied. The statute does not define concentration. The legislative history to the URAA indicates that "no precise mathematical formula is reliable in determining the minimum percentage which constitutes sufficient concentration."⁴⁵ The SAA provides that concentration of imports will be found to exist "if the ratio of the subject imports to consumption is clearly higher in the regional market than in the rest of the U.S. market, and if such imports into the region account for a substantial proportion of total subject imports entering the United States."^{46 47} The SAA cautions that there is no "benchmark" for determining what constitutes a

⁴¹ CR and PR at Table I-1.

⁴² The Court of International Trade has suggested that a level of 12 percent of total supply from outside of the region may be too high to be considered insubstantial "in the abstract," but nonetheless affirmed a Commission determination holding that the market isolation criteria were satisfied when 12 percent of regional consumption was supplied by producers outside the region. Atlantic Sugar, Ltd. v. United States, 519 F. Supp. 916, 919-920 (Ct. Int'l Trade 1981). The Commission has found that an average of 10.5 percent was acceptable and on several occasions that percentages of outside supply of less than 10 percent were acceptable. See, e.g., Gray Portland Cement and Cement Clinker from Venezuela ("Venezuela Cement"), Inv. Nos. 303-TA-21 (Preliminary) and 731-TA-519 (Preliminary), USITC Pub. 2400 at 8-10 (July 1991); Mexico Cement, USITC Pub. 2305 at 15 (between 8 and 8.3 percent acceptable); Sugars and Sirups from Canada, Inv. No. 731-TA-3 (Final), USITC Pub. 1047 at 4, 14 (March 1980)(5.5 percent acceptable); Portland Hydraulic Cement from Australia and Japan, ("Portland Hydraulic Cement") Inv. Nos. 731-TA-108 and 109, USITC Pub. 1310 at 9 (November 1982)(less than 10 percent acceptable). It determined in one case that 30 percent was too large, and in a second that percentages that ranged between 25 and 50 percent were too large. See Frozen French Fried Potatoes from Canada, Inv. No. 731-TA-93 (Preliminary), USITC Pub. 1259 at 7 (June 1982); 12-Volt Lead-Acid Type Automotive Storage Batteries from the Republic of Korea, Inv. No. 731-TA-261 (Preliminary), USITC Pub. 1710 at 8 (June 1985).

⁴³ 19 U.S.C. § 1677(4)(C)(ii).

⁴⁴ Commissioner Bragg dissenting with respect to Japan. See Dissenting Views of Commissioner Lynn M. Bragg Regarding Imports from Austria, Japan, Russia, and Venezuela.

⁴⁵ SAA at 190.

⁴⁶ SAA at 190.

⁴⁷ In the past, the Commission only considered the import penetration ratio in particular circumstances where imports outside the region were widely dispersed or the regional industry was a significant portion of the national industry. This Commission practice was affirmed by Texas Crushed Stone, 35 F.3d 1535 (Fed. Cir. 1994). See 10

concentration; rather it should be decided on a case-by-case basis.⁴⁸ The courts have affirmed the Commission's case-by-case approach to applying the statute.⁴⁹

In these investigations, the issue has been raised as to whether subject imports should be aggregated for purposes of determining import concentration. Relying upon the URAA amendment of the statute which provides for cumulative assessment in regional industry cases, the Petitioners argue that a “cumulative assessment of imports from non-negligible respondent countries is required to give full effect to the cumulation provisions which are mandatory when statutory conditions are met.”⁵⁰ Petitioners maintain that on a cumulative basis, the market shares of dumped imports from the respondent countries meet the ratio of imports to consumption test.⁵¹ Respondents, however, argue that the Commission must consider concentration of imports on a country-by-country basis, not on an aggregated basis as suggested by petitioners. They maintain that cumulation enters into the analysis only after the Commission has determined the appropriateness of conducting a regional industry analysis.⁵²

Whether or not subject imports should be cumulated for purposes of determining import concentration requires examining both the regional industry and cumulation provisions of the Act. Section 771(4)(C) of the Act, which sets forth the criteria for making a determination based on the effects of subject imports on a regional industry, does not specify that imports should be aggregated to determine whether there is sufficient import concentration.⁵³ At the same time, the cumulation provision, section 771(7)(G)(i) of the Act, merely provides that only imports within the region are to be cumulated in assessing injury or threat in regional industry cases.⁵⁴ The only clause of the cumulation provision specifically addressing the interplay of cumulation and regional determinations, subparagraph (iv), refers only to assessing injury. Moreover, the cumulation provision of the statute contains no instruction on whether the Commission must or may aggregate subject imports in order to determine whether the requisite import concentration level is satisfied.⁵⁵ In fact, the cumulation provision of the statute appears to assume that the decision to conduct a regional industry analysis has already taken place.^{56 57}

Based upon the reading of these provisions together and the statute as a whole, we do not believe that the statutory language provides that subject imports into the region should be cumulated for

also Gray Portland Cement and Cement Clinker from Japan (“Japan Cement”), Inv. 731-TA-461 (Final), USITC Pub. 2376 at 21, n. 47 (April 1991)(the Commission “would not consider it of much weight if Southern California represented but a very small share of overall U.S. consumption”).

⁴⁸ SAA at 190. See also Mitsubishi Materials Corp. v. United States, 820 F. Supp. 608, 614-615 (Ct. Int’l Trade 1993).

⁴⁹ Texas Crushed Stone, 35 F.3rd 1535 (Fed. Cir. 1994); Cemex, 790 F. Supp. at 292-294 (Ct. Int’l Trade 1992), aff’d, 989 F.2d 1202 (Fed. Cir. 1993).

⁵⁰ Petitioners’ Br. at 26.

⁵¹ Petitioners’ Br. at 27.

⁵² Belarusian Respondent’s Br. at 7-10 and Moldovan Respondent’s Br. at 13.

⁵³ 19 U.S.C. § 1677(4)(c).

⁵⁴ 19 U.S.C. § 1677 (7)(G)(i).

⁵⁵ 19 U.S.C. 1671(7)(G)(iv).

⁵⁶ 19 U.S.C. 1677(7)(G)(iv) begins with the statement: “In an investigation which involves a regional industry . . .”

⁵⁷ Petitioners also rely on Certain Welded Carbon Steel Pipes and Tubes from the Philippines and Singapore, Inv. Nos. 731-TA-293, 294, and 296 (Final), USITC Pub. 1907 (Nov. 1986). We do not find this case to be of particular guidance for although the Commission referred to “cumulated” imports in passing, the Commission did not determine if there was sufficient import concentration. Id. at 6-7.

purposes of determining whether there is sufficient import concentration within the region. We therefore conduct our analysis of import concentration on a country-by-country basis.

The Commission historically has found concentration percentages higher than 80 percent of total imports subject to investigation to be sufficient,⁵⁸ but the requisite concentration has also been found at levels as low as 61 percent.⁵⁹ The percentage of total imports, where applicable, from each subject country into the region, with the exception of Japan and Korea, was 94.0 to 100.0 percent in 1997, 94.6 to 100.0 percent in 1998 and ranged from 92.0 to 100.0 percent in 1999. In the interim periods, the percentage of total imports of rebar from each subject country, except for Japan and Korea, remained at 100.0 percent.

The percentage of total imports from Korea and the percentage of total imports from Japan into the region were lower than the other subject countries. The percentage of total imports from Korea was 0.0 percent in 1997, 76.9 percent in 1998, and 68.7 percent in 1999. In the interim periods, the percentage of total imports from Korea was 78.2 percent during the first quarter of 1999 and 85.1 percent during the first quarter of 2000. With respect to Japan, the percentage of total imports from Japan into the region was 0.0 percent in 1997, 55.6 percent in 1998, and 66.0 percent in 1999. In the interim periods, the percentage of total imports from Japan was 80.8 percent during the first quarter of 1999 but 0.0 percent during the first quarter of 2000.⁶⁰

The SAA provides that “concentration [of imports] will be found to exist if the ratio of the subject imports to consumption is clearly higher in the regional market than the rest of the U.S. market”⁶¹ The ratio of imports to consumption in the region for each of the subject countries, other than Japan and Korea, was consistently higher than the ratio of imports to consumption outside the region for these subject countries throughout the period of investigation being zero or virtually zero outside the region and appreciably higher within the region.⁶² However, for Korea and Japan, the ratio of imports of consumption inside and outside the region varied. The ratio of imports from Korea to consumption inside the region was 0.0 percent in 1997, 8.7 percent in 1998, and 5.3 percent in 1999. In the interim period, the ratio of imports from Korea to consumption inside the region was 5.6 percent in the first quarter of 1999 and 11.0 percent in the first quarter of 2000. The ratio of imports from Korea to consumption outside the region was 0.9 percent in 1997, 5.5 percent in 1998, and 5.5 percent in 1999. In the interim periods, the ratio of imports from Korea to consumption outside the region was 3.8 percent in the first quarter of 1999 and 5.1 percent in the first quarter of 2000. The ratio of imports from Japan to

⁵⁸ See, e.g., Portland Hydraulic Cement, USITC Pub. 1310 at 10 (99 percent); Offshore Platform Jackets, USITC Pub. 1848 at 10 (100 percent); Sugars and Sirups from Canada, Inv. No. 731-TA-3 (Final), USITC Pub. 1047 (March 1980) (96 percent).

⁵⁹ See Round White Potatoes, USITC Pub. 1463 at 7; In the final investigation of cement from Japan, a majority of the Commissioners found an import concentration level between 61.2 percent and 73.7 percent to be sufficient. Japan Cement, USITC Pub. 2376 at 20 and 21, 48-50, aff'd, although remanded on other grounds, Mitsubishi Materials Corp. v. United States, 820 F. Supp. 608, 615 (Ct. Int'l Trade (1993); see also SAA at 190. cf. Certain Steel Wire Nails from the Republic of Korea, Inv. No. 731-TA-26 (Final), USITC Pub. 1088 at 11 and 12 (Aug. 1980)(43 percent found to meet concentration test). See also Venezuela Cement, USITC Pub. 2400 at 10 and 11 (63.5 percent to 100 percent found to be sufficient). Other Commission determinations have questioned whether the concentration was sufficient when the percentages of imports ranged from 66.3 percent to 79.2 percent. See e.g., Certain Welded Carbon Steel Pipes and Tubes from Taiwan, Inv. No. 731-TA-349 (Final), USITC Pub. 1994 (July 1987);

⁶⁰ CR and PR at Table I-1.

⁶¹ SAA at 190.

⁶² CR and PR at Table I-1.

consumption inside the region was 0.0 percent in 1997, 0.8 percent in 1998 and 2.8 percent in 1999. In the interim periods, the ratio of imports from Japan to consumption inside the region was 2.2 percent in the first quarter of 1999 and 0.0 percent in the first quarter of 2000. The ratio of imports from Japan to consumption outside the region, was 0.0 percent in 1997, 1.3 percent in 1998, and 3.3 percent in 1999. In the interim periods, the ratio of consumption for imports from Japan outside the region was 1.3 percent in the first quarter of 1999 and 2.2 percent in first quarter 2000.⁶³

The percentages for each of the subject countries, other than Korea and Japan, are in the range found to be sufficient in previous Commission determinations, but the cases of Korean and Japanese import percentages present closer questions.⁶⁴

With respect to Korea, its percentages of total imports into the region were low in both 1998 and 1999,⁶⁵ but close to the range that was found to be sufficient in previous Commission determinations. Moreover, by the first quarter of 2000, the percentage of imports from Korea into the region was 85.1 percent, above the 80 percent generally found to be sufficient. As noted above, the ratio of imports from Korea to consumption inside the region was mostly higher than outside the region in 1998 and both interim periods. By the first quarter of 2000, however, the ratio of imports from Korea to consumption in the region was considerably higher, at 11.0 percent compared with the 5.1 percent outside the region.⁶⁶ Since 1998 imports from Korea within the region have exceeded those outside the region and given the fact that Korean market penetration within the region is currently more than double its market penetration outside the region, we find that Korean subject imports are sufficiently concentrated within the region for purposes of our preliminary determinations.⁶⁷

As for Japan, the percentage of total imports in the region was 55.6 percent in 1998 and 66.0 percent in 1999, which are lower than the range of percentages found to be sufficient in previous Commission determinations. Although in the interim period of January-March 1999, the percentage of total imports from Japan in the region was 80.8 percent, it was 0.0 percent not only in the interim period of January-March 2000 but for the last 10 months for which data are available (September 1999-June

⁶³ CR and PR at Table I-1.

⁶⁴ Commissioner Askey requests that the parties brief the issue of import concentration in greater detail in any final phase of these investigations. Specifically, she requests that the parties discuss how the Commission should view the direction that “[C]oncentration will be found to exist if the ratio of the subject imports to consumption is *clearly higher* in the regional market than in the rest of the U.S. market . . .” SAA at 190 (emphasis supplied). For example, if a country’s ratio of subject imports to consumption outside the region is zero but 0.5 percent within the region, is the latter ratio “clearly higher” than the former? Additionally, the parties should discuss the time frame the Commission should use for its import concentration analysis. For example, should the Commission focus on the most recent year or the period to be examined?

⁶⁵ CR and PR at Table I-1.

⁶⁶ CR and PR at Table I-1.

⁶⁷ Commissioner Bragg notes that the percentage of total imports from Korea into the proposed region was 0.0 percent in 1997; 76.9 percent in 1998; and 68.7 percent in 1999, as well as 78.2 percent during the first quarter of 1999 and 85.1 percent during the first quarter of 2000. Commissioner Bragg believes it is important, however, to consider these figures in conjunction with the actual volumes of such imports during each period.

Commissioner Bragg notes in this regard that substantial volumes of imports from Korea did not begin entering the United States generally until 1998; moreover, in the first three months of 2000, total imports from Korea into the United States were almost half that for all of 1999 (the vast majority of which entered the proposed region). Finally, Commissioner Bragg notes that for the entire period of investigation, the percentage of imports from Korea into the region was 74.0 percent of total imports from Korea into the United States. Based upon all the foregoing, Commissioner Bragg finds that subject imports from Korea are sufficiently concentrated within the region.

2000). Additionally, Japanese market penetration was lower inside the region than outside in 1998, 1999, and in January-March 2000.⁶⁸ Thus, we find that imports of rebar from Japan are not sufficiently concentrated in the region. We therefore find there is no reasonable indication that a regional industry in the United States is materially injured or threatened with material injury by reason of the allegedly LTFV imports of rebar from Japan.^{69 70}

Based on a comparison of the market share of subject imports in the region to the market share of subject imports outside of the region, as well as consideration of the proportion of total subject imports that enter the region, we find that subject imports from Austria, Belarus, China, Indonesia, Latvia, Korea, Moldova, Poland, Russia, Ukraine and Venezuela are sufficiently concentrated in the region. Therefore, we proceed to the issue of whether there is a reasonable indication of material injury or threat thereof by subject imports from these eleven countries on a regional industry basis.⁷¹

IV. RELATED PARTIES

Having defined the domestic industry as producers of rebar within the region, we must further determine whether any producer of the domestic like product should be excluded from the domestic industry as a related party pursuant to 19 U.S.C. § 1677(4)(B). Section 1677(4)(B) allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise or that are themselves importers.⁷² Exclusion of such producers is within the Commission's discretion based upon the facts presented in each case.⁷³

There are three companies that may be considered "related parties" under (ii)(II) or (III) of the related parties provision based on ownership interests. Birmingham Steel Corp. *** owns Port

⁶⁸ CR and PR at Table I-1. There were not any imports from Japan into the United States in 1997. CR and PR at Table I-4.

⁶⁹ See 19 U.S.C. § 1077(4)(c). In Texas Crushed Stone, the Federal Circuit upheld the Commission's determination to terminate the investigation upon finding that the import concentration was not sufficient. 35 F.3d at 1543.

⁷⁰ Commissioner Bragg dissenting. Commissioner Bragg finds that subject imports from Japan are sufficiently concentrated within the region for purposes of these preliminary phase investigations. See Dissenting Views of Commissioner Lynn M. Bragg Regarding Imports From Austria, Japan, Russia, and Venezuela.

⁷¹ Commissioner Bragg finds that imports from Japan are also sufficiently concentrated within the region, and has included imports from Japan in her injury analysis. See Dissenting Views of Commissioner Lynn M. Bragg Regarding Imports from Austria, Japan, Russia, and Venezuela.

⁷² 19 U.S.C. § 1677(4)(A).

⁷³ Sandvik AB v. United States, 721 F. Supp. 1322, 1331-32 (Ct. Int'l Trade 1989), aff'd without opinion, 904 F.2d 46 (Fed. Cir. 1990); Empire Plow Co. v. United States, 675 F. Supp. 1348, 1352 (Ct. Int'l Trade 1987). The primary factors the Commission has examined in deciding whether appropriate circumstances exist to exclude related parties include: (1) the percentage of domestic production attributable to the importing producer; (2) the reason the U.S. producer has decided to import the product subject to investigation, *i.e.* whether the firm benefits from the LTFV sales or subsidies or whether the firm must import in order to enable it to continue production and compete in the U.S. market; and (3) the position of the related producers vis-a-vis the rest of the industry, *i.e.* whether inclusion or exclusion of the related party will skew the data for the rest of the industry. See, *e.g.*, Torrington Co. v. United States, 790 F. Supp. 1161, 1168 (Ct. Int'l Trade 1992), aff'd without opinion, 991 F.2d 809 (Fed. Cir. 1993). The Commission has also considered the ratio of import shipments to U.S. production for related producers and whether the primary interests of the related producers lie in domestic production or in importation. See, *e.g.*, Melamine Institutional Dinnerware from China, Indonesia and Taiwan, Inv. Nos. 731-TA-741-743 (Final), USITC Pub. 3016, at 14 n.81 (Feb. 1997).

Everglades Steel Corp. (“PESCO”), which has imported *** from *** and Venezuela. *** which imported subject imports from ***. *** imported subject rebar from ***.⁷⁴

Consequently, we consider whether “appropriate circumstances” exist to exclude any of these companies from the domestic industry. None of these domestic producers import the subject product, nor did they report purchases of subject merchandise from their related companies or other sources.⁷⁵ Of the producers in question, *** had operating margins substantially higher than other regional producers. However, there is no evidence that any of these producers derive any concrete benefits, or operate in a manner that is different from any other regional producer or affiliated importers. All either *** or are petitioners.⁷⁶

Based upon the facts on the record at this time, we do not find that appropriate circumstances exist to exclude any of these producers under the related parties provision of the statute.⁷⁷

V. NEGLIGIBLE IMPORTS⁷⁸

The statute provides that imports from a subject country corresponding to a domestic like product that account for less than three percent of all such merchandise imported into the United States during the most recent 12 months for which data are available preceding the filing of the petition shall be deemed negligible.⁷⁹ By operation of law, a finding of negligibility terminates the Commission’s investigations with respect to such imports.⁸⁰ The Commission is authorized to make “reasonable estimates on the basis of available statistics” of pertinent import levels for purposes of deciding negligibility.⁸¹ In addition, when the Commission makes a regional industry determination, the statute provides that its negligibility analysis “shall be based upon the volume of subject merchandise exported for sale in the regional market in lieu of the volume of all subject merchandise imported into the United States.”⁸²

The statute also provides that, even if imports are found to be negligible for purposes of present material injury, they shall not be treated as negligible for purposes of a threat analysis should the Commission determine that there is a potential that imports from the country concerned will imminently account for more than 3 percent of all such merchandise imported into the United States, or that there is a

⁷⁴ CR at IV-1-2 and PR at IV-1.

⁷⁵ Moreover, Birmingham’s domestic production of rebar in the region was *** than reported purchases of subject merchandise by its subsidiary, PESCO. In its questionnaire response, PESCO reported imports ***. CR and PR at IV-1, n.2. By contrast, Birmingham’s regional production was *** short tons in 1997, *** short tons in 1998, and *** short tons in 1999. CR and PR at Table F-1.

⁷⁶ CR and PR at Table III-1.

⁷⁷ Commissioner Bragg finds that, even when the subject imports from Japan are considered, appropriate circumstances do not exist to exclude any related party from the domestic industry.

⁷⁸ Commissioner Bragg dissenting with regard to Austria, Russia, and Venezuela. See Dissenting Views of Commissioner Lynn M. Bragg Regarding Imports from Austria, Japan, Russia, and Venezuela.

⁷⁹ 19 U.S.C. § 1677(24)(A)(i)(I).

⁸⁰ 19 U.S.C. § 1671b(a)(1), 19 U.S.C. § 1673b(a)(1).

⁸¹ 19 U.S.C. § 1677(24)(C); see also The Uruguay Round Agreements Act, Statement of Administrative Action, H.R. Doc. No. 103-316, Vol. 1 at 856 (1994) (“SAA”).

⁸² 19 U.S.C. § 1677(24)(D).

potential that the aggregate volumes of imports from the several countries with negligible imports will imminently exceed 7 percent of all such merchandise imported into the United States.⁸³

Negligibility is an issue in these investigations with respect to subject imports from Austria, Russia, and Venezuela. To evaluate negligibility, we have used official U.S. import statistics for imports for the 12-month period preceding the filing of the petitions, *i.e.*, June 1999-May 2000. During this period, the subject imports from Austria, Russia, and Venezuela are each below 3 percent of all rebar imports into the region, and together account for less than 7 percent of all such imports into the region.⁸⁴ Accordingly, imports from these countries are negligible for purposes of assessing present material injury.

We do not find, pursuant to 19 U.S.C. § 1677(24)(A)(iv), that subject imports from Austria, Russia, or Venezuela will imminently account for more than 3 percent individually, nor more than 7 percent in the aggregate, of the total volume of rebar imports into the region.⁸⁵

Austria's share of total imports for consumption in the region remained low during the period of investigation, at 1.0 percent in 1997, less than 0.05 percent in 1998, and 2.4 percent in 1999.⁸⁶ In the interim periods, Austria's share of total imports for consumption in the region was 6.6 percent in January-March 1999 and 1.0 percent in January-March 2000.^{87 88 89}

At the same time, Austria's capacity utilization rates for rebar remained *** at *** percent in 1997, *** percent in 1998, and *** percent in 1999.⁹⁰ In the interim periods, Austria's capacity utilization was *** percent in January-March 1999 and *** percent in January-March 2000.⁹¹ Austria's capacity utilization rates for 2000 and 2001 are projected to be *** percent and *** percent, respectively.⁹²

*** of Austria's rebar production is absorbed by its home market. Home market shipments accounted for *** percent of Austrian rebar total shipments in 1997, *** percent in 1998, and *** percent in 1999.⁹³ In the interim periods, home market shipments accounted for *** percent of Austrian

⁸³ 19 U.S.C. § 1677(24)(A)(iv).

⁸⁴ Subject imports into the region from Austria, Russia, and Venezuela account for 0.9 percent, 2.5 percent, and 2.1 percent of total imports respectively; imports from these three countries together account for less than 7 percent of total imports. CR at IV-12, PR at IV-13.

⁸⁵ Commissioner Bragg dissenting. Commissioner Bragg does not join in the remainder of Section IV of the opinion. See Dissenting Views of Commissioner Lynn M. Bragg Regarding Imports from Austria, Japan, Russia, and Venezuela.

⁸⁶ CR and PR at Table IV-1R.

⁸⁷ CR and PR at Table IV-1R.

⁸⁸ Imports of subject merchandise from Austria within the region were 5,695 short tons in 1997, 34 short tons in 1998, and 37,964 short tons in 1999. In the interim periods, imports of subject merchandise from Austria were 19,050 short tons in January-March 1999 and 4,635 short tons in January-March 2000. CR and PR at Table IV-1R.

⁸⁹ There is some question as to whether there were any imports from Austria of subject merchandise during the period of investigation. Official Government of Austria trade statistics show that there no exports of rebar from Austria to United States. Additionally, staff confirmed that the trading companies listed in the Net Import File as having imported subject merchandise from Austria did not import subject rebar from Austria in 1999. CR at VII-1-3, PR at VII-1.

⁹⁰ CR and PR at Table VII-1.

⁹¹ CR and PR at Table VII-1.

⁹² CR and PR at Table VII-1.

⁹³ CR and PR at Table VII-1.

rebar total shipments in January-March 1999 and *** percent in January-March 2000.⁹⁴ At the same time, exports of Austrian rebar to other countries accounted for *** percent in 1997, *** percent in 1998, and *** percent in 1999 of Austrian rebar total shipments.⁹⁵ In the interim periods, exports of Austrian rebar accounted for *** percent in January-March 1999 and *** percent in January-March 2000 of Austrian rebar total shipments.⁹⁶

Russia's share of total imports for consumption in the region grew from less than 0.05 percent in 1997, to 3.1 percent in 1999.⁹⁷ However, in the interim periods, Russia's share of total imports for consumption in the region declined from 1.4 percent in January-March 1999 to 0.8 percent in January-March 2000.^{98 99}

Unlike Austria, Russia's capacity utilization rates for rebar are *** percent in 1997, *** percent in 1998, and *** percent in 1999.¹⁰⁰ In the interim periods, Russia's capacity utilization rate was *** percent in January-March 1999 and *** percent in January-March 2000.¹⁰¹ Russia's capacity utilization rates for 2000 and 2001 are projected to be *** percent and *** percent, respectively.¹⁰²

Home market shipments accounted for *** percent of Russian rebar total shipments in 1997, *** percent in 1998, and *** percent in 1999.¹⁰³ In the interim periods, home market shipments accounted for *** percent of Russian rebar total shipments in January-March 1999 and *** percent in January-March 2000.¹⁰⁴ Exports of Russian rebar to other countries accounted for *** percent in 1997, *** percent in 1998, and *** percent in 1999 of Russian rebar total shipments.¹⁰⁵ In the interim periods, exports of Russian rebar accounted for *** percent in January-March 1999 and *** percent in January-March 2000 of Russian rebar total shipments.¹⁰⁶

Venezuela's share of total imports for consumption in the region generally declined during the period of investigation from 10.7 percent in 1997 to 2.1 percent in 1998, and rising slightly to 3.2 percent in 1999.¹⁰⁷ In the interim periods, Venezuela's share of total imports for consumption in the region was 3.1 percent in January-March 1999 and 0.0 percent in January-March 2000.^{108 109}

⁹⁴ CR and PR at Table VII-1.

⁹⁵ CR and PR at Table VII-1.

⁹⁶ CR and PR at Table VII-1.

⁹⁷ CR and PR at Table IV-1R.

⁹⁸ CR and PR at Table IV-1R.

⁹⁹ At the same time, imports of subject merchandise from Russia into the region increased from 132 short tons in 1997 to 19,122 short tons in 1998 and 48,045 short tons in 1999, but in the interim periods, imports of subject merchandise from Russia were 4,121 short tons in January-March 1999 and 3,558 short tons in January-March 2000. CR and PR at Table IV-1R.

¹⁰⁰ CR at Table VII- 9, PR at VII-10.

¹⁰¹ CR at Table VII- 9, PR at VII-10.

¹⁰² CR at Table VII- 9, PR at VII-10.

¹⁰³ CR at Table VII- 9, PR at VII-10.

¹⁰⁴ CR at Table VII- 9, PR at VII-10.

¹⁰⁵ CR at Table VII- 9, PR at VII-10.

¹⁰⁶ CR at Table VII- 9; PR at VII-10.

¹⁰⁷ CR and PR at Table IV-1R.

¹⁰⁸ CR and PR at Table IV-1R.

¹⁰⁹ Imports of subject merchandise from Venezuela into the region were 61,014 short tons in 1997, 20,969 short tons in 1998, and 49,706 short tons in 1999. In the interim periods, imports of subject merchandise from Venezuela

Venezuela's capacity utilization rates for rebar were ***, at *** percent in 1997, *** percent in 1998, and *** percent in 1999.¹¹⁰ In the interim periods, Venezuela's capacity utilization rate was *** percent in January-March 1999 and *** percent in January-March 2000.¹¹¹ Venezuela's capacity utilization rates for 2000 and 2001 are projected to be *** percent and *** percent, respectively.¹¹²

Home market shipments accounted for *** percent of Venezuelan total shipments of rebar in 1997, *** percent in 1998, and *** percent in 1999. In the interim periods, home market shipments accounted for *** percent of Venezuelan total shipments of rebar in January-March 1999 and *** percent in January-March 2000.¹¹³ Exports of Venezuelan rebar to other countries accounted for *** percent in 1997, *** percent in 1998, and *** in 1999 of Venezuelan rebar total shipments.¹¹⁴ In the interim periods, exports of Venezuelan rebar accounted for *** percent in January-March 1999 and *** percent in January-March 2000 of Venezuelan rebar total shipments.¹¹⁵

With respect to Austria and Venezuela, we note the extremely low or decreasing volumes of imports and market shares, the relative importance of their home markets and their relatively *** capacity utilization rates throughout the period. With respect to Russia, we discern that, although the volume of Russian subject imports into the region generally increased, comparison of the interim periods indicates that imports from Russia into the region are lower. While Russia's capacity utilization levels ***, they have ***.¹¹⁶ Accordingly, we find no record evidence demonstrating a potential that subject imports from Austria, Russia and Venezuela will imminently exceed the 3- and 7- percent negligibility thresholds for the countries individually and collectively, respectively, and the investigations with respect to these countries are therefore terminated.

VI. CUMULATION

A. In General

For purposes of evaluating the volume and price effects for a determination of material injury by reason of the subject imports, 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.¹¹⁷ The Act specifically excepts, however, imports from any country for which the investigation has been terminated.¹¹⁸ Because the investigations with respect to imports from

were 9,023 short tons in January-March 1999 and there were no such imports in January-March 2000. CR and PR at Table IV-1R.

¹¹⁰ CR at Table VII-11, PR at Table VII-12.

¹¹¹ CR at Table VII-11, PR at Table VII-12.

¹¹² CR at Table VII-11, PR at Table VII-12.

¹¹³ CR at Table VII-11, PR at Table VII-12.

¹¹⁴ CR at Table VII-11, PR at Table VII-12.

¹¹⁵ CR at Table VII-11, PR at Table VII-12.

¹¹⁶ While we do not assign it great weight in our determination, we note that Russia has limited ability to increase the volume of shipments due to the Comprehensive Steel Agreement, which limits the volume of numerous steel products, including rebar, into the United States. CR at II-9, PR at II-6.

¹¹⁷ 19 U.S.C. § 1677(7)(G)(i).

¹¹⁸ 19 U.S. C. § 1677(7)(c)(ii)(II).

Japan, Austria, Russia, and Venezuela have been terminated, imports from these countries are not subject to cumulation.

In assessing whether subject imports compete with each other and with the domestic like product,¹¹⁹ 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 geographic 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.¹²⁰

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.¹²¹ Only a “reasonable overlap” of competition is required.¹²²

B. Analysis

We have determined to cumulate the subject imports from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland, and Ukraine. The petitions with respect to these subject countries were filed on the same day, and we find that there is a reasonable overlap of competition among imports from each of these eight countries and between these subject imports and the domestic like product.^{123 124}

¹¹⁹ The SAA at 848 expressly states that “the new section will not affect current Commission practice under which the statutory requirement is satisfied if there is a reasonable overlap of competition,” citing Fundicao Tupy, S.A. v. United States, 678 F. Supp. 898, 902 (Ct. Int’l Trade 1988), aff’d, 859 F.2d 915 (Fed. Cir. 1988).

¹²⁰ See Certain Cast-Iron Pipe Fittings from Brazil, the Republic of Korea, and Taiwan, Inv. Nos. 731-TA-278-280 (Final), USITC Pub. 1845 at 8, n.29 (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).

¹²¹ See, e.g., Wieland Werke, AG v. United States, 718 F. Supp. 50 (Ct. Int’l Trade 1989).

¹²² See Goss Graphic System, Inc. v. United States, 33 F. Supp. 2d 1082, 1087 (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, 718 F. Supp. at 52 (“Completely overlapping markets are not required.”).

¹²³ Respondents have argued that two thirds of the U.S. rebar market is subject to “Buy America” or “Buy American” laws and therefore is not competitive with subject imports. Moldovan respondent’s Br. at 28-33; Latvian and Polish Respondents’ Br. at 2-8. However, it is unclear to what extent the U.S. rebar market is subject to Buy America type programs. We intend to explore this issue further in any final phase of these investigations.

¹²⁴ Commissioner Bragg finds that the cumulation analysis set forth above applies equally to subject imports from Japan. Therefore, Commissioner Bragg has cumulated imports from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland, Ukraine, and Japan for purposes of assessing present material injury. See Dissenting Views of

1. Fungibility

The record in these preliminary investigations indicates that the subject imports from the eight countries are fungible with each other and with the domestic like product. In this regard, rebar sold in the region -- whether foreign or domestic -- meets the standards maintained by the American Society of Testing and Materials ("ASTM").¹²⁵ Questionnaire responses indicate that the imports from the subject countries are viewed as interchangeable with the domestic like product and with each other.¹²⁶

2. Geographic Overlap

The record demonstrates that subject imports from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland, and Ukraine generally were present throughout the period of investigation in the same geographic markets in the region.¹²⁷

3. Channels of Distribution

The record also demonstrates that subject imports and the domestic like product are generally sold through the same channels of distribution.¹²⁸ Domestic and imported rebar from the subject countries are distributed to similar customers.¹²⁹ Domestic mills sell both to their own fabricators and to independent fabricators and distributors, with lesser amounts sold directly to steel service centers.¹³⁰ Currently, subject rebar is generally channeled through trading companies and distributors, with some sales directly to fabricators and service centers.¹³¹ However, rebar from the subject countries has been reported to have made significant inroads into the fabricating sector compared with five years ago.¹³² Moreover, one domestic producer indicated that it had lost sales to imports for its own fabricating operations.¹³³ Finally, both domestic producers and importers sell smaller amounts to building material dealers.¹³⁴

4. Simultaneous Presence

Domestically produced rebar was present in the region throughout the period for which data were collected. According to official import statistics, imports of subject rebar from Korea, Latvia, and Moldova entered the region in more than 24 of the 39 months from January 1997 through March 2000. Imports from China, Indonesia and Poland entered the United States in 10 or fewer months over the

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¹²⁵ CR at I-7-9, PR at I-5-7, Tr. at 59-60.

¹²⁶ CR at II-12-14, PR at II-7-8.

¹²⁷ CR at IV-7, PR at IV-6.

¹²⁸ CR at I-12, PR at I-9, Tr. at 23-24, 37, 120, 122.

¹²⁹ CR at I-12, PR at I-9, Tr. at 23-24, 37, 120, 122.

¹³⁰ CR at I-12, PR at I-9, Tr. at 23-24.

¹³¹ CR at I-12, PR at I-9, Tr. at 23-24, 37.

¹³² CR at I-12, PR at I-9, Tr. at 23-24, 37.

¹³³ CR at I-12, PR at I-9, Tr. at 23-24.

¹³⁴ CR at I-12, PR at I-9.

period.¹³⁵ Imports from Belarus and Ukraine generally were present in the region throughout the period of investigation.¹³⁶

Based on the entire record, we find a reasonable overlap of competition and cumulate subject imports from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland and Ukraine for purposes of our preliminary determinations.¹³⁷

VII. REASONABLE INDICATION OF MATERIAL INJURY BY REASON OF ALLEGEDLY LTFV IMPORTS¹³⁸

In the preliminary phase of antidumping duty investigations, the Commission determines whether there is a reasonable indication that an industry in the United States is materially injured by reason of the imports under investigation.¹³⁹ In making this determination, the Commission must consider the volume of 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.¹⁴⁰ The statute defines “material injury” as “harm which is not inconsequential, immaterial, or unimportant.”¹⁴¹ In assessing whether there is a reasonable indication that 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.¹⁴² 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.”¹⁴³

A. Regional Industry Injury Analysis

Under a regional industry injury analysis, producers of “all or almost all” of the production in the region must be materially injured.¹⁴⁴ There is no specification in the statute or in prior Commission determinations as to what percentage of domestic production constitutes “all or almost all” in the context of regional injury analysis. The Court of International Trade (“CIT”) has held that, for determining the “all” criterion, a “numerical analysis would not be appropriate under the regional injury provision . . . [because] numerous factors must be considered and a quantitative analysis is inappropriate.”¹⁴⁵ The CIT

¹³⁵ CR and PR at Table IV-2.

¹³⁶ CR and PR at Table IV-2.

¹³⁷ Commissioner Bragg includes imports from Japan in her cumulative analysis. See Dissenting Views of Commissioner Lynn M. Bragg Regarding Imports from Austria, Japan, Russia, and Venezuela.

¹³⁸ Commissioner Askey does not join subsections C-E of this section.

¹³⁹ 19 U.S.C. § 1673b(a).

¹⁴⁰ 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).

¹⁴¹ 19 U.S.C. § 1677(7)(A).

¹⁴² 19 U.S.C. § 1677(7)(C)(iii).

¹⁴³ Id.

¹⁴⁴ 19 U.S.C. § 1677(4)(c).

¹⁴⁵ Mitsubishi Materials Corp. v. United States, 820 F. Supp. 608, 616 and 617 (Ct. Int’l Trade 1993); Cemex, 790 F. Supp. at 294 (Ct. Int’l Trade 1992), aff’d, 989 F.2d 1202 (Fed. Cir. 1993).

has held that the “Commission did not err in failing to apply a fixed percentage test of eighty to eighty-five percent” in determining whether a regional industry was injured.¹⁴⁶

Generally, after determining whether the aggregate regional data shows material injury, the Commission next examines individual producer data “as appropriate to determine whether anomalies exist that an aggregate industry analysis would disguise.”¹⁴⁷ In examining individual producer data, the Commission is “not required to adopt the pure plant-by-plant inquiry” and “[u]se of either a straight aggregate or pure plant-by-plant method in determining injury in a regional analysis is not mandated by statute or case law”¹⁴⁸

For the reasons discussed below, we determine that there is a reasonable indication that the regional industry producing rebar is materially injured by reason of subject imports from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland, and Ukraine that are allegedly sold in the United States at less than fair value.¹⁴⁹

B. Conditions of Competition

There are several conditions of competition that are relevant to our analysis in these investigations.¹⁵⁰ First, the domestic industry captively consumes a significant portion of its domestic like product in the manufacture of downstream products.¹⁵¹ We have considered whether the captive production provision requires us primarily to focus our analysis on the merchant market when assessing market share and the factors affecting the financial performance of the domestic industry.¹⁵² We

¹⁴⁶ Mitsubishi Materials, 820 F. Supp. at 616 and 617 (Ct. Int’l Trade 1993); Cemex, 790 F. Supp. at 294 (Ct. Int’l Trade 1992), aff’d, 989 F.2d 1202 (Fed. Cir. 1993).

¹⁴⁷ Rebar From Turkey at 23 and nn.141-142.

¹⁴⁸ Mitsubishi Materials, 820 F. Supp. at 617 and 618; accord, Mitsubishi Materials Corp. v. United States, 918 F.Supp. 422, 427 (Ct. Int’l Trade 1996)(aggregate analysis of regional producers sufficient to satisfy the “all or almost all” standard where industry conditions were common to each regional producer); Cemex, 790 at 294 and 295 (“to the extent that some safeguard is required to assure that the ‘all or almost all’ standard [was met].”). In Rebar From Turkey, the Commission analyzed both “the statutory factors regarding the aggregate regional industry” and “the performance of individual regional producers to look for anomalies as a safeguard . . . to assure that the ‘all or almost all’ standard [was] met.” Id. at 23 n. 142. The Commission also indicated that while its individual analysis was at the producer level, it further noted that “examination at the individual plant level would not change our findings.” Id.

¹⁴⁹ Commissioner Askey finds that there is a reasonable indication that the regional industry producing rebar is threatened with material injury by reason of subject imports from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland, and Ukraine that are allegedly sold in the United States at less than fair value.

¹⁵⁰ CR at II-2 and II-11-12, PR at II-1, II-7-8.

¹⁵¹ For domestic producers within the region, internal consumption plus company transfers accounted for 16.0 percent of regional producer’ total shipments in 1997 and 18.6 percent of their shipments in 1999. CR and PR at Table III-3R.

¹⁵² As amended by the URAA, the Act contains a provision on captive production at section 771(7)(C)(iv), which provides:

(iv) CAPTIVE PRODUCTION -- If domestic producers internally transfer significant production of the domestic like product for the production of a downstream article and sell significant production of the domestic like product in the merchant market, and the Commission finds that --

(I) the domestic like product produced that is internally transferred for processing into

determine that a significant production of the domestic like product is both internally transferred and sold in the merchant market. However, the record indicates that rebar sold in the merchant market is generally used in the production of the same downstream products for which rebar is internally consumed. Accordingly, for purposes of these preliminary determinations, we find that the third criterion of the captive production provision is not satisfied. Consequently, the captive production provision does not apply in the preliminary phase of these investigations, although we will further examine this question in any final phase of these investigations.

Rebar is primarily used for the reinforcement of concrete structures, and demand for rebar follows trends in construction.¹⁵³ In general, domestic producers and importers reported that the demand for rebar has increased, due to a strong economy and increases in construction.¹⁵⁴ Apparent U.S. consumption of rebar within the region increased from 4.3 million tons in 1997 to 5.5 million tons in 1999.¹⁵⁵ Apparent consumption within the region in the first quarter of 1999 was 1.2 million tons compared with 1.5 million in the first quarter of 2000.¹⁵⁶

Rebar accounts for a very small share of the cost of a concrete structure. Several responding domestic producers reported that rebar accounts for less than 1 percent of the cost of such structures. There are at best limited substitutes for rebar.¹⁵⁷ Of the 50 responses to Commission domestic producer and importer questionnaires, 22 reported that there were no substitutes, or no practical substitutes, for rebar in most applications.¹⁵⁸ Consequently, the demand for rebar is highly insensitive to any change in price.¹⁵⁹

Rebar is generally regarded as a commodity product and rebar of the same grade and dimensions is interchangeable regardless of origin.¹⁶⁰ Rebar is produced to standard specifications. The most common specification of rebar sold in the United States is of nonalloy billet steel (ASTM A615) in grade

that downstream article does not enter the merchant market for the domestic like product,

(II) the domestic like product is the predominant material input in the production of that downstream article, and

(III) the production of the domestic like product sold in the merchant market is not generally used in the production of that downstream article,

19 U.S.C. § 1677(7)(C)(iv). The Statement of Administrative Action issued in conjunction with the URAA indicates that where a domestic like product is transferred internally for the production of another article coming within the definition of the domestic like product, such transfers do not constitute internal transfers for the production of a “downstream article” for purposes of the captive production provision. H. Doc. No. 103-316 at 853 (1994).

¹⁵³ CR at II-11, PR at II-7

¹⁵⁴ CR at II-11, PR at II-7.

¹⁵⁵ CR and PR at Table IV-4R.

¹⁵⁶ CR and PR at Table IV-4R.

¹⁵⁷ CR at II-11-12, PR at II-7.

¹⁵⁸ Other products which reportedly may be used in limited applications included prestressed wire concrete strand, and smooth bars. CR at II-11-12, PR at II-7.

¹⁵⁹ Petitioners’ Br. at 9-10.

¹⁶⁰ CR at II-12, PR at II-8.

60.¹⁶¹ Grade 60 accounts for the largest share of both domestic regional production and subject imports.¹⁶² Sizes 3, 4, 5, and 6 predominate, accounting for roughly 71 percent of the total tonnage of rebar shipped.¹⁶³ Imports were initially concentrated in these sizes, but have expanded to include all sizes, especially sizes 7, 9, and 11. Imports were also primarily available in 20-foot lengths, which are easier to handle at the docks,¹⁶⁴ but increasing amounts of 40-foot lengths and 60-foot lengths have been entering the United States. However, logistical problems in transportation appear to limit the ability of importers to supply 60-foot lengths.¹⁶⁵ The interchangeability of domestic and imported rebar suggests that price is a significant factor in purchasing decisions.

Sales in the regional market by regional producers and importers take place primarily through distributors, service centers, and fabricators.¹⁶⁶ Domestic producers generally reported that transportation costs accounted for 5 to 8 percent of the total delivered cost for U.S. inland transportation. Transportation charges for regional imports from the subject countries generally ranged from 8.9 percent to 14.6 percent, with the exception of Austria, which was 2.8 percent.¹⁶⁷ Shipments of rebar are concentrated within 500 miles of the producing mill and port of entry.¹⁶⁸

Both subject and non-subject imports of rebar are excluded from federal and state projects subject to “Buy American” or “Buy America” laws. The parties disagree with regard to how much of the U.S. market is subject to these restrictions. Respondents assert that two thirds of the U.S. market is closed to imports while petitioners indicate that substantial shipments of rebar go into the building of hospitals, stadiums, office buildings etc., which are not subject to Buy America laws, as well as small projects such as patios, house foundations and driveways.¹⁶⁹ We intend to examine the extent to which consumption in the region is subject to these restrictions in any final phase of these investigations.

C. Volume of Subject Imports

Section 771(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.”¹⁷⁰ The cumulated volume of subject imports increased from 75,501 short tons in 1997 to 798,839 short tons in 1998, and then to 1.0 million short tons in 1999. In the interim periods, the volume of subject imports was 179,972 short tons in first quarter 1999, compared with 397,001 short tons in first quarter 2000.^{171 172}

¹⁶¹ CR at II-12, PR at II-8. Rebar in longer lengths, *e.g.*, 60 feet, is preferred by fabricators to enable efficient cutting of the product into the necessary lengths with the least waste. Tr. at 45-47.

¹⁶² CR at II-12, PR at II-8.

¹⁶³ CR at I-9, PR at I-7.

¹⁶⁴ CR at I-9, PR at I-7.

¹⁶⁵ CR at I-10, PR at I-7.

¹⁶⁶ CR at I-12, PR at I-7.

¹⁶⁷ CR and PR at Table V-1.

¹⁶⁸ CR at II-2, PR at II-1.

¹⁶⁹ Petitioners’ Br. at 7-9.

¹⁷⁰ 19 U.S.C. § 1677(7)(C)(i).

¹⁷¹ CR and PR at Table IV-1R .

¹⁷² The volume of imports from nonsubject countries decreased between 1997 and 1998, but increased between 1998 and 1999 and was higher in interim 1999 than in interim 2000. See CR and PR at Table IV-1R. Nonsubject

Subject imports' share of apparent consumption in the region measured by quantity, increased from 1.8 percent in 1997 to 17.2 percent in 1998, and 18.9 percent in 1999; the share in interim 1999 was 14.6 percent, as compared with 27.0 percent in interim 2000.¹⁷³

In contrast, regional producers' share of apparent regional consumption declined from 82.9 percent in 1997 to 68.0 percent in 1999.¹⁷⁴ Regional producers' market share declined further –from 72.3 percent in first quarter 1999 to 65.8 percent in first quarter 2000.¹⁷⁵

We find that the volume of subject imports, and the increase in volume, in both absolute terms and relative to apparent U.S. consumption, is significant.¹⁷⁶

D. Price Effects of the 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.¹⁷⁷

The record in these preliminary investigations shows that price is a significant factor in purchasing decisions, as rebar is essentially a commodity product. As discussed above, subject imports and the domestic product of the same size are comparable and generally interchangeable when used in the same applications.

There has been significant underselling by the subject imports throughout the period of investigation. For the four products for which the Commission collected data, the subject imports undersold the domestic like product in 245 out of 274 quarterly pricing comparisons (*i.e.*, well over three-fourths of the pricing comparisons). In many comparisons, the margins of underselling exceeded *** percent.¹⁷⁸

imports decreased from 495,499 short tons in 1997 to 191,623 short tons in 1998, and then increased to 527,843 short tons in 1999. Nonsubject imports were 109,579 short tons in interim 1999 and 53,843 short tons in interim 2000. See CR and PR at Table IV-1R. The share of apparent consumption within the region attributable to nonsubject imports decreased from 11.5 percent in 1997 to 4.1 percent in 1998 and then increased to 9.6 percent in 1999; nonsubject imports' share of apparent consumption of 8.9 percent in interim 1999 was higher than the interim 2000 share of 3.7 percent. See CR and PR at Table IV-3 and Table IV-4R.

¹⁷³ See CR and PR at Table IV-4R.

¹⁷⁴ CR and PR at Table IV-4R.

¹⁷⁵ CR and PR at Table IV-4R.

¹⁷⁶ Commissioner Bragg concurs and finds that this conclusion is only strengthened when subject imports from Japan are also included in the cumulative analysis.

¹⁷⁷ 19 U.S.C. § 1677(7)(C)(ii).

¹⁷⁸ CR and PR at Tables V-7-11.

Prices for both the domestic like product and the subject imports declined steadily throughout the period of investigation.¹⁷⁹ Moreover, the decline in domestic prices exceeded the decrease in raw material costs between 1998 and 1999 and again between interim 1999 and interim 2000.¹⁸⁰ In 1998, the average reported cost of raw materials per ton of rebar produced in the region was \$144.16 and the average value of rebar sold was \$299.23 per ton -- a spread of \$155.07 per ton. In 1999, the average cost of raw materials per ton of rebar produced in the region had fallen to \$122.90 while the average value of rebar sold was \$274.59 per ton, a spread of 151.69 per ton.^{181 182}

Petitioners alleged 57 instances of lost sales involving 34 purchasers totaling \$51.4 million and allegations of lost revenue involving 4 purchasers due to rebar imported from the subject countries. Commission staff were able to contact 33 purchasers cited for lost sales and all of the purchasers cited for lost revenues. Staff were able to confirm lost sales of \$22.9 million due to lower prices of the subject imports.¹⁸³

Accordingly, we find there is a reasonable indication that the subject imports have depressed or suppressed prices for the domestic like product in the regional market to a significant degree during the period of investigation.¹⁸⁴

E. Impact

In examining the impact of the subject imports on the domestic industry, we consider all relevant economic factors that bear on the state of the regional industry.¹⁸⁵ These factors include output, sales, inventories, capacity utilization, market 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 affected industry.”^{186 187 188}

¹⁷⁹ CR at V-13, PR at V-11.

¹⁸⁰ Compare CR and PR at Tables VI-2 and VI-3.

¹⁸¹ In interim 2000 the unit raw material cost was higher at \$140.47 than in interim 1999 at \$119.92. CR and PR at Table VI-2. However, despite increased raw material costs, the average unit sales value was \$272.58 in interim 2000 which was slightly below the \$272.82 average unit sales value in interim 1999. Compare CR and PR at Tables VI-2 and VI-3.

¹⁸² Commissioner Bragg notes that the per unit cost of goods sold for the regional industry declined from \$271.40 in 1997 to \$264.00 in 1998, and declined further in 1999 to \$244.47; comparison of interim data indicate that the unit COGS increased from \$238.10 in interim 1999 to \$247.72 in interim 2000. CR and PR Table C-1.

¹⁸³ CR at V-27, PR at V-20.

¹⁸⁴ Commissioner Bragg concurs and finds that this conclusion is only strengthened when subject imports from Japan are also included in the cumulative analysis.

¹⁸⁵ 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).

¹⁸⁶ 19 U.S.C. § 1677(7)(C)(iii); see also SAA at 851 and 885 and Live Cattle from Canada and Mexico, Inv. Nos. 701-TA-386 and 731-TA-812-813 (Preliminary), USITC Pub. 3155 at 25, n.148 (Feb. 1999).

¹⁸⁷ 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 imports. 19 U.S.C. § 1677(7)(C)(iii)(V). In its notice of initiation, Commerce relied on petitioners’ estimates of dumping margin ranges: Belarus: 49.06 to 56.48 percent; 26

We find that the subject imports had a significant adverse impact on the regional industry. While the volume and market share of subject imports increased during the period of investigation, the regional industry experienced declines in several key indicators. Despite increasing apparent U.S. consumption within the region, generally increasing sales quantities, and aggregate and per unit declines in cost of goods sold, the domestic producers lost market share and revenues in the face of the substantial price declines caused in significant part by subject imports.¹⁸⁹

As noted earlier, from 1997 to 1999, regional apparent consumption of rebar increased from 4.3 million short tons to 5.5 million short tons in 1999,¹⁹⁰ while regional producers' regional shipments of rebar only rose slightly during 1997-1999.¹⁹¹ Regional production also rose only slightly, from 3.9 million short tons in 1997 to 4.0 million shorts tons in 1999.¹⁹² Regional producers' capacity utilization remained low throughout the period of investigation.¹⁹³

Total sales of regional producers' rebar increased during 1997-1999, from 3.8 million short tons in 1997 to 4.0 million short tons in 1999.¹⁹⁴ In the interim periods, total sales increased from 950,643 short tons in January-March 1999 to 1,032,054 short tons in January-March 2000.¹⁹⁵ As regional producers' sales increased, average unit values dropped over the same period, from \$309.11 per ton in 1997 to \$301.10 per ton in 1998 and \$274.86 per ton in 1999, far outpacing the decline in raw material costs.¹⁹⁶

While we analyzed the statutory factors regarding the aggregate regional industry, we also examined the performance of individual regional producers to look for anomalies as a safeguard "to assure that the 'all or almost all' standard [was] met."¹⁹⁷ As net sales values per pound declined, operating income also fell for almost all regional producers. Operating income declined from \$91.1 million in 1997 to \$88.4 million in 1998 and to \$62.2 million in 1999 and was higher in interim 1999 at \$20.7 million than in interim 2000 at \$11.0 million. Moreover, six of the regional producers reported

Indonesia: 71.01 percent; Latvia: 45.52 to 58.40 percent; Moldova: 49.07 percent; The People's Republic of China: 59.98 percent; Poland; 53.54 percent; Korea; 86.69 to 102.28 percent; and Ukraine: 41.69 percent. 65 Fed. Reg. 45754 (July 25, 2000).

¹⁸⁸ Commissioner Bragg notes that she does not ordinarily consider the magnitude of the margin of dumping to be of particular significance in evaluating the effects of subject imports on domestic producers. *See, e.g.,* Separate and Dissenting Views of Commissioner Lynn M. Bragg in Bicycles from China, Inv. No. 731-TA-731 (Final), USITC Pub. 2968 (June 1996).

¹⁸⁹ CR and PR at Table C-1.

¹⁹⁰ CR and PR at Table IV-3.

¹⁹¹ Regional producers' regional shipments of rebar increased from 3.6 million short tons in 1997 to 3.7 million short tons in 1999. CR and PR at table C-1.

¹⁹² CR and PR at Table C-1.

¹⁹³ Specifically, capacity utilization was 62.8 percent in 1997, 61.7 percent in 1998, and 61.9 in 1999. In the interim periods, capacity utilization was 56.4 percent in interim 1999 compared with 62.6 percent in interim 2000. CR and PR at Table C-1.

¹⁹⁴ CR and PR at Table C-1.

¹⁹⁵ CR and PR at Table C-1.

¹⁹⁶ CR and PR at Table C-1. In interim 2000, the raw materials cost was higher at \$140.47 per ton than in interim 1999 at \$119.92 per ton. CR and PR at Table VI-2. However, the average unit values were \$273.18 per ton in interim 1999 and \$272.47 per ton in interim 2000. CR and PR at Table C-1.

¹⁹⁷ Cemex, 790 F. Supp. at 296.

operating losses for interim 1999 and ten of *** regional producers reported operating losses for interim 2000.¹⁹⁸

The adverse impact of the subject imports on the regional industry is also indicated by the lost sales that were confirmed by Commission staff.

In sum, there is a reasonable indication that the significant and increasing volume of subject imports has caused the regional industry to lose market share and has depressed prices to a significant degree, resulting in a significant decline in the regional industry's profitability and deteriorating financial condition.¹⁹⁹

CONCLUSION

For the reasons stated above, we determine that there is a reasonable indication that a regional industry in the United States is materially injured by reason of imports from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland, and Ukraine, of steel concrete reinforcement bars that are allegedly sold in the United States at less than fair value.^{200 201}

We also make a negative determination with respect to imports of rebar from Japan due to insufficient concentration in the region.²⁰² Finally, we find that imports of rebar from Austria, Russia, and Venezuela that are allegedly sold at LTFV in the United States are negligible.²⁰³

¹⁹⁸ CR and PR at Table VI-4.

¹⁹⁹ Commissioner Bragg concurs and finds that this conclusion is only strengthened when subject imports from Japan are also included in the cumulative analysis.

²⁰⁰ Commissioner Bragg also reaches an affirmative determination with regard to subject imports from Japan.

²⁰¹ Commissioner Askey determines that there is a reasonable indication that a regional industry in the United States is threatened with material injury by reason of imports from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland, and Ukraine of rebar that are allegedly sold in the United States at less than fair value.

²⁰² Commissioner Bragg dissenting.

²⁰³ Commissioner Bragg dissenting.

ADDITIONAL VIEWS OF COMMISSIONER THELMA J. ASKEY

I find that there is a reasonable indication that a regional industry producing steel concrete reinforcing bars (“rebar”) is threatened with material injury by reason of imports from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland and Ukraine that are alleged to be sold in the United States at less than fair value (“LTFV”). Because I found that imports from Austria, Russia and Venezuela are negligible and that the investigation concerning imports from Japan should be terminated because imports from Japan are not sufficiently concentrated in the region, I join with my colleagues in discussing those issues in the *Views of the Commission*. Additionally, my views on the domestic like product and the regional industry, my analysis regarding cumulation of imports for purposes of the present material injury determinations, and my description of the relevant conditions of competition are contained in the Commission’s views. Nevertheless, because I have concluded that the regional industry producing rebar is not suffering present material injury by reason of subject imports, I do not join my colleagues in their discussion of present material injury.

I. PRESENT MATERIAL INJURY

A. Volume

Section 771(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.”¹ The cumulated volume of subject imports increased from 75,501 short tons in 1997 to 798,839 short tons in 1998, and then to 1,038,263 short tons in 1999. Subject imports were 397,001 short tons in first quarter 2000, compared to 179,972 short tons in first quarter 1999.² Subject imports’ share of apparent domestic consumption within the region increased from 1.8 percent in 1997 to 17.2 percent in 1998 and to 18.9 percent in 1999. Their share was 27.0 percent in interim 2000, as compared with 14.6 percent in interim 1999.³

Thus, the record indicates a large increase in the volume and market share of subject imports over the POI. However, I note that, during the same period, regional consumption increased by 27.6 percent between 1997 and 1999, from 4.3 million short tons to 5.5 million short tons, and by a further 18.9 percent comparing interim periods, from 1.2 million short tons in first quarter 1999 to 1.5 million tons in first quarter 2000.⁴ In other words, while subject import volume increased by almost 1 million tons between 1997 and 1999, domestic demand increased by 1.2 million tons.⁵ Accordingly, increased imports may have been drawn into the U.S. market to a significant degree by the substantially increased demand during the period. Moreover, as I discuss below, I do not find that the record in the preliminary phase of these investigations indicates that these large volumes are causing a significant current impact on domestic profit levels, production levels and shipment levels.

Accordingly, I find that the volume of subject imports, while large, is not significant. However, I will reexamine this issue in any final phase of these investigations.

¹ 19 U.S.C. § 1677(7)(C)(i).

² See CR and PR at Table C-1.

³ See CR and PR at Table C-1.

⁴ CR and PR at Table C-1.

⁵ Shipments from domestic producers outside the region also increased between 1997 and 1999, by 16 percent, rising from 166,990 short tons in 1997 to 193,665 short tons in 1999. CR and PR at Table C-1.

B. Price

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.⁶

The record in the preliminary phase of these investigations shows that price is a significant factor in purchasing decisions, as rebar appears to be essentially a commodity product. As discussed above, subject imports and the domestic product of the same size are comparable and generally interchangeable when used in the same application, although it is unclear to what extent “Buy America” requirements may limit the substitutability of the domestic and imported merchandise in this market. The record shows that the subject imports undersold the domestic like product in 245 of 274 price comparisons.⁷ However, underselling margins varied considerably.⁸ Subject import prices fluctuated somewhat but declined over the POI.⁹ Between 1997 and first quarter 2000, prices for domestic products for which the Commission obtained price comparison data declined, particularly later in the POI, but to a lesser degree than did subject import prices.¹⁰ Raw material price declines may have accounted for some of the price declines.¹¹ Staff confirmed lost sales of \$22.9 million, allegedly due to lower prices of subject imports.

Nevertheless, I do not find that subject imports have had a significant effect on domestic prices. First, while domestic subject import prices have declined, so have raw material prices. Moreover, although the unit value of regional producer shipments within the region declined by 13.1 percent during 1997-99, the unit value of their shipments outside the region declined by 9.9 percent;¹² without additional information I find it unclear that subject imports are having a significant impact on prices within the region when the in-region unit value decline is so similar to the decline outside the region. Further, I note that while subject import volumes increased most substantially between 1997-98, the majority of

⁶ 19 U.S.C. § 1677(7)(C)(ii).

⁷ See CR and PR at Table V-11.

⁸ See CR and PR at Tables V-7-10. For example, margins of underselling ranged from 1.1-20.0 percent for Belarus, from 1.9-32.5 percent for Latvia, from 0.3-33.9 percent for Moldova and from 0.4-51.7 percent for Poland. CR and PR at Table V-11.

⁹ See CR and PR at Tables V-3-6.

¹⁰ See CR and PR at Tables V-3-6. For example, domestic producer prices for product 3 declined by \$23 in that period, while Korean prices declined by \$40, Indonesian prices declined by \$*** and Belarus prices declined by \$***. CR and PR at Table V-5. AUV data, which may be more probative with respect to a product such as rebar than to other products that have more substantial variations among different types, shows that subject import AUVs declined by \$100 between 1997 and 1999 while domestic AUVs for sales within the region declined by \$40. See CR and PR at Table C-1.

¹¹ See CR and PR at V-1.

¹² CR and PR at Table C-1.

domestic price declines appear to have occurred in 1999,¹³ again making it difficult to conclude that subject imports caused the price declines.

In sum, while there has been a substantial amount of underselling on the part of the subject imports and domestic price declines, I find that the subject imports have not had a significant effect on domestic prices in the region. I will examine this issue more fully in any final phase of these investigations.

C. Impact

In examining the impact of the subject imports on the domestic industry, I consider all relevant economic factors that bear on the state of the regional industry.¹⁴ These factors include output, sales, inventories, capacity utilization, market 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 affected industry.”^{15 16}

Because I have found no significant volume increases and price effects it is difficult to see how subject imports could be causing a significant impact on the regional industry. In 1999, the regional industry as a whole showed an operating income margin of 5.6 percent, with operating income of \$62.2 million and gross profit of \$123 million, and had shipments within the region of 3.7 million short tons worth \$1 billion.¹⁷ Generally, although domestic producer prices and profitability have declined somewhat over the POI, U.S. shipments within the region increased by 4.7 percent, production increased by 4.5 percent, net sales quantity increased by 4.9 percent, capital expenditures increased by 66.1 percent, and production workers, hours worked, wages paid and hourly wages all increased.¹⁸ Additionally, between 1997 and 1999, the ratio of gross profit to net sales remained relatively stable, between 11.1 and 12.3 percent, the regional industry’s operating income margin declined only slightly, from 7.7 percent in 1997 and 1998 to 5.6 percent in 1999, and net income as a ratio to net sales declined slightly from 5.3 percent in 1997 to 5.0 in 1998 and to 3.4 percent in 1999.¹⁹

Moreover, because these are regional industry investigations, the Commission is faced with a more stringent injury standard than in national cases, namely, the Commission must find that “the

¹³ See CR and PR at Table C-1.

¹⁴ 19 U.S.C. § 1677(7)(C)(iii). See also SAA at 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.”).

¹⁵ 19 U.S.C. § 1677(7)(C)(iii); see also SAA at 851 and 885 and Live Cattle from Canada and Mexico, Inv. Nos. 701-TA-386 and 731-TA-812-813 (Preliminary), USITC Pub. 3155 at 25, n.148 (Feb. 1999).

¹⁶ 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 imports. 19 U.S.C. § 1677(7)(C)(iii)(V). In its notice of initiation, Commerce relied on petitioners’ estimates of dumping margin ranges: Belarus: 49.06 to 56.48 percent; Indonesia: 71.01 percent; Latvia: 45.52 to 58.40 percent; Moldova: 49.07 percent; The People’s Republic of China: 59.98 percent; Poland: 53.54 percent; Korea: 86.69 to 102.28 percent; and Ukraine: 41.69 percent. 65 Fed. Reg. 45754 (July 25, 2000).

¹⁷ CR and PR at Table C-1.

¹⁸ CR and PR at Table C-1.

¹⁹ CR and PR at Table VI-1.

producers of all, or almost all, of the production within that market are being materially injured”²⁰ In these investigations I have evaluated the financial condition of each of those producers to determine whether their condition satisfies the regional industry injury standard. As noted above, the regional industry is made up of 19 producers²¹ and the Commission has collected individual data for each. In 1999, nine producers representing nearly three-quarters of regional producers’ sales showed operating income margins of 5.6 percent or higher.²² Additionally, more than *** of the industry showed operating margins of 7.5 percent or higher.²³ In fact, more than *** of the industry showed operating margins of 9.0 percent or higher and producers representing nearly *** of the regional industry had returns of between *** and *** percent.²⁴ In other words, 73.7 percent of the industry showed operating returns of between 5.6 and *** percent. As a general matter, I find it difficult to find that there is material injury by reason of subject imports when such a substantial portion of the industry is experiencing such positive returns. I find such a finding even more difficult when, as in this case, I am faced with a regional industry injury standard that requires that I find that “all, or almost all” of the industry is experiencing material injury.

In sum, while the record indicates that there is a reasonable indication that some of the industry may be experiencing a negative impact as a result of subject imports, I do not believe that the record satisfies the stringent requirement that producers of “all, or almost all” of the domestic like product within the region are experiencing present material injury as a result of subject imports. Nevertheless, as I discuss below, given the worsening trends for those producers, I find that there is a reasonable indication that the producers of “all, or almost all” production within the region are threatened with material injury.

II. THREAT OF MATERIAL INJURY

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.”²⁵ The Commission may not make such a determination “on the basis of mere conjecture or supposition,” and considers the threat factors “as a whole.”²⁶ In making my determinations, I have considered all factors that are relevant to these investigations.²⁷ Because these are regional industry investigations, my threat analysis is based upon the

²⁰ 19 U.S.C. § 1677(4)(C).

²¹ There was an additional toll-producer within the region whose data was not included with the other producers.

²² CR and PR at Table VI-6.

²³ CR and PR at Table VI-6.

²⁴ CR and PR at Table VI-6.

²⁵ 19 U.S.C. §§ 1673b(a) and 1677(7)(F)(ii).

²⁶ 19 U.S.C. § 1677(7)(F)(ii). An affirmative threat determination must be based upon “positive evidence tending to show an intention to increase the levels of importation.” Metallwerken Nederland B.V. v. United States, 744 F. Supp. 281, 287 (Ct. Int’l Trade 1990), citing American Spring Wire Corp. v. United States, 590 F. Supp. 1273, 1280 (Ct. Int’l Trade 1984). See also Calabrian Corp. v. United States, 794 F. Supp. 377, 387-88 (Ct. Int’l Trade 1992), citing H.R. Rep. No. 98-1156 at 174 (1984).

²⁷ 19 U.S.C. § 1677(7)(F)(i). Factor I regarding countervailable subsidies and Factor VII regarding raw and processed agriculture products are inapplicable to the product at issue. See 19 U.S.C. § 1677(7)(F)(i)(I) and (VII). 32

statutory requirement that I find that “the producers of all, or almost all, of the production within market are being . . . threatened with material injury,”²⁸

Based on an evaluation of the relevant statutory factors, I find that the producers of all, or almost all, of the production within the relevant market in the United States are threatened with material injury by reason of imports of rebar from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland and Ukraine that are sold in the United States at less than fair value.

A. Cumulation for Purposes of Threat Analysis

Cumulation for threat analysis is treated in Section 771(7)(H) of the Act.²⁹ This provision leaves to the Commission’s discretion cumulation of imports in analyzing threat of material injury. In deciding whether to cumulate the subject imports for purposes of making threat determinations, the Commission has often considered whether the imports are increasing at similar rates, whether the imports have similar margins of underselling, and whether the imports have similar pricing patterns.³⁰

Based on an evaluation of the relevant criteria, I have exercised my discretion to cumulate the subject imports from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland and Ukraine. As discussed in the Commission’s views, I find a reasonable overlap of competition between these subject imports and the domestic like product.³¹ Finding no significant differences in the conditions of competition or trends of the volume or prices of imports from the subject countries, I exercise my discretion to cumulate those subject imports for purposes of my analysis of threat of material injury. Also, as discussed in the Commission’s Views, I find imports from Austria, Russia and Venezuela to be negligible. I do not find a likelihood that imports from those countries will individually exceed 3.0 percent of subject imports or collectively 7.0 percent of subject imports within a reasonably foreseeable time period.

B. Threat of Material Injury by Reason of LTFV Imports from Cumulated Subject Countries

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.”³² 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

²⁸ 19 U.S.C. § 1677(4)(C).

²⁹ 19 U.S.C. § 1677(7)(H).

³⁰ See Torrington Co. v. United States, 790 F. Supp. at 1172 (affirming Commission’s determination not to cumulate for purposes of threat analysis when pricing and volume trends among subject countries were not uniform and import penetration was extremely low for most of the subject countries); Metallwerken 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).

³¹ CR and PR at Table IV-3.

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

whether material injury by reason of imports would occur unless an order is issued.³³ In making my decision, I have considered all statutory factors that are relevant.³⁴

As discussed above, I have found that there have been large increases in the volumes of subject imports over the POI. Subject import shipments increased by roughly one million tons between 1997 and 1999, and increased by an additional 121 percent comparing interim periods, from 179,972 short tons in first quarter 1999 to 397,000 short tons in first quarter 2000.³⁵ During this period, cumulated subject imports' market share increased from 1.8 percent of regional consumption in 1997 to 18.9 percent in 1999 and further to 27.1 percent in interim 2000.³⁶ This suggests that the subject imports have shown a significant rate of increase in volume and market penetration and that there is a reasonable indication that imports may increase substantially in the imminent future.

Moreover, available data show that production capacity in the cumulated subject countries is projected to increase significantly, by roughly *** short tons in 2000-01³⁷ and some subject countries show current available excess capacity.³⁸ Accordingly, given the rapid and substantial increase in imports over the period of investigation -- and in the first quarter of 2000 in particular -- and the projected increase in capacity, for purposes of the preliminary phase of these investigations, there is a reasonable indication that cumulated subject imports may increase substantially in the imminent future.

The record also indicates that subject merchandise from cumulated countries undersold the domestic like product in 245 of 274 price comparisons³⁹ and subject import prices declined throughout the period.⁴⁰ Domestic prices fluctuated somewhat during the first two years but then declined to period lows in 1999 and interim 2000.⁴¹ As noted above, I do not find that subject imports have caused significant current price effects. Nevertheless, based upon the record in the preliminary phase of these investigations, I find that there is a reasonable indication that subject import prices may continue to decline in the imminent future and cause substantial price suppression or depression for U.S. producers, given the reasonable indication that subject import volumes may continue to increase substantially in the imminent future.

I also find that there is a reasonable indication that increased volumes of subject imports may have a material adverse effect upon the performance of producers of "all, or almost all" of the like product within the region. As discussed above, the profitability of the industry declined during the period of investigation. Given that there is a reasonable likelihood that subject import volumes will

³³ 19 U.S.C. § (7)(F)(ii).

³⁴ 19 U.S.C. § (7)(F)(I).

³⁵ See CR and PR at Table C-1.

³⁶ See CR and PR at Table C-1.

³⁷ Questionnaire data shows significant projected increases in production capacity in *** in 2000 and in *** in 2001, while production capacity is projected to remain stable in ***. *** capacity is enormous, at *** short tons in 1999 and its capacity utilization is ***, at *** percent in 1999. CR at Tables VII-2, VII-5-8, and VII-10; PR at Tables VII-2, VII-6-9 and VII-11.

³⁸ *Id.*

³⁹ See CR and PR at Table V-11.

⁴⁰ See CR and PR at Table C-1.

⁴¹ Per-ton prices for product 1 declined from \$339.07 in early 1997 to \$319.60 in first quarter 2000; for product 2 they declined from \$301.95 in early 1997 to \$279.75 in first quarter 2000; for product 3 they declined from \$293.67 in 1997 to \$270.13 in first quarter 2000; and for product 4 from \$287.28 in early 1997 to \$269.99 in first quarter 2000. CR and PR at Tables V-3-6.

continue to increase and that such increases would have significant adverse price depressing or suppressing effects upon domestic prices, there is a reasonable indication in these preliminary investigations that the declines in the industry's financial indicators may continue. Individual company data show that, for example, the top seven mills in 1997, each having an operating income margin of 10 percent or greater, accounted for 57.1 percent of the regional industry's sales. By contrast, in 1999, only three mills, accounting for 19.8 percent of the regional industry's sales had this operating margin.⁴² In 1997, 5 regional producers representing *** percent of sales experienced negative operating margins, and a further *** mills, representing a further *** percent of the domestic industry experienced operating margins of between zero and 5 percent. In 1999, 10 mills, representing roughly *** of regional sales, experienced operating income margins of less than 5.0 percent and 6 of those, who represented *** percent of production, experienced negative operating margins.⁴³ Accordingly, there has been a decline in regional producer financial indicators, and I conclude that there is a reasonable likelihood that producers of "all or substantially all" production of the domestic like product are threatened with material injury in the imminent future.⁴⁴

Therefore, I find that all or almost all of the regional industry producing rebar is threatened with material injury by reason of subject imports of rebar from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland and Ukraine.

CONCLUSION

For the reasons stated above, I determine that the regional domestic industry producing steel concrete reinforcing bars is threatened with material injury by reason of imports of rebar from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland and Ukraine that are sold in the United States at less than fair value.

⁴² CR at VI-10-11, PR at VI-6.

⁴³ CR and PR at Table VI-6.

⁴⁴ With respect to inventories of subject merchandise, most importers reported maintaining no inventories of subject rebar in the United States, instead ordering from foreign suppliers on behalf of their customers. CR at VII-27; PR at VII-10. Available data show that inventories have been relatively low during the POI. CR at Table VII-12; PR at Table VII-13. Questionnaire data on U.S. importers' recent arrivals and current orders, i.e., since March 31, 2000, show *** short tons. CR at VII-27; PR at VII-10. Most questionnaires were received in mid-July, so this information apparently largely reflects second quarter 2000 orders and arrivals. By way of contrast, actual imports for first quarter 2000 were 397,001 short tons. See CR and PR at Table C-1.

**DISSENTING VIEWS OF COMMISSIONER LYNN M. BRAGG
REGARDING IMPORTS FROM AUSTRIA, JAPAN, RUSSIA, AND VENEZUELA**

Although I concur with my colleagues in finding that there is not a potential that subject imports from Austria, Russia, and Venezuela, when considered individually, will imminently exceed 3 percent of total imports into the United States, I further determine that there is a potential that subject imports from these three countries, when considered in the aggregate, will imminently account for more than 7 percent of all such merchandise imported into the United States. Consequently, I engage in a threat analysis with regard to imports from these three subject countries.

In addition, I find that imports from Japan are sufficiently concentrated within the region, and therefore include subject imports from Japan in a cumulative analysis of present material injury with imports from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland, and Ukraine. Based upon my cumulative analysis and as noted in the views of the majority, I find a reasonable indication that the regional industry has suffered present material injury by reason of imports from these nine subject countries.

I therefore dissent from the views of the majority with regard to subject imports from Austria, Japan, Russia, and Venezuela, and provide my dissenting views below.

I. Austria, Russia, and Venezuela

Negligibility—

I first note that individually, subject imports from Austria, Russia, and Venezuela, each accounted for more than 3 percent of total imports at some point during the period of investigation; however, the most recent data indicate that subject imports from each of these countries accounted for a declining share of total imports and are not likely to imminently exceed 3 percent of total imports individually.¹

Specifically, subject imports from Austria into the region accounted for 1.0 percent of total imports in 1997; less than 0.05 percent in 1998; 2.4 percent in 1999; 6.6 percent in interim 1999; and 1.0 percent in interim 2000. Subject imports from Russia accounted for less than 0.05 percent of total imports into the region in 1997; 1.9 percent in 1998; 3.1 percent in 1999; 1.4 percent in interim 1999; and 0.8 percent in interim 2000. Lastly, subject imports from Venezuela accounted for 10.7 percent of total imports into the region in 1997; 2.1 percent in 1998; 3.2 percent in 1999; 3.1 percent in interim 1999; and 0.0 percent in interim 2000.

I also note that during the 12 month period prior to the filing of the petition, subject imports from Austria accounted for 0.9 percent of total imports into the region, while subject imports from Russia accounted for 2.5 percent and subject imports from Venezuela accounted for 2.1 percent. Based upon these figures, as well as the declining share of imports for each of these three countries evidenced over the latter end of the period of investigation, I determine that subject imports from Austria, Russia, and Venezuela, considered individually, will not imminently exceed 3 percent of total imports.

Considered in the aggregate, subject imports from Austria, Russia, and Venezuela, accounted for 5.5 percent of total imports into the region during the 12 month period prior to the filing of the petition. Over the period of investigation, however, imports from these three subject countries accounted for 11.7 percent of total imports into the region in 1997; 4.0 percent in 1998; 8.7 percent in 1999; 11.1 percent in interim 1999; and 1.8 percent in interim 2000.

¹ See Confidential Report (“CR”) and Public Report (“PR”) Table IV-1R.

I further note in this regard that the most recent data on the record indicate that capacity utilization in Russia during the first three months of 2000 was *** percent, while during the same period capacity utilization in Venezuela stood at *** and capacity utilization in Austria stood at *** percent.² Although when considered individually it is not apparent that subject imports from any of these three countries will imminently exceed 3 percent of total imports, what is apparent is that producers in each of these countries have demonstrated the capacity to supply well over 3 percent of total imports during some portion of the period of investigation. Coupled with the foregoing capacity utilization data, I find that there is a potential that imports from these three subject countries in the aggregate will imminently account for more than 7 percent of total imports into the region.

Consequently, I do not treat imports from Austria, Russia, and Venezuela, as being negligible for purposes of assessing whether there is a reasonable indication of threat of material injury to the regional industry in these preliminary phase investigations.

Threat of Material Injury—

In assessing whether the regional industry is threatened with material injury by reason of subject imports from Austria, Russia, and Venezuela, the statute directs the Commission to consider “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”³ The Commission may not make such a determination “on the basis of mere conjecture or supposition,”⁴ and considers the threat factors⁵ as a whole; indeed, the presence or absence of any such factor is not dispositive of the Commission’s determination.⁶ In making my determination, I have considered all statutory factors that are relevant to these investigations.⁷

The statute provides that the Commission may, in determining threat of material injury, cumulatively assess the volume and price effects of subject imports from all countries as to which petitions were filed on the same day, if such imports compete with each other and with the domestic like product in the U.S. market.⁸ I note that I have joined my colleagues in cumulating subject imports from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland, and Ukraine. Upon review of the four factors traditionally considered by the Commission for purposes of assessing cumulation, I am satisfied that imports from all twelve subject countries should be cumulated for purposes of my threat analysis, based upon a reasonable overlap of competition.⁹

For purposes of assessing the threat of material injury posed by subject imports from Austria, Russia, and Venezuela, I am mindful of the fact that I have joined my colleagues in finding a reasonable

² CR at Tables VII-1, VII-9, and VII-11; PR at Tables VII-1, VII-10, and VII-12.

³ 19 U.S.C. § 1677(7)(F)(ii).

⁴ *Id.*

⁵ 19 U.S.C. § 1677(7)(F)(i).

⁶ *See* 19 U.S.C. § 1677(7)(F)(ii).

⁷ 19 U.S.C. § 1677(7)(F)(i). I note that factor (I) is not relevant, as it addresses the nature of any countervailable subsidies, and imports from Austria, Russia, and Venezuela are subject solely to antidumping investigations. Factor (VII) is also not relevant, as it concerns raw and processed agricultural products.

⁸ *See* 19 U.S.C. § 1677(7)(H).

⁹ For additional discussion of my approach to cumulation in a similar context, I refer to my dissenting views regarding imports from Germany in Stainless Steel Wire Rod From Germany, Italy, Japan, Korea, Spain, Sweden, and Taiwan, Invs. Nos. 701-TA-373 (Final) and 731-TA-769-775 (Final), USITC Pub. 3126 (Sept. 1998).

indication that the regional industry is materially injured by reason of cumulated imports of rebar from the remaining countries subject to these preliminary investigations (other than Japan).¹⁰ When assessed in conjunction with the reasonable indication of present material injury caused by cumulated subject imports from the remaining nine countries, I determine that there is a reasonable indication that future imports from Austria, Russia, and Venezuela, pose an imminent threat of material injury to the regional industry.

In particular, I note that during 1999, unused capacity in Russia was equivalent to *** percent of apparent regional consumption that year, while unused capacity for Venezuela was equivalent to *** percent of apparent regional consumption that year; with regard to Austria, unused capacity was equivalent to *** percent of apparent regional consumption in 1999.¹¹ Data for interim 2000 indicate there continue to be *** amounts of unused capacity in both Russia and Venezuela.¹²

Second, I note that subject imports from Russia and Venezuela undersold the domestic like product in 38 out of 54 quarterly pricing comparisons, for an incidence of underselling of over 70 percent.¹³ In addition, a comparison of the average unit values (“AUVs”) of subject imports from Austria, Russia, and Venezuela into the region, versus the AUVs for regional U.S. producers, indicates that subject import price levels are substantially below those of the domestic like product.¹⁴

Based upon the foregoing, I find that subject imports from Austria, Russia, and Venezuela, are likely to enter the region in significant volumes and at prices that will have significant negative price effects on the regional market. Coupled with the evidence indicating present material injury by reason of imports from the nine other subject countries, I find that there is a reasonable indication that subject imports from Austria, Russia, and Venezuela, imminently threaten material injury to the regional industry.

II. Japan

Concentration of Imports—

I note that the percentage of total imports from Japan into the region was: 0.0 percent in 1997; 55.6 percent in 1998; and 66.0 percent in 1999. In addition, the percentage was 80.8 percent during the first quarter of 1999 but 0.0 percent during the first quarter of 2000. I believe it is important to consider

¹⁰ I note, however, that unlike the majority, I also cumulated subject imports from Japan with subject imports from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland, and Ukraine, for purposes of assessing present material injury.

¹¹ CR at Tables VII-1, VII-9, VII-11, and C-1; PR at Tables VII-1, VII-10, VII-12, and C-1.

¹² I note that Russia and the United States have entered into a comprehensive agreement limiting the export of steel products, including rebar, into the U.S. market for the next four years; specifically, imports of hot-rolled bars (including rebar) from Russia are limited to 40,000 metric tons per year under the agreement (out of a total 85,000 metric ton limit). I further note, however, that the agreement provides that any residual (*i.e.* unused) export limit for the overall hot-rolled category would be available for additional rebar and light-shape exports; moreover, the agreement provides that up to 15 percent of the total 85,000 ton limit may be carried over to the following calendar year, if not used during the previous year. Consequently, up to 97,750 metric tons of rebar may theoretically be exported from Russia to the United States in a given calendar year, even with the agreement in place. *See* CR at VII-22-23, PR at VII-8..

¹³ *See* CR and PR Table V-11.

¹⁴ *See* CR and PR Table C-1.

these figures in comparison to the actual volume of imports during each period, as summarized in the following table (import volumes are reported in short tons):

<u>Year</u>	<u>Imports Into Region</u>	<u>Total Imports Into U.S.</u>
1997	0	0
1998	36,886	66,341
1999	153,149	231,985
Interim 1999	27,252	33,744
Interim 2000	0	12,524
TOTAL: 1997 - Interim 2000	190,035	310,850

Thus, although there were no imports from Japan in 1997 and the percentage of Japanese imports into the region was only 55.6 percent in 1998, as the foregoing table illustrates, substantial volumes of imports did not begin entering the United States generally until 1999; indeed, Japanese imports into the United States in 1999 account for more than two-thirds of total Japanese imports entered during the entire period of investigation. In addition, I note that for the entire period of investigation, the percentage of Japanese imports into the region was 61.1 percent of total Japanese imports into the United States.

With regard to import penetration, the following table compares the ratio of Japanese imports to apparent consumption within the proposed region and outside the proposed region:

<u>Year</u>	<u>Import Penetration Within Region</u>	<u>Import Penetration Outside Region</u>
1997	0.0 percent	0.0 percent
1998	0.8 percent	1.3 percent
1999	2.8 percent	3.3 percent
Interim 1999	2.2 percent	1.3 percent
Interim 2000	0.0 percent	2.2 percent
TOTAL: 1997 - Interim 2000	1.2 percent	1.6 percent

Thus, over the entire period of investigation, the import penetration of subject imports from Japan within the region was only 0.4 percent less than the import penetration of Japanese imports outside the region.

In my view, a comparison of Japanese imports into the region versus total Japanese imports into the United States during the period of investigation clearly supports a finding of sufficient import concentration; in particular, I find probative the comparison of aggregate data for the entire period of investigation, rather than yearly comparisons, because the aggregate data better account for underlying import volumes. This, however, is only one of the two criteria identified in legislative history for evaluating import concentration.¹⁵

¹⁵ See Statement of Administrative Action to the Uruguay Round Agreements Act at 190.

The remaining criteria, *i.e.* import penetration, appears at first glance to support an alternative conclusion because, over the entire period of investigation, Japanese import penetration outside the region exceeded Japanese import penetration within the region, albeit by a slight margin.

As an initial matter, however, it is not apparent to me that an aggregate 0.4 percent difference in import penetration fails to satisfy the SAA's criterion that import concentration within the region be "clearly higher" than import concentration in the rest of the United States. In my view, this raises an important and potentially outcome determinative question of fact and law that mitigates strongly in favor of an affirmative preliminary determination with regard to Japan.¹⁶ More importantly, it is not apparent to me that both criteria necessarily must be satisfied in order to find a sufficient concentration of imports. I would very much prefer to have addressed this issue in any final phase investigations following additional input from the parties.

In any event, based upon the relative concentration of Japanese imports within the region over the entire period of investigation, I find that subject imports from Japan are sufficiently concentrated for purposes of these preliminary phase investigations.

Reasonable Indication of Present Material Injury—

As noted in the views of the majority, I find there is a reasonable overlap of competition among subject imports from Belarus, China, Indonesia, Japan, Korea, Latvia, Moldova, Poland, and Ukraine, and between subject imports and the domestic like product. Accordingly, I have engaged in a cumulative analysis with regard to imports from these nine subject countries.

I join in the analysis and conclusion of the majority that there is a reasonable indication of present material injury by reason of subject imports from Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland, and Ukraine. I further determine that this cumulative analysis is only strengthened by the inclusion of subject imports from Japan. Accordingly, I render an affirmative determination finding a reasonable indication of present material injury by reason of subject imports from Japan.

III. Conclusion

In sum, I find that there is a potential that subject imports from Austria, Russia, and Venezuela, will imminently account for more than 7 percent of total imports into the region, and that subject imports from Japan are sufficiently concentrated within the region.

Based upon a cumulative analysis of subject imports from all twelve subject countries, I find there is a reasonable indication that the domestic rebar industry is threatened with material injury by reason of subject imports from Austria, Russia, and Venezuela.

In addition, based upon a cumulative analysis of subject imports from Belarus, China, Indonesia, Japan, Korea, Latvia, Moldova, Poland, and Ukraine, I find a reasonable indication that the regional industry has suffered present material injury by reason of imports from these nine subject countries.

Accordingly, I respectfully dissent from the determinations of the majority with regard to imports from Austria, Japan, Russia, and Venezuela, in these preliminary phase investigations.

¹⁶ See *American Lamb Co. v. United States*, 785 F.2d 994, 1001-04 (Fed. Cir. 1986). Indeed, it appears to me that if the most recent 12 month period prior to the filing of the petition is considered, the Japanese import penetration within the region may well be larger than the Japanese import penetration outside the region.

PART I: INTRODUCTION

BACKGROUND

These investigations result from petitions filed by the Rebar Trade Action Coalition (RTAC) (Washington, DC) and its individual members¹ on June 28, 2000, alleging that an industry in the United States is materially injured and threatened with material injury by reason of less-than-fair-value (LTFV) imports of certain steel concrete reinforcing bars² from Austria, Belarus, China, Indonesia, Japan, Korea, Latvia, Moldova, Poland, Russia, Ukraine, and Venezuela. The petitions also alleged critical circumstances regarding imports from China, Korea, Latvia, and Poland. Information relating to the background of the investigations is provided below.³

<i>Date</i>	<i>Action</i>
June 28, 2000	Petitions filed with Commerce and the Commission; institution of Commission investigations (65 FR 42029, July 7, 2000)
July 18	Commerce's notice of initiation ⁴ (65 FR 45754, July 25, 2000)
July 19	Commission's conference ⁵
August 14	Commission's vote
August 14	Commission's determinations transmitted to Commerce
August 21, 2000	Commission's views transmitted to Commerce

SUMMARY DATA

The petitions in these investigations are filed on behalf of a regional U.S. industry that produces rebar. The petitioning industry is in a region defined as comprising 30 states (all states east of the

¹ The members of RTAC are AmeriSteel (Tampa, FL); Auburn Steel Co., Inc. (Auburn, NY); Birmingham Steel Corp. (Birmingham, AL); Border Steel, Inc. (El Paso, TX); CMC Steel Group (Seguin, TX); Marion Steel Co. (Marion, OH); Nucor Steel (Darlington, SC); and Riverview Steel (Glassport, PA). Auburn Steel Co., Inc., is not a petitioner with respect to Indonesia and Japan.

² For purposes of these investigations, certain steel concrete reinforcing bars are all steel concrete reinforcing bars ("rebar") sold in straight lengths, currently classifiable in the Harmonized Tariff Schedule under item number 7214.20.00 or any other tariff item number. Specifically excluded are plain rounds (*i.e.*, non-deformed or smooth bars) and rebar that has been further processed through bending or coating. The HTS subheadings are provided for convenience and customs purposes. The written description of the scope of this proceeding is dispositive.

Certain steel concrete reinforcing bars are provided for in subheading 7214.20.00 of the HTS with a normal trade relations tariff rate of 2.0 percent *ad valorem*, applicable to imports from Austria, Belarus, China, Indonesia, Japan, Korea, Latvia, Moldova, Poland, Russia, Ukraine, and Venezuela.

³ *Federal Register* notices cited in the tabulation are presented in app. A.

⁴ In its notice of initiation Commerce stated that the petitioners calculated the estimated LTFV margins as follows: 104.05 percent for Austria, 49.06-56.48 percent for Belarus, 59.98 percent for China, 71.01 percent for Indonesia, 188.79 percent for Japan, 86.69-102.28 percent for Korea, 45.52-58.40 percent for Latvia, 49.07 percent for Moldova, 53.54 percent for Poland, 68.87 percent for Russia, 41.69 percent for Ukraine, and 125.49 percent for Venezuela.

⁵ A list of witnesses who appeared at the conference is presented in app. B.

Mississippi River plus Arkansas, Louisiana, Missouri, and Texas) as well as the District of Columbia and Puerto Rico.⁶ Table I-1 presents data relating to the statutory criteria for regional analysis.

Counsel for respondents have asked the Commission to investigate the regional argument closely. They note that in an investigation concluded in 1997, petitioners specifically excluded Texas from the region and that the Commission agreed with this analysis in its views.⁷ Counsel for the respondents also argue that regional investigations are intended to focus on one or perhaps two importing countries, not a dozen countries.⁸

A summary of data collected in the investigations is presented in appendix C, tables C-1 (region), C-2 (total U.S. market), and C-3 (outside the region). Except as noted, U.S. industry data are based on questionnaire responses of 28 individual mills of 13 firms that accounted for 100 percent of U.S. production of certain steel concrete reinforcing bars during 1999. Data for Riverview Steel Corp., a toll producer, are presented separately. U.S. imports are based on official Commerce statistics.

PREVIOUS AND RELATED INVESTIGATIONS

The Commission has conducted four previous antidumping investigations concerning steel concrete reinforcing bars. In March 1964, the U.S. Tariff Commission determined that an industry in the United States was likely to be injured by reason of LTFV imports of steel reinforcing bars from Canada (investigation AA1921-33).⁹ In February 1970, the Commission determined that an industry in the United States was being materially injured by reason of LTFV imports of steel bars, reinforcing bars, and shapes from Australia (investigation AA1921-62).¹⁰ In August 1973, the Commission determined that an industry in the United States was not being or likely to be injured, and was not prevented from being established, by reason of LTFV imports of deformed concrete reinforcing bars of non-alloy steel from Mexico (investigation AA1921-122).¹¹ Finally, in April 1997, the Commission determined that an industry in the United States was being materially injured by reason of LTFV imports from Turkey (investigation 731-TA-745).¹² The only outstanding antidumping duty order resulting from these investigations is on rebar from Turkey.

⁶ The specified region is composed of Alabama, Arkansas, Connecticut, Delaware, the District of Columbia, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Virginia, West Virginia, and Wisconsin.

⁷ Byelorussian Steel Works' postconference brief, p. 8. The region defined in these petitions also includes seven other states, in addition to Texas, which were not included in the region for the 1997 investigation on rebar from Turkey: Arkansas, Illinois, Indiana, Michigan, Missouri, Ohio, and Wisconsin. *Steel Concrete Reinforcing Bars From Turkey (Rebar From Turkey)*, Inv. No. 731-TA-745 (Final), April 1997, USITC Pub. No. 3034, p. I-1, n. 5.

⁸ Byelorussian Steel Works' postconference brief, p. 7, n. 18.

⁹ *Steel Reinforcing Bars from Canada*, March 1964, TC Pub. No. 122. In this investigation, the Commission focused on a Pacific Northwest industry consisting of three producers in Washington and Oregon.

¹⁰ *Steel Bars, Reinforcing Bars, and Shapes from Australia*, February 1970, TC Pub. No. 314.

¹¹ *Deformed Concrete Reinforcing Bars of Non-Alloy Steel from Mexico*, August 1973, TC Pub. No. 605.

¹² *Rebar from Turkey*. In this investigation, the Commission considered rebar in coils and in straight lengths for an industry in 22 eastern states plus Puerto Rico and the District of Columbia. The Commission further determined in this investigation that critical circumstances did not exist.

Table I-1

Rebar: Summary data concerning statutory criteria for regional analysis on Austria, Belarus, China, Indonesia, Japan, Korea, Latvia, Moldova, Poland, Russia, Ukraine, and Venezuela, 1997-99, January-March 1999, and January-March 2000

Item	1997	1998	1999	January-March	
				1999	2000
<i>(In percent, based on quantity)</i>					
Share of--					
Regional producers' total U.S. shipments made within region	93.5	93.5	93.1	94.6	94.4
Regional consumption supplied by U.S. producers outside region	3.9	3.4	3.5	4.3	3.5
Region's share of--					
Total imports from Austria	100.0	100.0	100.0	100.0	100.0
Total imports from Belarus	(¹)	100.0	100.0	100.0	100.0
Total imports from China	(¹)	(¹)	99.3	(¹)	100.0
Total imports from Indonesia	(¹)	100.0	92.0	100.0	(¹)
Total imports from Japan	(¹)	55.6	66.0	80.8	0.0
Total imports from Korea	0.0	76.9	68.7	78.2	85.1
Total imports from Latvia	100.0	100.0	100.0	100.0	100.0
Total imports from Moldova	100.0	100.0	100.0	100.0	100.0
Total imports from Poland	100.0	100.0	100.0	(¹)	100.0
Total imports from Russia	100.0	100.0	99.9	100.0	100.0
Total imports from Ukraine	100.0	100.0	100.0	(¹)	(¹)
Total imports from Venezuela	94.0	94.6	100.0	100.0	(¹)
Total subject imports	86.0	85.2	85.9	90.3	90.8
Ratio of imports from Austria to consumption--					
Within region	0.1	(²)	0.7	1.5	0.3
Outside region	0.0	0.0	0.0	0.0	0.0
Ratio of imports from Belarus to consumption--					
Within region	0.0	0.2	1.3	1.0	0.8
Outside region	0.0	0.0	0.0	0.0	0.0
Ratio of imports from China to consumption--					
Within region	0.0	0.0	0.3	0.0	1.0
Outside region	0.0	0.0	(²)	0.0	0.0
Ratio of imports from Indonesia to consumption--					
Within region	0.0	1.0	1.2	0.5	0.0
Outside region	0.0	0.0	0.2	0.0	0.0

See footnotes at end of table.

I-3

Table I-1--Continued

Rebar: Summary data concerning statutory criteria for regional analysis on Austria, Belarus, China, Indonesia, Japan, Korea, Latvia, Moldova, Poland, Russia, Ukraine, and Venezuela, 1997-99, January-March 1999, and January-March 2000

Item	1997	1998	1999	January-March	
				1999	2000
<i>(In percent, based on quantity)</i>					
Ratio of imports from Japan to consumption--					
Within region	0.0	0.8	2.8	2.2	0.0
Outside region	0.0	1.3	3.3	1.3	2.2
Ratio of imports from Korea to consumption--					
Within region	0.0	8.7	5.3	5.6	11.0
Outside region	0.9	5.5	5.5	3.8	5.1
Ratio of imports from Latvia to consumption--					
Within region	0.8	2.1	5.5	5.1	7.3
Outside region	0.0	0.0	0.0	0.0	0.0
Ratio of imports from Moldova to consumption--					
Within region	0.6	4.0	3.3	2.3	3.7
Outside region	0.0	(2)	0.0	0.0	0.0
Ratio of imports from Poland to consumption--					
Within region	0.4	1.1	0.2	0.0	3.2
Outside region	0.0	0.0	0.0	0.0	0.0
Ratio of imports from Russia to consumption--					
Within region	(2)	0.4	0.9	0.3	0.2
Outside region	0.0	0.0	(2)	0.0	0.0
Ratio of imports from Ukraine to consumption--					
Within region	(2)	0.1	1.7	0.0	0.0
Outside region	0.0	0.0	0.0	0.0	0.0
Ratio of imports from Venezuela to consumption--					
Within region	1.4	0.5	0.9	0.7	0.0
Outside region	0.2	0.1	(2)	0.0	0.0
Ratio of imports from the 12 subject countries to consumption--					
Within region	3.3	18.8	24.1	19.4	27.6
Outside region	1.1	6.9	9.0	5.1	7.4
¹ Not applicable. ² Less than 0.05 percent.					
Source: Compiled from data submitted in response to Commission questionnaires and official Commerce statistics.					

THE PRODUCT

The imported product subject to these investigations is steel concrete reinforcing bar (“rebar”), designed specifically to enhance the tensile strength and shear-stress strength of reinforced concrete. The subject product is all deformed rebars¹³ in straight lengths,¹⁴ currently classifiable under subheading 7214.20.00¹⁵ or any other subheading¹⁶ of the Harmonized Tariff Schedule of the United States (HTS). Specifically excluded are (1) plain round (non-deformed or smooth) rebar and (2) rebar that has been further processed through bending (*i.e.*, fabricated rebar) or coating (*i.e.*, coated rebar). This section presents information on both imported and domestically produced rebar, as well as information related to the Commission’s “domestic like product” determination.¹⁷

Both petitioners and the respondents agree that the domestic like product is deformed rebar in straight lengths, not having been further processed. However, the respondents question the extent of the competitive overlap between the imported product and domestically produced rebar, as imports are concentrated in the smaller sizes and shorter lengths, and argue that “Buy America” requirements exclude the foreign-origin product from a significant portion of the U.S. market. In contrast, the petitioners argue that the subject imports are directly competitive with the domestic product, as imports have been concentrated in the most common sizes consumed in the U.S. rebar market and are increasingly moving toward the longer lengths, and that “Buy America”-type programs account for a limited portion of the U.S. rebar market.

Physical Characteristics and Uses

Deformed rebar is designed specifically to resist tension, compression, temperature variation, and shear stresses in reinforced concrete, as the surface protrusions on a deformed bar inhibit longitudinal movement relative to the surrounding concrete. Rebar is available in diameters from 3/8 inch up to and including 2-1/4 inch. Bar size is indicated by a number that is about eight times the

¹³ “Deformed” refers to the pattern of uniformly shaped surface protrusions or ribs running across and evenly spaced along the length of a rebar.

¹⁴ Straight-length rebar is commonly cut to lengths of 20 feet, 40 feet, and 60 feet, but exact lengths were not specified, as there is not a precise meaning to the term “standard length.” Petition, pp. 10-11. Although not mentioned specifically in the exclusion, coiled rebar would be excluded by the specification of “straight-lengths.”

¹⁵ HTS subheading 7214.20.00 covers concrete reinforcing bars and rods, of iron or nonalloy steel, not in irregularly wound coils, that are not further worked than forged, hot-rolled, hot-drawn, or hot-extruded, but including those twisted after rolling.

¹⁶ There are several subheadings delineated by steel compositions under HTS headings 7222 (for stainless steels) and 7228 (for alloy steels) for bars and rods; not in irregularly wound coils; and not further worked than hot-rolled, hot-drawn, or extruded. However, concrete reinforcing bars are not specifically mentioned under any of these subheadings, and as a practical matter, such imports are believed to be minimal. Domestic consumption of stainless steel rebar is reportedly estimated by industry sources as totaling about 1,000 tons for full-year 2000. Empire Specialty Steel Inc., of Dunkirk, NY, and Slater Steels, Inc., of Fort Wayne, IN, are cited as among the few North American mills that produce and actively market this product. Michael C. Gabriele, “Builders Taking Shine to Stainless Rebar,” *American Metal Market*, August 3, 2000, p. 3.

¹⁷ The Commission’s decision regarding the appropriate domestic products that are “like” or “most similar in characteristics and uses” to the subject imported products is based on a number of factors including (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution; (4) customer and producer perceptions; (5) common manufacturing facilities, production processes, and production employees; and, where appropriate, (6) price.

nominal diameter in inches for sizes 3 through 8 (e.g., 3/8-inch rebar is designated size 3 and 1-inch rebar is designated size 8); this relationship diverges somewhat for the larger sizes 9 through 18. Grade is indicated by a number that is one-thousandth of the yield strength in pounds per square inch (e.g., grade 60 indicates a yield strength of 60,000 psi). Rebar is generally manufactured to conform with standards of the American Society for Testing and Materials (ASTM)¹⁸ which specify for each bar size, the nominal unit weight, nominal dimensions, and deformation requirements (dimension and spacing of deformations), as well as chemical composition, tensile strength, yield strength (grade), and elongation tolerances. There are several ASTM specifications for rebar, based on steel composition. Rebar is most commonly rolled from billet steel to the requirements of ASTM A615/A615M,¹⁹ which is a nonalloy steel. Rebar can also be re-rolled from the head (top) portion of scrapped nonalloy steel rails or re-rolled from scrapped axles of railroad rolling-stock and locomotives (ASTM A996/A996M²⁰). For special applications (e.g., in seismic areas) that require a combination of strength, weldability, ductility, and bendability, ASTM A706/A706M²¹ is specified, which is a high-strength low-alloy (HSLA) steel. Generally, deformed rebars of these various ASTM specifications are interchangeable except for use in seismic areas.²² There is also a standard for stainless steel rebar (ASTM A955M²³) for special applications requiring corrosion resistance (e.g., for long-term resistance to road salts and de-icing chemicals on bridges) or controlled magnetic permeability (e.g., for avoiding interference with hospital imaging equipment).²⁴ Moreover, certain forged rebars of nonalloy or HSLA steel are covered under ASTM A970/A970M.²⁵ Deformed rebars are identified by distinguishing sets of marks legibly rolled onto the surface of one side of the bar to denote, in order, the producer's hallmark, mill designation, size designation, specification of the type of steel, and minimum-yield designation.

¹⁸ The ASTM standards apply to both deformed and plain-round rebar, whether in straight lengths or coiled.

¹⁹ "A615/A615M-00, Standard Specification for Deformed and Plain Billet-Steel Bars for Concrete Reinforcement," ASTM, found at Internet address <http://www.astm.org/cgi-bin/SoftCart.exe/DATABASE.CART/PAGES/A615A615M.htm?L+mystore+vroc5375>, retrieved August 4, 2000.

The ASTM standards provide separate specifications for rebar in inch-pound units (e.g., A615) and SI (metric) units (e.g., A615M), but the values stated in each standard are not exact equivalents and each system must be used independently of the other. However, the rebar industry operates with a "soft metrics" nomenclature, in which rebar sizes are referred to in terms of nominal metric equivalents but are produced to the inch-pound units of the ASTM specifications. Mr. Phil Casey, Chief Executive Officer, AmeriSteel, conference transcript, pp. 59-60.

Importers make rebar available to customers produced to the ASTM specification desired, whether in inch-pound or metric units. Mr. Daryle L. Doden, President, Ambassador Steel Corp., conference transcript, p. 60.

²⁰ "ASTM Designation A996/A996M-00, Standard Specification for Rail-Steel and Axle-Steel Deformed Bars for Concrete Reinforcement," ASTM, found at Internet address <http://www.astm.org/cgi-bin/SoftCart.exe/DATABASE.CART/PAGES/A996A996M.htm?L+mystore+vroc5375>, retrieved August 4, 2000.

²¹ "A706/A706M-00, Standard Specification for Low-Alloy Steel Deformed Bars for Concrete Reinforcement," ASTM, found at Internet address <http://www.astm.org/cgi-bin/SoftCart.exe/DATABASE.CART/PAGES/A706A706M.htm?L+mystore+vroc5375>, retrieved August 4, 2000.

²² *Rebar from Turkey*, p. I-4.

²³ "A955M-96, Standard Specification for Deformed and Plain Stainless Steel Bars for Concrete Reinforcement (Metric)," ASTM, found at Internet address <http://www.astm.org/cgi-bin/SoftCart.exe/DATABASE.CART/PAGES/A955M.htm?L+mystore+vroc5375>, retrieved August 4, 2000.

²⁴ Michael C. Gabriele, "Builders Taking Shine to Stainless Rebar," *American Metal Market*, August 3, 2000, p. 3.

²⁵ "A970/A970M-98, Standard Specification for welded or Forged Headed Bars for Concrete Reinforcement," ASTM, found at Internet address <http://www.astm.org/cgi-bin/SoftCart.exe/DATABASE.CART/PAGES/A970A970M.htm?L+mystore+vroc5375>, retrieved August 4, 2000.

Rebar is embedded in concrete for both (1) structural reinforcement to enhance its compressional and tensional strength and (2) crack control as the concrete shrinks during curing or due to temperature fluctuations. Deformed rebar is used almost exclusively in the construction industry to provide structural reinforcement to concrete structures. Rebar is supplied either straight, cut to length, or as fabricated rebar, which is bent or curved in accordance with architectural and engineering plans and specifications. During construction, rebar is placed in a form and concrete from a mixer is poured over it. Once the concrete has set, deformation is resisted and stresses are transferred from the concrete to the steel reinforcement by friction and adhesion along the surface of the steel. Guidelines for use of deformed rebar in building construction are provided by the American Concrete Institute (ACI) 318 Code and in highway and bridge construction by the American Association of State Highway and Transportation Officials (AASHTO) Standard Specifications. Contents of the two specifications are similar and the ACI 318 Code is applicable throughout the Continental United States and in Puerto Rico.²⁶

Interchangeability

Rebar is a highly fungible commodity product because: (1) virtually all rebar produced, sold, or consumed in the United States meets common ASTM product-quality standards; (2) domestic and foreign producers rely on similar or identical production equipment, processes, and inputs; and (3) rebar is sold in common sizes and lengths.²⁷ The vast majority of rebar sold in the United States is of nonalloy billet steel (ASTM A615) in grade 60, accounting for roughly 83 percent of the total tonnage of rebar shipped. Sizes 3, 4, 5, and 6 predominate, accounting for roughly 71 percent of the total tonnage of rebar shipped.²⁸ Imports were initially concentrated in these sizes, but have expanded to include virtually all sizes, especially sizes 7, 9, and 11,²⁹ and were primarily available in 20-foot lengths, being easier to handle at the docks.³⁰ Increasing amounts of 40-foot lengths, and even 60-foot lengths,³¹ have been entering the United States,³² as importers recognized that a large volume of business (especially sales to fabricators) could be captured with longer-length rebar and gained experience in handling the longer product.³³ However, logistical problems in transportation, due to the limited lengths of railroad rolling stock and space limitations aboard ships, tend to limit the ability of importers to supply 60-foot lengths.³⁴

From a technical standpoint, there is a certain degree of flexibility possible between sizes and lengths to reach the loading strength specified in engineering and construction applications, depending

²⁶ *Rebar from Turkey*, p. I-5.

²⁷ See *e.g.*, petition, p. 14.

²⁸ Steel composition and grade data and size data are from exhibits 3 and 4, respectively, attached to petitioners' postconference brief. Although these exhibits reflect 1990 data, petitioners indicate that there is no reason to believe that the grade mix has changed, rather that grade 60 may be even more predominant, as there is no longer a price premium. Footnote 24, petitioners' postconference brief, p. 10.

²⁹ Mr. Phil Casey, Chief Executive Officer, AmeriSteel, conference transcript, p. 12.

³⁰ Mr. Daryle L. Doden, President, Ambassador Steel Corp., conference transcript, pp. 45-46.

³¹ Sixty feet is the maximum practical length, being limited by the length of flat-bed truck trailers. However, there are further limitations to handling 60-foot lengths from foreign sources, since rebar of this length must be stored on deck, because it is difficult to load into and off-load out of ships' holds. Mr. Phil Casey, Chief Executive Officer, AmeriSteel, conference transcript, pp. 58-59.

³² Mr. Phil Casey, Chief Executive Officer, AmeriSteel, conference transcript, p. 12.

³³ Mr. Daryle L. Doden, President, Ambassador Steel Corp., conference transcript, pp. 46-47.

³⁴ Latvian and Polish respondents' postconference brief, pp. 4-5.

on the type of construction, design preferences, and cost constraints, among other factors.³⁵ However, counsel for respondents notes that smaller-sized (5 and smaller) rebar is sold in lengths shorter than 60 feet, and larger-sized (6 and larger) rebar is sold in lengths of 60 feet. Differing bar sizes and lengths tend to predominate in different uses; a considerable portion of small bar is applied to light construction applications (e.g., residences, pools, patios, and walkways), whereas the larger sizes in 60-foot lengths are exclusively used in heavy construction applications (e.g., high-rise construction, bridges, roads, etc.).³⁶ Moreover, the choice of shorter over longer lengths reflects the trade-off between the ease of installation versus the additional cost of increased overlap joints.³⁷ It is generally as easy to fabricate rebar from a 40-foot length as it is from a 60-foot length, but cutting lengths from a longer bar offers the advantage of reduced amounts of left-over scrap.³⁸ In fabricating applications, the average yield loss would rise from about 2.0 percent with 60-foot lengths to 2.5-3.0 percent with 40-foot lengths, which would equate to a cost differential of about \$2 to \$3 per ton. As long as the price differential of 40-foot length is favorable, fabricators or users would shift to the shorter lengths, which are also easier to transport and handle.³⁹

Due to building-code requirements and its relatively low cost, there are few substitutes for deformed rebar for structural reinforcement of concrete.⁴⁰ Plain rebars are used as dowels to prevent lateral movement of concrete slabs, as spirals and structural ties for binding deformed rebar, and as supports for mats or mesh, but building and construction codes do not allow plain rebar to be substituted for deformed rebar in the latter's principal application of reinforcing concrete.⁴¹ Coiled rebar (produced primarily as plain rounds, but also available with deformed surfaces) facilitates the forming of small items that would be highly labor intensive if bent manually from straight-length rebar; hence its end uses are limited to stirrups, hoops, and other small items to bind rebar columns or fixtures. Also, straightening and cutting coiled rebar would not be very effective for producing straight lengths.⁴² Welded wire mat or reinforcing mesh is substitutable for deformed rebar in certain limited applications, such as structural reinforcement of thin concrete slabs and wall panels, especially in tilt-up and pre-cast

³⁵ Mr. Daryle L. Doden, President, Ambassador Steel Corp., conference transcript, pp. 60-61.

³⁶ Counsel for respondents also argue that rebar sizes cannot substitute for each other due to distinct physical properties. Mr. Lyle Vander Schaaf, counsel for respondents, conference transcript, pp. 84-85.

³⁷ Mr. Daryle L. Doden, President, Ambassador Steel Corp., conference transcript, p. 62.

³⁸ Mr. Daryle L. Doden, President, Ambassador Steel Corp., conference transcript, p. 46.

³⁹ Mr. Phil Casey, Chief Executive Officer, AmeriSteel, conference transcript, p. 59.

⁴⁰ *Rebar from Turkey*, p. I-6.

⁴¹ See, AASHTO section 9.2, entitled "Material," and ACI Code 3.5.1 and Commentary R3.5.1, entitled "Steel Reinforcement." *Rebar from Turkey*, p. I-6.

⁴² It is uncommon for rebar with nominal diameters above 5/8 inch to be available in coiled form, due to the strain on the strength and durability of the rebar caused by the uncoiling and cutting equipment in working larger-diameter rebar. Coiled rebar is available primarily with smooth rather than deformed surfaces. Moreover, coiled rebar is a relatively small part of rebar consumption in the United States. Mr. Phil Casey, Chief Executive Officer, AmeriSteel, conference transcript, pp. 55-56; and Mr. Clyde Selig, President, Commercial Metals Steel Group, conference transcript, p. 56.

According to petitioners, coiled rebar is produced by steel mills with coiling stands (e.g., mills that also produce nonalloy steel rod), which most mills producing straight-length rebar lack. Petition, p. 10.

Despite attempts to import coiled rebar, importers became less interested due to the low tonnages available and concerns about how the coiled rebar will perform when put through fabricating machinery. So far, imported coiled rebar has not been able to penetrate the coiled rebar market on grounds of product quality, although it seems that importers intend to continue their attempts. Mr. Daryle L. Doden, President, Ambassador Steel Corp., conference transcript, p. 57.

concrete work. Mat or mesh is also used as a complementary material to deformed rebar in structural columns. Other materials cast into concrete such as steel pipe, structural shapes, wire, and steel fibers are used mainly for cracking control rather than reinforcement. Pre-tensioned cables or rods, and high-strength deformed steel bars are prepared specifically for pre-stressing concrete rather than structural reinforcement.⁴³

Channels of Distribution

Domestic and imported rebar are distributed to similar customers. Domestic mills sell to both their own fabricators and to independent fabricators and distributors, with lesser amounts sold directly to steel service centers. Currently, rebar of foreign origin is generally channeled through trading companies and distributors, with some sales directly to fabricators and service centers;⁴⁴ however, imported rebar has been noted to have made significant inroads into the fabricating sector compared with 5 years ago, as prices in both the fabricator and distributor channels tend to be comparable.⁴⁵ Moreover, a domestic producer indicated that it lost sales to imports for its own fabricating operations, as fabricating plants are independent profit centers that pay the same price for rebar as the mill's unrelated independent customers and receive no preference in supply.⁴⁶ Both domestic producers and importers sell smaller amounts to building material dealers, and domestic producers sell to the mining industry.⁴⁷

Customer and Producer Perceptions

In addition to the differences in prevalent sizes and lengths of domestic and imported rebar, other differences are perceived by customers, producers, and importers. Disadvantages in purchasing imported rebar noted by an international trader in steel products include longer lead times (typically 3 to 4 months) between ordering and delivery, minimum quantity requirements, the lack of recourse with certain off-shore suppliers, risk of damage in transit, and the possibility of excessive rusting which may render a foreign shipment commercially unacceptable.⁴⁸

Two domestic producers⁴⁹ and a fabricator-distributor⁵⁰ indicated that many of the traditional hindrances have been eased for purchasing imported rebar. Importers who are selling rebar off the docks enable customers to avoid the long lead times and need to purchase in large quantities. Moreover, letters of credit are not necessary as importers are selling on open credit terms, taking on the risk themselves.

⁴³ Concrete (*e.g.*, for railroad ties and overhead beams) is pre-stressed before use to specifically enhance its load-bearing properties; compressional stress is induced as the pre-stretched steel anchored within the concrete tries to regain its original length. Substitutability of pre-tensioned steel for rebar is not mentioned in building codes. *Rebar from Turkey*, p. I-6.

⁴⁴ Mr. Nicholas Denis, Sales and Market Manager, Siderurgica del Turbio, S.A.; Mr. V.N. Kushnarov, Director of Operations, Bel-Kap Steel, LLC; Mr. Michael MacReady, President, Kennett International; Mr. William Silverman, counsel for respondents; Mr. Peter O. Suchman, counsel for respondents; and Mr. Lyle Vander Schaaf, counsel for respondents; conference transcript, pp. 85 and 120-122.

⁴⁵ Mr. Jim Melvin, Vice President, Re-Steel Supply, conference transcript, p. 37.

⁴⁶ Mr. Clyde Selig, President, Commercial Metals Steel Group, conference transcript, pp. 23-24.

⁴⁷ *Rebar from Turkey*, p. I-5.

⁴⁸ Mr. Michael MacReady, President, Kennett International, conference transcript, pp. 106-107.

⁴⁹ Mr. Phil Casey, Chief Executive Officer, AmeriSteel, conference transcript, p. 13; and Mr. Clyde Selig, President, Commercial Metals Steel Group, conference transcript, p. 24.

⁵⁰ Mr. Daryle L. Doden, President, Ambassador Steel Corp., conference transcript, pp. 27-28.

However, an international steel trader noted little significant overall change of import lead times or minimum quantity requirements.⁵¹ The amount of imported material readily available at the docks is limited, as the vast majority of imports is still contracted months in advance and pre-sold, and is not generally imported on a speculative basis.⁵²

“Buy America”-type provisions have mixed impact on consumption preferences for domestic versus imported rebar. Counsel for respondents noted that fabricators who purchase rebar for projects subject to such provisions often refuse to even stock foreign rebar, because of the strict penalties for violations of the regulations.⁵³ Moreover, an importer indicated that commingling problems cause some suppliers to avoid purchasing imports “if a lot of their sales” are for “Buy America” projects.⁵⁴ However, a fabricator-distributor claimed that its competitors are often supplying foreign products on “Buy America” jobs, and cited the relative ease of foreign products slipping through unless there is diligent inspection.⁵⁵ That same fabricator-distributor and counsel for petitioners indicated that “Buy America” requirements do not provide significant benefits to domestic producers, as such projects account for only a very small portion of business, especially for the very large distributors and fabricators.⁵⁶

Manufacturing Facilities and Production Employees

Rebar mills typically specialize in producing their rebar either from (1) billet steel, (2) rail steel, or (3) axle steel, because each involves different starting materials and imposes somewhat different rolling requirements. The most common manufacturing process for deformed rebar from billet steel consists of three stages: (1) melting steel scrap, (2) casting billets, and (3) hot-rolling the bar. In contrast, the manufacturing process for rebar from scrapped rail or axle steel, or from purchased billets, requires only the rolling stage.

In the United States, rebar is produced by non-integrated “mini-mills” that melt steel scrap in electric arc furnaces. Foreign producers also utilize the mini-mill process, although some (*e.g.*, certain Chinese, Japanese, Latvian, Russian, and Ukrainian producers) rely on the traditional integrated process to convert metallic iron into steel. Once molten steel is produced, through either process, it can be poured from the furnace into a refractory-lined ladle, where any necessary alloys are added to effect the required chemical and physical properties.

Molten steel must be cast into billets of the size and shape suitable for the rolling process. In the more common continuous (strand) casting process,⁵⁷ molten steel is poured from the ladle into a tundish (reservoir dam) which controls the rate of flow into the molds of the caster. A solid “skin” forms around the molten steel at the top openings of the molds, and as the columns of partially solidified steel descend

⁵¹ Mr. Michael MacReady, President, Kennett International, conference transcript, pp. 118-119.

⁵² Mr. Michael MacReady, President, Kennett International, conference transcript, p. 106.

⁵³ Many fabricators refuse to assume the added expense of maintaining entirely separate physical inventories and tracking records and, hence, only purchase domestic products. Mr. William Silverman, counsel for respondents, conference transcript, pp. 74-75.

⁵⁴ Mr. Lyle Vander Schaaf, counsel for respondents, conference transcript, p. 113.

⁵⁵ Mr. Daryle L. Doden, President, Ambassador Steel Corp., conference transcript, pp. 29-30.

⁵⁶ Mr. Daryle L. Doden, President, Ambassador Steel Corp., conference transcript, pp. 29-30; and Mr. Charles Owen Verrill, Jr., counsel for petitioners, conference transcript, pp. 126-127.

⁵⁷ In the traditional, multi-step, ingot teeming method, molten steel is poured into individual molds where it solidifies. The semifinished shapes are subsequently heated in soaking pits until they reach uniform temperature to ensure a homogenous metallurgical structure. Semifinished forms produced by the teeming method may be sent through a break-down mill to reduce their size to the dimensions suitable for the rolling process.

through the caster, water sprays rapidly cool the cast steel (which helps minimize compositional segregation) to the point that strands are completely solidified when extruded at the bottom of the caster. Lengths of continually extruded billets are flame cut at intervals, and then may either be sent directly for further processing or be cooled on a cooling bed and subsequently stored for later use.

Prior to rolling, newly cast billets, scrap rails, or scrap axles are channeled through a reheat furnace. This step increases the malleability of the steel and reduces wear on the rolling mill. The semi-finished steel is reduced in size as it passes through successive rolling stands. Most modern rolling mills are in-line, and rebar of different sizes can be produced by changing the rolls. Deformations are rolled onto the surface of the rebar as it passes through the final finishing stand, which has patterns cut into the grooves of the rolls.⁵⁸ After the rolling process, rebars are cut to length, before being sent to the cooling bed.

Price

Rebar is traditionally priced in dollars per hundredweight (dollars per 100 pounds) or dollars per short ton. An industry source⁵⁹ indicated that domestic rebar producers generally set selling prices for their products in the United States according to grade and size, and that foreign producers of rebar are also understood to do the same when selling in their own home markets; in contrast, importers of rebar generally sell different sizes and grades to U.S. customers at a single price.⁶⁰

Transactions between mills and fabricators are characterized as being at “arms length,” with mills charging similar prices to both their wholly owned fabricating shops and to competing independent fabricators, since the captive fabricators are operated as independent profit centers.⁶¹ Because rebar is a low value commodity product that is regarded as having little or no noticeable quality distinctions between domestic versus foreign origin, purchasing decisions are virtually all made on the basis of best-available pricing.⁶²

Moreover, the rebar market has been described as being very efficient at disseminating pricing information.⁶³ An independent fabricator noted that imports exerted downward pricing pressure on all rebar, and not just on the sizes and grades where imports are most concentrated, as domestic producers offer “foreign fighter” discount prices on some tonnages to compete with imports, so the effect is that prices have dropped throughout the range of sizes and grades.⁶⁴

⁵⁸ When rolling plain-round rebar, with uniformly smooth surfaces rather than with deformations, smooth-grooved rolls are substituted in the final finishing stand.

⁵⁹ Affidavit of ***, exhibits II-10, III-1, IV-1, V-1, VI-1, VII-1, VIII-1, IX-1, X-1, XI-1, XII-1, and XIII-1 attached to petition.

⁶⁰ For example, despite the cost difference between producing a grade 40 and a grade 60 rebar, there is no price difference among such imports, according to Mr. Daryle L. Doden, President, Ambassador Steel Corp., conference transcript, p. 52.

⁶¹ Captive fabricating plants and distribution arms of producers are reportedly run as individual profit centers, because in today’s market, one stage of a business cannot subsidize another stage because both would likely go out of business. Mr. Clyde Selig, President, Commercial Metals Steel Group, conference transcript, p. 63; and Mr. John Correnti, Chief Executive Officer, Birmingham Steel Corp., conference transcript, p. 63.

⁶² See, for example, Mr. Daryle L. Doden, President, Ambassador Steel Corp., conference transcript, pp. 26-27; and Mr. Martin R. Koch, President, Southwestern Suppliers, conference transcript, p. 31.

⁶³ For example, a distributor indicated that he is contacted upwards of 15 times per week about prices. Mr. Jim Melvin, Vice President, Re-Steel Supply, conference transcript, p. 38.

⁶⁴ Mr. Jim Melvin, Vice President, Re-Steel Supply, conference transcript, p. 34.

Further, rebar is sold without a price differential for projects subject to “Buy America”-type provisions. In most cases, producers do not necessarily know about the ultimate enduse for a product when selling to a customer (whether a fabricator, distributor, or enduser) and customers do not necessarily inform suppliers as to whether the rebar is intended for a “Buy America” project or not.⁶⁵

DOWNSTREAM PRODUCTS

This section presents information on deformed rebar in straight lengths as an intermediate product for the production of downstream products—fabricated rebar and coated rebar. Deformed rebar is dedicated almost exclusively for reinforced concrete in commercial and residential construction. Amounts sold for residential yard and fence stakes, and for mine roof bolts are minor by comparison.⁶⁶ Deformed rebar is sold to the concrete-construction industry either as-is or in various stages of fabrication (*e.g.*, bent to shape, assembled into structures by welding or tying, or both). Downstream intermediate markets may not be readily separable because importers can produce fabricated rebar from imported straight-length rebar, and some domestic regional producers use their own fabricating and coating facilities in addition to selling to independent fabricators. Straight-length rebar is further worked into fabricated rebar by relatively straightforward operations such as cutting to length and then bending as required by engineering plans, and/or performing any necessary assembly into structures such as mats or cages by welding or tying.

⁶⁵ Mr. Daryle L. Doden, President, Ambassador Steel Corp., conference transcript, pp. 29-30; and Mr. Charles Owen Verrill, Jr., counsel for petitioners, conference transcript, pp. 126-127.

⁶⁶ *Rebar from Turkey*, p. I-6.

PART II: CONDITIONS OF COMPETITION IN THE U.S. MARKET

DISTINCTIVE INDUSTRY CHARACTERISTICS

Import penetration by subject imports has increased markedly since 1997. Imports of rebar from subject countries accounted for 26.0 percent of all rebar imports into the United States on a quantity basis in 1997, 89.0 percent of imports in 1998, and 85.6 percent of imports in 1999. Subject imports were 24.9 percent of rebar imports into the specified region in 1997, 88.4 percent in 1998, and 84.7 percent in 1999. Questionnaire responses by responding domestic producers and importers indicate that subject import penetration has been greater for smaller sizes of rebar. Reported regional sales of straight size 3 grade 60 rebar (3/8 inch diameter) by subject importers accounted for only 8.4 percent of all reported regional sales of this product in the first quarter of 1997, but 70.0 percent of reported regional sales of this product in the first quarter of 2000.¹ Reported regional sales of subject size 4, 5, and 6 straight grade 60 rebar (1/2, 5/8, and 3/4 inch diameter) accounted for 2.7, 1.4, and 0.8 percent of all reported sales of these respective sizes in the first quarter of 1997, and 34.8, 28.0, and 15.3 percent of all reported sales in the respective sizes in the first quarter of 2000.

Smaller diameter rebar is more expensive to produce per ton, and domestic producers have in the past charged a size premium. Some subject imports appear to be offered for sale at the same price, regardless of diameter, and one importer (***) was unable to supply price data by size because imports are sold without a size premium, and data were not available by size. The lack of a price premium may explain why import penetration has been greater in smaller sizes.

PRODUCT DISTRIBUTION

Domestic producers of rebar sell to independent fabricators and distributors. Some producers may also fabricate rebar internally or sell to wholly owned fabricating shops. As shown in table III-3A, internal consumption plus company transfers accounted for 10.8 percent by quantity of all shipments by domestic rebar producers in 1997, and 12.5 percent of all shipments in 1999. For domestic producers within the region, internal consumption plus company transfers accounted for 16.0 percent of all shipments in 1997 and 18.6 percent of all shipments in 1999.

The majority of shipments of certain rebar by reporting domestic producers were to customers less than 500 miles distant. Commission questionnaires asked for the share of sales within 100 miles, and 101 to 1000 miles, but many responding regional domestic producers also reported the average transportation distance. Three of the responding regional domestic producers reported that at least 50 percent of sales are to customers within 100 miles. Of 25 responding importers, 16 reported that at least 50 percent of sales are to customers within 100 miles.

¹ The volume of reported sales is less than apparent consumption, as price data on regional sales of nonsubject imported rebar were not collected. Nonsubject imports accounted for 9.9 percent of apparent regional consumption of rebar in 1997, 2.5 percent in 1998, and 4.3 percent in 1999. The size distribution of nonsubject imported rebar is unknown.

SUPPLY AND DEMAND CONSIDERATIONS

U.S. Supply

Based on available information, staff believes that the U.S. industry is capable of responding to increases in price with increased shipments to the U.S. market due to the existence of unused capacity and continued high inventories. U.S. regional producers' capacity for production of rebar increased 6.1 percent from 6.2 million tons per year in 1997 to 6.5 million tons per year in 1999. Annual capacity utilization decreased from 62.8 percent in 1997 to 61.7 percent in 1998, and increased slightly to 61.9 percent in 1999. Average capacity utilization in the first quarter of 2000 was 62.6 percent compared with 56.4 percent in the first quarter of 1999.

End of the year inventories held by domestic producers in the region increased throughout the period examined. Inventories as a percentage of production, and of total shipments, reached a high in 1998, and declined somewhat in 1999, but remained higher than in 1997. Consistently high inventory levels and low capacity utilization suggest that domestic producers have the ability to increase supply to the U.S. market.

Shipments of rebar by regional producers to states outside of the region increased between 1997 and 1999, but remained a small share of total shipments.² Exports accounted for a small and declining share of all shipments by regional producers. Exports accounted for 0.8 percent of regional producers' shipments by quantity in 1997, and only 0.5 percent in 1999.³ Regional domestic producers are not likely to be able to divert a large share of shipments to or from alternate markets in response to price changes, given their reliance on the regional domestic market.

Subject Imports

Based on the available information, it appears that producers in most of the subject countries have the ability to alter shipment volumes to or from the regional U.S. market in response to price changes. Imports of certain rebar from subject countries have increased dramatically since 1997, but alternate export markets are substantial. According to official United Nations (UN) statistics presented in appendix D, the United States was the largest export market for rebar from Japan, Korea, Latvia, and Poland in 1998, but accounted for over half of exports only from Poland. The presence of sizeable alternate export markets and domestic home markets increases the ability of producers in these countries to alter shipment volumes in response to relative price changes. Capacity utilization for the production of rebar in 1999 was below 70 percent for responding producers in ***. There was insufficient data to determine the capacity utilization of producers in China and Indonesia. In addition, the fact that rebar accounts for a small share of total production for most subject producers, and that some producers have the ability to produce nonsubject bars on the same equipment used to produce subject rebar further enhances the ability of these producers to alter production and shipment volumes. The existence of another alternate export market, the United States outside the specified region, further enhances the ability of producers in the subject countries to respond to price changes in the specified region.

² Shipments by regional domestic producers to states outside the region were 6.4 percent of these firms' domestic shipments on a quantity basis in 1997 and 6.8 percent in 1999.

³ Exports by all U.S. producers accounted for 2.5 percent of U.S. producers' shipments in 1997, and 1.8 percent in 1999.

Austria

Official Department of Commerce statistics indicate that imports of rebar from Austria were 37,964 tons in 1999. However, no responding Austrian producers of rebar reported any exports of rebar to the United States in the period for which data were requested, and no responding importer reported imports of Austrian rebar.⁴ According to UN data, Germany was the largest export market for Austrian rebar in 1997 and 1998. UN data indicate no exports of rebar from Austria to the United States for 1996 through 1998, the latest period for which data are available. Marienhutte, which accounts for approximately *** percent of subject rebar production in Austria, reports that rebar accounts for *** percent of sales. Capacity utilization in 1999 was *** percent.

Belarus

Based on the available information, it appears that producers in Belarus have the ability to alter shipment volumes to the regional U.S. market in response to price changes. Imports of rebar from Belarus into the specified region were zero in 1997, 8,523 tons in 1998, 71,438 tons in 1999, and 11,068 tons in the first quarter of 2000. Sales of all four sizes of rebar for which price data were collected were reported in every quarter from the third quarter of 1998 through the first quarter of 2000. Byelorussian Steel, which accounts for *** production of rebar in Belarus, reports that rebar accounts for *** percent of total sales, and *** percent of production on a quantity basis. ***. Capacity utilization was *** percent in 1999. UN data indicate that the United States was the third largest export market for rebar from Belarus in 1998, and accounted for 9.6 percent of all exports.

China

Based on the available information, producers of rebar in China have the ability to alter shipment volumes to the regional U.S. market in response to price changes. Imports of rebar from China began in the second quarter of 1999. Imports into the specified region were 17,417 tons in 1999, and 14,787 tons in the first quarter of 2000. Sales of all four sizes of rebar for which price data were collected were reported in the third quarter of 1999 and in the first quarter of 2000. Sales were concentrated in sizes 4 and 5, with a very small volume of size 3. Laiwu, which accounts for an estimated *** percent of Chinese production and *** percent of exports to the United States reports that exports to the United States accounted for *** percent of shipments in 1999, and *** percent of all exports. UN data indicate that the United States was the tenth largest export market for rebar from China in 1998, accounting for 0.1 percent of all exports. Exports to countries other than the United States were 225,368 tons in 1998.

Indonesia

Based on available information, producers of rebar in Indonesia have the ability to alter shipment volumes to the U.S. regional market in response to price changes. Imports of rebar from Indonesia into the specified region began in the third quarter of 1998. Imports into the region were 44,504 tons in 1998 and 63,748 tons in 1999. There have been no imports from Indonesia in the first quarter of 2000. Sales of rebar produced in Indonesia were reported in every quarter from the first quarter of 1998 through the fourth quarter of 1999, for all four sizes for which price data were collected. No sales were reported in the first quarter of 2000. One questionnaire response was received from a producer in Indonesia with no

⁴ ***

current production of rebar. According to UN data, the United States was the third largest export market for rebar from Indonesia in 1998, and accounted for 9.5 percent of all exports. The single largest export market for rebar from Indonesia in 1998 was China.

Japan

Based on available information, producers of rebar in Japan have the ability to alter shipment volumes into the specified region in response to price changes. Imports of rebar from Japan into the specified region were zero in 1997, 36,886 tons in 1998, 153,149 tons in 1999, and zero in the first quarter of 2000. Sales of sizes 3, 4, and 5 were first reported in the third quarter of 1998.⁵ Sales of all four sizes of rebar for which pricing data were collected were reported from the first quarter of 1999 through the first quarter of 2000. Japanese producers Asahi, Godo, Kyoei Steel, Mitsuboshi, NKK Bars, and Tokyo Steel responded to Commission questionnaires. These firms reported that production of rebar accounted for *** percent of production, respectively. Together, these firms are estimated to account for over *** percent of all rebar production in Japan. Average capacity utilization for the production of rebar was *** percent in 1999.⁶ The United States was the single largest export market for rebar from Japan in 1998, and accounted for 35.7 percent of all exports according to UN data.

Korea

Based on available information, producers of rebar in Korea have the ability to alter the volume of shipments into the specified region in response to price changes. Imports of Korean rebar into the specified region were zero in 1997; 405,254 tons in 1998; and 291,275 tons in 1999.⁷ Imports in the first quarter of 2000 were 162,352 tons, compared with 69,528 tons in the first quarter of 1999.

Sales of all four sizes of rebar for which price data were collected were first reported in the second quarter of 1997, and in every quarter from the first quarter of 1998 through the first quarter of 2000. Korea was the single largest source of reported sales of subject rebar in the first quarter of 2000 for all four sizes for which price data were collected. Questionnaire responses were received from Korean producers Dongkuk, Inchon, and Korean Iron and Steel Company (KISCO). These three firms are believed to account for approximately *** percent of rebar production in Korea. Rebar production by Dongkuk, Inchon, and KISCO accounts for *** percent, respectively, of these firms' total production. Capacity utilization in the production of rebar averaged *** percent in 1999. Only *** reported production of *** on the same equipment used to produce subject rebar.⁸ The United States was the largest single export market for rebar from Korea in 1998, and accounted for 49.1 percent of all exports according to UN data. The next two largest export markets for rebar from Korea in 1998 were China and Hong Kong, which together accounted for 29.0 percent of all exports.

⁵ Imports from Japan into the United States outside the specified region were zero in 1997; 29,455 tons in 1998; 78,836 tons in 1999; and 12,524 tons in the first quarter of 2000.

⁶ Capacity utilization is based on data from ***. *** did not report capacity and production.

⁷ Imports from Korea into the United States outside the specified region were 19,368 tons in 1997; 121,826 tons in 1998; 132,618 tons in 1999; and 28,501 tons in the first quarter of 2000.

⁸ *** reported that production of nonsubject bars on equipment also used to produce rebar accounted for *** percent of total production.

Latvia

Based on available information, producers of rebar in Latvia have the ability to react to changes in price with a change in the volume of imports into the specified region. Imports of Latvian rebar into the region roughly tripled between 1997 and 1998, and tripled again between 1998 and 1999. Imports in the first quarter of 2000 were 107,297 tons, compared with 63,553 tons in the first quarter of 1999. Sales of rebar produced in Latvia were reported in all four sizes, in nearly every quarter for which data were collected. Liepajas, a producer of rebar believed to account for *** rebar production in Latvia, reports that rebar accounts for *** percent of all production, and that production of *** on the same equipment used to produce rebar accounts for *** percent of production. Capacity utilization was *** percent in 1999, and *** percent in the first quarter of 2000. The United States was the single largest export market for rebar from Latvia in 1998, accounting for 35.9 percent of all exports according to UN data.

Moldova

Based on available information, producers of rebar in Moldova have the ability to alter the volume of shipments into the specified region in response to price changes. Imports of rebar from Moldova into the specified region were 24,305 tons in 1997, 187,250 tons in 1998, and 183,803 tons in 1999. Imports in the first quarter of 2000 were 54,629 tons, compared with 28,365 tons in the first quarter of 1999. Imports from Moldova were present in the U.S. regional market throughout the time period for which data were collected. Sales of all four pricing products were reported in most quarters. Moldova Steel, believed to account for *** production of rebar in Moldova, reported that rebar accounted for *** percent of all production, and that production of *** produced on the same equipment accounted *** percent of production. Capacity utilization was *** percent in 1999, and *** percent in the first quarter of 2000. The United States accounted for *** of Moldova Steel's reported exports in 1999.

Poland

Based on available information, producers of rebar in Poland have the ability to alter the volume of shipments into the specified region in response to changes in price. Imports of rebar from Poland, all of which were into the specified region, were 16,830 tons in 1997, 53,231 tons in 1998, and 10,681 tons in 1999. Imports in the first quarter of 2000 were 46,868 tons in the first quarter of 2000.⁹ Sales of all four pricing products were reported in all quarters for which data were collected. Huta Ostrowtec, believed to account for *** percent of all rebar production in Poland, reported that rebar accounted for *** percent of production, and that production of *** on the same equipment accounted for *** percent. Capacity utilization was *** percent in 1999, and *** percent in the first quarter of 2000. According to UN data, exports to the United States accounted for more than half of all exports of rebar from Poland in 1997 and 1998, and exports of rebar from Poland to the United States in 1998 were *** percent of the estimated production of rebar in Poland in that year.

⁹ There were no reported imports of rebar from Poland in the first quarter of 1999.

Russia

Based on available information, producers of rebar in Russia have limited ability to alter the volume of shipments into the specified region in response to price changes. Imports of rebar from Russia into the United States in 1999 48,045 short tons into the region and another 57 short tons outside the region. The Comprehensive Steel Agreement (CSA) limits the volume of imports of numerous steel products including rebar. The limit established for the hot-rolled bar category (including hot-rolled bar, rebar, and light shapes) was 85,000 metric tons for 1999, of which hot-rolled bar (nonsubject) could account for no more than 40,000 metric tons. Imports of rebar and light shapes make up the balance.

The CSA limits the volume of imports through July 2004, with annual increases of up to six percent in the case of increasing U.S. domestic consumption. The limit for hot-rolled bars for 2000 has been established at 5.6 percent above the limit for 1999, adjusted to 2.95 percent to account for imports above the limit during the transition period. Imports of products in the hot-rolled bar category thus may not exceed 87,510 metric tons (96,436 short tons) in 2000.

Rebar accounts for *** percent of steel production by MECHHEL, and *** percent of production by Severstal, which together account for an estimated *** percent of Russian rebar production. *** produced on the same equipment account for *** of production for MECHHEL and Severstal, *** percent of production, respectively. Average capacity utilization was *** percent in 1999, and *** percent in the first quarter of 2000. UN data indicate that the United States was the second largest export market for rebar from Russia in 1998, and accounted for 20.2 percent of exports.

Ukraine

Based on available information, producers of rebar in Ukraine have the ability to alter the volume of shipments into the specified region in response to changes in price. Imports of rebar from Ukraine were 989 tons in 1997, 3,074 tons in 1998, and 95,904 tons in 1999. There were no reported imports in the first quarter of 2000. Sales of all four pricing products produced in Ukraine were first reported in low volumes in the second quarter of 1999. Since that time the volume of sales has increased, especially for sizes 4 and 5. Krivorozhstal, a producer believed to account for *** rebar produced in Ukraine, reports that subject rebar accounts for *** percent of sales, and that *** produced on the same equipment account for *** percent of sales. Krivorozhstal began production of rebar in 1999. Capacity utilization for the production of rebar was *** percent in 1999 and *** percent in the first quarter of 2000.

Venezuela

Based on available information, producers of rebar in Venezuela have the ability to alter the volume of shipments into the specified region in response to changes in price. Imports of rebar from Venezuela into the specified region were 61,014 tons in 1997, 20,969 tons in 1998, and 49,706 tons in 1999. There were no imports in the first quarter of 2000. The greatest reported volume of sales of rebar from Venezuela was of size 5 rebar in the second half of 1998, and in 1999. Sidetur, which accounts for an estimated *** percent of rebar production in Venezuela, reported that rebar accounted for *** of production, and that *** were produced on the same equipment used to produce subject rebar. Capacity utilization for the production of rebar was *** percent in 1999, and *** percent in the first quarter of 2000, compared with *** percent in the first quarter of 1999. The United States was the second largest export market for rebar from Venezuela in 1998, and accounted for 31.2 percent of such exports, according to UN data. Other major export markets included Colombia, Costa Rica, Chile, and Brazil.

U.S. Demand

Rebar is primarily used for the reinforcement of concrete structures, and its demand follows trends in construction. End uses reported in questionnaire responses include swimming pools, roads and bridges, and pre-formed slabs and columns.

Industry perceptions based on questionnaire data are that demand has increased since 1997, with increases in construction. Apparent U.S. consumption of rebar within the specified region increased from 4.3 million tons in 1997 to 5.5 million tons in 1999. Apparent consumption in the first quarter of 2000 was 1.5 million tons. Total U.S. apparent consumption increased from 6.5 million tons in 1997 to 7.9 million tons in 1999, and was 2.0 million tons in the first quarter of 2000, compared with 1.7 million tons in the first quarter of 1999. In general, domestic producers and importers reported that demand has increased, due to a strong economy and increases in construction. As shown in table II-1, expenditures on both public and private construction have increased over the period examined.

Table II-1
Annual value of public and private construction put in place in the United States, 1995-99

Year	Public		Private	
	\$ million	constant 1996 \$million	\$ million	constant 1996 \$million
1995	129,933	133,450	425,658	434,450
1996	139,263	139,147	474,273	474,307
1997	154,882	149,493	501,749	486,273
1998	159,523	150,246	552,236	520,613
1999	172,673	156,852	591,561	535,626

Source: U.S. Bureau of the Census, www.census.gov/pub/const/C30.

There are limited substitutes for rebar. Of 50 responses to Commission domestic producer and importer questionnaires, 22 reported that there were no substitutes, or no practical substitutes for rebar. Eleven responding domestic producers and importers noted that wire mesh could be substituted for rebar in some limited applications. Other products which reportedly may be used in limited applications include prestressed wire concrete strand, and smooth bars. Rebar accounts for a very small share of the cost of a concrete structure. Several responding domestic producers reported that rebar accounts for less than 1 percent of the cost of such structures. Steel structural sections also may be substituted for concrete structures in some limited applications.

SUBSTITUTABILITY ISSUES

The degree of substitution between domestic and imported rebar depends on factors such as product quality, consistency, and relative price, and on conditions of sale such as reliability of supply, payment terms, and delivery lead time. Based on available data, staff believes that there is a very high degree of substitution between domestic rebar and that imported from subject countries. There is a difference in the product mix of rebar sold by responding importers of subject products and that of responding regional domestic producers, but this is likely due to the degree of substitutability between domestic and subject imported rebar, and the difference in pricing policies.

Rebar is generally regarded as a commodity product and rebar of the same grade and dimensions are interchangeable regardless of origin. Rebar is produced to standard specifications. The most common specification in the U.S. market is ASTM A615, grade 60. Grade 40 rebar has less stringent physical properties. Grade 60 accounts for the largest share of both domestic regional production, and imports.¹⁰

Comparisons of Domestic Products with Subject Imports

There is a very high degree of substitutability between domestically produced and imported rebar. Most U.S. producers and most importers reported that the domestic and imported products are used interchangeably regardless of country of origin. Some differences other than price between the domestic and subject imported products were reported by importers. *** noted that subject imports do not compete with domestic rebar on construction projects subject to "Buy America" provisions. *** noted that some sizes and lengths are not available from subject sources. See appendix E for data on the reported interchangeability of rebar from different sources, and the existence of price and other differences.

Some responding importers reported the existence of differences other than price between domestic and imported rebar from subject countries. *** noted that the appearance and/or perceived quality of domestic rebar was superior to that of subject imports. *** noted that delivery or availability of domestic rebar was superior to that of subject imports. End-of-year inventories of subject rebar held by U.S. importers increased from 1,972 tons (1.3 percent of these firms' imports) in 1997, to 40,934 tons (2.9 percent of imports) in 1999.

Comparisons of Domestic Products and Nonsubject Imports

Fewer comparisons were reported between domestic rebar and nonsubject imports. A majority of responding domestic producers and importers reported that domestic and nonsubject imported rebar are largely interchangeable, with few differences other than price. The exclusion of imports from projects subject to "Buy American" policies would apply as well to nonsubject imports. *** noted that no imports are available in 60 foot lengths. *** reported quality differences between domestic and all imported rebar. Importer *** reported that imported rebar from nonsubject countries is generally 5 to 10 percent less expensive than that produced domestically.

Comparisons of Subject Products from the Subject Countries

Rebar from the various subject countries was generally regarded as interchangeable in use. As reported in appendix E, in every case a majority of responding domestic producers and importers reported that imports from two different subject countries were generally used interchangeably.

¹⁰ Conference transcript pp. 51-52

PART III: U.S. PRODUCERS' PRODUCTION, SHIPMENTS, AND EMPLOYMENT

The Commission analyzes a number of factors in making injury determinations (see 19 U.S.C. §§ 1677(7)(B) and 1677(7)(C)). Information on the alleged margins of dumping was presented earlier in this report and information on the volume and pricing of imports of the subject merchandise is presented in Parts IV and V. Information on the other factors specified is presented in this section and/or Part VI and (except as noted) is based on the questionnaire responses of 29 individual mills of 14 firms that accounted for 100 percent of U.S. production of certain steel concrete reinforcing bars during 1999.

U.S. PRODUCERS

The Commission mailed producer questionnaires to 14 firms believed to produce certain steel concrete reinforcing bars. The 14 firms provided complete questionnaires for 29 mills, representing 100 percent of known production of subject rebar in the United States.¹ Eight firms,² representing *** percent and *** percent of reported 1999 U.S. production nationally and within the specified region, respectively, make up the petitioning coalition. *** firms, representing *** percent and *** percent of reported 1999 U.S. production nationally and in the specified region, respectively, not affiliated with the coalition *** the petitions. *** oppose the petitions, and, as previously stated, petitioner Auburn Steel *** the petitions on Indonesian and Japanese rebar. The petitioning firms account for *** percent of reported 1999 production outside the specified region. Details regarding each firm's position on the petitions, share of 1999 mill production, production location(s), and parent company are presented in table III-1.

U.S. PRODUCERS' PRODUCTION, CAPACITY, AND CAPACITY UTILIZATION

Table III-2 presents data on the U.S. industry's production and capacity to produce certain steel concrete reinforcing bars and appendix table F-1 presents company-specific data. These data reflect entrances into and departures from the marketplace and U.S. producers' improvements and setbacks in the years included in these investigations. As indicated, total industry capacity within the region rose throughout the period examined; other than a less than 1-percent decline from 1997 to 1998, production within the region rose throughout the period investigated; and capacity utilization within the region declined from 1997 through first quarter 1999 but rebounded since then and is at its second-highest level of the period being investigated in first quarter 2000.

Most responding mills are capable of producing other types of steel products, such as rebar in coils, wire rod, plain rounds, merchant products, fence posts, and assorted steel shapes (*e.g.*, flats, squares, hexagons, angles, and channels) on the same equipment used to produce subject rebar.

¹ Sherman International reported its sales of rebar that Riverview Steel Corp., a petitioner in these investigations, produced for it on a toll basis. ***.

² One of the eight firms, Riverview Steel, reported toll production of *** short tons in 1999. ***.

Table III-1

Rebar: U.S. mills, positions on the petitions, shares of reported 1999 U.S. production, U.S. production locations, and parent companies

Firm	Position	Share of production in region/nationally (percent)	Production location(s)	Parent company and country
Mills inside the specified region				
AmeriSteel	Petitioner	*** *** *** ***	Baldwin, FL Charlotte, NC Knoxville, TN Jackson, TN	Gerdau (Brazil): ***; Kyoei Steel, Ltd. (Japan): ***
Auburn Steel Co., Inc.	Petitioner ¹	*** ***	Auburn, NY Lemont, IL	Sumitomo Corp. (Japan): ***; Sumitomo Corp. of America (U.S.): ***; Kyoei Steel, Ltd. (Japan): ***
Birmingham Steel Corp.	Petitioner	*** *** ***	Birmingham, AL Joliet, IL Jackson, MS	Birmingham Steel Corp. (U.S.): ***
Border Steel, Inc.	Petitioner	***	El Paso, TX	BSRM Holdings, Inc. (U.S.): ***
Co-Steel Sayreville	***	***	Sayreville, NJ	Co-Steel, Inc., (Canada): ***
Marion Steel Co.	Petitioner	***	Marion, OH	Marion Steel Co. (U.S.): ***
North Star Steel	***	***	Monroe, MI	Cargill, Inc. (U.S.): ***
Nucor Corp.	Petitioner	*** ***	Darlington, SC Jewett, TX	Nucor Corp. (U.S.): ***
Riverview Steel Corp.	Petitioner	***	Glassport, PA	Riverview Steel Corp. (U.S.): ***
SMI Steel	Petitioner	*** *** ***	Magnolia, AR Cayce, SC Seguin, TX	Commercial Metals Co. (U.S.): ***
TXI Chapparral Steel	***	***	Midlothian, TX	Texas Industries (U.S.): ***
Total		100 / 65.6		

See footnotes at end of table.

Table III-1--Continued

Rebar: U.S. mills, positions on the petitions, shares of reported 1999 U.S. production, U.S. production locations, and parent companies

Firm	Position	Share of production in region/nationally (percent)	Production location(s)	Parent company and country
Mills outside the specified region				
Birmingham Steel Corp.	Petitioner	***	Seattle, WA	Birmingham Steel Corp. (U.S.): ***
Cascade Steel Rolling Mill, Inc.	***	***	McMinnville, OR	Schnitzer Steel Industries, Inc. (U.S.): ***
North Star Steel	***	*** *** ***	Kingman, AZ Wilton, IA St. Paul, MN	Cargill, Inc. (U.S.): ***
Nucor	Petitioner	*** ***	Norfolk, NE Plymouth, UT	Nucor Corp. (U.S.): ***
Sheffield Steel Corp.	***	***	Sand Springs, OK	HMK Enterprises (U.S.): ***
TAMCO	***	***	Rancho Cucamonga, CA	Ameron International (U.S.): ***; Tokyo Steel Mfg. Co. (Japan): ***; Mitsui & Co. (USA), Inc. (U.S.): ***; Mitsui & Co., Ltd. (Japan): ***
Total		0 / 34.4		
<p>¹ Auburn Steel Co., Inc., is not a petitioner with respect to Indonesia and Japan. Auburn *** the petitions with respect to those countries.</p> <p>² Less than 0.05 percent.</p> <p>Source: Compiled from data submitted in response to Commission questionnaires.</p>				

Table III-2**Rebar: U.S. producers' capacity, production, and capacity utilization, 1997-99, January-March 1999, and January-March 2000**

Item	1997	1998	1999	January-March	
				1999	2000
<u>Producers inside the region:</u>					
Capacity (short tons)	6,156,550	6,207,250	6,531,500	1,622,562	1,656,562
Production (short tons)	3,867,503	3,831,913	4,042,589	914,505	1,037,120
Capacity utilization (percent)	62.8	61.7	61.9	56.4	62.6
<u>Producers outside the region:</u>					
Capacity (short tons)	2,810,000	2,998,900	3,118,900	763,050	747,850
Production (short tons)	2,094,427	2,160,465	2,145,537	439,639	537,950
Capacity utilization (percent)	74.5	72.0	68.8	57.6	71.9
<u>Total United States:</u>					
Capacity (short tons)	8,966,550	9,206,150	9,650,400	2,385,612	2,404,412
Production (short tons)	5,961,930	5,992,378	6,188,126	1,354,144	1,575,070
Capacity utilization (percent)	66.5	65.1	64.1	56.8	65.5

Source: Compiled from data submitted in response to Commission questionnaires.

U.S. PRODUCERS' SHIPMENTS

Table III-3R presents data on regional U.S. mills' total shipments (company transfers, domestic commercial shipments, and export shipments) from January 1997 to March 2000 and table F-2 presents company-specific U.S. shipment data. Table III-3A presents total shipments data for all U.S. producers and table F-3 presents company-specific U.S. shipment data.

U.S. commercial shipments into the specified region accounted for 74.0-77.1 percent of regional mills' total shipments and U.S. shipments into the specified region accounted for 92.7-94.1 percent of regional mills' total shipments. Only *** regional firms reported internal consumption accounting for more than 10 percent of their U.S. shipments³ and ****⁴, but these shipments never exceeded 20 percent of total shipments for mills inside the region and were limited to less than 14 percent of total U.S. producers' shipments. Exports accounted for between 0.5 and 0.8 percent of total shipments by producers within the region and between 1.6 and 2.5 percent of total shipments for all U.S. producers.

The quantity of total U.S. shipments by producers in the region and by all U.S. producers fell from 1997 to 1998, but rose in 1999 and were higher in interim 2000 than in interim 1999. Average unit values for such shipments fell throughout the period examined.

U.S. PRODUCERS' INVENTORIES

Table III-4 presents end-of-period inventory data supplied by all responding U.S. mills producing certain steel concrete reinforcing bars during the period for which data were collected and table F-4 presents company-specific data. Inventories held by regional mills grew throughout the period for which data were gathered.

U.S. PRODUCERS' EMPLOYMENT, WAGES, AND PRODUCTIVITY

The U.S. industry's employment and productivity data are presented in table III-5 and, by company, in table F-5. As noted earlier, U.S. mills produce a variety of steel products employing the same equipment and workers as are used to produce subject rebar.

³ ***

⁴ ***

Table III-3R

Rebar: U.S. regional producers' shipments, by type, 1997-99, January-March 1999, and January-March 2000

Item	1997	1998	1999	January-March	
				1999	2000
Quantity (short tons)					
Commercial shipments:					
To states within region	2,958,578	2,815,337	2,989,721	731,694	762,320
To states outside region	247,303	244,905	276,586	51,128	57,737
Total	3,205,881	3,060,242	3,266,307	782,822	820,057
Internal consumption	375,814	400,687	479,255	96,928	127,153
Company transfers to related firms:					
Within region	240,768	286,692	273,719	65,194	77,678
Outside region	0	0	0	0	45
Total	240,768	286,692	273,719	65,194	77,723
Total U.S. shipments	3,822,463	3,747,621	4,019,281	944,944	1,024,933
Export shipments	31,235	24,840	19,428	4,523	5,832
Total shipments	3,853,698	3,772,461	4,038,709	949,467	1,030,765
Value (\$1,000)					
Commercial shipments:					
To states within region	914,077	853,331	792,153	193,318	203,698
To states outside region	77,277	77,023	77,829	14,489	16,048
Total	991,354	930,355	869,982	207,808	219,746
Internal consumption	117,360	124,999	131,791	27,878	34,363
Company transfers to related firms:					
Within region	73,258	87,557	81,226	19,782	22,303
Outside region	0	0	0	0	14
Total	73,258	87,557	81,226	19,782	22,317
Total U.S. shipments	1,181,972	1,142,910	1,082,999	255,467	276,426
Export shipments	9,448	7,565	5,206	1,128	1,506
Total shipments	1,191,420	1,150,475	1,088,205	256,595	277,932
Unit value (per short ton)					
Commercial shipments:					
To states within region	\$308.96	\$303.10	\$264.96	\$264.21	\$267.21
To states outside region	312.48	314.50	281.39	283.39	277.95
Total	309.23	304.01	266.35	265.46	267.96
Internal consumption	312.28	311.96	274.99	287.62	270.25
Company transfers to related firms:					
Within region	304.27	305.40	296.75	303.43	287.12
Outside region	(1)	(1)	(1)	(1)	311.11
Total	304.27	305.40	296.75	303.43	287.13
Total U.S. shipments	309.22	304.97	269.45	270.35	269.70
Export shipments	302.49	304.53	267.95	249.30	258.25
Total shipments	309.16	304.97	269.44	270.25	269.64

(1) Not applicable.

Source: Compiled from data submitted in response to Commission questionnaires.

Table III-3A

Rebar: U.S. producers' shipments, by type, 1997-99, January-March 1999, and January-March 2000

Item	1997	1998	1999	January-March	
				1999	2000
Quantity (short tons)					
Commercial shipments:					
To states within region	3,097,421	2,950,810	3,159,843	778,586	808,925
To states outside region	2,091,221	2,035,502	2,183,603	474,201	513,629
Total	5,188,642	4,986,312	5,343,446	1,252,787	1,322,554
Internal consumption	375,978	401,302	479,427	96,971	127,169
Company transfers to related firms:					
Within region	268,915	310,691	297,262	70,855	83,108
Outside region	633	973	156	20	150
Total	269,548	311,664	297,418	70,875	83,258
Total U.S. shipments	5,834,168	5,699,278	6,120,291	1,420,633	1,532,981
Export shipments	149,502	127,433	113,211	22,640	27,838
Total shipments	5,983,670	5,826,711	6,233,502	1,443,273	1,560,819
Value (\$1,000)					
Commercial shipments:					
To states within region	954,669	893,629	837,105	205,854	216,230
To states outside region	621,812	615,931	605,782	133,054	139,357
Total	1,576,481	1,509,560	1,442,887	338,908	355,587
Internal consumption	117,489	125,182	131,838	27,889	34,366
Company transfers to related firms:					
Within region	81,869	94,944	88,197	21,482	23,939
Outside region	325	301	45	6	47
Total	82,194	95,245	88,242	21,488	23,986
Total U.S. shipments	1,776,164	1,729,986	1,662,967	388,285	413,938
Export shipments	45,101	38,492	30,581	6,114	7,457
Total shipments	1,821,265	1,768,478	1,693,548	394,398	421,395
Unit value (per short ton)					
Commercial shipments:					
To states within region	\$308.21	\$302.84	\$264.92	\$264.40	\$267.31
To states outside region	297.34	302.59	277.42	280.58	271.32
Total	303.83	302.74	270.03	270.52	268.86
Internal consumption	312.49	311.94	274.99	287.60	270.24
Company transfers to related firms:					
Within region	304.44	305.59	296.70	303.18	288.04
Outside region	513.43	309.35	288.46	300.00	313.33
Total	304.93	305.60	296.69	303.18	288.09
Total U.S. shipments	304.44	303.54	271.71	273.32	270.02
Export shipments	301.68	302.05	270.12	270.04	267.87
Total shipments	304.37	303.51	271.68	273.27	269.98

Source: Compiled from data submitted in response to Commission questionnaires.

Table III-4

Rebar: U.S. producers' end-of-period inventories, 1997-99, January-March 1999, and January-March 2000

Item	1997	1998	1999	January-March	
				1999	2000
Producers inside the region:					
Inventories (short tons)	297,569	352,991	356,886	318,037	363,242
Ratio to production (percent)	7.7	9.2	8.8	8.7	8.8
Ratio to U.S. shipments (percent)	7.8	9.4	8.9	8.4	8.9
Ratio to total shipments (percent)	7.7	9.4	8.8	8.4	8.8
Producers outside the region:					
Inventories (short tons)	151,447	257,478	206,194	202,697	213,790
Ratio to production (percent)	7.2	11.9	9.6	11.5	9.9
Ratio to U.S. shipments (percent)	7.5	13.2	9.8	10.7	10.5
Ratio to total shipments (percent)	7.1	12.5	9.4	10.3	10.1
Total United States:					
Inventories (short tons)	449,016	610,469	563,080	520,734	577,032
Ratio to production (percent)	7.5	10.2	9.1	9.6	9.2
Ratio to U.S. shipments (percent)	7.7	10.7	9.2	9.2	9.4
Ratio to total shipments (percent)	7.5	10.5	9.0	9.0	9.2

Source: Compiled from data submitted in response to Commission questionnaires.

Table III-5

Rebar: Average number of production and related workers, hours worked, wages paid to such employees, hourly wages, productivity, and unit labor costs, 1997-99, January-March 1999, and January-March 2000

Item	1997	1998	1999	January-March	
				1999	2000
Producers inside the region:					
PRWs (number)	2,872	2,934	2,993	2,961	2,984
Hours worked (1,000)	5,074	5,076	5,340	1,291	1,251
Wages paid (\$1,000)	98,420	101,423	111,961	26,711	27,927
Hourly wages	\$19.40	\$19.98	\$20.97	\$20.68	\$22.32
Productivity (tons per 1,000 hours)	734.0	719.0	717.8	674.6	791.3
Unit labor costs (per short ton) . .	\$26.42	\$27.79	\$29.21	\$30.66	\$28.20
Producers outside the region:					
PRWs (number)	1,654	1,584	1,652	1,664	1,558
Hours worked (1,000)	3,514	3,415	3,361	913	813
Wages paid (\$1,000)	73,115	73,178	76,070	19,011	19,818
Hourly wages	\$20.81	\$21.43	\$22.63	\$20.82	\$24.38
Productivity (tons per 1,000 hours)	596.0	632.7	638.3	481.5	663.4
Unit labor costs (per short ton) . .	\$34.91	\$33.87	\$35.45	\$43.24	\$36.76
Total United States:					
PRWs (number)	4,526	4,518	4,645	4,625	4,542
Hours worked (1,000)	8,588	8,490	8,701	2,204	2,064
Wages paid (\$1,000)	171,535	174,601	188,031	45,722	47,745
Hourly wages	\$19.97	\$20.56	\$21.61	\$20.74	\$23.13
Productivity (tons per 1,000 hours)	677.5	684.3	687.1	594.6	741.0
Unit labor costs (per short ton) . .	\$29.48	\$30.05	\$31.45	\$34.88	\$31.21

Source: Compiled from data submitted in response to Commission questionnaires.

PART IV: U.S. IMPORTS, APPARENT CONSUMPTION, AND MARKET SHARES

U.S. IMPORTERS

The Commission sent importer questionnaires to 54 firms believed to have imported certain steel concrete reinforcing bars between January 1997 and March 2000, and received usable data from 27 of the firms.¹ Based on Commerce data for the period investigated, firms responding to the Commission's questionnaire accounted for 96.6 percent of total subject imports and 43.3 percent of nonsubject imports. Other than Austria, for which responding firms accounted for 0 percent of official imports, reporting firms accounted for a low of 58.9 percent of official imports from Venezuela to a high of 132.0 percent of official imports from Poland. Regarding imports into the region in 1999, reporting firms accounted for 88.2 percent of imports from subject countries and 62.3 percent of imports from nonsubject countries. Looking at imports from individual subject countries into the region in 1999, reporting firms accounted for the following percentages of official statistics: Austria - 0, Belarus - 105.7, China - 98.3, Indonesia - 137.4, Japan - 74.1, Korea - 95.0, Latvia - 97.4, Moldova - 83.0, Poland - 263.5, Russia - 100.2, Ukraine - 40.3, and Venezuela - 72.9.

None of the reporting firms imported subject rebar from all of the subject countries during the period for which data were collected. Three firms reported importing from 7 subject countries, 1 firm reported importing from 6 subject countries, and 2 firms reported importing from 5 subject countries.

Port Everglades Steel Corp. (PESCO), a wholly-owned subsidiary of Birmingham Steel Corp., imported subject material from ***, Venezuela, ***.² *** imported subject rebar from ***.³ *** imported subject rebar from China, Japan, Korea, Latvia, Moldova, Russia, Ukraine and nonsubject countries.⁴

U.S. IMPORTS

Subject rebar imports from each of the subject countries and from all nonsubject countries for the period for which data were collected appear in tables IV-1R (into the region) and IV-1A (total U.S. imports). Imports of subject rebar from countries not subject to these investigations (primarily from Brazil, Mexico, and Turkey) were present in the U.S. market in 1999. The import data presented are from official Commerce statistics for subheading 7214.20.00 of the HTS.

¹ Ten firms reported that they did not import subject rebar from any country during the period for which data were collected and 17 firms did not respond to the Commission's questionnaires.

² Conference transcript, p. 17. PESCO reported imports *** from Venezuela ***. PESCO imported ***. PESCO's importers' questionnaire.

³ *** imported subject rebar from ***. *** imported the following tonnages of subject rebar into the region in 1999 and in interim 2000: ***. *** anticipated the delivery of ***.

⁴ *** imported from ***. *** reported importing the following tonnages into the region from each of these countries in 1999 and interim 2000, respectively: ***. *** also reported the following deliveries/orders since March 31, 2000: ***.

Table IV-1R

Rebar: U.S. imports into the region, by sources, 1997-99, January-March 1999, and January-March 2000

Item	1997	1998	1999	January-March	
				1999	2000
Quantity (short tons)					
Austria	5,695	34	37,964	19,050	4,635
Belarus	0	8,523	71,438	12,074	11,068
China	0	0	17,417	0	14,787
Indonesia	0	44,504	63,748	6,453	0
Japan	0	36,886	153,149	27,252	0
Korea	0	405,254	291,275	69,528	162,352
Latvia	33,378	97,002	303,997	63,553	107,297
Moldova	24,305	187,250	183,803	28,365	54,629
Poland	16,830	53,231	10,681	0	46,868
Russia	132	19,122	48,045	4,121	3,558
Ukraine	989	3,074	95,904	0	0
Venezuela	61,014	20,969	49,706	9,023	0
Subtotal	142,342	875,850	1,327,127	239,418	405,193
Other sources	428,657	114,612	238,979	50,133	45,651
Total	571,000	990,462	1,566,106	289,551	450,844
Value (\$1,000)					
Austria	1,543	43	6,759	3,226	897
Belarus	0	2,365	14,662	3,987	2,000
China	0	0	3,330	0	3,001
Indonesia	0	9,708	16,185	5,484	0
Japan	0	8,085	32,596	5,634	0
Korea	0	107,157	59,202	13,954	32,393
Latvia	9,040	34,013	60,153	12,077	21,235
Moldova	9,398	58,463	40,228	6,787	10,932
Poland	4,447	15,034	2,049	0	9,345
Russia	36	4,552	8,691	818	654
Ukraine	273	826	18,412	0	0
Venezuela	17,385	4,717	10,819	1,947	0
Subtotal	42,121	244,963	273,087	53,913	80,457
Other sources	109,919	29,918	52,915	11,228	10,148
Total	152,040	274,881	326,002	65,141	90,605
Unit value (per short ton)					
Austria	\$270.86	\$1,273.13	\$178.03	\$169.37	\$193.48
Belarus	(1)	277.46	205.24	330.21	180.67
China	(1)	(1)	191.21	(1)	202.96
Indonesia	(1)	218.14	253.90	849.78	(1)
Japan	(1)	219.19	212.84	206.72	(1)
Korea	(1)	264.42	203.25	200.69	199.53
Latvia	270.83	350.65	197.87	190.02	197.90
Moldova	386.67	312.22	218.87	239.26	200.12
Poland	264.21	282.43	191.88	(1)	199.39
Russia	274.42	238.04	180.90	198.59	183.83
Ukraine	275.81	268.73	191.98	(1)	(1)
Venezuela	284.94	224.97	217.66	215.82	(1)
Average	295.91	279.69	205.77	225.18	198.56
Other sources	256.43	261.04	221.42	223.97	222.31
Average	266.27	277.53	208.16	224.97	200.97

Table continued on next page.

Table IV-1R--Continued

Rebar: U.S. imports into the region, by sources, 1997-99, January-March 1999, and January-March 2000

Item	1997	1998	1999	January-March	
				1999	2000
Share of quantity (percent)					
Austria	1.0	(2)	2.4	6.6	1.0
Belarus	0.0	0.9	4.6	4.2	2.5
China	0.0	0.0	1.1	0.0	3.3
Indonesia	0.0	4.5	4.1	2.2	0.0
Japan	0.0	3.7	9.8	9.4	0.0
Korea	0.0	40.9	18.6	24.0	36.0
Latvia	5.8	9.8	19.4	21.9	23.8
Moldova	4.3	18.9	11.7	9.8	12.1
Poland	2.9	5.4	0.7	0.0	10.4
Russia	(2)	1.9	3.1	1.4	0.8
Ukraine	0.2	0.3	6.1	0.0	0.0
Venezuela	10.7	2.1	3.2	3.1	0.0
Subtotal	24.9	88.4	84.7	82.7	89.9
Other sources	75.1	11.6	15.3	17.3	10.1
Total	100.0	100.0	100.0	100.0	100.0
Share of value (percent)					
Austria	1.0	(2)	2.1	5.0	1.0
Belarus	0.0	0.9	4.5	6.1	2.2
China	0.0	0.0	1.0	0.0	3.3
Indonesia	0.0	3.5	5.0	8.4	0.0
Japan	0.0	2.9	10.0	8.6	0.0
Korea	0.0	39.0	18.2	21.4	35.8
Latvia	5.9	12.4	18.5	18.5	23.4
Moldova	6.2	21.3	12.3	10.4	12.1
Poland	2.9	5.5	0.6	0.0	10.3
Russia	(2)	1.7	2.7	1.3	0.7
Ukraine	0.2	0.3	5.6	0.0	0.0
Venezuela	11.4	1.7	3.3	3.0	0.0
Subtotal	27.7	89.1	83.8	82.8	88.8
Other sources	72.3	10.9	16.2	17.2	11.2
Total	100.0	100.0	100.0	100.0	100.0

(1) Not applicable.

(2) Less than 0.05 percent.

Source: Compiled from official Commerce statistics.

Table IV-1A

Rebar: U.S. imports, by sources, 1997-99, January-March 1999, and January-March 2000

Item	1997	1998	1999	January-March	
				1999	2000
Quantity (short tons)					
Austria	5,695	34	37,964	19,050	4,635
Belarus	0	8,523	71,438	12,074	11,068
China	0	0	17,547	0	14,787
Indonesia	0	44,504	69,261	6,453	0
Japan	0	66,341	231,985	33,744	12,524
Korea	19,368	527,080	423,893	88,898	190,853
Latvia	33,378	97,002	303,997	63,553	107,297
Moldova	24,305	187,271	183,803	28,365	54,629
Poland	16,830	53,231	10,681	0	46,868
Russia	132	19,122	48,102	4,121	3,558
Ukraine	989	3,074	95,904	0	0
Venezuela	64,875	22,168	49,730	9,023	0
Subtotal	165,571	1,028,352	1,544,304	265,280	446,218
Other sources	470,795	127,158	259,250	54,971	48,258
Total	636,366	1,155,510	1,803,554	320,251	494,475
Value (\$1,000)					
Austria	1,543	43	6,759	3,226	897
Belarus	0	2,365	14,662	3,987	2,000
China	0	0	3,360	0	3,001
Indonesia	0	9,708	17,411	5,484	0
Japan	0	14,863	49,922	7,019	2,628
Korea	5,650	138,508	88,385	18,336	38,823
Latvia	9,040	34,013	60,153	12,077	21,235
Moldova	9,398	58,477	40,228	6,787	10,932
Poland	4,447	15,034	2,049	0	9,345
Russia	36	4,552	8,714	818	654
Ukraine	273	826	18,412	0	0
Venezuela	18,667	5,075	10,828	1,947	0
Subtotal	49,053	283,464	320,882	59,681	89,514
Other sources	122,885	34,277	58,881	12,641	10,981
Total	171,939	317,742	379,764	72,322	100,495
Unit value (per short ton)					
Austria	\$270.86	\$1,273.13	\$178.03	\$169.37	\$193.48
Belarus	(1)	277.46	205.24	330.21	180.67
China	(1)	(1)	191.47	(1)	202.96
Indonesia	(1)	218.14	251.38	849.78	(1)
Japan	(1)	224.04	215.20	208.01	209.83
Korea	291.74	262.78	208.51	206.26	203.42
Latvia	270.83	350.65	197.87	190.02	197.90
Moldova	386.67	312.26	218.87	239.26	200.12
Poland	264.21	282.43	191.88	(1)	199.39
Russia	274.42	238.04	181.15	198.59	183.83
Ukraine	275.81	268.73	191.98	(1)	(1)
Venezuela	287.74	228.93	217.73	215.82	(1)
Average	296.27	275.65	207.78	224.97	200.61
Other sources	261.02	269.57	227.12	229.96	227.55
Average	270.19	274.98	210.56	225.83	203.24

Table continued on next page.

Table IV-1A--Continued

Rebar: U.S. imports, by sources, 1997-99, January-March 1999, and January-March 2000

Item	1997	1998	1999	January-March	
				1999	2000
Share of quantity (percent)					
Austria	0.9	(2)	2.1	5.9	0.9
Belarus.....	0.0	0.7	4.0	3.8	2.2
China	0.0	0.0	1.0	0.0	3.0
Indonesia	0.0	3.9	3.8	2.0	0.0
Japan	0.0	5.7	12.9	10.5	2.5
Korea	3.0	45.6	23.5	27.8	38.6
Latvia	5.2	8.4	16.9	19.8	21.7
Moldova	3.8	16.2	10.2	8.9	11.0
Poland	2.6	4.6	0.6	0.0	9.5
Russia	(2)	1.7	2.7	1.3	0.7
Ukraine	0.2	0.3	5.3	0.0	0.0
Venezuela	10.2	1.9	2.8	2.8	0.0
Subtotal	26.0	89.0	85.6	82.8	90.2
Other sources	74.0	11.0	14.4	17.2	9.8
Total	100.0	100.0	100.0	100.0	100.0
Share of value (percent)					
Austria	0.9	(2)	1.8	4.5	0.9
Belarus.....	0.0	0.7	3.9	5.5	2.0
China	0.0	0.0	0.9	0.0	3.0
Indonesia	0.0	3.1	4.6	7.6	0.0
Japan	0.0	4.7	13.1	9.7	2.6
Korea	3.3	43.6	23.3	25.4	38.6
Latvia	5.3	10.7	15.8	16.7	21.1
Moldova	5.5	18.4	10.6	9.4	10.9
Poland	2.6	4.7	0.5	0.0	9.3
Russia	(2)	1.4	2.3	1.1	0.7
Ukraine	0.2	0.3	4.8	0.0	0.0
Venezuela	10.9	1.6	2.9	2.7	0.0
Subtotal	28.5	89.2	84.5	82.5	89.1
Other sources	71.5	10.8	15.5	17.5	10.9
Total	100.0	100.0	100.0	100.0	100.0

(1) Not applicable.

(2) Less than 0.05 percent.

Source: Compiled from official Commerce statistics.

CUMULATION CONSIDERATIONS

In assessing whether imports compete with each other and with the domestic like product, the Commission has generally considered four factors: fungibility, presence of sales or offers to sell in the same geographical markets, common or similar channels of distribution, and simultaneous presence in the market. Issues concerning fungibility are addressed in Part II of this report and channels of distribution are discussed in Part I; geographical markets and simultaneous presence in the market are discussed below.

Geographical Markets

As noted previously, subject rebar produced in the United States is shipped nationwide. However, as shown in table I-1, 93-95 percent of U.S. shipments of producers in the specified region remained within the region⁵ and 85-91 percent of subject imports⁶ were into the specified region.

Presence in the Market

Subject rebar produced in the United States was present throughout the period for which data were collected. Based on Commerce statistics, imports of subject rebar from Korea, Latvia, and Moldova entered the United States in more than 24 of the 39 months from January 1997 through March 2000. Imports from China, Indonesia, and Poland entered the United States in 10 or fewer months over the period. Although these data show that Austrian subject rebar entered the region and the total U.S. market in 13 of the 39 months during the period, importers identified by the Customs Net Import File have attested that they did not import any subject product from Austria. Table IV-2 presents official U.S. imports of subject rebar, by country, according to the number of months in each period in which they entered.

⁵ During the period examined, U.S. shipments into the region accounted for 8-11 percent of total U.S. shipments of producers located outside the region.

⁶ Except for imports from Korea in 1997 and imports from Japan in January-March 2000, most of the imports from each subject country during January 1997 to March 2000 were into the specified region (over 55 percent for Japan, over 68 percent for Korea, over 92 percent for Indonesia, over 94 percent for Venezuela, over 99 percent for China and Russia, and 100 percent for the other subject countries).

Table IV-2

Rebar: U.S. imports, monthly entries into the specified region and into the total United States,¹ by sources, 1997-99 and January-March 2000

Source	1997	1998	1999	January-March 2000	Total
Austria	3 / 3	5 / 5	4 / 4	1 / 1	13 / 13
Belarus	0 / 0	1 / 1	9 / 9	1 / 1	11 / 11
China	0 / 0	0 / 0	3 / 6	1 / 1	4 / 7
Indonesia	0 / 0	4 / 4	6 / 6	0 / 0	10 / 10
Japan	0 / 0	5 / 8	7 / 12	0 / 2	12 / 22
Korea	0 / 11	10 / 12	12 / 12	3 / 3	25 / 38
Latvia	3 / 3	11 / 11	11 / 11	3 / 3	28 / 28
Moldova	3 / 3	12 / 12	12 / 12	3 / 3	30 / 30
Poland	2 / 2	3 / 3	1 / 1	1 / 1	7 / 7
Russia	1 / 1	7 / 7	9 / 10	1 / 1	18 / 19
Ukraine	1 / 1	4 / 4	8 / 8	0 / 0	13 / 13
Venezuela	7 / 9	4 / 5	9 / 9	0 / 0	20 / 23

¹ Data are presented in the following format: into the specified region / into the total United States.

Source: Compiled from official Commerce statistics.

APPARENT U.S. CONSUMPTION

Data on apparent consumption of subject rebar within the specified region are based on U.S. producers' shipments as reported in Commission questionnaires and imports based on official Commerce statistics. Consumption of subject rebar within the region increased consistently throughout the period for which data were collected. Data on apparent U.S. consumption within the region and outside the region are presented in table IV-3. Data on total apparent U.S. consumption are presented in table IV-3A.

U.S. MARKET SHARES

The market shares of U.S. producers, as well as imports from the subject countries and all other sources, based on apparent consumption of subject rebar in the region and throughout the United States, are presented in tables IV-4R and IV-4A, respectively.

Table IV-3

Rebar: U.S. shipments of domestic product, U.S. imports, by sources, and apparent consumption, within and outside the region, 1997-99, January-March 1999, and January-March 2000

Item	1997	1998	1999	January-March	
				1999	2000
Quantity (short tons)					
<u>Inside the region:</u>					
Shipments by inside-the-region producers within the region	3,575,160	3,502,716	3,742,695	893,816	967,151
Shipments by outside-the-region producers' into the region	166,990	159,472	193,665	52,553	52,035
U.S. imports into the region from--					
Austria	5,695	34	37,964	19,050	4,635
Belarus	0	8,523	71,438	12,074	11,068
China	0	0	17,417	0	14,787
Indonesia	0	44,504	63,748	6,453	0
Japan	0	36,886	153,149	27,252	0
Korea	0	405,254	291,275	69,528	162,352
Latvia	33,378	97,002	303,997	63,553	107,297
Moldova	24,305	187,250	183,803	28,365	54,629
Poland	16,830	53,231	10,681	0	46,868
Russia	132	19,122	48,045	4,121	3,558
Ukraine	989	3,074	95,904	0	0
Venezuela	61,014	20,969	49,706	9,023	0
Subtotal	142,342	875,850	1,327,127	239,418	405,193
All other	428,657	114,612	238,979	50,133	45,651
Total U.S. imports	571,000	990,462	1,566,106	289,551	450,844
Apparent consumption	4,313,150	4,652,650	5,502,466	1,235,920	1,470,030
<u>Outside the region:</u>					
Shipments by inside-the-region producers	247,303	244,905	276,586	51,128	57,782
Shipments by outside-the-region producers	1,844,715	1,792,185	1,907,345	423,136	456,013
U.S. imports outside the region from--					
Austria	0	0	0	0	0
Belarus	0	0	0	0	0
China	0	0	131	0	0
Indonesia	0	0	5,512	0	0
Japan	0	29,455	78,836	6,492	12,524
Korea	19,368	121,826	132,618	19,370	28,501
Latvia	0	0	0	0	0
Moldova	0	21	0	0	0
Poland	0	0	0	0	0
Russia	0	0	57	0	0
Ukraine	0	0	0	0	0
Venezuela	3,861	1,200	24	0	0
Subtotal	23,229	152,502	217,177	25,861	41,025
All other	42,138	12,547	20,271	4,838	2,607
Total U.S. imports	65,366	165,049	237,448	30,699	43,632
Apparent consumption	2,157,384	2,202,139	2,421,379	504,963	557,427

Table continued on next page.

Table IV-3--Continued

Rebar: U.S. shipments of domestic product, U.S. imports, by sources, and apparent consumption, within and outside the region, 1997-99, January-March 1999, and January-March 2000

Item	1997	1998	1999	January-March	
				1999	2000
	Value (\$1,000)				
<u>Inside the region:</u>					
Shipments by inside-the-region producers within the region	1,104,695	1,065,887	1,005,170	240,978	260,364
Shipments by outside-the-region producers' into the region	49,203	47,685	51,923	14,236	14,168
U.S. imports into the region from--					
Austria	1,543	43	6,759	3,226	897
Belarus	0	2,365	14,662	3,987	2,000
China	0	0	3,330	0	3,001
Indonesia	0	9,708	16,185	5,484	0
Japan	0	8,085	32,596	5,634	0
Korea	0	107,157	59,202	13,954	32,393
Latvia	9,040	34,013	60,153	12,077	21,235
Moldova	9,398	58,463	40,228	6,787	10,932
Poland	4,447	15,034	2,049	0	9,345
Russia	36	4,552	8,691	818	654
Ukraine	273	826	18,412	0	0
Venezuela	17,385	4,717	10,819	1,947	0
Subtotal	42,121	244,963	273,087	53,913	80,457
All other	109,919	29,918	52,915	11,228	10,148
Total U.S. imports	152,040	274,881	326,002	65,141	90,605
Apparent consumption	1,305,938	1,388,452	1,383,095	320,355	365,137
<u>Outside the region:</u>					
Shipments by inside-the-region producers	77,277	77,023	77,829	14,489	16,062
Shipments by outside-the-region producers	544,989	539,391	528,045	118,581	123,344
U.S. imports outside the region from--					
Austria	0	0	0	0	0
Belarus	0	0	0	0	0
China	0	0	30	0	0
Indonesia	0	0	1,225	0	0
Japan	0	6,778	17,326	1,385	2,628
Korea	5,650	31,351	29,183	4,382	6,430
Latvia	0	0	0	0	0
Moldova	0	14	0	0	0
Poland	0	0	0	0	0
Russia	0	0	23	0	0
Ukraine	0	0	0	0	0
Venezuela	1,282	358	9	0	0
Subtotal	6,932	38,501	47,795	5,767	9,057
All other	12,967	4,360	5,966	1,413	833
Total U.S. imports	19,899	42,861	53,761	7,180	9,890
Apparent consumption	642,165	659,276	659,636	140,251	149,297

Source: Compiled from data submitted in response to Commission questionnaires and from official Commerce statistics.

Table IV-3A

Rebar: U.S. shipments of domestic product, U.S. imports, by sources, and apparent consumption, total United States, 1997-99, January-March 1999, and January-March 2000

Item	1997	1998	1999	January-March	
				1999	2000
Quantity (short tons)					
Shipments by inside-the-region producers	3,822,463	3,747,621	4,019,281	944,944	1,024,933
Shipments by outside-the-region producers	2,011,705	1,951,657	2,101,010	475,689	508,048
U.S. imports from--					
Austria	5,695	34	37,964	19,050	4,635
Belarus	0	8,523	71,438	12,074	11,068
China	0	0	17,547	0	14,787
Indonesia	0	44,504	69,261	6,453	0
Japan	0	66,341	231,985	33,744	12,524
Korea	19,368	527,080	423,893	88,898	190,853
Latvia	33,378	97,002	303,997	63,553	107,297
Moldova	24,305	187,271	183,803	28,365	54,629
Poland	16,830	53,231	10,681	0	46,868
Russia	132	19,122	48,102	4,121	3,558
Ukraine	989	3,074	95,904	0	0
Venezuela	64,875	22,168	49,730	9,023	0
Subtotal	165,571	1,028,352	1,544,304	265,280	446,218
All other	470,795	127,158	259,250	54,971	48,258
Total U.S. imports	636,366	1,155,510	1,803,554	320,251	494,475
Apparent consumption	6,470,534	6,854,788	7,923,845	1,740,884	2,027,456
Value (\$1,000)					
Shipments by inside-the-region producers	1,181,972	1,142,910	1,082,999	255,467	276,426
Shipments by outside-the-region producers	594,192	587,076	579,968	132,817	137,512
U.S. imports from--					
Austria	1,543	43	6,759	3,226	897
Belarus	0	2,365	14,662	3,987	2,000
China	0	0	3,360	0	3,001
Indonesia	0	9,708	17,411	5,484	0
Japan	0	14,863	49,922	7,019	2,628
Korea	5,650	138,508	88,385	18,336	38,823
Latvia	9,040	34,013	60,153	12,077	21,235
Moldova	9,398	58,477	40,228	6,787	10,932
Poland	4,447	15,034	2,049	0	9,345
Russia	36	4,552	8,714	818	654
Ukraine	273	826	18,412	0	0
Venezuela	18,667	5,075	10,828	1,947	0
Subtotal	49,053	283,464	320,882	59,681	89,514
All other	122,885	34,277	58,881	12,641	10,981
Total U.S. imports	171,939	317,742	379,764	72,322	100,495
Apparent consumption	1,948,103	2,047,728	2,042,731	460,606	514,434

Source: Compiled from data submitted in response to Commission questionnaires and from official Commerce statistics.

Table IV-4R

Rebar: Apparent consumption and market share, within the region, 1997-99,
January-March 1999, and January-March 2000

Item	1997	1998	1999	January-March	
				1999	2000
Quantity (short tons)					
Apparent consumption	4,313,150	4,652,650	5,502,466	1,235,920	1,470,030
Value (\$1,000)					
Apparent consumption	1,305,938	1,388,452	1,383,095	320,355	365,137
Share of quantity (percent)					
Shipments by inside-the-region producers within the region	82.9	75.3	68.0	72.3	65.8
Shipments by outside-the-region producers' into the region	3.9	3.4	3.5	4.3	3.5
U.S. imports into the region from--					
Austria	0.1	(1)	0.7	1.5	0.3
Belarus	0.0	0.2	1.3	1.0	0.8
China	0.0	0.0	0.3	0.0	1.0
Indonesia	0.0	1.0	1.2	0.5	0.0
Japan	0.0	0.8	2.8	2.2	0.0
Korea	0.0	8.7	5.3	5.6	11.0
Latvia	0.8	2.1	5.5	5.1	7.3
Moldova	0.6	4.0	3.3	2.3	3.7
Poland	0.4	1.1	0.2	0.0	3.2
Russia	(1)	0.4	0.9	0.3	0.2
Ukraine	(1)	0.1	1.7	0.0	0.0
Venezuela	1.4	0.5	0.9	0.7	0.0
Subtotal	3.3	18.8	24.1	19.4	27.6
All other	9.9	2.5	4.3	4.1	3.1
Total U.S. imports	13.2	21.3	28.5	23.4	30.7
Share of value (percent)					
Shipments by inside-the-region producers within the region	84.6	76.8	72.7	75.2	71.3
Shipments by outside-the-region producers' into the region	3.8	3.4	3.8	4.4	3.9
U.S. imports into the region from--					
Austria	0.1	(1)	0.5	1.0	0.2
Belarus	0.0	0.2	1.1	1.2	0.5
China	0.0	0.0	0.2	0.0	0.8
Indonesia	0.0	0.7	1.2	1.7	0.0
Japan	0.0	0.6	2.4	1.8	0.0
Korea	0.0	7.7	4.3	4.4	8.9
Latvia	0.7	2.4	4.3	3.8	5.8
Moldova	0.7	4.2	2.9	2.1	3.0
Poland	0.3	1.1	0.1	0.0	2.6
Russia	(1)	0.3	0.6	0.3	0.2
Ukraine	(1)	0.1	1.3	0.0	0.0
Venezuela	1.3	0.3	0.8	0.6	0.0
Subtotal	3.2	17.6	19.7	16.8	22.0
All other	8.4	2.2	3.8	3.5	2.8
Total U.S. imports	11.6	19.8	23.6	20.3	24.8

(1) Less than 0.05 percent.

Source: Compiled from data submitted in response to Commission questionnaires and from official Commerce statisti

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Table IV-4A

Rebar: Apparent consumption and market shares, for the total United States, 1997-99, January-March 1999 and January-March 2000

Item	1997	1998	1999	January-March	
				1999	2000
Quantity (short tons)					
Apparent consumption	6,470,534	6,854,788	7,923,845	1,740,884	2,027,456
Value (\$1,000)					
Apparent consumption	1,948,103	2,047,728	2,042,731	460,606	514,434
Share of quantity (percent)					
Shipments by inside-the-region producers	59.1	54.7	50.7	54.3	50.6
Shipments by outside-the-region producers	31.1	28.5	26.5	27.3	25.1
U.S. imports from--					
Austria	0.1	(1)	0.5	1.1	0.2
Belarus	0.0	0.1	0.9	0.7	0.5
China	0.0	0.0	0.2	0.0	0.7
Indonesia	0.0	0.6	0.9	0.4	0.0
Japan	0.0	1.0	2.9	1.9	0.6
Korea	0.3	7.7	5.3	5.1	9.4
Latvia	0.5	1.4	3.8	3.7	5.3
Moldova	0.4	2.7	2.3	1.6	2.7
Poland	0.3	0.8	0.1	0.0	2.3
Russia	(1)	0.3	0.6	0.2	0.2
Ukraine	(1)	(1)	1.2	0.0	0.0
Venezuela	1.0	0.3	0.6	0.5	0.0
Subtotal	2.6	15.0	19.5	15.2	22.0
All other	7.3	1.9	3.3	3.2	2.4
Total U.S. imports	9.8	16.9	22.8	18.4	24.4
Share of value (percent)					
Shipments by inside-the-region producers	60.7	55.8	53.0	55.5	53.7
Shipments by outside-the-region producers	30.5	28.7	28.4	28.8	26.7
U.S. imports from--					
Austria	0.1	(1)	0.3	0.7	0.2
Belarus	0.0	0.1	0.7	0.9	0.4
China	0.0	0.0	0.2	0.0	0.6
Indonesia	0.0	0.5	0.9	1.2	0.0
Japan	0.0	0.7	2.4	1.5	0.5
Korea	0.3	6.8	4.3	4.0	7.5
Latvia	0.5	1.7	2.9	2.6	4.1
Moldova	0.5	2.9	2.0	1.5	2.1
Poland	0.2	0.7	0.1	0.0	1.8
Russia	(1)	0.2	0.4	0.2	0.1
Ukraine	(1)	(1)	0.9	0.0	0.0
Venezuela	1.0	0.2	0.5	0.4	0.0
Subtotal	2.5	13.8	15.7	13.0	17.4
All other	6.3	1.7	2.9	2.7	2.1
Total U.S. imports	8.8	15.5	18.6	15.7	19.5

(1) Less than 0.05 percent.

Source: Compiled from data submitted in response to Commission questionnaires and from official Commerce statistics

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NEGLIGENCE

The statutory provision defining “negligibility” provides that imports from a subject country that are less than 3 percent of the volume of all such merchandise imported into the United States (into the region for these investigations) in the most recent 12-month period for which data are available that precedes the filing of the petition shall be deemed negligible. Official Commerce import data provided below are for the 12-month period preceding the filing of the petitions, *i.e.*, June 1999-May 2000.

	Into the region		Total U.S. market	
	Quantity (short tons)	Share (percent)	Quantity (short tons)	Share (percent)
Austria	15,701	0.9	15,701	0.8
Belarus	82,009	4.7	82,009	4.1
China	55,088	3.2	57,052	2.9
Indonesia	57,295	3.3	62,808	3.2
Japan	108,866	6.3	184,191	9.3
Korea	377,023	21.7	520,242	26.3
Latvia	309,245	17.8	309,245	15.6
Moldova	212,680	12.2	212,680	10.7
Poland	68,963	4.0	68,963	3.5
Russia	43,406	2.5	43,422	2.2
Ukraine	138,093	7.9	138,093	7.0
Venezuela	35,648	2.1	35,672	1.8
Total subject	1,504,016	86.5	1,730,075	87.4
Other sources	233,862	13.5	250,022	12.6
All sources	1,737,878	100.0	1,980,097	100.0

The Austrian producers claim that they have not exported any subject material to the United States throughout the period being investigated. In their briefs and at the conference, Russian and Venezuelan respondents have argued that if imports from China exceed the 3 percent negligibility criterion on their own, then the cumulative imports from Austria, Russia, and Venezuela do not meet the 7 percent cumulated negligibility threshold required for the investigations to be continued against those countries.

PART V: PRICING AND RELATED DATA

FACTORS AFFECTING PRICING

The primary raw materials for the production of rebar are carbon steel billets largely produced from scrap. Prices are affected by the cost of raw materials and by transportation costs, exchange rates, and market competition.

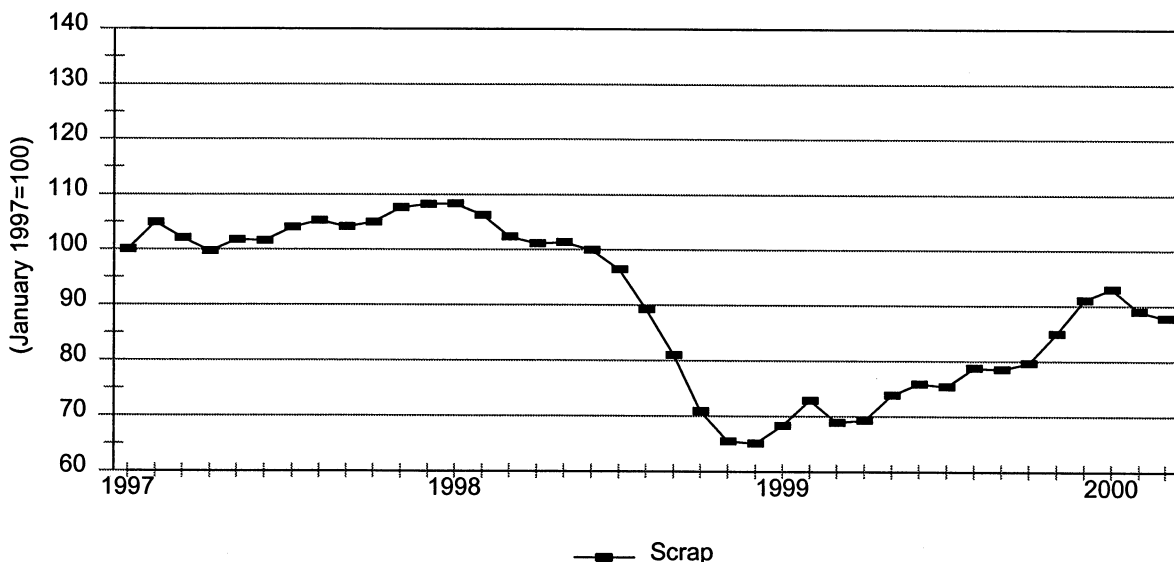
Raw Material Costs

Rebar is generally produced from carbon steel billets, and the cost of raw materials, either billets or the scrap from which billets are produced, accounts for the greatest share of cost to domestic producers. In 1999, the cost of raw materials accounted for 44.8 percent of the sales value of rebar sold by regional domestic producers providing data on raw materials. An important measure of rebar prices is the "metal spread" or "metal margin." The metal spread is the difference between the cost of scrap and the average unit value of a ton of rebar. The metal margin is the metal spread as a share of the unit value. In 1997 the average reported cost of raw materials per ton of rebar produced by responding domestic producers within the region that provided data on raw materials was \$158.48, and the average value of rebar sold was \$309.72 per ton. In 1999, the average cost of raw materials per ton of rebar produced by these regional producers had fallen to \$122.90, and the average value of rebar sold was \$274.59 per ton.

One reason for the decline in the cost of raw materials since 1997 is the decline in scrap prices. The Bureau of Labor Statistics maintains an index of iron and steel scrap prices. Series WPU1012 is an index of monthly average prices for iron and steel scrap with 1982 as the base year. The average price of scrap increased eight percent from January 1997 to January 1998, then declined steadily through 1998, to a low in December that was 35 percent below January 1997 prices. Scrap prices in 1999 remained below 1997 prices, but increased slightly in the second half of the year, and have declined slightly since January 2000. The price index is presented graphically in figure V-1.

Figure V-1

Index of iron and steel scrap prices, by month, January 1997-March 2000



Source: Bureau of Labor Statistics series WPU1012.

Transportation Costs to the U.S. Market

An indication of the freight and insurance cost to transport rebar to the U.S. market can be gained by examining the difference between the c.i.f. value and the customs value for U.S. imports from the subject countries. Transportation and insurance costs, based on data from the Department of Commerce covering 1999 imports into the specified region, and into the entire United States, are presented in table V-1. Transportation and insurance costs were lowest for Austria, and highest for Japan and Korea.

Table V-1
Transportation and insurance costs as a share of total value for regional rebar imports from subject countries

Country	Freight and insurance as a share of total value (percent)	
	Regional	National
Austria	2.8 ¹	2.8 ¹
Belarus	11.2	11.1
China	11.8	11.8
Indonesia	10.9	11.1
Japan	14.6	14.5
Korea	13.5	14.0
Latvia	10.4	10.4
Moldova	9.0	9.0
Poland	8.9	8.9
Russia	11.3	11.3
Ukraine	11.0	11.0
Venezuela	9.5	9.5

¹ This may be a result of misclassification. As previously discussed, no importer has reported imports from Austria and UN data indicates no exports of rebar from Austria to the United States.

Source: Compiled from trade data from the U.S. Department of Commerce.

Domestic producers generally reported that transportation costs accounted for 5 to 8 percent of the total delivered price of rebar. U.S. inland transportation is generally arranged by the producer, and most shipments of rebar are shipped f.o.b. producing mill or warehouse. Of 17 responding domestic mills within the region, 5 reported that rebar is usually sold on a delivered basis, and an additional 5 reported that some sales are on a delivered basis. Of the six domestic producers outside the region who responded to this question, four reported that most sales are sold f.o.b. mill, and two reported sales both f.o.b. mill and delivered. Most importers reported that the majority of sales are ex-dock duty-paid or f.o.b. port of entry, rather than delivered, and that transportation is usually arranged by the purchaser.

Three of 25 responding importers reported that most sales were on a delivered basis, and an additional three reported some sales on a delivered basis.

Exchange Rates

Subject countries may be loosely grouped into three categories. The exchange rates of the currencies of China, Japan, Latvia, and Venezuela relative to the U.S. dollar have changed comparatively little since the first quarter of 1997. The exchange rates of the currencies of Austria, Indonesia, Korea, Moldova, and Poland have fallen less than 50 percent in real terms since the first quarter of 1997. The value of the currencies of Belarus, Russia, and Ukraine relative to the U.S. dollar have fallen more than 50 percent since the first quarter of 1997. The most dramatic decline in relative value has been that of the Belarusian rubel. In the first quarter of 2000 the nominal relative value of the Belarusian rubel had fallen to approximately 0.4 percent of its value in the first quarter of 1997. The real relative value had fallen to approximately 6.6 percent of the relative value. Graphs of the indices of the nominal and real exchange rates of the subject countries relative to the U.S. dollar are presented in figures V-2 through V-13.

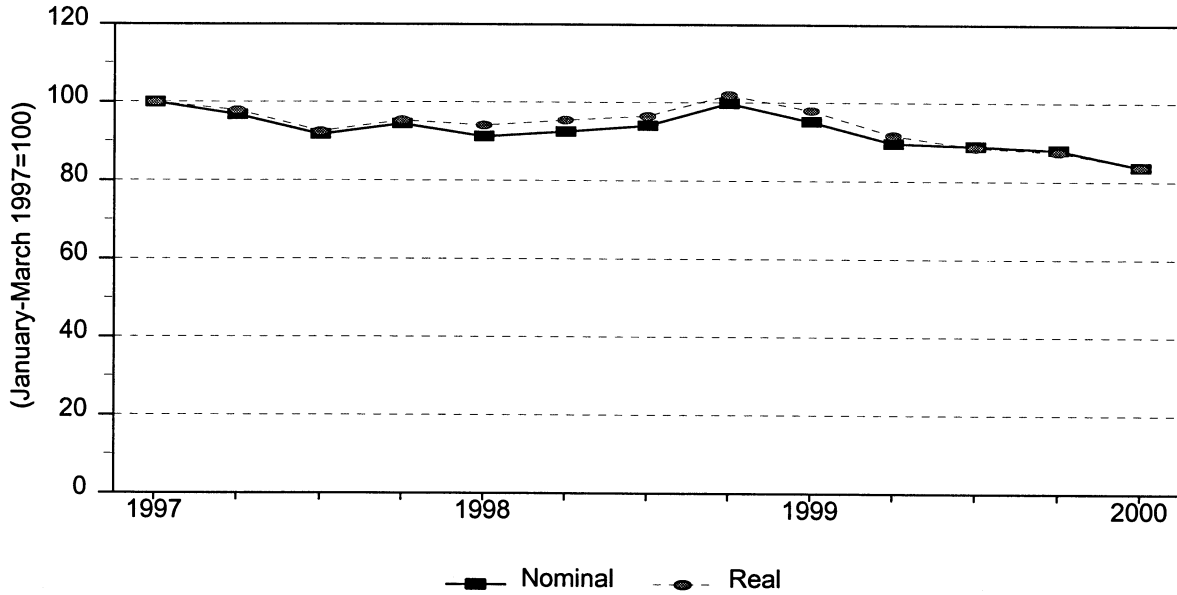
PRICING PRACTICES

Few U.S. producers reported offering volume discounts on their sales of certain rebar. Domestic regional producers *** reported offering volume discounts. Of responding domestic producers outside the specified region, *** reported offering volume discounts, and *** reported that discounts were discontinued in 1999. Sales terms for domestic producers were 1/2 percent discount for payment within 10 days, and full payment within 30 days. Importers generally reported that prices are on a transaction-by-transaction basis and are invoiced at the actual transaction price, without additional rebates. Sales terms reported by importers were generally net 30 days.

The percentage of sales of certain rebar that are on a contract versus a spot-sales basis varied widely among domestic producers. Half of all responding domestic regional producers reported no sales under contract. *** reported *** percent of sales under contract, and other regional producers reported from 15 to 50 percent of sales under contract. Most producers reported that contracts typically fix both the price and quantity to be purchased during the period of the contract. *** reported that contracts fix the price for the duration of a contract, and that some contracts specify quantity. Reported lead times between order and delivery for domestic producers ranged from 1 to 90 days, with the majority shipped within 2 to 3 days.

Figure V-2

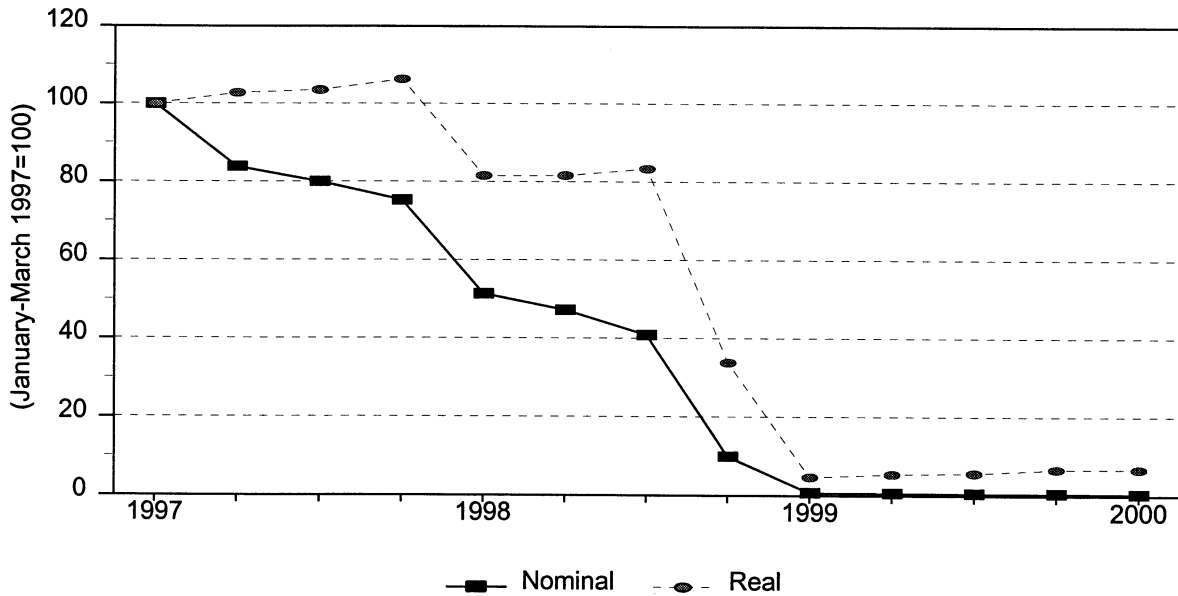
Exchange rates: Indices of the nominal and real exchange rates of the Austrian schilling relative to the U.S. dollar, by quarters, January 1997-March 2000



Source: International Monetary Fund, *International Financial Statistics*, June 2000.

Figure V-3

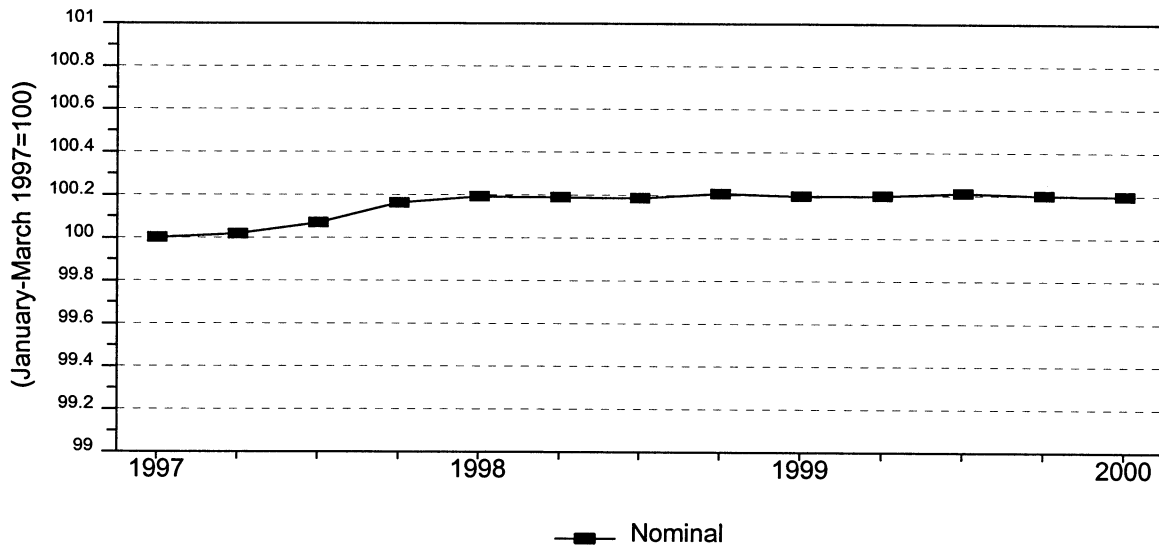
Exchange rates: Indices of the nominal and real exchange rates of the Belarus rubel relative to the U.S. dollar, by quarters, January 1997-March 2000



Note: Real exchange rate calculated from reported changes in producer prices from previous quarter.

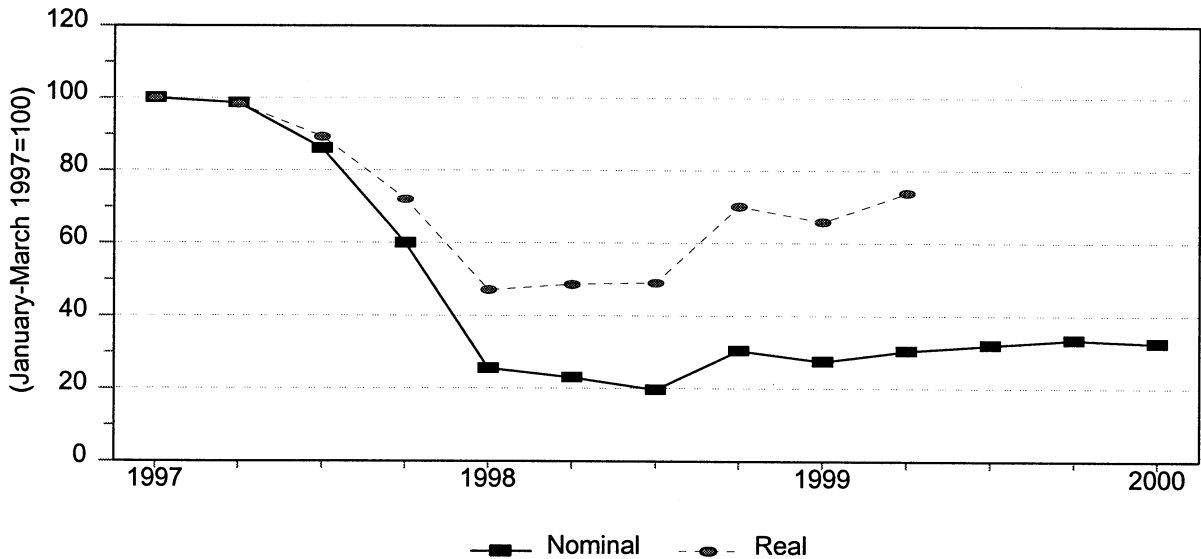
Source: International Monetary Fund, *International Financial Statistics*, June 2000.

Figure V-4
Exchange rates: Index of the nominal exchange rate of the Chinese yuan relative to the U.S. dollar, by quarters, January 1997-March 2000



Source: International Monetary Fund, *International Financial Statistics*, June 2000.

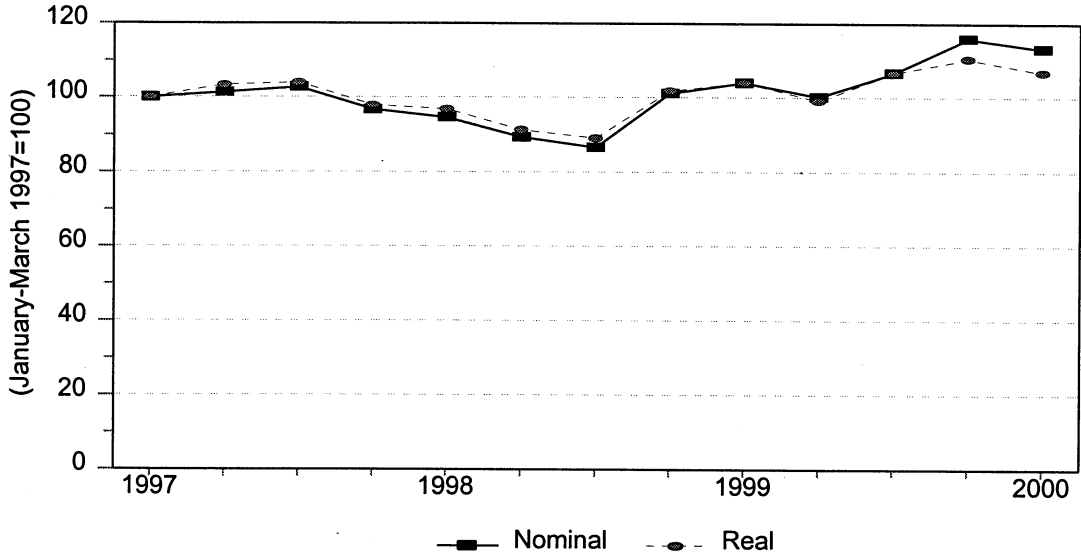
Figure V-5
Exchange rates: Indices of the nominal and real exchange rates of the Indonesian rupiah relative to the U.S. dollar, by quarters, January 1997-March 2000



Source: International Monetary Fund, *International Financial Statistics*, June 2000.

Figure V-6

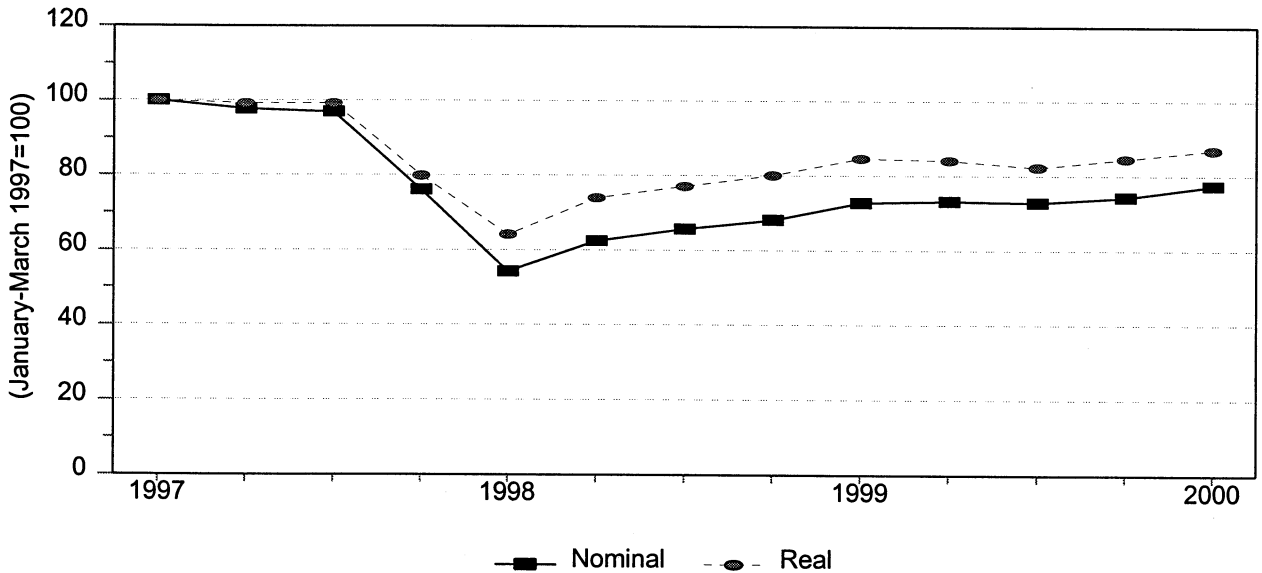
Exchange rates: Indices of the nominal and real exchange rates of the Japanese yen relative to the U.S. dollar, by quarters, January 1997-March 2000



Source: International Monetary Fund, *International Financial Statistics*, June 2000.

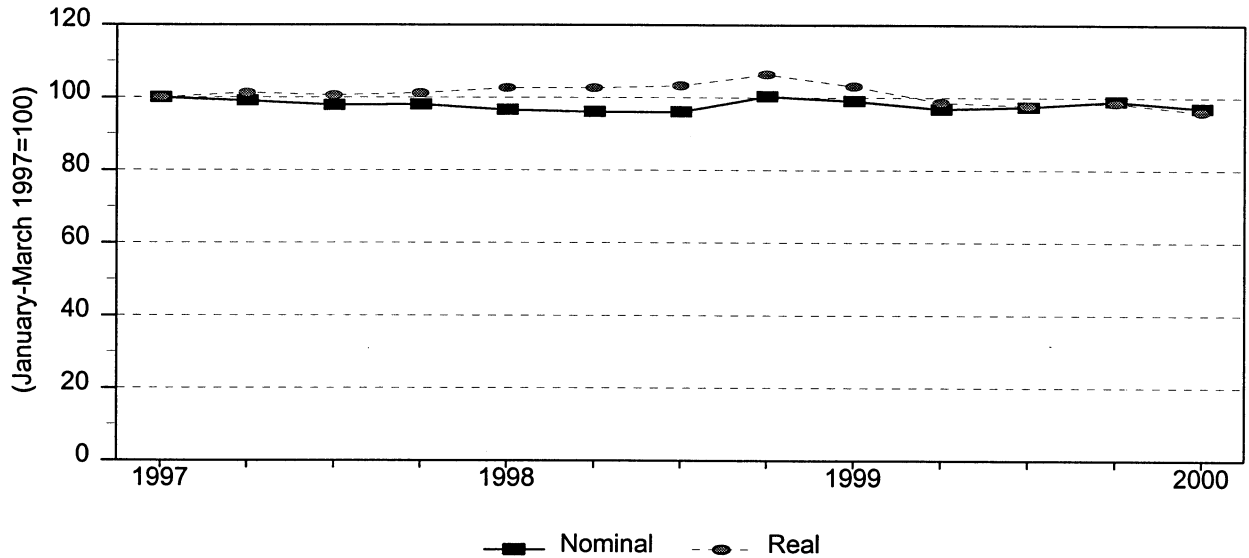
Figure V-7

Exchange rates: Indices of the nominal and real exchange rates of the Korean won relative to the U.S. dollar, by quarters, January 1997-March 2000



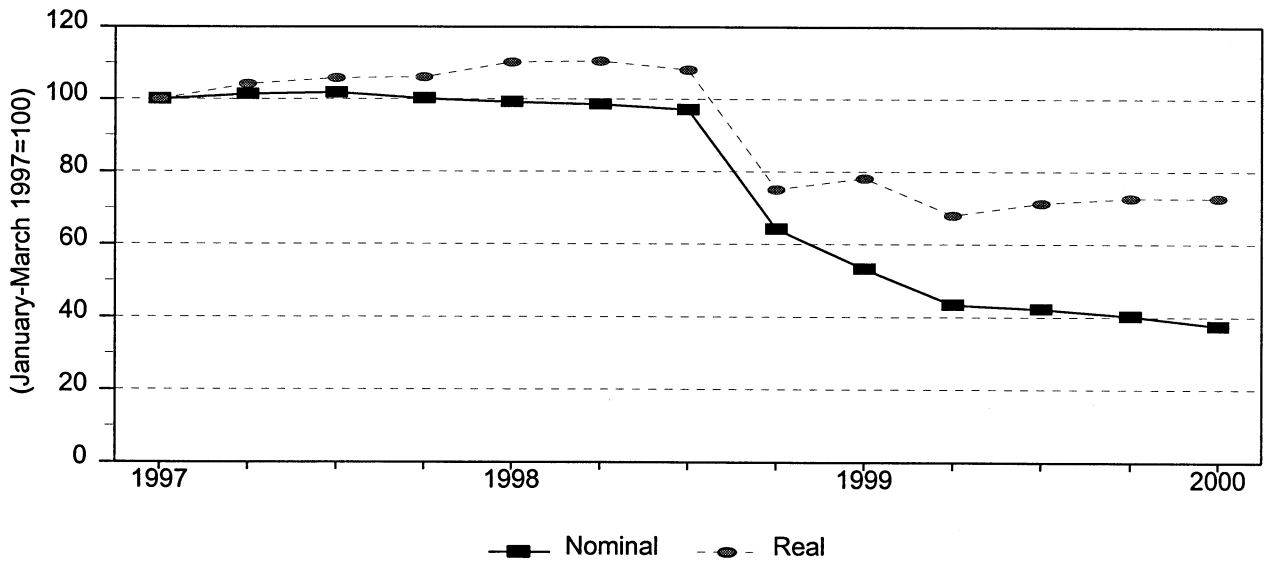
Source: International Monetary Fund, *International Financial Statistics*, June 2000.

Figure V-8
Exchange rates: Indices of the nominal and real exchange rates of the Latvian lat relative to the U.S. dollar, by quarters, January 1997-March 2000



Source: International Monetary Fund, *International Financial Statistics*, June 2000.

Figure V-9
Exchange rates: Indices of the nominal and real exchange rates of the Moldovan lei relative to the U.S. dollar, by quarters, January 1997-March 2000

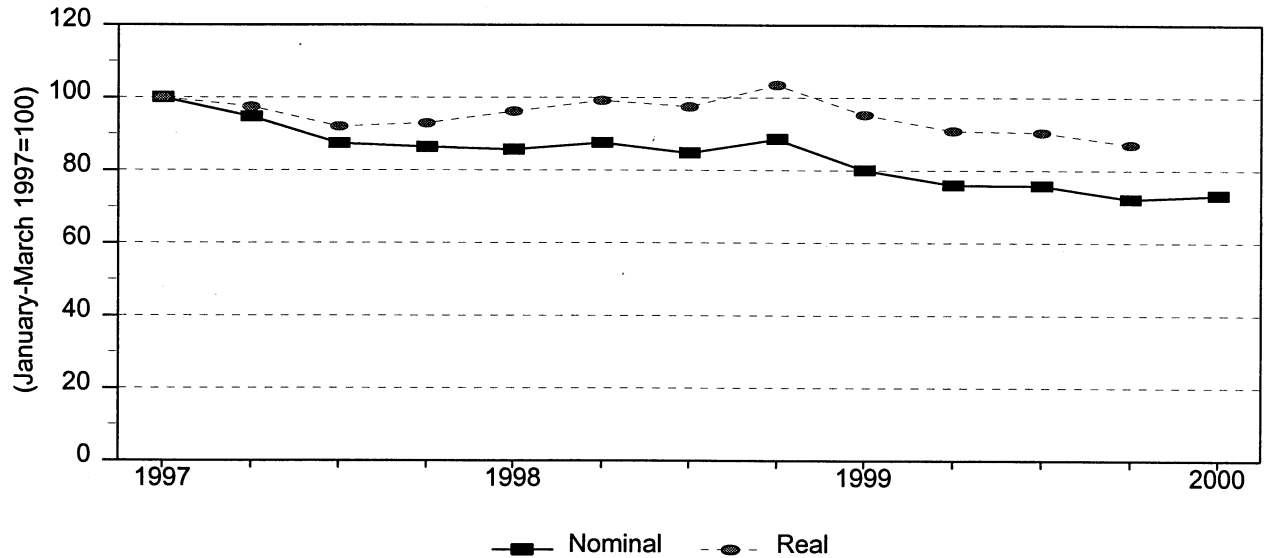


Note: Real exchange rate based on consumer price index.

Source: International Monetary Fund, *International Financial Statistics*, June 2000.

Figure V-10

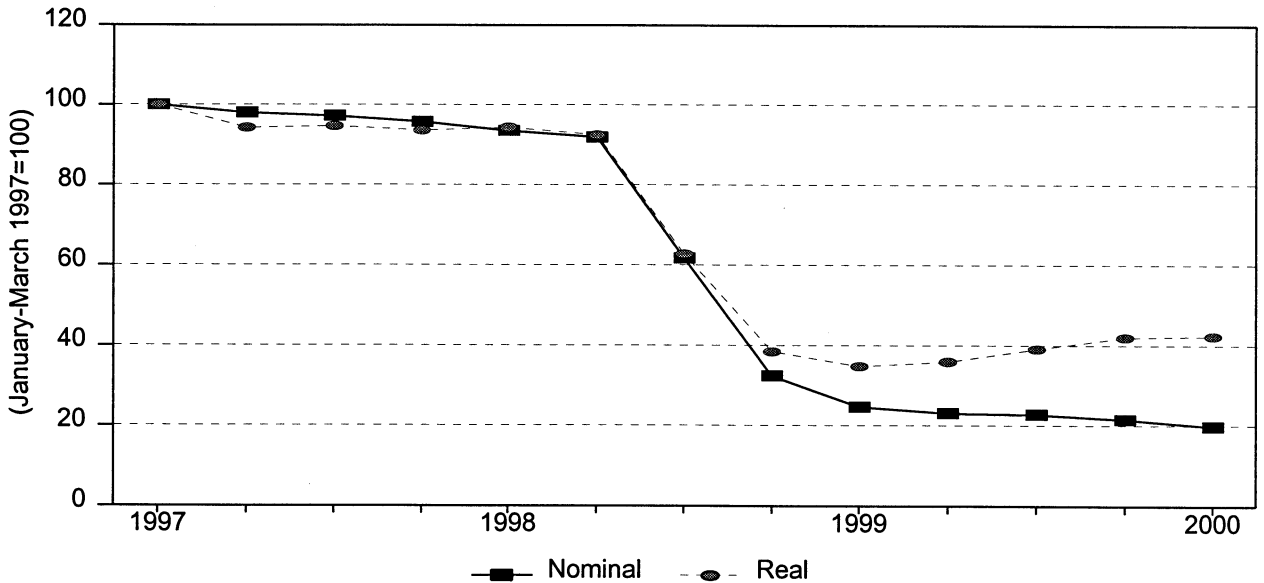
Exchange rates: Indices of the nominal and real exchange rates of the Polish zloty relative to the U.S. dollar, by quarters, January 1997-March 2000



Source: International Monetary Fund, *International Financial Statistics*, June 2000.

Figure V-11

Exchange rates: Indices of the nominal and real exchange rates of the Russian ruble relative to the U.S. dollar, by quarters, January 1997-March 2000

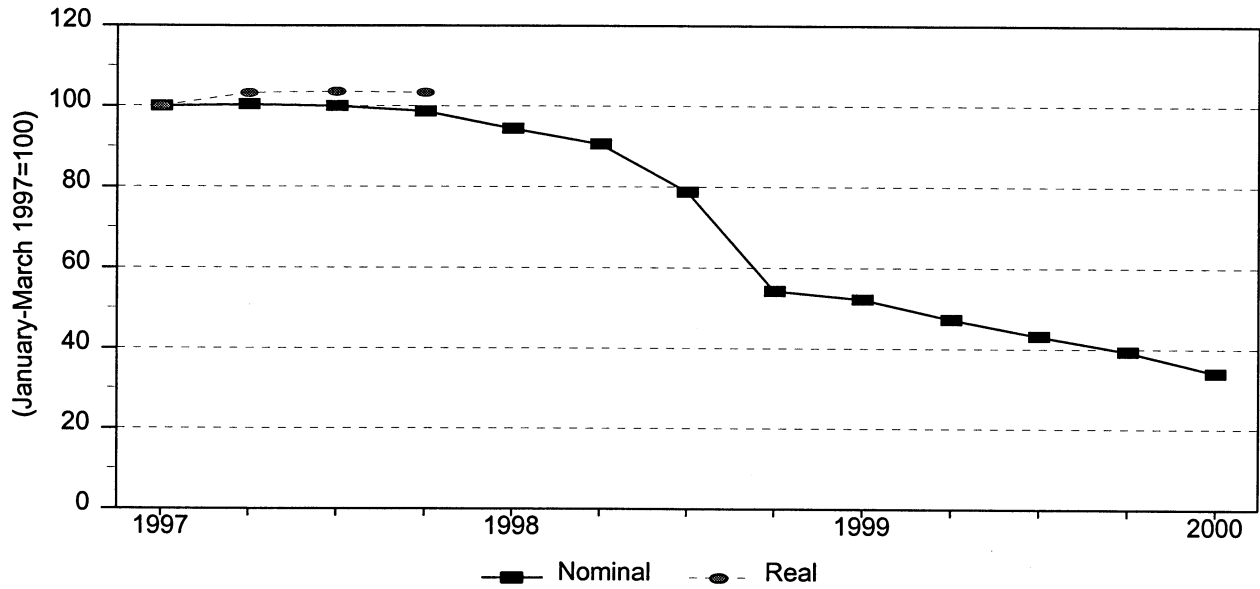


Note: Real exchange rate calculated from reported changes in producer prices from previous quarter.

Source: International Monetary Fund, *International Financial Statistics*, June 2000.

Figure V-12

Exchange rates: Indices of the nominal and real exchange rates of the Ukrainian hryvnia relative to the U.S. dollar, by quarters, January 1997-March 2000

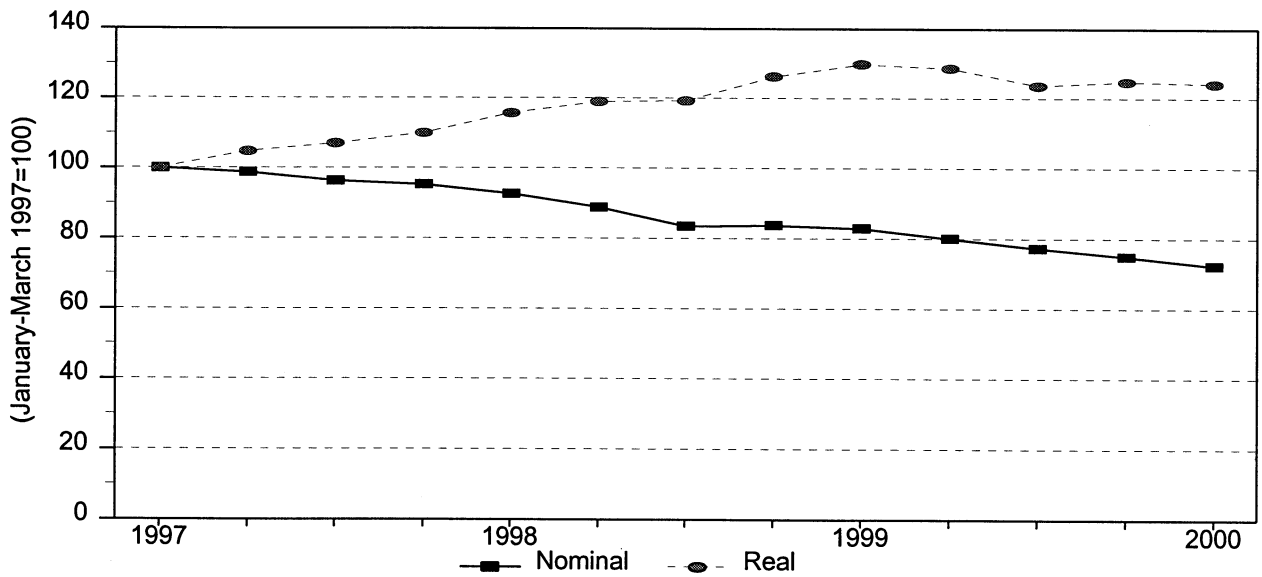


Note: Real exchange rate calculated from reported changes in producer prices from previous quarter.

Source: International Monetary Fund, *International Financial Statistics*, June 2000.

Figure V-13

Exchange rates: Indices of the nominal and real exchange rates of the Venezuelan bolivar relative to the U.S. dollar, by quarters, January 1997-March 2000



Source: International Monetary Fund, *International Financial Statistics*, June 2000.

Reporting importers generally reported average lead times of 3 months or more, but importers *** reported average lead times of less than 15 days, next day, and 2-3 days, respectively. Reported end-of-period inventories were zero in every period for rebar imports from Belarus, China, Japan, and Russia, and as previously mentioned, there were no reported imports (and hence no inventories) of rebar from Austria. Consistent end-of-period inventories were reported only for rebar imports from Korea, Latvia, and Venezuela. End-of-period inventories of rebar from subject countries increased from 1.3 percent of reporting firms' imports in 1997 to 2.9 percent of imports in 1999, but declined in the first quarter of 2000 to only 0.6 percent of imports during the quarter.¹ Importers *** reported percent of sales under contract, with average contract lengths of *** months, respectively. *** reported that all sales were on a spot basis.

PRICE DATA

In the Commission's producer and importer questionnaires, quarterly quantity and value information was requested for the first quarter of 1997 through the first quarter of 2000. Products for which information was requested were:

- Product 1.--Straight ASTM A615, No. 3 (3/8 inch diameter), grade 60 rebar.**
- Product 2.--Straight ASTM A615, No. 4 (1/2 inch diameter), grade 60 rebar.**
- Product 3.--Straight ASTM A615, No. 5 (5/8 inch diameter), grade 60 rebar.**
- Product 4.--Straight ASTM A615, No. 6 (3/4 inch diameter), grade 60 rebar.**

Quantity was requested in short tons and value in dollars. Price data reported for these four products represents approximately half of all domestic sales and imports from the subject countries as rebar is offered in a limited number of sizes and grades. Prices for 20-foot and 40-foot lengths (the two most common lengths) are very similar; therefore, prices were not collected separately for different lengths. Coverage was roughly similar for most sources, poor for Ukraine and Venezuela, and very good for Poland, as shown in table V-2. The sales of Korean rebar in 1997 may have been of product imported into states outside the region, as there was a significant volume of imports from Korea into states outside the region in that year. There were no reported sales of rebar from Austria in any period. Reported prices are presented in tables V-3 through V-6.

¹ In absolute terms, end-of-period inventories for subject sources increased from 1,972 tons in 1997 to 40,934 tons in 1999, and were 10,735 tons at the end of the first quarter of 2000 compared to 27,452 tons the first quarter of 1999.

Table V-2**Rebar: Total quantities of reported price data and shares of U.S. regional shipments and U.S. regional imports, 1997-99 and January-March 2000**

Source	1997		1998		1999		Jan.-Mar. 2000	
	<i>tons</i>	<i>share</i>	<i>tons</i>	<i>share</i>	<i>tons</i>	<i>share</i>	<i>tons</i>	<i>share</i>
United States	1,773,747	47.4%	1,923,640	52.5%	2,060,686	52.4%	493,282	48.4%
Belarus	0	0.0%	15,071	176.8%	35,814	50.1%	6,349	57.4%
China	0	0.0%	0	0.0%	3,806	21.9%	6,766	45.8%
Indonesia	0	0.0%	10351	23.3%	57839	90.7%	0	0.0%
Japan	0	0.0%	6,584	17.8%	81,862	53.5%	6,163	-- ¹
Korea	12,776	-- ¹	260,410	64.3%	146,116	50.2%	107,029	65.9%
Latvia	1,321	4.0%	39,793	41.0%	140,385	46.2%	53,493	49.9%
Moldova	16,892	69.5%	89,312	47.7%	26,206	14.3%	4,064	7.4%
Poland	18,935	112.5%	34,862	65.5%	22,204	207.9%	30,223	64.5%
Russia	0	0.0%	8,131	42.5%	28,810	60.0%	0	0.0%
Ukraine	0	0.0%	0	0.0%	16,336	17.0%	13,308	-- ¹
Venezuela	6,378	10.5%	6,846	32.6%	18,055	36.3%	466	-- ¹

¹ There were no official imports into the region in the period.

Source: Compiled from data submitted in response to Commission questionnaires.

PRICE TRENDS

Prices for rebar produced in the United States and imported from the subject countries have declined steadily from 1997 through the first quarter of 2000. The average price decline has been greatest for rebar from Moldova and Poland. Import penetration has been highest for size 3 rebar, the smallest size for which data were requested; however, the reported domestic volumes of size 3 rebar shipped to the specified region remained fairly constant until the first quarter of 2000.

PRICE COMPARISONS

Quarterly margins of under- and overselling are presented by country for each product in tables V-7 through V-10. Margins of underselling have generally been greatest for the smallest size rebar (product 1, size 3), and in later periods. Table V-11 indicates the number of total observations from each subject country, the instances of over- and underselling, and the range of margins for each country. For a graphical representation of price trends see appendix G.

Table V-3
 Rebar: Weighted-average U.S. quantities and f.o.b. selling prices of product 1 reported by U.S. producers and importers, by country and by quarter, January 1997-March 2000

Period	United States		Belarus		China		Indonesia		Japan		Korea	
	Quantity	Price	Quantity	Price	Quantity	Price	Quantity	Price	Quantity	Price	Quantity	Price
	Tons	Dollars per ton	Tons	Dollars per ton	Tons	Dollars per ton	Tons	Dollars per ton	Tons	Dollars per ton	Tons	Dollars per ton
1997:												
Jan.-Mar.	30,403	\$339.07	***	***	***	***	***	***	***	***	***	***
Apr.-June	32,720	343.52	***	***	***	***	***	***	***	***	***	***
July-Sept.	30,391	346.95	***	***	***	***	***	***	***	***	***	***
Oct.-Dec.	26,382	343.89	***	***	***	***	***	***	***	***	***	***
1998:												
Jan.-Mar.	30,145	340.58	***	***	***	***	***	***	***	***	9,324	\$244.49
Apr.-June	32,244	347.04	***	***	***	***	***	***	***	***	8,226	242.73
July-Sept.	30,069	344.13	***	***	***	***	***	***	***	***	10,857	245.80
Oct.-Dec.	28,468	337.43	***	***	***	***	***	***	***	***	10,549	230.88
1999:												
Jan.-Mar.	31,830	324.10	***	***	***	***	***	***	***	***	920	235.56
Apr.-June	32,402	322.05	***	***	***	***	***	***	***	***	3,357	225.43
July-Sept.	29,394	321.35	***	***	***	***	***	***	***	***	3,709	225.40
Oct.-Dec.	29,222	318.88	***	***	***	***	***	***	***	***	11,785	227.97
2000:												
Jan.-Mar.	19,260	319.60	***	***	***	***	***	***	***	***	19,882	222.89

Product 1: Straight ASTM A615 size 3 rebar (3/8" diameter).

Note.--Data for Latvia, Moldova, Poland, Russia, Ukraine, and Venezuela are business proprietary and have been suppressed.

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-4

Rebar: Weighted-average U.S. quantities and f.o.b. selling prices of product 2 reported by U.S. producers and importers, by country and by quarter, January 1997-March 2000

Period	United States		Belarus		China		Indonesia		Japan		Korea	
	Quantity	Price	Quantity	Price	Quantity	Price	Quantity	Price	Quantity	Price	Quantity	Price
	Tons	Dollars per ton	Tons	Dollars per ton	Tons	Dollars per ton	Tons	Dollars per ton	Tons	Dollars per ton	Tons	Dollars per ton
1997:												
Jan.-Mar.	144,665	\$301.95	***	***	***	***	***	***	***	***	***	***
Apr.-June	154,177	307.98	***	***	***	***	***	***	***	***	***	***
July-Sept.	150,403	311.76	***	***	***	***	***	***	***	***	***	***
Oct.-Dec.	134,896	308.39	***	***	***	***	***	***	***	***	***	***
1998:												
Jan.-Mar.	150,285	309.29	***	***	***	***	***	***	***	***	17,837	\$264.32
Apr.-June	157,872	312.40	***	***	***	***	***	***	***	***	37,886	254.19
July-Sept.	164,635	308.24	***	***	***	***	***	***	***	***	24,708	254.45
Oct.-Dec.	147,440	298.93	***	***	***	***	***	***	***	***	16,122	246.04
1999:												
Jan.-Mar.	155,133	281.73	***	***	***	***	***	***	***	***	10,496	213.26
Apr.-June	162,803	278.61	***	***	***	***	***	***	***	***	8,140	214.55
July-Sept.	171,105	283.84	***	***	***	***	***	***	***	***	18,658	221.32
Oct.-Dec.	149,025	281.65	***	***	***	***	***	***	***	***	22,876	218.97
2000:												
Jan.-Mar.	154,303	279.75	***	***	***	***	***	***	***	***	42,584	223.89

Product 2: Straight ASTM A615 size 4 rebar (1/2" diameter).

Note.--Data for Latvia, Moldova, Poland, Russia, Ukraine, and Venezuela are business proprietary and have been suppressed.

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-5
Rebar: Weighted-average U.S. quantities and f.o.b. selling prices of product 3 reported by U.S. producers and importers, by country and by quarter, January 1997-March 2000

Period	United States		Belarus		China		Indonesia		Japan		Korea	
	Quantity	Price	Quantity	Price	Quantity	Price	Quantity	Price	Quantity	Price	Quantity	Price
	Tons	Dollars per ton	Tons	Dollars per ton	Tons	Dollars per ton	Tons	Dollars per ton	Tons	Dollars per ton	Tons	Dollars per ton
1997:												
Jan.-Mar.	160,772	\$293.67	***	***	***	***	***	***	***	***	---	---
Apr.-June	183,637	300.08	***	***	***	***	***	***	***	***	1,666	\$260.01
July-Sept.	184,585	303.92	***	***	***	***	***	***	***	***	---	---
Oct.-Dec.	159,670	300.45	***	***	***	***	***	***	***	***	3,971	315.17
1998:												
Jan.-Mar.	174,245	301.52	***	***	***	***	***	***	***	***	15,878	263.40
Apr.-June	193,847	303.81	***	***	***	***	***	***	***	***	27,687	255.27
July-Sept.	202,726	299.25	***	***	***	***	***	***	***	***	35,613	257.34
Oct.-Dec.	186,068	288.72	***	***	***	***	***	***	***	***	27,084	237.30
1999:												
Jan.-Mar.	194,081	272.20	***	***	***	***	***	***	***	***	11,193	208.30
Apr.-June	219,263	269.00	***	***	***	***	***	***	***	***	6,639	213.51
July-Sept.	219,825	275.17	***	***	***	***	***	***	***	***	20,550	224.88
Oct.-Dec.	189,036	272.98	***	***	***	***	***	***	***	***	18,491	213.85
2000:												
Jan.-Mar.	205,768	270.13	***	***	***	***	***	***	***	***	34,666	220.52

Product 3: Straight ASTM A615 size 5 rebar (5/8" diameter).

Note.--Data for Latvia, Moldova, Poland, Russia, Ukraine, and Venezuela are business proprietary and have been suppressed.

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-6
Rebar: Weighted-average U.S. quantities and f.o.b. selling prices of product 4 reported by U.S. producers and importers, by country and by quarter,
January 1997-March 2000

Period	United States		Belarus		China		Indonesia		Japan		Korea	
	Quantity	Price	Quantity	Price	Quantity	Price	Quantity	Price	Quantity	Price	Quantity	Price
	Tons	Dollars per ton	Tons	Dollars per ton	Tons	Dollars per ton	Tons	Dollars per ton	Tons	Dollars per ton	Tons	Dollars per ton
1997:												
Jan.-Mar.	91,442	\$287.28	***	***	***	***	***	***	***	***	***	***
Apr.-June	100,143	293.77	***	***	***	***	***	***	***	***	***	***
July-Sept.	101,019	299.25	***	***	***	***	***	***	***	***	***	***
Oct.-Dec.	88,442	294.70	***	***	***	***	***	***	***	***	***	***
1998:												
Jan.-Mar.	97,978	298.12	***	***	***	***	***	***	***	***	2,227	\$264.71
Apr.-June	112,209	298.79	***	***	***	***	***	***	***	***	4,548	259.12
July-Sept.	111,203	296.55	***	***	***	***	***	***	***	***	8,211	258.54
Oct.-Dec.	104,209	284.42	***	***	***	***	***	***	***	***	3,653	249.99
1999:												
Jan.-Mar.	107,932	267.76	***	***	***	***	***	***	***	***	1,398	203.69
Apr.-June	125,626	267.99	***	***	***	***	***	***	***	***	1,702	216.31
July-Sept.	129,085	273.30	***	***	***	***	***	***	***	***	3,130	224.63
Oct.-Dec.	114,926	273.41	***	***	***	***	***	***	***	***	3,073	214.74
2000:												
Jan.-Mar.	113,951	269.99	***	***	***	***	***	***	***	***	9,897	222.16

Product 4: Straight ASTM A615 size 6 rebar (3/4" diameter).

Note.--Data for Latvia, Moldova, Poland, Russia, Ukraine, and Venezuela are business proprietary and have been suppressed.

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-7
Rebar: Margins of under/ (over)selling of product 1, by country and by quarter, January 1997-March 2000

Period	Belarus	China	Indonesia	Japan	Korea	Latvia	Moldova	Poland	Russia	Ukraine	Venezuela
1997:											
Jan.-Mar.	***	***	***	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***	***	***	***
1998:											
Jan.-Mar.	***	***	***	***	28.2	***	***	***	***	***	***
Apr.-June	***	***	***	***	30.1	***	***	***	***	***	***
July-Sept.	***	***	***	***	28.6	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	31.6	***	***	***	***	***	***
1999:											
Jan.-Mar.	***	***	***	***	27.3	***	***	***	***	***	***
Apr.-June	***	***	***	***	30.0	***	***	***	***	***	***
July-Sept.	***	***	***	***	29.9	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	28.5	***	***	***	***	***	***
2000:											
Jan.-Mar.	***	***	***	***	30.3	***	***	***	***	***	***

Product 1: Straight ASTM A615 size 3 rebar (3/8" diameter).

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-8
 Rebar: Margins of under/ (over)selling of product 2, by country and by quarter, January 1997-March 2000

Period	Belarus	China	Indonesia	Japan	Korea	Latvia	Moldova	Poland	Russia	Ukraine	Venezuela
1997:											
Jan.-Mar.	***	***	***	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***	***	***	***
1998:											
Jan.-Mar.	***	***	***	***	14.5	***	***	***	***	***	***
Apr.-June	***	***	***	***	18.6	***	***	***	***	***	***
July-Sept.	***	***	***	***	17.5	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	17.7	***	***	***	***	***	***
1999:											
Jan.-Mar.	***	***	***	***	24.3	***	***	***	***	***	***
Apr.-June	***	***	***	***	23.0	***	***	***	***	***	***
July-Sept.	***	***	***	***	22.0	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	22.3	***	***	***	***	***	***
2000:											
Jan.-Mar.	***	***	***	***	20.0	***	***	***	***	***	***

Product 2: Straight ASTM A615 size 4 rebar (1/2" diameter).

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-9
Rebar: Margins of under/ (over)selling of product 3, by country and by quarter, January 1997-March 2000

Period	Belarus	China	Indonesia	Japan	Korea	Latvia	Moldova	Poland	Russia	Ukraine	Venezuela
1997:											
Jan.-Mar.	***	***	***	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***	***	***	***
1998:											
Jan.-Mar.	***	***	***	***	12.6	***	***	***	***	***	***
Apr.-June	***	***	***	***	16.0	***	***	***	***	***	***
July-Sept.	***	***	***	***	14.0	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	17.8	***	***	***	***	***	***
1999:											
Jan.-Mar.	***	***	***	***	23.5	***	***	***	***	***	***
Apr.-June	***	***	***	***	20.6	***	***	***	***	***	***
July-Sept.	***	***	***	***	18.3	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	21.7	***	***	***	***	***	***
2000:											
Jan.-Mar.	***	***	***	***	18.4	***	***	***	***	***	***

Product 3: Straight ASTM A615 size 5 rebar (5/8" diameter).

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-10
Rebar: Margins of under/ (over)selling of product 4, by country and by quarter, January 1997-March 2000

Period	Belarus	China	Indonesia	Japan	Korea	Latvia	Moldova	Poland	Russia	Ukraine	Venezuela
1997:											
Jan.-Mar.	***	***	***	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***	***	***	***
1998:											
Jan.-Mar.	***	***	***	***	11.2	***	***	***	***	***	***
Apr.-June	***	***	***	***	13.3	***	***	***	***	***	***
July-Sept.	***	***	***	***	12.8	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	12.1	***	***	***	***	***	***
1999:											
Jan.-Mar.	***	***	***	***	23.9	***	***	***	***	***	***
Apr.-June	***	***	***	***	19.3	***	***	***	***	***	***
July-Sept.	***	***	***	***	17.8	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	21.5	***	***	***	***	***	***
2000:											
Jan.-Mar.	***	***	***	***	17.7	***	***	***	***	***	***

Product 4: Straight ASTM A615 size 6 rebar (3/4" diameter).

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-11

Rebar: Instances and ranges of under/(over)selling, by country

Country	Underselling		Overselling	
	Number of instances	Range of margins (percent)	Number of instances	Range of margins (percent)
Austria	No sales were reported			
Belarus	25	1.1-20.0	3	1.4-2.5
China	8	11.5-38.6	0	--
Indonesia	32	13.0-49.9	0	--
Japan	23	10.9-32.3	0	--
Korea	40	11.2-31.6	2	2.2-4.9
Latvia	49	1.9-32.5	0	--
Moldova	39	0.3-33.9	8	0.3-5.4
Poland	36	0.4-51.7	16	3.9-26.7
Russia	20	0.2-33.1	9	0.7-32.2
Ukraine	16	12.7-39.3	0	--
Venezuela	18	4.7-25.1	7	2.9-17.4

Note.--Percentage margins are calculated from unrounded numbers; thus, margins cannot always be directly calculated from the rounded prices in tables V-3 to V-6.

Source: Tables V-7 to V-10.

LOST SALES AND LOST REVENUES

The Commission received 57 allegations of lost sales involving 34 purchasers, which totaled \$51.4 million, and allegations of lost revenue involving 4 purchasers. Commission staff was able to contact 33 of the purchasers cited for lost sales and all of the purchasers cited for lost revenues. Eighteen purchasers provided information concerning lost sales allegations. Staff was able to confirm lost sales of \$22.9 million. Two purchasers, ***, responded that domestic producers lacked the capacity to supply the domestic market without subject imports. The producers' allegations and customers' responses are presented in appendix H.²

² Petitioners later amended the petition and provided information concerning additional lost sales. Due to time constraints, staff was unable to contact the purchasers involved.

PART VI: FINANCIAL CONDITION OF THE U.S. INDUSTRY

BACKGROUND

Nineteen mills¹ in the defined region provided usable financial data on their operations producing rebar. These data accounted for nearly *** percent of reported U.S. regional production of rebar in 1999.² *** mills³ that are located outside the region, accounting for nearly *** percent of U.S. production of rebar outside the region in 1999, also provided usable financial data on their rebar operations.⁴ The financial data are presented separately for producers within the region, for those outside the region, and for the total U.S. industry.

OPERATIONS ON REBAR PRODUCED WITHIN THE REGION

Income and loss data for the operations of U.S. mills producing rebar within the region are presented in table VI-1. Although the quantity of total sales increased by 190,175 tons (4.9 percent) between 1997 and 1999, total sales values declined by \$79.4 million (6.7 percent), and unit sales prices declined by 11.1 percent;⁵ the volume increase of 81,411 tons between January-March 1999 and the same period in 2000 offset the small decline in unit sales prices and total sales increased by \$21.5 million (8.3 percent). These mills' operating income declined by \$28.8 million (31.6 percent) between 1997 and 1999, and by \$9.7 million (46.9 percent) between January-March 1999 and the same period in 2000. Their net income and cash flow also decreased during the periods investigated. Similarly, the ratios of operating income and net income to sales decreased by about 2 percentage points each between 1997 and 1999.

U.S. mills in the defined region reduced expenses in the category of cost-of-goods-sold ("COGS"), with much of the decrease accounted for by lower costs of raw materials. This reflects a decrease in the price of scrap steel, which is used by electric furnace steel makers to make steel. *** of the 19 responding mills provided a breakdown of the cost components of COGS and SG&A while *** firms, ***, did not provide such data, although they did provide totals for COGS as well as total selling, general, and administrative ("SG&A") expenses. Table VI-2 presents cost data on a per-unit basis for all mills, except ***.

¹ These mills and their fiscal year ends are AmeriSteel (4 mills), ***; Auburn (2 mills), ***; Birmingham (3 mills with ***, ***; Border (1 mill), ***; Co-Steel Sayreville (1 mill), ***; Marion (1 mill), ***; North Star (1 mill), ***; Nucor (2 mills), ***; SMI (3 mills), ***; and TXI Chaparral (1 mill), ***. The small differences between data reported in the trade and financial sections of the Commission's producers' questionnaire (less than 2 percent in 1999) are attributable to timing differences.

² Data reported by Riverview Steel, Glassport, PA, is not included in the industry's financial numbers because the company is a processor. Its operations are discussed separately in the context of the regional industry.

³ These mills and their fiscal year ends are ***. There are minor differences between data reported in the trade and financial sections of the Commission's producers' questionnaire that are mainly attributable to timing differences.

⁴ ***.

⁵ In this context, see petitioners' comments regarding increasing sales discounts and freight allowances. Petitioners' postconference brief, p. 45.

Table VI-1
Results of operations of U.S. mills producing rebar in the region, fiscal years 1997-99, January-March 1999, and January-March 2000

Item	Fiscal year			January-March	
	1997	1998	1999	1999	2000
Quantity (short tons)					
Trade sales	3,218,629	3,096,115	3,280,605	787,125	825,415
Internal consumption	375,814	400,687	479,255	96,928	127,153
Related company transfers	249,986	305,838	274,744	66,590	79,486
Total sales	3,844,429	3,802,640	4,034,604	950,643	1,032,054
Value (\$1,000)					
Trade sales	994,696	925,490	896,126	211,671	224,013
Internal consumption	117,360	124,999	131,791	27,878	34,363
Related company transfers	76,297	94,500	81,053	20,150	22,824
Total sales	1,188,353	1,144,989	1,108,970	259,699	281,200
Cost of goods sold	1,043,362	1,003,900	986,336	226,348	255,665
Gross profit	144,991	141,089	122,634	33,351	25,535
SG&A expenses	53,937	52,654	60,397	12,672	14,564
Operating income or (loss)	91,054	88,435	62,237	20,679	10,971
Interest expense	21,415	22,133	21,577	5,932	6,228
Other expense	8,235	10,238	9,615	2,153	3,726
Other income items	1,537	1,589	6,984	1,145	1,844
Net income or (loss)	62,941	57,653	38,029	13,739	2,861
Depreciation/amortization	45,921	47,298	52,700	11,442	16,668
Cash flow	108,862	104,951	90,729	25,181	19,529
Ratio to net sales (percent)					
Cost of goods sold	87.8	87.7	88.9	87.2	90.9
Gross profit	12.2	12.3	11.1	12.8	9.1
SG&A expenses	4.5	4.6	5.4	4.9	5.2
Operating income or (loss)	7.7	7.7	5.6	8.0	3.9
Net income or (loss)	5.3	5.0	3.4	5.3	1.0

Table continued.

Table VI-1--Continued

Results of operations of U.S. mills producing rebar in the region, fiscal years 1997-99, January-March 1999, and January-March 2000

Item	Fiscal year			January-March	
	1997	1998	1999	1999	2000
Unit value (per short ton)					
Trade sales	\$309.04	\$298.92	\$273.16	\$268.92	\$271.39
Internal consumption	312.28	311.96	274.99	287.61	270.25
Related company transfers	305.21	308.99	295.01	302.60	287.14
Total sales	309.11	301.10	274.86	273.18	272.47
Cost of goods sold	271.40	264.00	244.47	238.10	247.72
Gross profit	37.71	37.10	30.40	35.08	24.74
SG&A expenses	14.03	13.85	14.97	13.33	14.11
Operating income or (loss)	23.68	23.26	15.43	21.75	10.63
Net income or (loss)	16.37	15.16	9.43	14.45	2.77
Number of firms reporting					
Operating losses	5	5	6	6	10
Data	19	19	19	18	18
Source: Compiled from data submitted in response to Commission questionnaires.					

Table VI-2

Per-unit values of cost of goods sold by U.S. producers of rebar in the region, fiscal years 1997-99, January-March 1999, and January-March 2000

Item	Fiscal years			January-March	
	1997	1998	1999	1999	2000
Unit value (per short ton)					
Cost of goods sold:					
Raw materials	\$158.48	\$144.16	\$122.90	\$119.92	\$140.47
Direct labor	22.40	22.63	23.75	23.48	22.60
Other factory costs	95.22	102.24	102.75	98.85	90.63
Weighted average	276.10	269.03	249.40	242.25	253.70
Note.--Data exclude ***.					
Source: Compiled from data submitted in response to Commission questionnaires.					

Table VI-3 presents data for the regional industry's "metal spread." This was defined as the difference in dollars per ton of rebar between the sales price and the cost of the mill's raw material inputs.⁶ Although the questionnaire data for raw materials contains the costs of other production inputs besides scrap, the costs of these other inputs were relatively consistent to the total cost of raw materials in the previous investigation.⁷ Therefore, for the mills that provided such information, the unit price of net sales minus the unit price of raw materials could be considered as a proxy for the metal spread. An increasing metal spread unit value indicates a widening of the spread. This could come about from an increase of the mill's sales price relative to the cost of its raw materials, for example; or, if both prices and costs are declining, a widening of the metal spread could stem from costs falling more rapidly than prices.

Table VI-3
Metal spread of U.S. mills producing rebar in the region, by mill, fiscal years 1997-99, January-March 1999, and January-March 2000

Mill	Fiscal years			January-March	
	1997	1998	1999	1999	2000
	Unit value (<i>per short ton</i>)				
	*	*	*	*	*
Weighted average	151.24	155.07	151.69	152.90	132.11
Note.--Data exclude ***.					
Source: Compiled from data submitted in response to Commission questionnaires.					

One of the petitioning firms, Riverview Steel Corp., Glassport, PA, operates as a processor, converting billet that is supplied to it by Sherman International Corp. Sherman, in turn, acts as the exclusive sales agent for Riverview of the processed rebar.⁸ During its three fiscal years, 1998-2000,⁹ Riverview processed and transferred between *** annually, receiving between *** annually in processing fees. According to Riverview's questionnaire response, it ***. During the 3-year period, the unit value of Riverview's processing fee has ***.

Table VI-4 presents financial information on a mill-by-mill basis for total net sales, operating income, and the ratio of operating income or (loss) to total net sales. Appendix J presents additional financial data for these U.S. producers on their operations producing rebar, by regions, and by mill. North Star, Monroe, MI, ***.

⁶ Petitioners' postconference brief, p. 41.

⁷ The costs of "other" raw material inputs varied from 15.5 percent to 17.2 percent of the total cost of raw materials during 1994-96. See, *Steel Concrete Reinforcing Bars from Turkey*, Investigation No. 731-TA-745 (Final), USITC Pub. No. 3034, April 1997, p. VI-4.

⁸ Billet is reheated to the desired rolling temperature and hot-rolled into rebar. The manufacturing process is described in Part I of this report. The relationship of Sherman to Riverview was described at the Commission's staff conference (conference transcript, pp. 66-68). Riverview provided data for its processor operations only, which ***.

⁹ Riverview has a fiscal year that ends ***.

Table VI-4

Total net sales, operating income, and operating income margins of U.S. mills producing rebar in the region, by mill, fiscal years 1997-99, January-March 1999, and January-March 2000

* * * * *

A variance analysis for the 19 mills is presented in table VI-5. The decrease in operating income between 1997 and 1999 was attributable to unfavorable price variances (lower realized average prices on sales) that were greater than favorable net cost and net volume variances. Between January-March 1999 and the same period in 2000, the decrease in operating income was attributable to unfavorable price and cost variances that were greater than the favorable volume variance.

U.S. mills producing rebar in the region are ranked in table VI-6 according to their operating income margin; cumulative industry sales and percent of sales are shown in the last two columns. For example, the top seven mills, each having an operating income margin of 10 percent or greater, accounted for 57.1 percent of the regional industry's sales in 1997. Only three mills, accounting for 19.8 percent of the regional industry's sales, had this operating margin in 1999.

Table VI-5**Variance analysis for U.S. mills producing rebar in the region, 1997-99 and January-March 1999-2000**

Item	Fiscal year			January-March
	1997-99	1997-98	1998-99	1999-2000
Value (\$1,000)				
Trade sales:				
Price variance	(117,723)	(31,344)	(84,512)	2,045
Volume variance	19,153	(37,862)	55,148	10,297
Trade sales variance	(98,570)	(69,206)	(29,364)	12,342
Internal consumption:				
Price variance	(17,872)	1,157	(3,839)	(1,228)
Volume variance	32,303	17,046	(9,608)	3,902
Internal consumption variance	14,431	18,203	(13,447)	2,674
Related company transfers:				
Price variance	(2,800)	1,157	(3,839)	(1,228)
Volume variance	7,556	17,046	(9,608)	3,902
Transfers variance	4,756	18,203	(13,447)	2,674
Total sales:				
Price variance	(138,168)	(30,447)	(105,864)	(739)
Volume variance	58,785	(12,917)	69,845	22,240
Total sales variance	(79,383)	(43,364)	(36,019)	21,501
Cost of sales:				
Cost variance	108,639	28,121	78,803	(9,933)
Volume variance	(51,613)	11,341	(61,239)	(19,384)
Total cost variance	57,026	39,462	17,564	(29,317)
Gross profit variance	(22,357)	(3,902)	(18,455)	(7,816)
SG&A expenses:				
Expense variance	(3,792)	697	(4,531)	(807)
Volume variance	(2,668)	586	(3,212)	(1,085)
Total SG&A variance	(6,460)	1,283	(7,743)	(1,892)
Operating income variance	(28,817)	(2,619)	(26,198)	(9,708)
Summarized as:				
Price variance	(138,168)	(30,447)	(105,864)	(739)
Net cost/expense variance	104,847	28,817	74,272	(10,740)
Net volume variance	4,504	(990)	5,395	1,771
Note.--Unfavorable variances are shown in parentheses; all others are favorable.				
Source: Compiled from data submitted in response to Commission questionnaires.				

Table VI-6

Ranking of U.S. mills producing rebar in the region by operating income margin, by mill, fiscal years 1997-99

* * * * *

**CAPITAL EXPENDITURES, RESEARCH AND DEVELOPMENT EXPENSES,
AND INVESTMENT IN PRODUCTIVE FACILITIES WITHIN THE REGION**

The in-region responding mills' data on capital expenditures, research and development ("R&D") expenses, and the value of their property, plant, and equipment used in the production of rebar are shown in table VI-7.¹⁰ The value of fixed assets increased between 1997 and 1999, and between January-March 1999 and the same period in 2000 in response to capital expenditures made by the producers in their plant, property, and equipment. This spending was undertaken to increase production capacity, or to improve production efficiency. However, toward the end of the period investigated, company officials stated that investment plans have been placed on hold or are in jeopardy (see appendix K for company comments). ***.

Table VI-7

Value of assets, capital expenditures, and R&D expenses of U.S. mills producing rebar in the region, fiscal years 1997-99, January-March 1999, and January-March 2000

Item	Fiscal year			January-March	
	1997	1998	1999	1999	2000
Value (\$1,000)					
Capital expenditures	69,121	98,358	114,815	30,508	16,376
R&D expenses	***	***	***	***	***
Fixed assets:					
Original cost	1,016,486	1,117,329	1,264,308	1,190,524	1,250,083
Book value	536,863	589,634	663,596	645,040	656,178
Note.--Data exclude ***.					
Source: Compiled from data submitted in response to Commission questionnaires.					

Data for capital expenditures on a mill-by-mill basis are shown in table VI-8.

Table VI-8

Capital expenditures by U.S. mills producing rebar in the region, by mill, fiscal years 1997-99, January-March 1999, and January-March 2000

* * * * *

¹⁰ ***

OPERATIONS ON REBAR OUTSIDE THE REGION

Income and loss data on the rebar operations of U.S. mills producing rebar outside the region are presented in table VI-9. The volume of total sales increased between 1997 and 1999 and between January-March 1999 and the same period in 2000. The value of those sales declined by \$32.6 million (5.1 percent) between 1997 and 1999, but increased by \$4.9 million (3.6 percent) between January-March 1999 and the same period in 2000. Unit sales prices declined between 1997 and 1999, and between January-March 1999 and the same period in 2000. The operating income of these mills increased by \$44.1 million between 1997 and 1999, but decreased by \$861,000 (10.6 percent) between January-March 1999 and the same period in 2000. Their net income increased from a loss of \$9.8 million in 1997 to an income of \$36.9 million in 1999, but declined by \$1.5 million between January-March 1999 and the same period in 2000. Cash flow (net income plus depreciation and amortization) followed a similar pattern, increasing between 1997 and 1999, and then decreasing between January-March 1999 and the same period in 2000. Similarly, the ratios of operating income and net income to sales also increased between 1997 and 1999, but decreased between January-March 1999 and the same period in 2000. These mills reduced expenses in the category of COGS, with the largest decrease occurring in the category of raw materials (see earlier discussion on scrap metal). Some of the overall improvement in the industry's indicators of financial performance may be attributed to the improving performance of ***.

*** of the *** responding mills provided their costs of raw materials, factory labor, and factory overhead incurred in the production of rebar; *** did not provide such data, although total COGS as well as total SG&A expenses were provided. Table VI-10 presents cost data on a per-unit basis for all mills, except ***.

Table VI-9
Results of operations of U.S. mills producing rebar outside the region, fiscal years 1997-99,
January-March 1999, and January-March 2000

Item	Fiscal year			January-March	
	1997	1998	1999	1999	2000
Quantity (short tons)					
Trade sales	2,126,568	2,010,584	2,161,133	487,199	520,991
Internal consumption	***	***	***	***	***
Related company transfers	***	***	***	***	***
Total sales	2,147,213	2,037,170	2,185,093	492,923	526,552
Value (\$1,000)					
Trade sales	629,194	594,345	595,661	135,828	140,817
Internal consumption	***	***	***	***	***
Related company transfers	***	***	***	***	***
Total sales	635,359	602,479	602,731	137,545	142,466
Cost of goods sold	603,103	543,177	521,219	123,147	127,389
Gross profit	32,256	59,302	81,512	14,398	15,077
SG&A expenses	25,716	29,549	30,880	6,296	7,836
Operating income or (loss)	6,540	29,753	50,632	8,102	7,241
Interest expense	13,441	11,817	12,556	2,904	2,977
Other expense	3,056	1,657	1,807	160	25
Other income items	162	2,014	666	884	231
Net income or (loss)	(9,795)	18,293	36,935	5,922	4,470
Depreciation/amortization	32,397	33,059	33,988	8,343	7,515
Cash flow	22,602	51,352	70,923	14,265	11,985
Ratio to net sales (percent)					
Cost of goods sold	94.9	90.2	86.5	89.5	89.4
Gross profit	5.1	9.8	13.5	10.5	10.6
SG&A expenses	4.0	4.9	5.1	4.6	5.5
Operating income or (loss)	1.0	4.9	8.4	5.9	5.1
Net income or (loss)	(1.5)	3.0	6.1	4.3	3.1

Table continued.

Table VI-9--Continued

Results of operations of U.S. mills producing rebar outside the region, fiscal years 1997-99, January-March 1999, and January-March 2000

Item	Fiscal year			January-March	
	1997	1998	1999	1999	2000
Unit value (per short ton)					
Trade sales	\$295.87	\$295.61	\$275.62	\$278.79	\$270.29
Internal consumption	***	***	***	***	***
Related company transfers	***	***	***	***	***
Total sales	295.90	295.74	275.84	279.04	270.56
Cost of goods sold	280.88	266.63	238.53	249.83	241.93
Gross profit	15.02	29.11	37.30	29.21	28.63
SG&A expenses	11.98	14.50	14.13	12.77	14.88
Operating income or (loss)	3.05	14.60	23.17	16.44	13.75
Net income or (loss)	(4.56)	9.09	16.90	11.79	8.49
Number of firms reporting					
Operating losses	***	***	3	3	***
Data	***	***	***	***	***
Source: Compiled from data submitted in response to Commission questionnaires.					

Table VI-10

Per-unit values of cost of goods sold of U.S. mills producing rebar outside the region, fiscal years 1997-99, January-March 1999, and January-March 2000

Item	Fiscal years			January-March	
	1997	1998	1999	1999	2000
Unit value (per short ton)					
Cost of goods sold:					
Raw materials	\$159.36	\$144.78	\$121.93	\$124.20	\$129.06
Direct labor	31.03	32.29	31.14	31.64	31.16
Other factory costs	98.78	95.64	93.77	99.88	90.00
Weighted average	289.17	272.71	246.84	255.72	250.23
Note.—Data exclude ***.					
Source: Compiled from data submitted in response to Commission questionnaires.					

Table VI-11 presents unit values of the metal spread (difference in dollars per ton of rebar between the sales price and the cost of the mill's raw material inputs) for these *** producers.

Table VI-11

Metal spread for U.S. mills producing rebar outside the region, by mill, fiscal years 1997-99, January-March 1999, and January-March 2000

* * * * *

Financial data for total net sales, operating income, and operating income margins on a mill-by-mill basis are shown in table VI-12; additional financial data for these producers are presented in appendix J.

Table VI-12

Total net sales, operating income, and operating income margins of U.S. mills producing rebar outside the region, by mill, fiscal years 1997-99, January-March 1999, and January-March 2000

* * * * *

Information on the operating performance is further depicted in a variance analysis for these mills in table VI-13. Favorable net cost/expense variances and volume variances in all but the 1997-98 period were greater than unfavorable price variances during each of the full-year comparisons. However, between the interim periods, the unfavorable price variance was greater than the favorable net cost/expense and volume variances.

Table VI-13

Variance analysis for U.S. mills producing rebar outside the region, 1997-99 and January-March 1999-2000

Item	Fiscal year			January-March
	1997-99	1997-98	1998-99	1999-2000
Value (\$1,000)				
Trade sales:				
Price variance	(43,760)	(532)	(43,188)	(4,432)
Volume variance	10,227	(34,317)	44,504	9,421
Trade sales variance	(33,533)	(34,849)	1,316	4,989
Internal consumption:				
Price variance	***	***	***	***
Volume variance	***	***	***	***
Internal consumption variance	***	***	***	***
Related company transfers:				
Price variance	***	***	***	***
Volume variance	***	***	***	***
Transfers variance	***	***	***	***
Total sales:				
Price variance	(43,837)	(319)	(43,495)	(4,463)
Volume variance	11,209	(32,562)	43,747	9,384
Total sales variance	(32,628)	(32,880)	252	4,921
Cost of sales:				
Cost variance	92,524	29,015	61,401	4,160
Volume variance	(10,640)	30,909	(39,441)	(8,402)
Total cost variance	81,884	59,924	21,960	(4,242)
Gross profit variance	49,256	27,044	22,212	679
SG&A expenses:				
Expense variance	(4,710)	(5,151)	815	(1,110)
Volume variance	(454)	1,318	(2,146)	(430)
Total SG&A variance	(5,164)	(3,833)	(1,331)	(1,540)
Operating income variance	44,092	23,211	20,881	(861)
Summarized as:				
Price variance	(43,837)	(319)	(43,495)	(4,463)
Net cost/expense variance	87,813	23,865	62,216	3,049
Net volume variance	115	(335)	2,160	553
Note.--Unfavorable variances are shown in parentheses; all others are favorable.				
Source: Compiled from data submitted in response to Commission questionnaires.				

**CAPITAL EXPENDITURES, R&D EXPENSES, AND
INVESTMENT IN PRODUCTIVE FACILITIES OUTSIDE THE REGION**

Data on capital expenditures, R&D expenses, and the value of property, plant, and equipment used in the production of rebar by producers outside the defined region are shown in table VI-14. ***.

Table VI-14

Value of assets, capital expenditures, and R&D expenses of U.S. mills producing rebar outside the region, fiscal years 1997-99, January-March 1999, and January-March 2000

Item	Fiscal year			January-March	
	1997	1998	1999	1999	2000
Value (\$1,000)					
Capital expenditures	18,478	25,295	32,055	21,574	2,376
R&D expenses	***	***	***	***	***
Fixed assets:					
Original cost	774,504	829,715	809,682	825,376	806,323
Book value	431,868	438,597	410,233	444,637	413,690
Source: Compiled from data submitted in response to Commission questionnaires.					

Data for capital expenditures on a mill-by-mill basis are shown in table VI-15.

Table VI-15

Capital expenditures of U.S. mills producing rebar outside the region, by mill, fiscal years 1997-99, January-March 1999, and January-March 2000

* * * * *

TOTAL U.S. REBAR OPERATIONS

Income-and-loss data for the total operations of U.S. mills producing rebar are presented in table VI-16. The volume of sales increased by 228,055 tons (3.8 percent) between 1997 and 1999, and by 115,040 tons (8.0 percent) between January-March 1999 and the same period in 2000. The value of sales declined by \$112.0 million (6.1 percent) between 1997 and 1999, but increased by \$26.4 million (6.7 percent) between January-March 1999 and the same period in 2000. Operating income increased irregularly, by \$15.3 million (15.7 percent), between 1997 and 1999, but decreased by \$10.6 million (36.7 percent) between January-March 1999 and the same period in 2000. Net income followed a similar pattern, increasing by \$21.8 million (41.1 percent) but decreasing by \$12.3 million (62.7 percent) between 1997 and 1999, and between January-March 1999 and the same period in 2000, respectively. The ratios of gross profit, operating income, and net income to sales followed a similar pattern.

Table VI-16
Results of operations of all U.S. mills producing rebar, fiscal years 1997-99, January-March 1999, and January-March 2000

Item	Fiscal year			January-March	
	1997	1998	1999	1999	2000
Quantity (short tons)					
Trade sales	5,345,197	5,106,699	5,441,738	1,274,324	1,346,406
Internal consumption	***	***	***	***	***
Related company transfers	***	***	***	***	***
Total sales	5,991,642	5,839,810	6,219,697	1,443,566	1,558,606
Value (\$1,000)					
Trade sales	1,623,890	1,519,835	1,491,787	347,499	364,830
Internal consumption	***	***	***	***	***
Related company transfers	***	***	***	***	***
Total sales	1,823,712	1,747,468	1,711,701	397,244	423,666
Cost of goods sold	1,646,465	1,547,077	1,507,555	349,495	383,054
Gross profit	177,247	200,391	204,146	47,749	40,612
SG&A expenses	79,653	82,203	91,277	18,968	22,400
Operating income or (loss)	97,594	118,188	112,869	28,781	18,212
Interest expense	34,856	33,950	34,133	8,836	9,205
Other expense	11,291	11,895	11,422	2,313	3,751
Other income items	1,699	3,603	7,650	2,029	2,075
Net income or (loss)	53,147	75,946	74,964	19,661	7,331
Depreciation/amortization	78,318	80,357	86,688	19,785	24,183
Cash flow	131,465	156,303	161,652	39,446	31,514
Ratio to net sales (percent)					
Cost of goods sold	90.3	88.5	88.1	88.0	90.4
Gross profit	9.7	11.5	11.9	12.0	9.6
SG&A expenses	4.4	4.7	5.3	4.8	5.3
Operating income or (loss)	5.4	6.8	6.6	7.2	4.3
Net income or (loss)	2.9	4.3	4.4	4.9	1.7

Table continued.

Table VI-16--Continued
Results of operations of all U.S. mills producing rebar, fiscal years 1997-99, January-March 1999, and January-March 2000

Item	Fiscal year			January-March	
	1997	1998	1999	1999	2000
Unit value (per short ton)					
Trade sales	\$303.80	\$297.62	\$274.14	\$272.69	\$270.97
Internal consumption	***	***	***	***	***
Related company transfers	***	***	***	***	***
Total sales	304.38	299.23	275.21	275.18	271.82
Cost of goods sold	274.79	264.92	242.38	242.11	245.77
Gross profit	29.58	34.31	32.82	33.08	26.06
SG&A expenses	13.29	14.08	14.68	13.14	14.37
Operating income or (loss)	16.29	20.24	18.15	19.94	11.68
Net income or (loss)	8.87	13.00	12.05	13.62	4.70
Number of firms reporting					
Operating losses	6	7	9	9	12
Data	***	***	***	***	***
Source: Compiled from data submitted in response to Commission questionnaires.					

Total net sales, by value, operating income, and the ratio of operating income to net sales on a mill-by-mill basis are presented in table VI-17.

Table VI-17
Total net sales, operating income, and operating income margins of all U.S. mills producing rebar, by mill, fiscal years 1997-99, January-March 1999, and January-March 2000

* * * * *

Changes in industry operating income are further depicted in a variance analysis for all U.S. mills producing rebar (table VI-18). For these mills, favorable variances on volume and costs/expenses were greater, by \$15.3 million, than an unfavorable price variance between 1997 and 1999.

Table VI-18

Variance analysis for all U.S. mills producing rebar, 1997-99 and January-March 1999-2000

Item	Fiscal year			January-March
	1997-99	1997-98	1998-99	1999-2000
Value (\$1,000)				
Trade sales:				
Price variance	(161,433)	(31,598)	(127,761)	(2,325)
Volume variance	29,330	(72,457)	99,713	19,656
Trade sales variance	(132,103)	(104,055)	(28,048)	17,331
Internal consumption:				
Price variance	***	***	***	***
Volume variance	***	***	***	***
Internal consumption variance	***	***	***	***
Related company transfers:				
Price variance	***	***	***	***
Volume variance	***	***	***	***
Transfers variance	***	***	***	***
Total sales:				
Price variance	(181,426)	(30,030)	(149,442)	(5,235)
Volume variance	69,414	(46,214)	113,675	31,657
Total sales variance	(112,011)	(76,244)	(35,767)	26,422
Cost of sales:				
Cost variance	201,578	57,666	140,161	(5,707)
Volume variance	(62,668)	41,722	(100,639)	(27,852)
Total cost variance	138,910	99,388	39,522	(33,559)
Gross profit variance	26,899	23,144	3,755	(7,137)
SG&A expenses:				
Expense variance	(8,592)	(4,568)	(3,727)	(1,920)
Volume variance	(3,032)	2,018	(5,347)	(1,512)
Total SG&A variance	(11,624)	(2,550)	(9,074)	(3,432)
Operating income variance	15,275	20,594	(5,319)	(10,569)
Summarized as:				
Price variance	(181,426)	(30,030)	(149,442)	(5,235)
Net cost/expense variance	192,986	53,097	136,435	(7,628)
Net volume variance	3,715	(2,473)	7,688	2,294
Note.--Unfavorable variances are shown in parentheses; all others are favorable.				
Source: Compiled from data submitted in response to Commission questionnaires.				

**CAPITAL EXPENDITURES, R&D EXPENSES, AND
INVESTMENT IN PRODUCTIVE FACILITIES**

The responding mills' data on capital expenditures, R&D expenses, and the value of their property, plant, and equipment used in the production of rebar are shown in table VI-19.

Table VI-19
Value of assets, capital expenditures, and R&D expenses of all U.S. mills producing rebar, fiscal years 1997-99, January-March 1999, and January-March 2000

Item	Fiscal year			January-March	
	1997	1998	1999	1999	2000
Value (\$1,000)					
Capital expenditures	87,600	123,653	146,869	52,082	18,752
R&D expenses	***	***	***	***	***
Fixed assets:					
Original cost	1,790,990	1,947,044	2,073,990	2,015,900	2,056,406
Book value	968,731	1,028,231	1,073,829	1,089,677	1,069,868
Note.--Data exclude ***.					
Source: Compiled from data submitted in response to Commission questionnaires.					

Data for capital expenditures of the U.S. industry on a mill-by-mill basis are shown in table VI-20.

Table VI-20
Total capital expenditures of all U.S. mills producing rebar, by mill, fiscal years 1997-99, January-March 1999, and January-March 2000

* * * * *

CAPITAL AND INVESTMENT

The Commission requested U.S. producers to describe any actual or potential negative effects of imports of rebar from Austria, Belarus, China, Indonesia, Japan, Korea, Latvia, Moldova, Poland, Russia, Ukraine, and/or Venezuela on their firms' growth, investment, and ability to raise capital or development and production efforts (including efforts to develop a derivative or more advanced version of the product). Their responses are shown in appendix K.

PART VII: THREAT CONSIDERATIONS

The Commission analyzes a number of factors in making threat determinations (see 19 U.S.C. § 1677(7)(F)(i)). Information on the volume and pricing of imports of the subject merchandise is presented in Parts IV and V and information on the effects of imports of the subject merchandise on U.S. producers' existing development and production efforts is presented in Part VI. Information on inventories of the subject merchandise; foreign producers' operations, including the potential for "product-shifting;" any other threat indicators, if applicable; and any dumping in third-country markets, follows.

Staff attempted to send a telegram via the Department of State ("State") to the U.S. embassies in each of the subject countries. Unfortunately, staff was not notified until July 26, 2000, that State had an administrative problem which delayed transmission of the cables to the embassies. As a result, coverage of some countries is less than expected.

THE INDUSTRY IN AUSTRIA

The petition listed Stahl- und Walzwerk Marienhutte GmbH ("Marienhutte") and Voest-Alpine Stahl AG ("Voest-Alpine") as firms believed to produce the subject merchandise in Austria.¹ The Commission requested and received complete data from these two firms. Although Voest-Alpine submitted a completed questionnaire, it stated that it does not produce the subject product and can not do so with its current facilities. Therefore, the data presented in table VII-1 are for Marienhutte, which reported that it believes that it accounts for *** percent of total subject rebar production in Austria.

Table VII-1

Rebar: Data for producers in Austria, 1997-99, January-March 1999, January-March 2000, and projected 2000-2001

* * * * *

Both firms claim that they do not export the subject product to the United States. They have attempted to corroborate these assertions by submitting official Government of Austria trade statistics, which show that there were no exports of rebar falling under HTS 7214.20.00 (as well as product under HTS 7213.10.00) from Austria to the United States throughout the period for which data were collected. These statistics are contained in appendix D along with UN trade data. Staff confirmed with the trading companies listed on the Customs Net Import File as having imported subject product from Austria that they did not import subject rebar from Austria in 1999.²

Certain steel concrete reinforcing bars accounted for *** percent of total sales of Marienhutte in its most recent fiscal year. Marienhutte reported that it *** other merchandise on the same equipment used to produce subject rebar, *** percent of its sales in its most recent fiscal year were from *** produced on this equipment. Export markets for Austrian certain steel concrete reinforcing bars include ***. No trade restrictions on Austrian certain steel concrete reinforcing bars were reported.

¹ *Petition for the Imposition of Antidumping Duties, Vol. II, Austria*, p. 4, n. 6.

² Telephone conversations between staff and *** on August 4, 2000. These companies also submitted letters via facsimile on August 4, 2000, attesting that they did not import any subject product from Austria throughout the period being investigated.

THE INDUSTRY IN BELARUS

The petition listed Byelorussian Steel Works (“BMZ”) as the only firm believed to produce the subject merchandise in Belarus.³ The Commission requested data from counsel representing BMZ. Counsel for BMZ provided complete data for the firm, believed to account for all production of the subject product in Belarus and all exports from there to the specified region of the U.S. market in 1999. BMZ reported that *** of its export to the United States in 1999 were to the specified region. The data presented in table VII-2 are for BMZ.

Table VII-2

Rebar: Data for producers in Belarus, 1997-99, January-March 1999, January-March 2000, and projected 2000-2001

* * * * *

Certain steel concrete reinforcing bars accounted for *** percent of BMZ’s total sales in its most recent fiscal year. BMZ reported producing *** on the same equipment used to produce certain steel concrete reinforcing bars. In addition to the United States, export markets for Byelorussian subject rebar include ***. BMZ reported no trade restrictions on Byelorussian rebar.

BMZ is ***.

THE INDUSTRY IN CHINA

The petition listed Chengde Iron and Steel Group Co., Ltd.; Chengdu Iron and Steel; Echeng Iron & Steel Group Co., Ltd.; Fushun Special Steel Co., Ltd.; Guangdong Shaoguan Iron & Steel Group; Guangzhou Iron & Steel Holdings, Ltd.; Guangzhou Nanfang Steel Works; Jiangsu Shagang Group Co., Ltd.; Kunming Iron and Steel Corp.; Laiwu Steel Group, Ltd. (“Laiwu”); Lingyuan Iron & Steel Group Co., Ltd.; Nanjing Iron & Steel Group Co.; Qingdao Iron & Steel Group Co.; Shanghai No. 5 Steel Group Co., Ltd.; Shiu Wing Steel, Ltd.; Shoudu Iron & Steel Co.; and Tangshan Iron & Steel Group Co., Ltd. as firms believed to produce the subject merchandise in China.⁴ The Commission requested data from counsel representing Laiwu and from the other 16 firms directly. Counsel representing Laiwu submitted complete data regarding Laiwu’s rebar operations. Although *** reported that they did not export to the U.S. market throughout the period being investigated, none of the Chinese firms without counsel provided complete data. The data presented in table VII-3 are for Laiwu, which reported that it accounted for *** percent of total rebar production in China in 1999 and *** percent of Chinese rebar exports to the United States in 1999, ***.

Table VII-3

Rebar: Data for producers in China, 1997-99, January-March 1999, January-March 2000, and projected 2000-2001

* * * * *

Certain steel concrete reinforcing bars accounted for *** percent of Laiwu’s total sales in its most recent fiscal year. Laiwu reported producing other products such as *** on the same equipment

³ *Petition for the Imposition of Antidumping Duties, Vol. III, Belarus*, p. 2.

⁴ *Petition for the Imposition of Antidumping Duties, Vol. IV, China*, p. 2, n. 3.

used to produce subject rebar. In addition to the United States, export markets for Laiwu's subject rebar include ***. Laiwu reported that its rebar is not subject to trade remedies in any other WTO country.

THE INDUSTRY IN INDONESIA

The petition listed PT Jakarta Kyoei Steel Works, Ltd. as the firm believed to be the primary manufacturer and exporter to the United States of the subject merchandise in Indonesia.⁵ The petition also listed PT Budidharma Jakarta, PT Gunung Gahapi Sakti, PT Gunung Garuda, PT Hanil Jaya Metal Works, PT Industri Galvaneal Mas, PT Inter World Steel Mills Indonesia, PT Ispat Indo, PT Jatim Taman Steel Manufacturing, PT Perkasa Indobaja, PT The Master Steel Manufacturing Co., PT Toyogiri Iron & Steel, and PT Wahana Garuda Lestari as firms believed to produce the subject merchandise in Indonesia.⁶ The Commission requested information and data from these firms. The data presented in table VII-4 are for PT Ispat Indo, the only firm to provide data.

Table VII-4

Rebar: Data for producers in Indonesia, 1997-99, January-March 1999, January-March 2000, and projected 2000-2001

* * * * *

PT Ispat Indo reported that it no longer produces rebar, choosing instead to produce ***, which accounted for *** percent of the company's sales in its most recent fiscal year. PT Ispat Indo can produce either rebar or *** on the same equipment, but has not produced any rebar since 1998. PT Ispat Indo reported that no other country maintains trade restrictions on Indonesian certain steel concrete reinforcing bars.

THE INDUSTRY IN JAPAN

The petition listed Asahi Industries Co., Ltd. ("Asahi"); Daiwa Steel Corp.; Godo Steel, Ltd. ("Godo"); Kishiwada Steel; Kobe Steel, Ltd.; Kyoei Steel, Ltd. ("Kyoei"); Mitsuboshi Kinzoku ("Mitsuboshi"); Nakayama Steel Products; NKK Bars & Shapes Co., Ltd. ("NKK"); Sanko Seiko Co., Ltd.; Shimizu Kotetsu; Sumitomo Metal Industries, Ltd.; Tokai Steel Works, Ltd.; and Tokyo Steel Manufacturing Co., Ltd. ("Tokyo") as firms believed to produce the subject merchandise in Japan.⁷ The Commission requested information and data from the companies directly and from counsel representing NKK. Four companies and counsel on behalf of NKK provided complete data for five mills, believed to account for over *** percent of Japanese subject rebar production and *** percent of Japanese subject product exports to the United States. Kyoei did not provide a breakout of its share of Japanese exports to inside and outside the specified region, but stated that it accounted for *** percent of total Japanese exports to the United States. Mitsuboshi reported that it accounted for *** percent of Japanese exports to inside and *** percent to outside the specified region in the United States. The data presented in table VII-5 are for Asahi, Godo, Kyoei, Mitsuboshi, and NKK. Tokyo submitted a partially completed questionnaire, but did not provide capacity, production, and sales numbers.

⁵ *Petition for the Imposition of Antidumping Duties, Vol. V, Indonesia*, p. 2.

⁶ *Petition for the Imposition of Antidumping Duties, Vol. I, Injury*, Exh. I-8.

⁷ *Petition for the Imposition of Antidumping Duties, Vol. VI, Japan*, p. 3 and *Vol. I, Injury*, Exh. I-8.

Table VII-5

Rebar: Data for producers in Japan, 1997-99, January-March 1999, January-March 2000, and projected 2000-2001

* * * * *

Certain steel concrete reinforcing bars accounted for between *** percent and *** percent of the Japanese respondents' total sales in their most recent fiscal year. All Japanese respondent mills, except ***, reported producing other products such as *** on the same equipment used to produce subject rebar. Of the six respondent Japanese mills, *** reported producing nonsubject rebar on the same equipment used to produce subject rebar. In addition to the United States, export markets for Japanese subject rebar include ***. Kyoei reported that its rebar is subject to antidumping remedies in Venezuela as of May 18, 2000.

*** is planning to ***, reducing the company's rebar capacity by ***. *** is planning to reduce its production capability of rebar by ***.

*** reported no exports to the U.S. market during the period for which data were collected. In fact, *** reported that it serves only the domestic market and *** reported that it, too, has served only the domestic market since ***.

Kyoei ***. Tokyo ***.

NKK reported its rebar capacity to be the same as its actual production and stated that it does not know the capacity for only rebar on this line that is used to produce ***. Therefore, the listed capacity is under-reported. However, since *** percent of its sales generated from that production line were from rebar, the amount of understatement is ***.

THE INDUSTRY IN KOREA

The petition listed Hanbo Iron & Steel Co., Ltd.; Inchon Iron & Steel Co., Ltd. ("Inchon"); and Kangwon Industries, Ltd. ("Kangwon") as firms believed to be the primary producers and exporters to the United States of the subject merchandise in Korea.⁸ The petition also listed Daehan Steel Mill Co., Ltd.; Dongkuk Steel Mill Co., Ltd. ("Dongkuk"); Hankook Steel Mill Co., Ltd.; Hwan Young Industries Co., Ltd.; Korea Iron & Steel Co., Ltd. ("KISCO"); and Kosteel Co., Ltd. as firms believed to produce the subject merchandise in Korea.⁹ The Commission requested information and data from counsel representing Dongkuk, Inchon, and KISCO and from the other companies directly. Counsel on behalf of Dongkuk, Inchon, and KISCO provided complete data for these producers, believed to account for *** percent of all Korean subject rebar production in 1999 and *** percent and *** percent of subject imports into and outside, respectively, the specified region of the United States in 1999. Inchon reported ***. Inchon and Kangwon have merged so Kangwon's data are included in those of Inchon. The data presented in table VII-6 are for Dongkuk, Inchon, and KISCO.

Table VII-6

Rebar: Data for producers in Korea, 1997-99, January-March 1999, January-March 2000, and projected 2000-2001

* * * * *

⁸ *Petition for the Imposition of Antidumping Duties, Vol. VII, Korea*, p. 3.

⁹ *Petition for the Imposition of Antidumping Duties, Vol. I, Injury*, Exh. I-8.

Certain steel concrete reinforcing bars accounted for between *** percent and *** percent of the reporting Korean mills' total sales in their most recent fiscal years. The Korean respondent mills reported producing the following other products on the same equipment used to produce subject rebar: Dongkuk - ***; Inchon - ***; KISCO - ***. In addition to the United States, export markets for Korean subject rebar include ***. Dongkuk and Inchon reported that their rebar is subject to an antidumping duty in Canada as of December 13, 1999 (0-percent margin for Dongkuk; Inchon did not specify).

***. ***.

Dongkuk International, Inc., is an importer related to Dongkuk; Hyundai Corp. (USA) is an importer affiliated with Inchon.

The Korea data demonstrate a dramatic shift in shipment destinations between 1997 and 1998. After Korea experienced the sudden decline in the value of its currency and slowdown in its economy in the latter half of 1997, the share of shipments to the home market, including internal consumption, declined from *** percent in 1997 to *** percent in 1998 as exports increased to *** percent of total shipments in 1998 from only *** percent in 1997. Exports as a share of total shipments then fell back to *** percent in 1999 and further to *** percent in interim 2000. They are projected to become even less significant in calendar year 2000, *** percent, and to return to near pre-currency crisis levels in 2001, *** percent.

THE INDUSTRY IN LATVIA

The petition listed Liepajas Metalurgs ("Liepajas") as the only firm in Latvia believed to produce and export to the United States the subject merchandise.¹⁰ The Commission requested and received complete information and data from counsel representing Liepajas, which confirmed that it is the sole producer of the subject product in Latvia. Liepajas stated that it was not able to provide a regional breakdown of its exports to the U.S. market because it is not the importer of record. However, official Commerce statistics indicate that all imports from Latvia entered the specified region. Therefore, Liepajas' reported exports to the U.S. market have been listed as within the region. The data presented in table VII-7 are for Liepajas.

Table VII-7

Rebar: Data for producers in Latvia, 1997-99, January-March 1999, January-March 2000, and projected 2000-2001

* * * * *

Certain steel concrete reinforcing bars accounted for *** percent of Liepajas' total sales in its most recent fiscal year. Liepajas reported producing *** on the same equipment used to produce certain steel concrete reinforcing bars. In addition to the United States, export markets for Latvian subject rebar include ***. Liepajas reported that no other country maintains trade restrictions on Latvian subject rebar.

¹⁰ *Petition for the Imposition of Antidumping Duties, Vol. VIII, Latvia, p. 2.*

THE INDUSTRY IN MOLDOVA

The petition listed Moldova Steel Works (“MSW”) as the sole firm in Moldova believed to produce and export to the United States the subject merchandise.¹¹ The Commission requested and received complete information and data from counsel representing MSW, which confirmed that it is the sole producer and exporter to the United States of Moldovan subject product. MSW did not provide a regional breakdown of its exports to the U.S. market, but official Commerce statistics indicate that all Moldovan subject rebar entered the U.S. market in the specified region. Therefore, MSW’s reported exports to the United States are listed as entering the specified region. The data presented in table VII-8 are for MSW.

Table VII-8

Rebar: Data for producers in Moldova, 1997-99, January-March 1999, January-March 2000, and projected 2000-2001

* * * * *

Certain steel concrete reinforcing bars accounted for *** percent of MSW’s total sales in its most recent fiscal year. MSW reported producing *** on the same equipment used to produce certain steel concrete reinforcing bars and that it could produce ***. Additionally, MSW stated that ***. Export markets other than the United States for Moldovan subject rebar include ***. MSW reported that no other WTO country maintains trade restrictions on Moldovan subject rebar.

MSW increased its production capacity by *** tons in 1998 after it ***.

THE INDUSTRY IN POLAND

The petition listed Huta Ostrowiec SA (“Ostrowiec”) and Huta Zawiercie SA (“Zawiercie”) as firms believed to produce the subject merchandise in Poland.¹² The Commission requested data from counsel representing Ostrowiec and directly from Zawiercie. Counsel for Ostrowiec provided complete data on that firm’s rebar operations. Although Zawiercie did not submit a completed questionnaire regarding its rebar operations, it did submit a letter signed by two members of its management board, the Finance Director and the Commercial Director, attesting that the company has not exported certain steel concrete reinforcing bars to the United States in the past and has no intention of doing so in the near future.¹³ Ostrowiec reported that it accounted for approximately *** percent of total subject rebar production in Poland in 1999 but did not provide an estimate of its share of Polish subject product imports into and outside the specified region of the U.S. market. Since official Commerce statistics show that all subject imports from Poland entered the specified region, Ostrowiec’s reported exports to the United States have been included in those data. The data presented in table VII-9 are for Ostrowiec.

¹¹ *Petition for the Imposition of Antidumping Duties, Vol. IX, Moldova*, p. 2, n. 2.

¹² *Petition for the Imposition of Antidumping Duties, Vol. I, Injury*, Exh. I-8.

¹³ See declaration of Huta Zawiercie dated July 12, 2000, as the attachment to a letter from the Economic Attache, Embassy of Poland, dated July 18, 2000.

Table VII-9

Rebar: Data for producers in Poland, 1997-99, January-March 1999, January-March 2000, and projected 2000-2001

* * * * *

Certain steel concrete reinforcing bars accounted for *** percent of Ostrowiec's total sales in its most recent fiscal year. Ostrowiec reported producing *** on the same equipment used to produce certain steel concrete reinforcing bars. Principal export markets other than the United States for Polish subject rebar include ***. Ostrowiec reported that no other WTO country maintains trade restrictions on Polish subject rebar.

THE INDUSTRY IN RUSSIA

The petition listed Kuznetskiy Met Kombinat ("KMK") (Kuznetsk Steel Works) as the primary firm in Russia believed to manufacture and export to the United States the subject merchandise.¹⁴ The petition also listed Amurmetal, Chusovskoi Iron & Steel Works, Izhstal, Magnitogorsk Iron & Steel Works ("MMK"), Mechel, Omutninsk Metallurgical Plant, Salda Steel Works, JSC Severstal, Sulinsky Metallurgicheskoy Zavod (Staks), and Zapsib Met Kombinat (West Siberian Steel Corp.) as firms believed to produce the subject merchandise in Russia.¹⁵ The Commission requested data from counsel for Severstal and from the other nine Russian companies directly. Mechel and the counsel for Severstal submitted complete data. The two firms are estimated to account for *** percent of subject rebar production in Russia. Counsel for Severstal stated in the conference that Severstal is the largest steel producer in Russia and is believed to be the sole supplier of Russian subject product imported into the United States during the period for which data were collected.¹⁶ Furthermore, Severstal stated that ***. Mechel reported that ***. The data presented in table VII-10 are for Mechel and Severstal.

Table VII-10

Rebar: Data for producers in Russia, 1997-99, January-March 1999, January-March 2000, and projected 2000-2001

* * * * *

Certain steel concrete reinforcing bars accounted for *** percent and *** percent of total sales of the reporting Russian mills in their most recent fiscal years. Mechel reported producing *** on the same equipment used to produce subject rebar. Severstal reported producing *** on the same equipment used to produce subject rebar. Other export markets for Russian subject rebar include ***. Both companies reported that no other WTO country maintains trade restrictions on Russian subject rebar.

Counsel for Severstal claimed that Russia should not be included in the petitions since Russia concluded a five-year Comprehensive Steel Agreement ("CSA") with the United States approximately one year ago.¹⁷ Severstal's counsel claims that the terms of the agreement, limiting imports of the subject merchandise from Russia to 45,000 metric tons in the initial period and limited growth

¹⁴ *Petition for the Imposition of Antidumping Duties, Vol. XI, Russia*, p. 2.

¹⁵ *Petition for the Imposition of Antidumping Duties, Vol. I, Injury*, Exh. I-8.

¹⁶ Conference transcript, p. 86.

¹⁷ *Agreement Concerning Trade in Certain Steel Products from the Russian Federation*, signed July 12, 1999, VII-7

possibilities from this initial volume, preclude any surge of Russian imports into the U.S. market. Counsel further noted that imports from Russia have been consistent with the guidelines of the CSA.¹⁸ Counsel also pointed out that the CSA limits “Russian imports to less than 1 percent of consumption in the country or in the region.”¹⁹

The CSA establishes an initial limit of 85,000 metric tons for the category “Hot-Rolled Bars,” within which rebar is included. However, unlike what counsel for Severstal stated at the conference, the limit for rebar is not 45,000 metric tons. Rather, a maximum of 40,000 metric tons out of the total 85,000-metric ton limit established for this category of products can be hot-rolled bars. Although the category is also called Hot-Rolled Bars, rebar is mentioned separately from hot-rolled bars in the description of products covered by the category. Therefore, it seems that as much as 85,000 metric tons of rebar could be imported from Russia in a calendar year. In fact, the CSA states that up to 15 percent of the export limit can be “carried over” from one Export Limit Period into the next one, thus allowing as much as 97,750 metric tons of Russian subject product to enter the U.S. market in a calendar year.

The CSA also allows for growth in the annual export limit: an automatic 3 percent annual increase and a variable increase or decrease (up to a maximum of 3 percent) that is predicated on changes in apparent U.S. domestic consumption in the product category. Therefore, if apparent U.S. domestic consumption increased in the previous 12-month period, the annual export limit could be increased by as much as 6 percent (the 3 percent automatic increase, plus an increase of up to 3 percent based on consumption growth). Conversely, if apparent U.S. domestic consumption declined over the previous 12-month period, the annual export limit could be held constant (the 3 percent automatic increase, minus up to 3 percent depending on the decline in consumption).

The initial Export Limit Period, for which a pro-rated portion of the 85,000 metric ton annual limit for Hot-Rolled Bars applied, ran from July 12, 1999, to December 31, 1999. Subsequent Export Limit Periods conform to the calendar year.²⁰

THE INDUSTRY IN UKRAINE

The petition listed Dneprovsky Iron & Steel Works (“DMK”), Kramatorsk Iron & Steel Works, Krivoi Rog Mining & Metallurgical Integrated Works (“Krivorozhstal”), Makeevsky Iron & Steel Works, and Yenakievsky Iron & Steel Works as firms believed to produce the subject merchandise in Ukraine.²¹ The Commission requested information and data from these firms directly. Krivorozhstal provided complete data and DMK provided partial data. Krivorozhstal reported that it accounts for *** subject rebar production in Ukraine and *** exports of the subject product to the United States. Although Krivorozhstal reported that ***, they have been posted as inside the region in order to agree with official Commerce statistics for Ukrainian imports. The data presented in table VII-11 are for Krivorozhstal.

Table VII-11
Rebar: Data for producers in Ukraine, 1997-99, January-March 1999, January-March 2000, and projected 2000-2001

* * * * * * *

¹⁸ Conference transcript, pp. 86-87.

¹⁹ Conference transcript, p. 89.

²⁰ *Agreement Concerning Trade in Certain Steel Products from the Russian Federation.*

²¹ *Petition for the Imposition of Antidumping Duties, Vol. XII, Ukraine, p. 2, n. 2.*

Certain steel concrete reinforcing bars accounted for *** percent of Krivorozhstal's total sales in its most recent fiscal year. Krivorozhstal reported producing *** on the same equipment used to produce subject rebar. In addition to the United States, export markets for Ukrainian subject rebar include ***. Krivorozhstal reported that no other WTO country maintains trade restrictions on Ukrainian subject rebar.

Krivorozhstal started operations in 1999 and is ***. The company reported that ***.

THE INDUSTRY IN VENEZUELA

The petition listed Siderurgica del Turbio SA ("Sidetur") as the firm in Venezuela believed to be the primary manufacturer and exporter to the United States of the subject merchandise.²² The petition also listed Siderurgica del Orinoco SA ("Sidor") as a firm believed to produce the subject merchandise in Venezuela.²³ The Commission requested information and data from counsel representing Sidetur and from Sidor directly. Counsel on behalf of Sidetur provided complete data for the firm, believed to account for *** percent of Venezuelan production of subject rebar. Sidetur reported that it accounted for *** percent of Venezuelan subject exports to inside the specified region of the United States. The data presented in table VII-12 are for Sidetur.

Table VII-12

Rebar: Data for producers in Venezuela, 1997-99, January-March 1999, January-March 2000, and projected 2000-2001

* * * * *

Certain steel concrete reinforcing bars accounted for *** percent of Sidetur's total sales in its most recent fiscal year. Sidetur reported producing *** on the same equipment used to produce subject rebar. In addition to the United States, export markets for Venezuelan subject rebar include ***. Sidetur reported that Mexico has maintained trade restrictions on Venezuelan subject rebar since December 23, 1991. Sidetur also stated that it expects the order to be lifted by early September 2000 because an ongoing sunset review has revealed that the order has been in place for too long without a review, violating WTO rules.

Sidetur stated at the conference that all of its exports to the mainland U.S. market in 1999 were to PESCO, a wholly-owned subsidiary of Birmingham Steel, one of the petitioning companies, and reported in its questionnaire response that ***.²⁴

U.S. IMPORTERS' INVENTORIES

Data on U.S. importers' inventories are presented in table VII-13. Most U.S. importers reported maintaining no inventories of subject rebar in the United States, instead ordering from foreign suppliers on behalf of their customers.

²² *Petition for the Imposition of Antidumping Duties, Vol. XIII, Venezuela*, p. 2.

²³ *Petition for the Imposition of Antidumping Duties, Vol. I, Injury*, Exh. I-8.

²⁴ Conference transcript, pp. 96-97.

Table VII-13

Rebar: U.S. importers' end-of-period inventories of imports, by sources, 1997-99,
January-March 1999, and January-March 2000

Item	1997	1998	1999	January-March	
				1999	2000
Imports from Austria:					
Inventories (short tons)	0	0	0	0	0
Ratio to imports (percent)	(1)	(1)	(1)	(1)	(1)
Ratio to U.S. shipments of imports (percent)	(1)	(1)	(1)	(1)	(1)
Imports from Belarus:					
Inventories (short tons)	0	0	0	0	0
Ratio to imports (percent)	(1)	(1)	(1)	(1)	(1)
Ratio to U.S. shipments of imports (percent)	(1)	(1)	(1)	(1)	(1)
Imports from China:					
Inventories (short tons)	0	0	0	0	0
Ratio to imports (percent)	(1)	(1)	(1)	(1)	(1)
Ratio to U.S. shipments of imports (percent)	(1)	(1)	(1)	(1)	(1)
Imports from Indonesia:					
Inventories (short tons)	0	5,282	0	7,246	0
Ratio to imports (percent)	(1)	19.3	0.0	30.2	(1)
Ratio to U.S. shipments of imports (percent)	(1)	23.9	0.0	44.9	(1)
Imports from Japan:					
Inventories (short tons)	0	0	0	0	0
Ratio to imports (percent)	ERR	0.0	0.0	0.0	0.0
Ratio to U.S. shipments of imports (percent)	ERR	0.0	0.0	0.0	0.0
Imports from Korea:					
Inventories (short tons)	625	3,236	22,052	7,271	89
Ratio to imports (percent)	1.0	0.6	5.4	2.6	0.0
Ratio to U.S. shipments of imports (percent)	1.0	0.5	5.3	2.9	0.0
Imports from Latvia:					
Inventories (short tons)	0	4,823	4,465	8,236	2,084
Ratio to imports (percent)	0.0	4.5	1.5	3.9	0.6
Ratio to U.S. shipments of imports (percent)	0.0	4.9	1.5	4.2	0.6
Imports from Moldova:					
Inventories (short tons)	132	3,410	0	0	0
Ratio to imports (percent)	0.5	1.5	0.0	0.0	0.0
Ratio to U.S. shipments of imports (percent)	0.5	1.6	0.0	0.0	0.0

See footnotes at end of table

Table VII-13--Continued

Rebar: U.S. importers' end-of-period inventories of imports, by sources, 1997-99,
January-March 1999, and January-March 2000

Item	1997	1998	1999	January-March	
				1999	2000
Imports from Poland:					
Inventories (short tons)	0	2,475	0	619	74
Ratio to imports (percent)	0.0	3.9	0.0	(1)	0.0
Ratio to U.S. shipments of imports (percent)	0.0	4.0	0.0	8.3	0.0
Imports from Russia:					
Inventories (short tons)	0	0	0	0	0
Ratio to imports (percent)	(1)	0.0	0.0	0.0	0.0
Ratio to U.S. shipments of imports (percent)	(1)	0.0	0.0	0.0	0.0
Imports from Ukraine:					
Inventories (short tons)	0	0	13,282	0	7,842
Ratio to imports (percent)	(1)	(1)	34.4	(1)	9.3
Ratio to U.S. shipments of imports (percent)	(1)	(1)	52.4	(1)	7.4
Imports from Venezuela:					
Inventories (short tons)	1,215	3,185	1,135	4,080	646
Ratio to imports (percent)	5.1	18.2	3.1	12.4	(1)
Ratio to U.S. shipments of imports (percent)	5.3	20.6	3.0	13.9	33.0
Imports from subject sources:					
Inventories (short tons)	1,972	22,411	40,934	27,452	10,735
Ratio to imports (percent)	1.3	2.1	2.9	2.9	0.6
Ratio to U.S. shipments of imports (percent)	1.3	2.1	3.0	3.2	0.6
Imports from all other sources:					
Inventories (short tons)	2,664	3,051	24,304	2,962	7,748
Ratio to imports (percent)	2.0	4.8	16.3	1.8	6.2
Ratio to U.S. shipments of imports (percent)	2.0	4.8	19.0	1.8	4.0
Imports from all sources:					
Inventories (short tons)	4,636	25,462	65,238	30,414	18,483
Ratio to imports (percent)	1.7	2.2	4.2	2.8	0.9
Ratio to U.S. shipments of imports (percent)	1.7	2.2	4.4	3.0	0.9

(1) Not applicable.

Note: -- January-March inventory ratios are annualized.

Source: Compiled from data submitted in response to Commission questionnaires.

U.S. IMPORTERS' RECENT ARRIVALS/CURRENT ORDERS

In its questionnaire, the Commission asked firms to report arrivals of and orders for imported subject merchandise from Austria, Belarus, Indonesia, Japan, Korea, Latvia, Moldova, Poland, Russia, Ukraine, and Venezuela since March 31, 2000. Many importers reported receiving no deliveries and placing no orders for delivery during this time frame. Data on U.S. importers' recent arrivals and current orders are presented below.

Austria	***
Belarus	***
China	***
Indonesia	***
Japan	***
Korea	***
Latvia	***
Moldova	***
Poland	***
Russia	***
Ukraine	***
Venezuela	***

APPENDIX A
***FEDERAL REGISTER* NOTICES**

**INTERNATIONAL TRADE
COMMISSION**

[Investigations Nos. 731-TA-872-883
(Preliminary)]

**Certain Steel Concrete Reinforcing
Bars From Austria, Belarus, China,
Indonesia, Japan, Korea, Latvia,
Moldova, Poland, Russia, Ukraine, and
Venezuela**

AGENCY: United States International
Trade Commission.

ACTION: Institution of antidumping
investigations and scheduling of
preliminary phase investigations.^{A-3}

SUMMARY: The Commission hereby gives notice of the institution of investigations and commencement of preliminary phase antidumping investigations Nos. 731-TA-872-883 (Preliminary) under section 733(a) of the Tariff Act of 1930 (19 U.S.C. 1673b(a)) (the Act) to determine whether there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports from Austria, Belarus, China, Indonesia, Japan, Korea, Latvia, Moldova, Poland, Russia, Ukraine, and Venezuela of certain steel concrete reinforcing bars, provided for in subheading 7214.20.00 of the Harmonized Tariff Schedule of the United States, that are alleged to be sold in the United States at less than fair value. Unless the Department of Commerce extends the time for initiation pursuant to section 732(c)(1)(B) of the Act (19 U.S.C. 1673a(c)(1)(B)), the Commission must reach preliminary determinations in antidumping investigations in 45 days, or in this case by August 14, 2000. The Commission's views are due at the Department of Commerce within five business days thereafter, or by August 21, 2000.

For further information concerning the conduct of these investigations and rules of general application, consult the Commission's Rules of Practice and Procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A and B (19 CFR part 207).

EFFECTIVE DATE: June 28, 2000.

FOR FURTHER INFORMATION CONTACT: Jeff Clark (202-205-3195), Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000. General information concerning the Commission may also be obtained by accessing its internet server (<http://www.usitc.gov>).

SUPPLEMENTARY INFORMATION:

Background.—These investigations are being instituted in response to petitions filed on June 28, 2000, by the Rebar Trade Action Coalition (RTAC)

(Washington, DC) and its individual members.¹

Participation in the investigations and public service list.—Persons (other than petitioners) wishing to participate in the investigations as parties must file an entry of appearance with the Secretary to the Commission, as provided in sections 201.11 and 207.10 of the Commission's rules, not later than seven days after publication of this notice in the *Federal Register*. Industrial users and (if the merchandise under investigation is sold at the retail level) representative consumer organizations have the right to appear as parties in Commission antidumping investigations. The Secretary will prepare a public service list containing the names and addresses of all persons, or their representatives, who are parties to these investigations upon the expiration of the period for filing entries of appearance.

Limited disclosure of business proprietary information (BPI) under an administrative protective order (APO) and BPI service list.—Pursuant to section 207.7(a) of the Commission's rules, the Secretary will make BPI gathered in these investigations available to authorized applicants representing interested parties (as defined in 19 U.S.C. 1677(9)) who are parties to the investigations under the APO issued in the investigations, provided that the application is made not later than seven days after the publication of this notice in the *Federal Register*. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

Conference.—The Commission's Director of Operations has scheduled a conference in connection with these investigations for 9:30 a.m. on July 19, 2000, at the U.S. International Trade Commission Building, 500 E Street SW., Washington, DC. Parties wishing to participate in the conference should contact Jeff Clark (202-205-3195) not later than July 17, 2000, to arrange for their appearance. Parties in support of the imposition of antidumping duties in these investigations and parties in opposition to the imposition of such duties will each be collectively allocated one hour within which to make an oral presentation at the conference. A nonparty who has

testimony that may aid the Commission's deliberations may request permission to present a short statement at the conference.

Written submissions.—As provided in sections 201.8 and 207.15 of the Commission's rules, any person may submit to the Commission on or before July 24, 2000, a written brief containing information and arguments pertinent to the subject matter of the investigations. Parties may file written testimony in connection with their presentation at the conference no later than three days before the conference. If briefs or written testimony contain BPI, they must conform with the requirements of sections 201.6, 207.3, and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means.

In accordance with sections 201.16(c) and 207.3 of the rules, each document filed by a party to the investigations must be served on all other parties to the investigations (as identified by either the public or BPI service list), and a certificate of service must be timely filed. The Secretary will not accept a document for filing without a certificate of service.

Authority: These investigations are being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.12 of the Commission's rules.

By order of the Commission.

Issued: July 3, 2000.

Donna R. Koehnke,
Secretary.

[FR Doc. 00-17261 Filed 7-6-00; 8:45 am]

BILLING CODE 7020-02-P

¹ The members of RTAC are AmeriSteel (Tampa, FL); Auburn Steel Co., Inc. (Auburn, NY); Birmingham Steel Corp. (Birmingham, AL); Border Steel, Inc. (El Paso, TX); Marion Steel Company (Marion, OH); Riverview Steel (Glassport, PA); Nucor Steel (Darlington, SC); and CMC Steel Group (Seguin, TX). Auburn Steel Co., Inc., is not a petitioner with respect to Indonesia and Japan.

DEPARTMENT OF COMMERCE
International Trade Administration

[A-433-808, A-822-804, A-570-860, A-560-811, A-588-855, A-580-844, A-449-804, A-841-804, A-455-803, A-821-812, A-823-809, A-307-819]

Initiation of Antidumping Duty Investigations: Steel Concrete Reinforcing Bars From Austria, Belarus, Indonesia, Japan, Latvia, Moldova, the People's Republic of China, Poland, the Republic of Korea, the Russian Federation, Ukraine, and Venezuela

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

ACTION: Initiation of Antidumping Duty Investigations.

EFFECTIVE DATE: July 25, 2000.

FOR FURTHER INFORMATION CONTACT: Charles Riggle or Tom Futtner at (202) 482-0650 and (202) 482-3814, respectively; Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

Initiation of Investigations
The Applicable Statute and Regulations

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 references to the provisions codified at 19 CFR Part 351 (2000).

The Petitions

On June 28, 2000, the Department of Commerce (the Department) received petitions filed in proper form by the Rebar Trade Action Coalition (RTAC), as well as its individual members¹ (hereinafter collectively, the petitioner). RTAC is an ad hoc trade association, the members of which are producers of the domestic like product in the alleged region. The Department received from RTAC information supplementing the petitions throughout the 20-day initiation period.

In accordance with section 732(b) of the Act, the petitioner alleges that imports of steel concrete reinforcing bars (rebar) from Austria, Belarus, Indonesia, Japan, the Republic of Korea (Korea), Latvia, Moldova, the People's Republic of China (the PRC), Poland, the Russian Federation (Russia), Ukraine, and Venezuela are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring an industry in the United States.

The Department finds that the petitioner filed these petitions on behalf of the domestic industry because it is an interested party as defined in section 771(9)(C) of the Act and has demonstrated sufficient industry support with respect to each of the antidumping investigations that it is requesting the Department to initiate (see the following section below).

Determination of Industry Support for the Petitions

The petitioner alleges that there is a regional industry for the domestic like product and included data for both factors required by section 771(4)(C) of the Act: (1) The producers within such market sell all or almost all of their production of the like product in question in the regional market; and (2) the demand in the regional market is not supplied, to any substantial degree, by producers located elsewhere in the United States.² Moreover, the petitioner included data supporting its allegation that there is a concentration of dumped

¹ AmeriSteel; Auburn Steel Co., Inc.; Birmingham Steel Corp.; Border Steel, Inc.; Marion Steel Company; Riverview Steel; Nucor Steel and CMC Steel Group. Auburn Steel Co. is not a petitioner in the investigations involving rebar from Japan and Indonesia.

² The region identified by the petitioner consists of Alabama, Arkansas, Connecticut, Delaware, the District of Columbia, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Missouri, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Virginia, West Virginia, and Wisconsin.

imports from the subject countries in the region, pursuant to section 771(4)(C) of the Act.³ We have examined the accuracy and adequacy of the information supporting the regional industry claim to determine whether the petitioner provided evidence, reasonably available to it, sufficient to justify initiation based on a regional industry analysis. We determined the accuracy and adequacy of the petitioner's data by comparing the petition information with publicly available data. On this basis, we have determined that the petitioner satisfied the statutory requirements for initiation purposes. See *Initiation Checklist*, dated July 18, 2000 (*Initiation Checklist*), which is on file in Import Administration's Central Records Unit.

If the petitioner alleges that the industry is a regional industry, the Department, on the basis of production in the region, shall determine whether the petition has been filed on behalf of the domestic industry by applying the requirements enunciated in section 732(c)(4)(A) of the Act. This section of the Act provides that the Department's industry support determination, which is to be made before the initiation of the investigation, be based on whether a minimum percentage of the relevant regional industry supports the petition. A petition meets this requirement if the domestic producers or workers who support the petition account for: (1) At least 25 percent of the total production of the domestic like product in the region; and (2) more than 50 percent of the production of the domestic like product in the region produced by that portion of the industry expressing support for, or opposition to, the petition.

Section 771(4)(A) of the Act defines the "industry" as the producers of a domestic like product. Thus, to determine whether the petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the

domestic like product. The U.S. International Trade Commission (ITC), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a domestic like product in order to define the industry.

While both the Department and the ITC must apply the same statutory definition regarding the domestic like product (section 771(10) of the Act), they do so for different purposes and pursuant to separate and distinct authorities. In addition, the Department's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to the law.⁴

Section 771(10) of the Act defines the domestic like product as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle." Thus, the reference point from which the domestic like product analysis begins is "the article subject to an investigation," *i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition.

The domestic like product referred to in the petitions is the single domestic like product defined in the "Scope of Investigations" section, below. No party has commented on the petitions' definition of the domestic like product, and there is nothing on the record to indicate that this definition is inaccurate. The Department, therefore, has adopted the domestic like product definition set forth in the petitions.

Moreover, the Department has determined that the petitions contain adequate evidence of industry support; therefore, polling is unnecessary (*see Initiation Checklist*). For each petition filed, the petitioner established industry support representing over 50 percent of total production of the domestic like product in the region. Accordingly, the Department determines that these petitions are filed on behalf of the regional domestic industry within the meaning of section 732(b)(1) of the Act.⁵

⁴ See *Algoma Steel Corp. Ltd. v. United States*, 688 F. Supp. 639, 642-44 (CIT 1988); *High Information Content Flat Panel Displays and Display Glass from Japan: Final Determination Rescission of Investigation and Partial Dismissal of Petition*, 56 FR 32376, 32380-81 (July 16, 1991).

⁵ We note that, even if the petitions did not allege a regional market for the subject merchandise, industry support for these petitions represents more than 50 percent of national production of the domestic like product.

Scope of Investigations

For purposes of these investigations, the product covered is all steel concrete reinforcing bars (rebar) sold in straight lengths, currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under item number 7214.20.00 or any other tariff item number. Specifically excluded are plain rounds (*i.e.*, non-deformed or smooth bars) and rebar that has been further processed through bending or coating. HTSUS subheadings are provided for convenience and Customs purposes. The written description of the scope of this proceeding is dispositive.

During our review of the petitions, we discussed the scope with the petitioner to ensure that it accurately reflects the product for which the domestic industry is seeking relief. Moreover, as discussed in the preamble to the Department's regulations (62 FR 27323), we are setting aside a period for parties to raise issues regarding product coverage. The Department encourages all parties to submit such comments by August 18, 2000. Comments should be addressed to Import Administration's Central Records Unit at Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230. The period of scope consultations is intended to provide the Department with ample opportunity to consider all comments and consult with parties prior to the issuance of the preliminary determinations.

Export Price and Normal Value

The following are descriptions of the allegations of sales at less than fair value upon which the Department based its decision to initiate these investigations. The sources of data for the deductions and adjustments relating to home market price, U.S. price, and factors of production (FOP) are detailed in the *Initiation Checklist*. Where the petitioner obtained data from foreign market research, we spoke to the researcher to establish that person's credentials and to confirm the validity of the information being provided. Should the need arise to use any of this information as facts available under section 776 of the Act in our preliminary or final determinations, we may re-examine the information and revise the margin calculations, if appropriate.

Regarding the investigations involving non-market economies (NME), the Department presumes, based on the extent of central government control in an NME, that a single dumping margin, should there be one, is appropriate for

³ To date, the International Trade Commission has not considered the issue of whether to cumulatively assess the volume and effect of imports under section 771(7)(G)(i) of the Act in a regional industry case, where the petition alleges dumping of imports from more than one country. As a result, this case presents a novel question of whether to reach the cumulation issue before determining whether the subject imports were sufficiently concentrated within the alleged region, or whether to consider the concentration issue for each individual country, pursuant to section 771(4)(C) of the Act. Either method is a plausible interpretation of the statute. For purposes of these initiations, in our analysis of whether subject imports were sufficiently concentrated under section 771(4)(C) of the Act, we will accept the petitioner's allegation of injury based on the cumulative assessment of the volume and value of imports under section 771(7)(G)(i) of the Act.

all NME exporters in the given country. In the course of these investigations, all parties will have the opportunity to provide relevant information related to the issues of a country's NME status and the granting of separate rates to individual exporters. See, e.g., *Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the PRC*, 59 FR 22585 (May 2, 1994).

Austria

Export Price

The petitioner based export price (EP) on the March 2000 unit value reported in the Bureau of the Census IM-145 data and calculated a net U.S. price by deducting from this value international freight, U.S. port charges, and customs duties paid.

Normal Value

The petitioner based normal value (NV) on two methodologies. First, the petitioner provided an Austrian domestic price of high yield rebar obtained from an industry publication. However, because of the lack of specificity of the terms of sale associated with this price, we have not considered this value as a basis for NV. The petitioner also based NV on constructed value (CV), consisting of cost of manufacturing (COM), selling, general and administrative expenses (SG&A), profit, interest expense, depreciation, and packing. COM was calculated based on the average consumption rates of two U.S. rebar producers. The petitioner adjusted COM for known cost differences of the producers in the United States and Austria. To calculate SG&A and interest expense, the petitioner relied upon its own data because the Austrian producer's financial statements did not disclose these expenses. The petitioner derived profit based upon an Austrian rebar producer's 1998 financial statements.

Based upon the comparison of CV to EP, the petitioner calculated an estimated dumping margin of 104.05 percent.

Belarus

Export Price

The petitioner based EP on price quotes from Byelorussian Steel Works (BSW) to an unaffiliated U.S. purchaser for different sizes of rebar of the same grade and calculated a net U.S. price by deducting international freight and U.S. port charges.

Normal Value

The petitioner alleges that Belarus is an NME country, and calculated NV

based on the FOP methodology pursuant to section 773(c) of the Act. In accordance with section 771(18)(C) of the Act, any determination that a foreign country has at one time been considered an NME shall remain in effect until revoked. This status covers the geographic area of the former U.S.S.R., each part of which retains the NME status of the former U.S.S.R. Therefore, Belarus will be treated as an NME unless and until its NME status is revoked (see *Preliminary Determination of Sales at Less Than Fair Value: Uranium from Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Ukraine, and Uzbekistan*, 57 FR 23380 (June 3, 1992)).

For NV, the petitioner based the FOP, as defined by section 773(c)(3) of the Act, on the consumption rates of two U.S. rebar producers. The petitioner asserts that information regarding BSW's consumption rates is not available, and that the consumption rates of the two U.S. producers are typical of the global steel industry. Based on the information provided by the petitioner, we believe that the petitioner's FOP methodology represents information reasonably available to the petitioner and is appropriate for purposes of initiating this investigation.

The petitioner asserts that Thailand is the most appropriate surrogate country for Belarus, claiming that Thailand is: (1) A market economy; (2) a significant producer of comparable merchandise; and (3) at a level of economic development comparable to Belarus in terms of per capita GNP. Based on the information provided by the petitioner, we believe that the petitioner's use of Thailand as a surrogate country is appropriate for purposes of initiating this investigation.

In accordance with section 773(c)(4) of the Act, the petitioner valued FOP, where possible, on reasonably available, public surrogate country data from Thailand. Values for scrap steel and the scrap offset were based on Thai import prices listed in *TradStat Import/Exports Report* for the period October 1999 through March 2000. The value for electricity was obtained from the International Energy Agency's *Energy Prices & Taxes* Fourth Quarter 1999. The natural gas value was taken from *Coal and Natural Gas Competition in APEC Economies* August 1999. Labor was valued using the Department's regression-based wage rate for Belarus, in accordance with 19 CFR 351.408(c)(3).

The petitioner valued other production costs, for which no Thai surrogate values were available, with values from the two U.S. producers. All

surrogate values that fell outside the anticipated period of investigation (POI), which in the NME cases was October 1, 1999 through March 31, 2000, were adjusted for inflation. For electricity, we recalculated the inflator using the wholesale price index. To determine depreciation, SG&A, interest expenses, and profit, the petitioner relied on the data from a 1999 annual report of Sahaviriya Steel Industries Public Company Limited, a Thai steel producer. Based on the information provided by the petitioner, we believe that the surrogate values represent information reasonably available to the petitioner and are acceptable for purposes of initiating this investigation.

Based on comparisons of EP to NV, the petitioner calculated estimated dumping margins ranging from 49.06 to 56.48 percent.

Indonesia

Export Price

The petitioner based EP on price quotes from PT Jakarta Kyoei Steel Works Ltd. (Jakarta Kyoei) to an unaffiliated U.S. purchaser for different grades and sizes of rebar, and calculated a net U.S. price by deducting foreign inland freight, international freight, and Indonesian and U.S. port charges.

Normal Value

With respect to NV, the petitioner provided a home market price that was obtained from foreign market research for a grade and size of rebar that is comparable to those of the products exported to the United States which serve as the basis for EP. The petitioner states that the home market price quotation was FOB mill and did not make any deductions from this price.

Although the petitioner provided a margin based on a price-to-price comparison, it also provided information demonstrating reasonable grounds to believe or suspect that sales of rebar in the home market were made at prices below the fully absorbed COP, within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of the COM, SG&A, and packing. The petitioner calculated COM based on the consumption rates of a U.S. rebar producer. The petitioner adjusted COM for known differences in the production process used by producers in the United States and Indonesia. To calculate depreciation and SG&A, the petitioner relied upon amounts reported in Jakarta Kyoei's 1998 financial statements. For interest

expense, the petitioner used Jakarta Kyoei's 1997 financial statements, explaining that the 1998 interest expenses were unreasonably high as a result of the financial crisis.

Based upon the comparison of the adjusted prices of the foreign like product in the home market to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation. See the *Initiation of Cost Investigations* section below.

Pursuant to sections 773(a)(4), 773(b) and 773(e) of the Act, the petitioner also based NV for sales in Indonesia on CV. The petitioner calculated CV using the same COM, depreciation, SG&A, and interest expense figures used to compute Indonesian home market costs. Consistent with section 773(e)(2) of the Act, the petitioner included in CV an amount for profit. However, the profit amounted to zero because Jakarta Kyoei reported a loss on its 1998 financial statements. See, e.g., *Initiation of Antidumping Duty Investigations: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products From Argentina, Brazil, the People's Republic of China, Indonesia, Japan, the Russian Federation, Slovakia, South Africa, Taiwan, Thailand, Turkey, and Venezuela*, 64 FR 34194, 34202 (June 25, 1999) (Petitioners added to CV no amount for profit, because the Thai steel producer reported a loss in its 1998 financial statements).

Based upon the comparison of CV to EP, the petitioner has calculated an estimated dumping margin of 71.01 percent.

Japan

Export Price

The petitioner based EP on a price quote from Kyoei Steel Ltd. (Kyoei), to an unaffiliated U.S. purchaser for two grades and sizes of rebar, and calculated a net U.S. price by deducting foreign inland freight, international freight, U.S. port charges, and customs duties paid.

Normal Value

With respect to NV, the petitioner provided a home market price that was obtained from foreign market research for grades and sizes of rebar that are comparable to the products exported to the United States which serve as the basis for EP. The petitioner calculated an ex-factory NV by deducting from the quoted home market price foreign

inland freight and home market credit expense.

Although the petitioner provided a margin based on a price-to-price comparison, it also provided information demonstrating reasonable grounds to believe or suspect that sales of rebar in the home market were made at prices below the fully absorbed COP, within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of the COM, SG&A, interest expenses, and packing. The petitioner calculated COM based on the consumption rates of a U.S. rebar producer. The petitioner adjusted COM for known differences in the production process used by producers in the United States and Japan. To calculate depreciation, SG&A, and interest expenses, the petitioner relied upon the 1999 financial statements of Tokyo Steel Manufacturing Company (Tokyo Steel) because it was unable to locate public financial statements for Kyoei. Based upon the comparison of the price of the foreign like product in the home market to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation. See the *Initiation of Cost Investigation* section below.

Pursuant to sections 773(a)(4), 773(b) and 773(e) of the Act, the petitioner also based NV for sales in Japan on CV. The petitioner calculated CV using the same COM, depreciation, SG&A, and interest expense figures used to compute Japanese home market costs. Pursuant to section 773(e)(2) of the Act, the petitioner included in CV an amount for profit. However, the profit amounted to zero because Tokyo Steel reported a loss on its 1998 financial statement.

Based upon the comparison of CV to EP, the petitioner has calculated an estimated dumping margin of 188.79 percent.

Latvia

Export Price

The petitioner based EP on a price quote from Liepaja Metalurgs (Liepaja) to an unaffiliated U.S. purchaser for different grades and sizes of rebar, and calculated a net U.S. price by deducting international freight and Latvian and U.S. port charges.

Normal Value

The petitioner alleges that Latvia is an NME country, and calculated NV based on the FOP methodology pursuant to section 773(c) of the Act. For the reasons described above for Belarus, Latvia will be treated as an NME unless and until its NME status is revoked.

Given that information regarding Liepaja's consumption rates is not available, NV was calculated using the same methodology described above for Belarus. Further, Thailand was used as the surrogate country. We believe that Thailand is an appropriate surrogate for purposes of initiating this case with respect to Latvia for the same reasons as discussed above with respect to Belarus.

Based on comparisons of EP to NV, the petitioner calculated estimated dumping margins ranging from 45.52 to 58.40 percent.

Moldova

Export Price

The petitioner based EP on a price quote from Moldova Steel Works (MSW) to an unaffiliated U.S. purchaser for different grades and sizes of rebar, and calculated a net U.S. price by deducting foreign inland freight, international freight, and U.S. port charges.

Normal Value

The petitioner alleges that Moldova is an NME country, and constructed NV based on the FOP methodology pursuant to section 773(c) of the Act. For the reasons described above for Belarus, Moldova will be treated as an NME unless and until its NME status is revoked.

Given that information regarding MSW's consumption rates is not available, NV was calculated using the same methodology described above for Belarus, except that Indonesia, rather than Thailand, was used as the surrogate country for valuing the FOP. The petitioners assert that Indonesia is the most appropriate surrogate country for Moldova because Indonesia is: (1) A market economy country; (2) a significant producer of comparable merchandise; and (3) at a level of economic development comparable to Moldova in terms of per capita GNP. Based on the information provided by the petitioner, we believe that the petitioner's use of Indonesia as a surrogate country is appropriate for purposes of initiating this investigation.

In accordance with section 773(c)(4) of the Act, the petitioner valued FOP, where possible, on reasonably available, public surrogate country data from Indonesia. Values for scrap steel and the scrap offset were based on Indonesian

import prices listed in *TradStat Import/Exports Report* for the period October 1999 through March 2000. The values for electricity and gas were obtained from the International Energy Agency's *Energy Prices & Taxes* Fourth Quarter 1999. Labor was valued using the Department's regression-based wage rate for Moldova, in accordance with 19 CFR 351.408(c)(3).

The petitioner valued other production costs, for which no Indonesian surrogate values were available, using values from the two U.S. producers. All surrogate values which fall outside the POI were adjusted for inflation. To determine depreciation and SG&A, the petitioner applied rates derived from the 1998 financial statements of Jakarta Kyoei, an Indonesian producer of the subject merchandise. For interest expense, the petitioner used Jakarta Kyoei's 1997 financial statements, explaining that the 1998 interest expenses were unreasonably high as a result of the financial crisis. The amount for profit was reported as zero because Jakarta Kyoei reported a loss on its 1998 financial statements. Based on the information provided by the petitioner, we believe that the surrogate values represent information reasonably available to the petitioner and are acceptable for purposes of initiating this investigation.

Based on comparisons of EP to NV, the petitioner calculated an estimated dumping margin of 49.07 percent.

The People's Republic of China

Export Price

The petitioner based EP on a price quote from Laiwu Steel Group Limited (Laiwu) to an unaffiliated U.S. purchaser for different grades and sizes of rebar, and calculated a net U.S. price by deducting international freight, U.S. port charges, and customs duties paid.

Normal Value

The petitioner asserts that the PRC is an NME country, and that in all previous investigations the Department has determined that the PRC is an NME. See, e.g., *Natural Bristle Paintbrushes and Brush Heads From the People's Republic of China* 65 FR 13946 (March 15, 2000) (preliminary determination). The PRC will be treated as an NME unless and until its NME status is revoked. Pursuant to section 771(18)(C)(i) of the Act, because the PRC's status as an NME remains in effect, the petitioner determined the dumping margin using an NME analysis.

Given that information regarding Laiwu's consumption rates is not available, NV was calculated using the same methodology described above for Moldova. Further, Indonesia was used as the surrogate country. We believe that Indonesia is an appropriate surrogate for purposes of initiating this case with respect to the PRC for the same reasons as discussed above with respect to Moldova.

Based on comparisons of EP to NV, the petitioner calculated an estimated dumping margin of 59.98 percent.

Poland

Export Price

The petitioner based EP on a price quote from Huta Ostrowiec to an unaffiliated U.S. purchaser for different grades and sizes of rebar, and calculated a net U.S. price by deducting foreign inland freight, international freight, and U.S. port charges.

Normal Value

With respect to NV, the petitioner provided a home market price that was obtained from foreign market research for a grade and size of rebar that is comparable to those of the products exported to the United States which serve as the basis for EP. The petitioner states that the home market price quotation was FOB mill and did not make any deductions from this price.

Although the petitioner provided a margin based on a price-to-price comparison, it also provided information demonstrating reasonable grounds to believe or suspect that sales of rebar in the home market were made at prices below the fully absorbed COP, within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of the COM, SG&A, interest expenses, and packing. The petitioner calculated COM based on the average consumption rates of two U.S. rebar producers. The petitioner adjusted COM for known differences in the production process used by producers in the United States and Poland. To calculate depreciation, SG&A, and interest expenses, the petitioner also relied upon its own data because it was unable to locate public financial statements for Huta Ostrowiec. Based upon the comparison of the adjusted prices of the foreign like product in the home market to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section

773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation. See the *Initiation of Cost Investigation* section below.

Pursuant to sections 773(a)(4), 773(b) and 773(e) of the Act, the petitioner also based NV for sales in Poland on CV. The petitioner calculated CV using the same COM, depreciation, SG&A and interest expense figures used to compute Polish home market costs. Consistent with section 773(e)(2) of the Act, the petitioner also added to CV an amount for profit. Petitioner derived profit based upon its own data.

Based upon the comparison of CV to EP, the petitioner calculated an estimated dumping margin of 53.54 percent.

Republic of Korea

Export Price

The petitioner determined EP based on price quotes from Hanbo Iron and Steel Co. Ltd. (Hanbo) and the former Kangwon Industries Ltd. (Kangwon), which has recently been acquired by Inchon Iron & Steel Co. Ltd. (Inchon), to unaffiliated U.S. purchasers for different grades and sizes of rebar. The petitioner calculated a net U.S. price by deducting foreign inland freight, international freight charges, Korean and U.S. port charges, and customs duties paid.

Normal Value

With respect to NV, the petitioner provided home market prices that were obtained from foreign market research for grades and sizes of rebar that are comparable to the products exported to the United States which serve as the basis for EP. The petitioner calculated an ex-factory NV by deducting from the quoted home market prices foreign inland freight.

Although the petitioner provided a margin based on a price-to-price comparison, it also provided information demonstrating reasonable grounds to believe or suspect that sales of rebar in the home market were made at prices below the fully absorbed COP, within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of the COM, SG&A, interest expenses, and packing. The petitioner calculated COM based on the average consumption rates of two U.S. rebar producers. The petitioner adjusted COM for known differences in the production process used by producers in the United States and Korea. To calculate depreciation, SG&A, and

interest expenses the petitioner relied upon the 1998 unconsolidated annual report for Kangwon. Based upon the comparison of the adjusted prices of the foreign like product in the home market to the calculated COP of the product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation. See the *Initiation of Cost Investigation* section below.

Pursuant to sections 773(a)(4), 773(b) and 773(e) of the Act, the petitioner also based NV for sales in Korea on CV. The petitioner calculated CV using the same COM, depreciation, SG&A and interest expense figures used to compute Korean home market costs. Consistent with section 773(e)(2) of the Act, the petitioner also added to CV an amount for profit, using data from Inchon's 1998 financial statements because Kangwon had no profit in 1998.

Based upon the comparison of CV to EP, the petitioner calculated estimated dumping margins of 86.69 percent and 102.28 percent.

The Russian Federation

Export Price

The petitioner based EP on a price quote from Kuznetskiy Met Kombinat (KMK) to an unaffiliated U.S. purchaser for different grades and sizes of rebar, and given that the terms of this price quote were FOB mill, no deductions to the price quotation were made.

Normal Value

The petitioner asserts that the Russia is an NME country, and that in all previous investigations the Department has determined that Russia is an NME. See, e.g., *Notice of Final Determination of Sales at Less Than Fair Value; Solid Fertilizer Grade Ammonium Nitrate from the Russian Federation*, 65 FR 42669, 42670-71 (July 11, 2000) (final determination). Russia will be treated as an NME unless and until its NME status is revoked. Pursuant to section 771(18)(C)(i) of the Act, because Russia's status as an NME remains in effect, the petitioner determined the dumping margin using an NME analysis.

Given that information regarding KMK's consumption rates is not available, NV was calculated using the same methodology described above for Belarus. Further, Thailand was used as the surrogate country. We believe that Thailand is an appropriate surrogate for purposes of initiating this case with

respect to Russia for the same reasons as discussed above with respect to Belarus.

Based on comparisons of EP to NV, the petitioner calculated an estimated dumping margin of 68.87 percent.

Ukraine

Export Price

The petitioner based EP on a price quote from Krivoi Rog State Mining & Metal Works (Krivoi Rog) to an unaffiliated U.S. purchaser for different grades and sizes of rebar, and calculated a net U.S. price by deducting foreign inland freight, international freight, U.S. port costs, and customs duties paid.

Normal Value

The petitioner alleges that Ukraine is an NME country, and in all previous investigations, the Department has determined that Ukraine is an NME. See, e.g., *Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate From Ukraine*, 62 FR 61754 (November 19, 1997). Ukraine will be treated as an NME unless and until its NME status is revoked. Pursuant to section 771(18)(C)(i) of the Act, because Ukraine's status as an NME remains in effect, the petitioner determined the dumping margin using an NME analysis.

Given that information regarding Krivoi Rog's consumption rates is not available, NV was calculated using the same methodology described above for Moldova. Further, Indonesia was used as the surrogate country. We believe that Indonesia is an appropriate surrogate for purposes of initiating this case with respect to Ukraine for the same reasons discussed above with respect to Moldova.

Based on comparisons of EP to NV, the petitioner calculated an estimated dumping margin of 41.69 percent.

Venezuela

Export Price

The petitioner based EP on a price quote from Siderurgica del Turbio SA (Siderur) to an unaffiliated U.S. purchaser for different grades and sizes of rebar, and calculated a net U.S. price by deducting foreign inland freight, international freight, and Venezuelan and U.S. port charges.

Normal Value

With respect to NV, the petitioner provided a home market price obtained from foreign market research for grades and sizes of rebar comparable to the products exported to the United States which serve as the basis for EP. The petitioner calculated an ex-factory NV

by deducting from the quoted home market price movement related charges associated with delivering the merchandise to the Venezuelan customers.

Based upon the comparison of NV to EP, the petitioner calculated an estimated dumping margin of 125.49 percent.

Initiation of Cost Investigations

As noted above, pursuant to section 773(b) of the Act, the petitioner provided information demonstrating reasonable grounds to believe or suspect that sales in the home markets of Indonesia, Japan, Korea, and Poland were made at prices below the fully absorbed COP and, accordingly, requested that the Department conduct country-wide sales-below-COP investigations in connection with the requested antidumping investigations for these countries. The Statement of Administrative Action (SAA), submitted to the U.S. Congress in connection with the interpretation and application of the URAA, states that an allegation of sales below COP need not be specific to individual exporters or producers. SAA, H.R. Doc. No. 316 at 833 (1994). The SAA, at 833, states that "Commerce will consider allegations of below-cost sales in the aggregate for a foreign country, just as Commerce currently considers allegations of sales at less than fair value on a country-wide basis for purposes of initiating an antidumping investigation."

Further, the SAA provides that "new section 773(b)(2)(A) retains the current requirement that Commerce have 'reasonable grounds to believe or suspect' that below cost sales have occurred before initiating such an investigation. 'Reasonable grounds' * * * exist when an interested party provides specific factual information on costs and prices, observed or constructed, indicating that sales in the foreign market in question are at below-cost prices." *Id.* Based upon the comparison of the adjusted prices from the petition for the representative foreign like products to their COPs, we find the existence of "reasonable grounds to believe or suspect" that sales of these foreign like products in markets of Indonesia, Japan, Korea, and Poland were made below their respective COPs within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating the requested country-wide cost investigations.

Critical Circumstances

The petitioner has alleged that the Department should make an expedited

finding that critical circumstances exist with regard to imports of rebar from the PRC, Korea, Latvia, and Poland, and has supported its allegations with the following information.

First, the petitioner claims that the importers knew, or should have known, that the rebar was being sold at less than NV. Specifically, the petitioner alleges that the margins calculated in the petition for each of the four countries exceed the 25 percent threshold used by the Department to impute importer knowledge of dumping. Moreover, with regard to Korea and Latvia, the petitioner notes that exports of rebar from these countries have been subject to recent antidumping duties imposed by countries other than the United States.

The petitioner also has alleged that imports from these four countries have been massive over a relatively short period. Alleging that there was sufficient pre-filing notice of these antidumping petitions, the petitioner contends that for purposes of this determination, the Department should compare imports during September to December 1999 to imports during January to April 2000.⁶ As explained in section 351.206(i) of our regulations, "the Secretary normally will consider a 'relatively short period' as the period beginning on the date the proceeding begins and ending at least three months later. However, if the Secretary finds that importers, or exporters or producers, had reason to believe, at some time prior to the beginning of the proceeding, that a proceeding was likely, then the Secretary may consider a period of not less than three months from that earlier time."

The petitioner supported its claim that an earlier comparison period should be used with citations from a December 7, 1999, news article discussing the formation of a U.S. industry coalition and the likelihood of filing of antidumping petitions against producers of rebar. Additionally, in a petition amendment/supplement filed July 13, 2000, the petitioner provided several additional articles published prior to the petition filing that specifically referenced the volume of rebar exports from these four countries.

In the past, the Department concluded that a high level of press coverage provided foreign producers of rebar with prior knowledge of pending antidumping investigations. See *e.g.*, *Initiation of Antidumping Duty*

Investigations: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products From Argentina, Brazil, the People's Republic of China, Indonesia, Japan, the Russian Federation, Slovakia, South Africa, Taiwan, Thailand, Turkey, and Venezuela, 63 FR 34194, 34203 (June 25, 1999). Therefore, the Department considered import statistics contained in the petition for the periods September–December 1999 and January–April 2000 for Korea, Latvia and Poland, and the periods of August–December 1999 and January–May 2000 for the PRC. Based on this comparison, imports of rebar from the PRC increased by 130 percent, imports from Korea increased by 17 percent, imports from Latvia increased by 42.4 percent, and imports from Poland increased from zero imports to over forty thousand metric tons, an unquantifiable percentage.⁷

The Department also considers the extent of the increase in the volume of imports of the subject merchandise as one indicator of whether a reasonable basis exists to impute knowledge that material injury was likely. In the cases involving the PRC, Korea, Latvia and Poland, the increases in imports were in excess of fifteen percent, the amount considered "massive" by the Department. Taking into consideration the foregoing, we find that the petitioner has supported its claim of critical circumstances with information reasonably available for purposes of initiating a critical circumstances inquiry. For these reasons, we will investigate this matter further and will make a preliminary determination at the appropriate time, in accordance with section 735(e)(1) of the Act and the Department's practice (see Policy Bulletin 98/4 (63 FR 55364, October 15, 1998)).

Fair Value Comparisons

Based on the data provided by the petitioner, there is reason to believe that imports of rebar from Austria, Belarus, Indonesia, Japan, Korea, Latvia, Moldova, the PRC, Poland, Russia, Ukraine, and Venezuela are being, or are likely to be, sold at less than fair value.

Allegations and Evidence of Material Injury and Causation

The petitions allege that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the individual and cumulated imports of the subject merchandise sold at less than NV. The petitioner contends

that the industry's injured condition is evident in the declining trends in net operating profits, net sales volumes, profit to sales ratios, and capacity utilization. The allegations of injury and causation are supported by relevant evidence including U.S. Customs import data, lost sales, and pricing information. We have assessed the allegations and supporting evidence regarding material injury and causation, and have determined that these allegations are properly supported by accurate and adequate evidence and meet the statutory requirements for initiation (see *Initiation Checklist* at Attachment Re: Material Injury).

Initiation of Antidumping Investigations

Based upon our examination of the petitions on rebar, and the petitioner's responses to our supplemental questionnaire clarifying the petitions, as well as our conversations with foreign market researchers and other experts who provided information concerning various aspects of the petitions, we have found that they meet the requirements of section 732 of the Act. Therefore, we are initiating antidumping duty investigations to determine whether imports of rebar from Austria, Belarus, Indonesia, Japan, Korea, Latvia, Moldova, the PRC, Poland, Russia, Ukraine, and Venezuela are being, or are likely to be, sold in the United States at less than fair value. Unless this deadline is extended, we will make our preliminary determinations no later than 140 days after the date of this initiation.

Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A) of the Act, a copy of the public version of each petition has been provided to the representatives of the governments of Austria, Belarus, Indonesia, Japan, Korea, Latvia, Moldova, the PRC, Poland, Russia, Ukraine, and Venezuela. We will attempt to provide a copy of the public version of each petition to each exporter named in the petition, as appropriate.

International Trade Commission Notification

We have notified the ITC of our initiations, as required by section 732(d) of the Act.

Preliminary Determinations by the ITC

The ITC will determine, no later than August 14, 2000, whether there is a reasonable indication that imports of certain rebar products from Austria, Belarus, Indonesia, Japan, Korea, Latvia, Moldova, the PRC, Poland, Russia,

⁶ For the PRC, the petitioner compared imports from the five-month period of August to December 1999, and January to May 2000, in order to include a significant May shipment of rebar in its analysis.

⁷ In the period of September to December 1999, there were no imports of rebar from Poland.

Ukraine, and Venezuela are causing material injury, or threatening to cause material injury, to a U.S. industry. A negative ITC determination for any country will result in the investigation being terminated with respect to that country; otherwise, these investigations will proceed according to statutory and regulatory time limits.

This notice is issued and published pursuant to section 777(i) of the Act.

Dated: July 18, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration.

[FR Doc. 00-18809 Filed 7-24-00; 8:45 am]

BILLING CODE 3510-DS-P

APPENDIX B
CONFERENCE WITNESSES

CALENDAR OF THE PUBLIC CONFERENCE

Those listed below appeared as witnesses at the United States International Trade Commission's conference:

Subject: Ceratin Steel Concrete Reinforcing Bars from Austria, Belarus, China, Indonesia, Japan, Korea, Latvia, Moldova, Poland, Russia, Ukraine, and Venezuela

Invs. Nos.: 731-TA-872-883 (Preliminary)

Date and Time: July 19, 2000 - 9:30 a.m.

Sessions were held in connection with these investigations in the Main Hearing Room, 500 E Street, SW, Washington, DC.

In support of the petitions:

Wiley, Rein & Fielding, LLP
Washington, D.C.
on behalf of

Rebar Trade Action Coalition ("RTAC")

John Correnti, CEO, Birmingham Steel Corp.

Phil Casey, CEO, AmeriSteel

Clyde Selig, President, CMC Steel Group

Chuck Doepken, Steel Sales Manager, Sherman International

Jim Fritsch, Vice President for Strategic Planning, CMC Steel Group

Daryle L. Doden, President, Ambassador Steel Corp.

Martin R. Koch, President, Southwestern Suppliers, Inc.

Jim Melvin, Vice President, Re-Steel Supply

Seth T. Kaplan, Economic Consultant, Charles River Associates, Inc.

Charles Owen Verrill, Jr.)-OF COUNSEL
Alan H. Price)
John R. Shane)
Timothy C. Brightbill)

In opposition to the petitions:

Clifford, Chance, Rogers & Wells, LLP
Washington, D.C.
on behalf of

Huta Ostrowiec S.A.,
Huta Zawiercie,
Stalexport S.A., and
JS Liepajas Metalurgs

William Silverman)-OF COUNSEL

White & Case, LLP
Washington, D.C.
on behalf of

Moldova Steel Works

Lyle Vander Schaaf)-OF COUNSEL
Lynn Fabrizio)

Powell, Goldstein, Frazer & Murphy, LLP
Washington, D.C.
on behalf of

JSC Severstal

Peter O. Suchman)-OF COUNSEL
Elizabeth C. Hafner)

Kaye, Scholer, Fierman, Hays & Handler, LLP
Washington, D.C.
on behalf of

Siderurgica del Turbio S.A. ("Sidetur")

Nicolas Denis, Sales and Marketing Manager, Sidetur

Julie Mendoza)-OF COUNSEL
Margaret E. Scicluna)

In opposition to the petitions:--Continued

Holland & Knight, LLP
Washington, D.C.
on behalf of

Byelorussian Steel Works

V.N. Kushnarov, Director of Operations, Bel-Kap Steel LLC

Frederick P. Waite)-OF COUNSEL
Kimberly R. Young)

Aitken Irvin Berlin & Vrooman, LLP
Washington, D.C.
on behalf of

Kennett International Corp.

Michael MacReady, President, Kennett International

Bruce Aitken)-OF COUNSEL
Kieran Sharpe)

Embassy of Ukraine

Yurii O. Krutovertsev, Deputy Head of Trade and Economic Mission of Ukraine

APPENDIX C
SUMMARY DATA

Table C-1

Rebar: Summary data concerning the region, 1997-99, January-March 1999, and January-March 2000

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

Item	Reported data					Period changes			
	1997	1998	1999	January-March		1997-99	1997-98	1998-99	Jan.-Mar. 1999-00
				1999	2000				
Regional consumption quantity:									
Amount	4,313,150	4,652,650	5,502,466	1,235,920	1,470,030	27.6	7.9	18.3	18.9
U.S. producers' share (1):									
Regional producers	82.9	75.3	68.0	72.3	65.8	-14.9	-7.6	-7.3	-6.5
Outside producers	3.9	3.4	3.5	4.3	3.5	-0.4	-0.4	0.1	-0.7
Importers' share (1):									
Austria	0.1	(2)	0.7	1.5	0.3	0.6	-0.1	0.7	-1.2
Belarus	0.0	0.2	1.3	1.0	0.8	1.3	0.2	1.1	-0.2
China	0.0	0.0	0.3	0.0	1.0	0.3	0.0	0.3	1.0
Indonesia	0.0	1.0	1.2	0.5	0.0	1.2	1.0	0.2	-0.5
Japan	0.0	0.8	2.8	2.2	0.0	2.8	0.8	2.0	-2.2
Korea	0.0	8.7	5.3	5.6	11.0	5.3	8.7	-3.4	5.4
Latvia	0.8	2.1	5.5	5.1	7.3	4.8	1.3	3.4	2.2
Moldova	0.6	4.0	3.3	2.3	3.7	2.8	3.5	-0.7	1.4
Poland	0.4	1.1	0.2	0.0	3.2	-0.2	0.8	-0.9	3.2
Russia	(2)	0.4	0.9	0.3	0.2	0.9	0.4	0.5	-0.1
Ukraine	(2)	0.1	1.7	0.0	0.0	1.7	(2)	1.7	0.0
Venezuela	1.4	0.5	0.9	0.7	0.0	-0.5	-1.0	0.5	-0.7
Subtotal	3.3	18.8	24.1	19.4	27.6	20.8	15.5	5.3	8.2
Other sources	9.9	2.5	4.3	4.1	3.1	-5.6	-7.5	1.9	-1.0
Total imports	13.2	21.3	28.5	23.4	30.7	15.2	8.0	7.2	7.2
Regional consumption value:									
Amount	1,305,938	1,388,452	1,383,095	320,355	365,137	5.9	6.3	-0.4	14.0
U.S. producers' share (1):									
Regional producers	84.6	76.8	72.7	75.2	71.3	-11.9	-7.8	-4.1	-3.9
Outside producers	3.8	3.4	3.8	4.4	3.9	(3)	-0.3	0.3	-0.6
Importers' share (1):									
Austria	0.1	(2)	0.5	1.0	0.2	0.4	-0.1	0.5	-0.8
Belarus	0.0	0.2	1.1	1.2	0.5	1.1	0.2	0.9	-0.7
China	0.0	0.0	0.2	0.0	0.8	0.2	0.0	0.2	0.8
Indonesia	0.0	0.7	1.2	1.7	0.0	1.2	0.7	0.5	-1.7
Japan	0.0	0.6	2.4	1.8	0.0	2.4	0.6	1.8	-1.8
Korea	0.0	7.7	4.3	4.4	8.9	4.3	7.7	-3.4	4.5
Latvia	0.7	2.4	4.3	3.8	5.8	3.7	1.8	1.9	2.0
Moldova	0.7	4.2	2.9	2.1	3.0	2.2	3.5	-1.3	0.9
Poland	0.3	1.1	0.1	0.0	2.6	-0.2	0.7	-0.9	2.6
Russia	(2)	0.3	0.6	0.3	0.2	0.6	0.3	0.3	-0.1
Ukraine	(2)	0.1	1.3	0.0	0.0	1.3	(2)	1.3	0.0
Venezuela	1.3	0.3	0.8	0.6	0.0	-0.5	-1.0	0.4	-0.6
Subtotal	3.2	17.6	19.7	16.8	22.0	16.5	14.4	2.1	5.2
Other sources	8.4	2.2	3.8	3.5	2.8	-4.6	-6.3	1.7	-0.7
Total imports	11.6	19.8	23.6	20.3	24.8	11.9	8.2	3.8	4.5

See footnotes at end of table

Table C-1--Continued

Rebar: Summary data concerning the region, 1997-99, January-March 1999, and January-March 2000

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

Item	Reported data					Period changes			
	1997	1998	1999	January-March		1997-99	1997-98	1998-99	Jan.-Mar. 1999-00
				1999	2000				
U.S. imports into the region from:									
Austria:									
Quantity	5,695	34	37,964	19,050	4,635	566.6	-99.4	(4)	-75.7
Value	1,543	43	6,759	3,226	897	338.2	-97.2	(4)	-72.2
Unit value	\$270.86	\$1,273.13	\$178.03	\$169.37	\$193.48	-34.3	370.0	-86.0	14.2
Belarus:									
Quantity	0	8,523	71,438	12,074	11,068	(5)	(5)	738.2	-8.3
Value	0	2,365	14,662	3,987	2,000	(5)	(5)	520.0	-49.8
Unit value	(5)	\$277.46	\$205.24	\$330.21	\$180.67	(5)	(5)	-26.0	-45.3
China:									
Quantity	0	0	17,417	0	14,787	(5)	0.0	(5)	(5)
Value	0	0	3,330	0	3,001	(5)	0.0	(5)	(5)
Unit value	(5)	(5)	\$191.21	(5)	\$202.96	(5)	(5)	(5)	(5)
Indonesia:									
Quantity	0	44,504	63,748	6,453	0	(5)	(5)	43.2	-100.0
Value	0	9,708	16,185	5,484	0	(5)	(5)	66.7	-100.0
Unit value	(5)	\$218.14	\$253.90	\$849.78	(5)	(5)	(5)	16.4	(5)
Japan:									
Quantity	0	36,886	153,149	27,252	0	(5)	(5)	315.2	-100.0
Value	0	8,085	32,596	5,634	0	(5)	(5)	303.2	-100.0
Unit value	(5)	\$219.19	\$212.84	\$206.72	(5)	(5)	(5)	-2.9	(5)
Korea:									
Quantity	0	405,254	291,275	69,528	162,352	(5)	(5)	-28.1	133.5
Value	0	107,157	59,202	13,954	32,393	(5)	(5)	-44.8	132.1
Unit value	(5)	\$264.42	\$203.25	\$200.69	\$199.53	(5)	(5)	-23.1	-0.6
Latvia:									
Quantity	33,378	97,002	303,997	63,553	107,297	810.8	190.6	213.4	68.8
Value	9,040	34,013	60,153	12,077	21,235	565.4	276.3	76.9	75.8
Unit value	\$270.83	\$350.65	\$197.87	\$190.02	\$197.90	-26.9	29.5	-43.6	4.1
Moldova:									
Quantity	24,305	187,250	183,803	28,365	54,629	656.2	670.4	-1.8	92.6
Value	9,398	58,463	40,228	6,787	10,932	328.0	522.1	-31.2	61.1
Unit value	\$386.67	\$312.22	\$218.87	\$239.26	\$200.12	-43.4	-19.3	-29.9	-16.4
Poland:									
Quantity	16,830	53,231	10,681	0	46,868	-36.5	216.3	-79.9	(5)
Value	4,447	15,034	2,049	0	9,345	-53.9	238.1	-86.4	(5)
Unit value	\$264.21	\$282.43	\$191.88	(5)	\$199.39	-27.4	6.9	-32.1	(5)
Russia:									
Quantity	132	19,122	48,045	4,121	3,558	(3)	(3)	151.3	-13.7
Value	36	4,552	8,691	818	654	(3)	(3)	90.9	-20.1
Unit value	\$274.42	\$238.04	\$180.90	\$198.59	\$183.83	-34.1	-13.3	-24.0	-7.4
Ukraine:									
Quantity	989	3,074	95,904	0	0	(4)	211.0	(4)	0.0
Value	273	826	18,412	0	0	(4)	203.0	(4)	0.0
Unit value	\$275.81	\$268.73	\$191.98	(5)	(5)	-30.4	-2.6	-28.6	(5)
Venezuela:									
Quantity	61,014	20,969	49,706	9,023	0	-18.5	-65.6	137.0	-100.0
Value	17,385	4,717	10,819	1,947	0	-37.8	-72.9	129.3	-100.0
Unit value	\$284.94	\$224.97	\$217.66	\$215.82	(5)	-23.6	-21.0	-3.2	(5)
Subtotal:									
Quantity	142,342	875,850	1,327,127	239,418	405,193	832.3	515.3	51.5	69.2
Value	42,121	244,963	273,087	53,913	80,457	548.3	481.6	11.5	49.2
Unit value	\$295.91	\$279.69	\$205.77	\$225.18	\$198.56	-30.5	-5.5	-26.4	-11.8
Other sources:									
Quantity	428,657	114,612	238,979	50,133	45,651	-44.2	-73.3	108.5	-8.9
Value	109,919	29,918	52,915	11,228	10,148	-51.9	-72.8	76.9	-9.6
Unit value	\$256.43	\$261.04	\$221.42	\$223.97	\$222.31	-13.7	1.8	-15.2	-0.7
All sources:									
Quantity	571,000	990,462	1,566,106	289,551	450,844	174.3	73.5	58.1	55.7
Value	152,040	274,881	326,002	65,141	90,605	114.4	80.8	18.6	39.1
Unit value	\$266.27	\$277.53	\$208.16	\$224.97	\$200.97	-21.8	4.2	-25.0	-10.7

See footnotes at end of table

Table C-1--Continued

Rebar: Summary data concerning the region, 1997-99, January-March 1999, and January-March 2000

Item	(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)									
	Reported data					Period changes				
	1997	1998	1999	January-March		1997-99	1997-98	1998-99	Jan.-Mar.	
			1999	2000				1999-00		
U.S. regional producers:										
Average capacity quantity	6,156,550	6,207,250	6,531,500	1,622,562	1,656,562	6.1	0.8	5.2	2.1	
Production quantity	3,867,503	3,831,913	4,042,589	914,505	1,037,120	4.5	-0.9	5.5	13.4	
Capacity utilization (1)	62.8	61.7	61.9	56.4	62.6	-0.9	-1.1	0.2	6.2	
U.S. shipments within the region:										
Quantity	3,575,160	3,502,716	3,742,695	893,816	967,151	4.7	-2.0	6.9	8.2	
Value	1,104,695	1,065,887	1,005,170	240,978	260,364	-9.0	-3.5	-5.7	8.0	
Unit value	\$308.99	\$304.30	\$268.57	\$269.61	\$269.21	-13.1	-1.5	-11.7	-0.1	
U.S. shipments outside the region:										
Quantity	247,303	244,905	276,586	51,128	57,782	11.8	-1.0	12.9	13.0	
Value	77,277	77,023	77,829	14,489	16,062	0.7	-0.3	1.0	10.9	
Unit value	\$312.48	\$314.50	\$281.39	\$283.39	\$277.98	-9.9	0.6	-10.5	-1.9	
Export shipments:										
Quantity	31,235	24,840	19,428	4,523	5,832	-37.8	-20.5	-21.8	28.9	
Value	9,448	7,565	5,206	1,128	1,506	-44.9	-19.9	-31.2	33.6	
Unit value	\$302.49	\$304.53	\$267.95	\$249.30	\$258.25	-11.4	0.7	-12.0	3.6	
Ending inventory quantity	297,569	352,991	356,886	318,037	363,242	19.9	18.6	1.1	14.2	
Inventories/total shipments (1)	7.7	9.4	8.8	8.4	8.8	1.1	1.6	-0.5	0.4	
Production workers	2,872	2,934	2,993	2,961	2,984	4.2	2.2	2.0	0.8	
Hours worked (1,000s)	5,074	5,076	5,340	1,291	1,251	5.2	0.0	5.2	-3.1	
Wages paid (\$1,000s)	98,420	101,423	111,961	26,711	27,927	13.8	3.1	10.4	4.6	
Hourly wages	\$19.40	\$19.98	\$20.97	\$20.68	\$22.32	8.1	3.0	4.9	7.9	
Productivity (tons per 1,000 hours)	734.0	719.0	717.8	674.6	791.3	-2.2	-2.0	-0.2	17.3	
Unit labor costs	\$26.42	\$27.79	\$29.21	\$30.66	\$28.20	10.5	5.2	5.1	-8.0	
Net sales:										
Quantity	3,844,429	3,802,640	4,034,604	950,643	1,032,054	4.9	-1.1	6.1	8.6	
Value	1,188,353	1,144,989	1,108,970	259,699	281,200	-6.7	-3.6	-3.1	8.3	
Unit value	\$309.11	\$301.10	\$274.86	\$273.18	\$272.47	-11.1	-2.6	-8.7	-0.3	
Cost of goods sold (COGS)	1,043,362	1,003,901	986,336	226,348	255,665	-5.5	-3.8	-1.7	13.0	
Gross profit or (loss)	144,991	141,088	122,634	33,351	25,535	-15.4	-2.7	-13.1	-23.4	
SG&A expenses	53,937	52,654	60,397	12,672	14,564	12.0	-2.4	14.7	14.9	
Operating income or (loss)	91,054	88,434	62,237	20,679	10,971	-31.6	-2.9	-29.6	-46.9	
Capital expenditures	69,122	98,358	114,813	30,508	16,376	66.1	42.3	16.7	-46.3	
Unit COGS	\$271.40	\$264.00	\$244.47	\$238.10	\$247.72	-9.9	-2.7	-7.4	4.0	
Unit SG&A expenses	\$14.03	\$13.85	\$14.97	\$13.33	\$14.11	6.7	-1.3	8.1	5.9	
Unit operating income or (loss)	\$23.68	\$23.26	\$15.43	\$21.75	\$10.63	-34.9	-1.8	-33.7	-51.1	
COGS/sales (1)	87.8	87.7	88.9	87.2	90.9	1.1	-0.1	1.3	3.8	
Operating income or (loss)/ sales (1)	7.7	7.7	5.6	8.0	3.9	-2.1	0.1	-2.1	-4.1	
U.S. shipments into the region by outside U.S. producers:										
Quantity	166,990	159,472	193,665	52,553	52,035	16.0	-4.5	21.4	-1.0	
Value	49,203	47,685	51,923	14,236	14,168	5.5	-3.1	8.9	-0.5	
Unit value	\$294.65	\$299.02	\$268.11	\$270.89	\$272.28	-9.0	1.5	-10.3	0.5	

(1) "Reported data" are in percent and "period changes" are in percentage points.

(2) Less than 0.05 percent or percentage point, as applicable.

(3) A decrease of less than 0.05 percentage point.

(4) Increase greater than 1,000 percent.

(5) Not applicable.

Note.—Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis. Because of rounding, figures may not add to the totals shown. Unit values and shares are calculated from the unrounded figures.

Source: Compiled from data submitted in response to Commission questionnaires and from official Commerce statistics.

Table C-2

Rebar: Summary data concerning the total U.S. market, 1997-99, January-March 1999, and January-March 2000

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

Item	Reported data					Period changes			
	1997	1998	1999	January-March		1997-99	1997-98	1998-99	Jan.-Mar. 1999-00
				1999	2000				
U.S. consumption quantity:									
Amount	6,470,534	6,854,788	7,923,845	1,740,884	2,027,456	22.5	5.9	15.6	16.5
Producers' share (1)	90.2	83.1	77.2	81.6	75.6	-12.9	-7.0	-5.9	-6.0
Importers' share (1):									
Austria	0.1	(2)	0.5	1.1	0.2	0.4	-0.1	0.5	-0.9
Belarus	0.0	0.1	0.9	0.7	0.5	0.9	0.1	0.8	-0.1
China	0.0	0.0	0.2	0.0	0.7	0.2	0.0	0.2	0.7
Indonesia	0.0	0.6	0.9	0.4	0.0	0.9	0.6	0.2	-0.4
Japan	0.0	1.0	2.9	1.9	0.6	2.9	1.0	2.0	-1.3
Korea	0.3	7.7	5.3	5.1	9.4	5.1	7.4	-2.3	4.3
Latvia	0.5	1.4	3.8	3.7	5.3	3.3	0.9	2.4	1.6
Moldova	0.4	2.7	2.3	1.6	2.7	1.9	2.4	-0.4	1.1
Poland	0.3	0.8	0.1	0.0	2.3	-0.1	0.5	-0.6	2.3
Russia	(2)	0.3	0.6	0.2	0.2	0.6	0.3	0.3	-0.1
Ukraine	(2)	(2)	1.2	0.0	0.0	1.2	(2)	1.2	0.0
Venezuela	1.0	0.3	0.6	0.5	0.0	-0.4	-0.7	0.3	-0.5
Subtotal	2.6	15.0	19.5	15.2	22.0	16.9	12.4	4.5	6.8
Other sources	7.3	1.9	3.3	3.2	2.4	-4.0	-5.4	1.4	-0.8
Total imports	9.8	16.9	22.8	18.4	24.4	12.9	7.0	5.9	6.0
U.S. consumption value:									
Amount	1,948,103	2,047,728	2,042,731	460,606	514,434	4.9	5.1	-0.2	11.7
Producers' share (1)	91.2	84.5	81.4	84.3	80.5	-9.8	-6.7	-3.1	-3.8
Importers' share (1):									
Austria	0.1	(2)	0.3	0.7	0.2	0.3	-0.1	0.3	-0.5
Belarus	0.0	0.1	0.7	0.9	0.4	0.7	0.1	0.6	-0.5
China	0.0	0.0	0.2	0.0	0.6	0.2	0.0	0.2	0.6
Indonesia	0.0	0.5	0.9	1.2	0.0	0.9	0.5	0.4	-1.2
Japan	0.0	0.7	2.4	1.5	0.5	2.4	0.7	1.7	-1.0
Korea	0.3	6.8	4.3	4.0	7.5	4.0	6.5	-2.4	3.6
Latvia	0.5	1.7	2.9	2.6	4.1	2.5	1.2	1.3	1.5
Moldova	0.5	2.9	2.0	1.5	2.1	1.5	2.4	-0.9	0.7
Poland	0.2	0.7	0.1	0.0	1.8	-0.1	0.5	-0.6	1.8
Russia	(2)	0.2	0.4	0.2	0.1	0.4	0.2	0.2	-0.1
Ukraine	(2)	(2)	0.9	0.0	0.0	0.9	(2)	0.9	0.0
Venezuela	1.0	0.2	0.5	0.4	0.0	-0.4	-0.7	0.3	-0.4
Subtotal	2.5	13.8	15.7	13.0	17.4	13.2	11.3	1.9	4.4
Other sources	6.3	1.7	2.9	2.7	2.1	-3.4	-4.6	1.2	-0.6
Total imports	8.8	15.5	18.6	15.7	19.5	9.8	6.7	3.1	3.8

See footnotes at end of table

Table C-2--Continued

Rebar: Summary data concerning the total U.S. market, 1997-99, January-March 1999, and January-March 2000

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

Item	Reported data					Period changes			
	1997	1998	1999	January-March		1997-99	1997-98	1998-99	Jan.-Mar. 1999-00
				1999	2000				
U.S. imports from:									
Austria:									
Quantity	5,695	34	37,964	19,050	4,635	566.6	-99.4	(3)	-75.7
Value	1,543	43	6,759	3,226	897	338.2	-97.2	(3)	-72.2
Unit value	\$270.86	\$1,273.13	\$178.03	\$169.37	\$193.48	-34.3	370.0	-86.0	14.2
Ending inventory quantity	0	0	0	0	0	0.0	0.0	0.0	0.0
Belarus:									
Quantity	0	8,523	71,438	12,074	11,068	(4)	(4)	738.2	-8.3
Value	0	2,365	14,662	3,987	2,000	(4)	(4)	520.0	-49.8
Unit value	(4)	\$277.46	\$205.24	\$330.21	\$180.67	(4)	(4)	-26.0	-45.3
Ending inventory quantity	0	0	0	0	0	0.0	0.0	0.0	0.0
China:									
Quantity	0	0	17,547	0	14,787	(4)	0.0	(4)	(4)
Value	0	0	3,360	0	3,001	(4)	0.0	(4)	(4)
Unit value	(4)	(4)	\$191.47	(4)	\$202.96	(4)	(4)	(4)	(4)
Ending inventory quantity	0	0	0	0	0	0.0	0.0	0.0	0.0
Indonesia:									
Quantity	0	44,504	69,261	6,453	0	(4)	(4)	55.6	-100.0
Value	0	9,708	17,411	5,484	0	(4)	(4)	79.3	-100.0
Unit value	(4)	\$218.14	\$251.38	\$849.78	(4)	(4)	(4)	15.2	(4)
Ending inventory quantity	0	5,282	0	7,246	0	0.0	(4)	-100.0	-100.0
Japan:									
Quantity	0	66,341	231,985	33,744	12,524	(4)	(4)	249.7	-62.9
Value	0	14,863	49,922	7,019	2,628	(4)	(4)	235.9	-62.6
Unit value	(4)	\$224.04	\$215.20	\$208.01	\$209.83	(4)	(4)	-3.9	0.9
Ending inventory quantity	0	0	0	0	0	0.0	0.0	0.0	0.0
Korea:									
Quantity	19,368	527,080	423,893	88,898	190,853	(3)	(3)	-19.6	114.7
Value	5,650	138,508	88,385	18,336	38,823	(3)	(3)	-36.2	111.7
Unit value	\$291.74	\$262.78	\$208.51	\$206.26	\$203.42	-28.5	-9.9	-20.7	-1.4
Ending inventory quantity	625	3,236	22,052	7,271	89	(3)	417.8	581.5	-98.8
Latvia:									
Quantity	33,378	97,002	303,997	63,553	107,297	810.8	190.6	213.4	68.8
Value	9,040	34,013	60,153	12,077	21,235	565.4	276.3	76.9	75.8
Unit value	\$270.83	\$350.65	\$197.87	\$190.02	\$197.90	-26.9	29.5	-43.6	4.1
Ending inventory quantity	0	4,823	4,465	8,236	2,084	(4)	(4)	-7.4	-74.7
Moldova:									
Quantity	24,305	187,271	183,803	28,365	54,629	656.2	670.5	-1.9	92.6
Value	9,398	58,477	40,228	6,787	10,932	328.0	522.2	-31.2	61.1
Unit value	\$386.67	\$312.26	\$218.87	\$239.26	\$200.12	-43.4	-19.2	-29.9	-16.4
Ending inventory quantity	132	3,410	0	0	0	-100.0	(3)	-100.0	0.0
Poland:									
Quantity	16,830	53,231	10,681	0	46,868	-36.5	216.3	-79.9	(2)
Value	4,447	15,034	2,049	0	9,345	-53.9	238.1	-86.4	(2)
Unit value	\$264.21	\$282.43	\$191.88	(4)	\$199.39	-27.4	6.9	-32.1	(2)
Ending inventory quantity	0	2,475	0	619	74	0.0	(4)	-100.0	-88.0
Russia:									
Quantity	132	19,122	48,102	4,121	3,558	(3)	(3)	151.5	-13.7
Value	36	4,552	8,714	818	654	(3)	(3)	91.4	-20.1
Unit value	\$274.42	\$238.04	\$181.15	\$198.59	\$183.83	-34.0	-13.3	-23.9	-7.4
Ending inventory quantity	0	0	0	0	0	0.0	0.0	0.0	0.0
Ukraine:									
Quantity	989	3,074	95,904	0	0	(3)	211.0	(3)	0.0
Value	273	826	18,412	0	0	(3)	203.0	(3)	0.0
Unit value	\$275.81	\$268.73	\$191.98	(4)	(4)	-30.4	-2.6	-28.6	(4)
Ending inventory quantity	0	0	13,282	0	7,842	(4)	0.0	(4)	(4)
Venezuela:									
Quantity	64,875	22,168	49,730	9,023	0	-23.3	-65.8	124.3	-100.0
Value	18,667	5,075	10,828	1,947	0	-42.0	-72.8	113.4	-100.0
Unit value	\$287.74	\$228.93	\$217.73	\$215.82	(4)	-24.3	-20.4	-4.9	(4)
Ending inventory quantity	1,215	3,185	1,135	4,080	646	-6.6	162.1	-64.4	-84.2
Subtotal:									
Quantity	165,571	1,028,352	1,544,304	265,280	446,218	832.7	521.1	50.2	68.2
Value	49,053	283,464	320,882	59,681	89,514	554.2	477.9	13.2	50.0
Unit value	\$296.27	\$275.65	\$207.78	\$224.97	\$200.61	-29.9	-7.0	-24.6	-10.8
Ending inventory quantity	1,972	22,411	40,934	27,452	10,735	(3)	(3)	82.7	-60.9
Other sources:									
Quantity	470,795	127,158	259,250	54,971	48,258	-44.9	-73.0	103.9	-12.2
Value	122,885	34,277	58,881	12,641	10,981	-52.1	-72.1	71.8	-13.1
Unit value	\$261.02	\$269.57	\$227.12	\$229.96	\$227.55	-13.0	3.3	-15.7	-1.0
Ending inventory quantity	2,664	3,051	24,304	2,962	7,748	812.3	14.5	696.6	161.6
All sources:									
Quantity	636,366	1,155,510	1,803,554	320,251	494,475	183.4	81.6	56.1	54.4
Value	171,939	317,742	379,764	72,322	100,495	120.9	84.8	19.5	39.0
Unit value	\$270.19	\$274.98	\$210.56	\$225.83	\$203.24	-22.1	1.8	-23.4	10.7
Ending inventory quantity	4,636	25,462	65,238	30,414	18,483	(3)	449.2	156.2	-39.2

See footnotes at end of table

Table C-2--Continued

Rebar: Summary data concerning the total U.S. market, 1997-99, January-March 1999, and January-March 2000

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

Item	Reported data					Period changes			Jan.-Mar. 1999-00
	1997	1998	1999	January-March 1999	2000	1997-99	1997-98	1998-99	
U.S. producers:									
Average capacity quantity	8,966,550	9,206,150	9,650,400	2,385,612	2,404,412	7.6	2.7	4.8	0.8
Production quantity	5,961,930	5,992,378	6,188,126	1,354,144	1,575,070	3.8	0.5	3.3	16.3
Capacity utilization (1)	66.5	65.1	64.1	56.8	65.5	-2.4	-1.4	-1.0	8.7
U.S. shipments:									
Quantity	5,834,168	5,699,278	6,120,291	1,420,633	1,532,981	4.9	-2.3	7.4	7.9
Value	1,776,164	1,729,986	1,662,967	388,285	413,938	-6.4	-2.6	-3.9	6.6
Unit value	\$304.44	\$303.54	\$271.71	\$273.32	\$270.02	-10.8	-0.3	-10.5	-1.2
Export shipments:									
Quantity	149,502	127,433	113,211	22,640	27,838	-24.3	-14.8	-11.2	23.0
Value	45,101	38,492	30,581	6,114	7,457	-32.2	-14.7	-20.6	22.0
Unit value	\$301.68	\$302.05	\$270.12	\$270.04	\$267.87	-10.5	0.1	-10.6	-0.8
Ending inventory quantity	449,016	610,469	563,080	520,734	577,032	25.4	36.0	-7.8	10.8
Inventories/total shipments (1)	7.5	10.5	9.0	9.0	9.2	1.5	3.0	-1.4	0.2
Production workers	4,526	4,518	4,645	4,625	4,542	2.6	-0.2	2.8	-1.8
Hours worked (1,000s)	8,588	8,490	8,701	2,204	2,064	1.3	-1.1	2.5	-6.4
Wages paid (\$1,000s)	171,535	174,601	188,031	45,722	47,745	9.6	1.8	7.7	4.4
Hourly wages	\$19.97	\$20.56	\$21.61	\$20.74	\$23.13	8.2	3.0	5.1	11.5
Productivity (tons per 1,000 hours)	677.5	684.3	687.1	594.6	741.0	1.4	1.0	0.4	24.6
Unit labor costs	\$29.48	\$30.05	\$31.45	\$34.88	\$31.21	6.7	1.9	4.7	-10.5
Net sales:									
Quantity	5,991,642	5,839,810	6,219,697	1,443,566	1,558,606	3.8	-2.5	6.5	8.0
Value	1,823,712	1,747,468	1,711,701	397,244	423,666	-6.1	-4.2	-2.0	6.7
Unit value	\$304.38	\$299.23	\$275.21	\$275.18	\$271.82	-9.6	-1.7	-8.0	-1.2
Cost of goods sold (COGS)	1,646,465	1,547,078	1,507,555	349,495	383,054	-8.4	-6.0	-2.6	9.6
Gross profit or (loss)	177,247	200,390	204,146	47,749	40,612	15.2	13.1	1.9	-14.9
SG&A expenses	79,653	82,203	91,277	18,968	22,400	14.6	3.2	11.0	18.1
Operating income or (loss)	97,594	118,187	112,869	28,781	18,212	15.7	21.1	-4.5	-36.7
Capital expenditures	87,600	123,652	146,868	52,082	18,752	67.7	41.2	18.8	-64.0
Unit COGS	\$274.79	\$264.92	\$242.38	\$242.11	\$245.77	-11.8	-3.6	-8.5	1.5
Unit SG&A expenses	\$13.29	\$14.08	\$14.68	\$13.14	\$14.37	10.4	5.9	4.3	9.4
Unit operating income or (loss)	\$16.29	\$20.24	\$18.15	\$19.94	\$11.68	11.4	24.2	-10.3	-41.4
COGS/sales (1)	90.3	88.5	88.1	88.0	90.4	-2.2	-1.7	-0.5	2.4
Operating income or (loss)/ sales (1)	5.4	6.8	6.6	7.2	4.3	1.2	1.4	-0.2	-2.9

(1) "Reported data" are in percent and "period changes" are in percentage points.

(2) Less than 0.05 percent.

(3) Increase greater than 1,000 percent.

(4) Not applicable.

Note.--Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis. Because of rounding, figures may not add to the totals shown. Unit values and shares are calculated from the unrounded figures.

Source: Compiled from data submitted in response to Commission questionnaires and from official Commerce statistics.

Table C-3

Rebar: Summary data concerning the United States outside the region, 1997-99, January-March 1999, and January-March 2000

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

Item	Reported data					Period changes			
	1997	1998	1999	January-March		1997-99	1997-98	1998-99	Jan.-Mar. 1999-00
				1999	2000				
Outside region consumption quantity:									
Amount	2,157,384	2,202,139	2,421,379	504,963	557,427	12.2	2.1	10.0	10.4
U.S. producers' share (1):									
Regional producers	11.5	11.1	11.4	10.1	10.4	(2)	-0.3	0.3	0.2
Outside producers	85.5	81.4	78.8	83.8	81.8	-6.7	-4.1	-2.6	-2.0
Importers' share (1):									
Austria	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Belarus	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
China	0.0	0.0	(3)	0.0	0.0	(3)	0.0	(3)	0.0
Indonesia	0.0	0.0	0.2	0.0	0.0	0.2	0.0	0.2	0.0
Japan	0.0	1.3	3.3	1.3	2.2	3.3	1.3	1.9	1.0
Korea	0.9	5.5	5.5	3.8	5.1	4.6	4.6	-0.1	1.3
Latvia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Moldova	0.0	(3)	0.0	0.0	0.0	0.0	0.0	(2)	0.0
Poland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Russia	0.0	0.0	(3)	0.0	0.0	(3)	0.0	(3)	0.0
Ukraine	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Venezuela	0.2	0.1	(3)	0.0	0.0	-0.2	-0.1	-0.1	0.0
Subtotal	1.1	6.9	9.0	5.1	7.4	7.9	5.8	2.0	2.2
Other sources	2.0	0.6	0.8	1.0	0.5	-1.1	-1.4	0.3	-2.5
Total imports	3.0	7.5	9.8	6.1	7.8	6.8	4.5	2.3	1.7
Outside region consumption value:									
Amount	642,165	659,276	659,636	140,251	149,297	2.7	2.7	0.1	6.4
U.S. producers' share (1):									
Regional producers	12.0	11.7	11.8	10.3	10.8	-0.2	-0.4	0.1	0.4
Outside producers	84.9	81.8	80.1	84.5	82.6	-4.8	-3.1	-1.8	-1.9
Importers' share (1):									
Austria	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Belarus	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
China	0.0	0.0	(3)	0.0	0.0	(3)	0.0	(3)	0.0
Indonesia	0.0	0.0	0.2	0.0	0.0	0.2	0.0	0.2	0.0
Japan	0.0	1.0	2.6	1.0	1.8	2.6	1.0	1.6	0.8
Korea	0.9	4.8	4.4	3.1	4.3	3.5	3.9	-0.3	1.2
Latvia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Moldova	0.0	(3)	0.0	0.0	0.0	0.0	(3)	(2)	0.0
Poland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Russia	0.0	0.0	(3)	0.0	0.0	(3)	0.0	(3)	0.0
Ukraine	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Venezuela	0.2	0.1	(3)	0.0	0.0	-0.2	-0.1	-0.1	0.0
Subtotal	1.1	5.8	7.2	4.1	6.1	6.2	4.8	1.4	2.0
Other sources	2.0	0.7	0.9	1.0	0.6	-1.1	-1.4	0.2	-0.4
Total imports	3.1	6.5	8.2	5.1	6.6	5.1	3.4	1.6	1.5

See footnotes at end of table

Table C-3--Continued

Rebar: Summary data concerning the United States outside the region, 1997-99, January-March 1999, and January-March 2000

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

Item	Reported data					Period changes			
	1997	1998	1999	January-March		1997-99	1997-98	1998-99	Jan.-Mar. 1999-00
				1999	2000				
U.S. imports outside the region from:									
Austria:									
Quantity	0	0	0	0	0	0.0	0.0	0.0	0.0
Value	0	0	0	0	0	0.0	0.0	0.0	0.0
Unit value	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Belarus:									
Quantity	0	0	0	0	0	0.0	0.0	0.0	0.0
Value	0	0	0	0	0	0.0	0.0	0.0	0.0
Unit value	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
China:									
Quantity	0	0	131	0	0	(4)	0.0	(4)	0.0
Value	0	0	30	0	0	(4)	0.0	(4)	0.0
Unit value	(4)	(4)	\$226.45	(4)	(4)	(4)	(4)	(4)	(4)
Indonesia:									
Quantity	0	0	5,512	0	0	(4)	0.0	(4)	0.0
Value	0	0	1,225	0	0	(4)	0.0	(4)	0.0
Unit value	(4)	(4)	\$222.28	(4)	(4)	(4)	(4)	(4)	(4)
Japan:									
Quantity	0	29,455	78,836	6,492	12,524	(4)	(4)	167.6	92.9
Value	0	6,778	17,326	1,385	2,628	(4)	(4)	155.6	89.7
Unit value	(4)	\$230.12	\$219.77	\$213.40	\$209.83	(4)	(4)	-4.5	-1.7
Korea:									
Quantity	19,368	121,826	132,618	19,370	28,501	584.7	529.0	8.9	47.1
Value	5,650	31,351	29,183	4,382	6,430	416.5	454.9	-6.9	46.7
Unit value	\$291.74	\$257.35	\$220.05	\$226.24	\$225.59	-24.6	-11.8	-14.5	-0.3
Latvia:									
Quantity	0	0	0	0	0	0.0	0.0	0.0	0.0
Value	0	0	0	0	0	0.0	0.0	0.0	0.0
Unit value	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Moldova:									
Quantity	0	21	0	0	0	0.0	(4)	-100.0	0.0
Value	0	14	0	0	0	0.0	(4)	-100.0	0.0
Unit value	(4)	\$669.37	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Poland:									
Quantity	0	0	0	0	0	0.0	0.0	0.0	0.0
Value	0	0	0	0	0	0.0	0.0	0.0	0.0
Unit value	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Russia:									
Quantity	0	0	57	0	0	(4)	0.0	(4)	0.0
Value	0	0	23	0	0	(4)	0.0	(4)	0.0
Unit value	(4)	(4)	\$399.00	(4)	(4)	(4)	(4)	(4)	(4)
Ukraine:									
Quantity	0	0	0	0	0	0.0	0.0	0.0	0.0
Value	0	0	0	0	0	0.0	0.0	0.0	0.0
Unit value	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Venezuela:									
Quantity	3,861	1,200	24	0	0	-99.4	-68.9	-98.0	0.0
Value	1,282	358	9	0	0	-99.3	-72.1	-97.5	0.0
Unit value	\$332.00	\$298.15	\$371.44	(4)	(4)	11.9	-10.2	24.6	(4)
Subtotal:									
Quantity	23,229	152,502	217,177	25,861	41,025	835.0	556.5	42.4	58.6
Value	6,932	38,501	47,795	5,767	9,057	589.5	455.4	24.1	57.0
Unit value	\$298.43	\$252.46	\$220.08	\$223.01	\$220.78	-26.3	-15.4	-12.8	-1.0
Other sources:									
Quantity	42,138	12,547	20,271	4,838	2,607	-51.9	-70.2	61.6	-46.1
Value	12,967	4,360	5,966	1,413	833	-54.0	-66.4	36.8	-41.1
Unit value	\$307.72	\$347.48	\$294.32	\$292.02	\$319.39	-4.4	12.9	-15.3	9.4
All sources:									
Quantity	65,366	165,049	237,448	30,699	43,632	263.3	152.5	43.9	42.1
Value	19,899	42,861	53,761	7,180	9,890	170.2	115.4	25.4	37.7
Unit value	\$304.42	\$259.69	\$226.41	\$233.89	\$226.67	-25.6	-14.7	-12.8	-3.1

See footnotes at end of table

Table C-3—Continued

Rebar: Summary data concerning the United States outside the region, 1997-99, January-March 1999, and January-March 2000

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

Item	Reported data					Period changes			
	1997	1998	1999	January-March		1997-99	1997-98	1998-99	Jan.-Mar. 1999-00
				1999	2000				
Outside region U.S. producers:									
Average capacity quantity	2,810,000	2,998,900	3,118,900	763,050	747,850	11.0	6.7	4.0	-2.0
Production quantity	2,094,427	2,160,465	2,145,537	439,639	537,950	2.4	3.2	-0.7	22.4
Capacity utilization (1)	74.5	72.0	68.8	57.6	71.9	-5.7	-2.5	-3.3	14.3
U.S. shipments into the region:									
Quantity	166,990	159,472	193,665	52,553	52,035	16.0	-4.5	21.4	-1.0
Value	49,203	47,685	51,923	14,236	14,168	5.5	-3.1	8.9	-0.5
Unit value	\$294.65	\$299.02	\$268.11	\$270.89	\$272.28	-9.0	1.5	-10.3	0.5
U.S. shipments outside the region:									
Quantity	1,844,715	1,792,185	1,907,345	423,136	456,013	3.4	-2.8	6.4	7.8
Value	544,989	539,391	528,045	118,581	123,344	-3.1	-1.0	-2.1	4.0
Unit value	\$295.43	\$300.97	\$276.85	\$280.24	\$270.48	-6.3	1.9	-8.0	-3.5
Export shipments:									
Quantity	118,267	102,593	93,783	18,117	22,006	-20.7	-13.3	-8.6	21.5
Value	35,653	30,927	25,375	4,986	5,951	-28.8	-13.3	-18.0	19.4
Unit value	\$301.46	\$301.45	\$270.57	\$275.21	\$270.43	-10.2	-0.0	-10.2	-1.7
Ending inventory quantity	151,447	257,478	206,194	202,697	213,790	36.1	70.0	-19.9	5.5
Inventories/total shipments (1)	7.1	12.5	9.4	10.3	10.1	2.3	5.4	-3.1	-0.2
Production workers	1,654	1,584	1,652	1,664	1,558	-0.1	-4.2	4.3	-6.4
Hours worked (1,000s)	3,514	3,415	3,361	913	813	-4.4	-2.8	-1.6	-11.0
Wages paid (\$1,000s)	73,115	73,178	76,070	19,011	19,818	4.0	0.1	4.0	4.2
Hourly wages	\$20.81	\$21.43	\$22.63	\$20.82	\$24.38	8.8	3.0	5.6	17.1
Productivity (tons per 1,000 hours)	596.0	632.7	638.3	481.5	663.4	7.1	6.2	0.9	37.8
Unit labor costs	\$34.91	\$33.87	\$35.45	\$43.24	\$36.76	1.6	-3.0	4.7	-15.0
Net sales:									
Quantity	2,147,213	2,037,170	2,185,093	492,923	526,552	1.8	-5.1	7.3	6.8
Value	635,359	602,479	602,731	137,545	142,466	-5.1	-5.2	0.0	3.6
Unit value	\$295.90	\$295.74	\$275.84	\$279.04	\$270.56	-6.8	-0.1	-6.7	-3.0
Cost of goods sold (COGS)	603,103	543,177	521,219	123,147	127,389	-13.6	-9.9	-4.0	3.4
Gross profit or (loss)	32,256	59,302	81,512	14,398	15,077	152.7	83.8	37.5	4.7
SG&A expenses	25,716	29,549	30,880	6,296	7,836	20.1	14.9	4.5	24.5
Operating income or (loss)	6,540	29,753	50,632	8,102	7,241	674.2	354.9	70.2	-10.6
Capital expenditures	18,478	25,295	32,055	21,574	2,376	73.5	36.9	26.7	-89.0
Unit COGS	\$280.88	\$266.63	\$238.53	\$249.83	\$241.93	-15.1	-5.1	-10.5	-3.2
Unit SG&A expenses	\$11.98	\$14.50	\$14.13	\$12.77	\$14.88	18.0	21.1	-2.6	16.5
Unit operating income or (loss)	\$3.05	\$14.61	\$23.17	\$16.44	\$13.75	660.8	379.5	58.7	-16.3
COGS/sales (1)	94.9	90.2	86.5	89.5	89.4	-8.4	-4.8	-3.7	-0.1
Operating income or (loss)/ sales (1)	1.0	4.9	8.4	5.9	5.1	7.4	3.9	3.5	-0.8
U.S. shipments outside the region by regional U.S. producers:									
Quantity	247,303	244,905	276,586	51,128	57,782	11.8	-1.0	12.9	13.0
Value	77,277	77,023	77,829	14,489	16,062	0.7	-0.3	1.0	10.9
Unit value	\$312.48	\$314.50	\$281.39	\$283.39	\$277.98	-9.9	0.6	-10.5	-1.9

(1) "Reported data" are in percent and "period changes" are in percentage points.

(2) A decrease of less than 0.05 percentage point.

(3) Less than 0.05 percent or percentage point, as applicable.

(4) Not applicable.

Note.—Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis. Because of rounding, figures may not add to the totals shown. Unit values and shares are calculated from the unrounded figures.

Source: Compiled from data submitted in response to Commission questionnaires and from official Commerce statistics.

APPENDIX D

**UNITED NATIONS' TRADE DATA AND
GOVERNMENT OF AUSTRIA TRADE DATA**

Table D-1

Rebar: Exports from Austria, Belarus, China, Indonesia, Japan, Korea, Latvia, Poland, Russia, and Venezuela, by markets, 1996-98

Source	Calendar year		
	1996	1997	1998
Quantity (short tons)			
Austrian exports to--			
Germany	3,365	25,239	27,700
Croatia	55	4,699	3,401
Switzerland	66	1,595	3,269
Hungary	405	2,007	2,220
Czech Republic	349	1,871	665
Other markets	697	634	414
Total	4,937	36,045	37,669
Belarus exports to--			
Hong Kong	0	0	73,816
Algeria	0	0	19,583
United States	0	0	12,942
Russia	0	0	10,933
Tunisia	0	0	9,514
Other markets	0	0	7,909
Total	0	0	134,697
Chinese exports to--			
Hong Kong	192,952	145,661	201,883
Macao	767	10,326	6,941
Burma	15,343	7,712	6,167
Cambodia	9,706	8,601	3,848
Mongolia	0	0	2,616
Other markets	30,792	31,293	4,216
Total	249,560	203,593	225,671
Indonesian exports to--			
China	0	0	43,648
Burma	0	0	16,917
United States	0	0	11,088
Brunei	0	0	10,750
Hong Kong	0	0	10,111
Other markets	0	1	24,136
Total	0	1	116,650

Table continued on next page.

Table D-1--Continued
Rebar: Exports from Austria, Belarus, China, Indonesia, Japan, Korea, Latvia, Poland, Russia, and Venezuela, by markets, 1996-98

Source	Calendar year		
	1996	1997	1998
Quantity (short tons)			
Japanese exports to--			
United States	6	564	98,659
China	4,137	26,433	94,273
Venezuela	0	0	22,183
Vietnam	0	0	22,016
Korea	3,517	13,648	15,952
Other markets	22,089	15,059	23,461
Total	29,749	55,704	276,544
Korean exports to--			
United States	13,226	41,887	708,600
China	139,250	116,411	259,770
Hong Kong	0	13,222	159,021
Canada	0	0	71,941
Singapore	14,667	7,877	41,258
Other markets	164,808	113,114	201,750
Total	331,951	292,511	1,442,340
Latvian exports to--			
United States	0	48,538	156,665
Singapore	0	112,952	94,663
Algeria	0	49,330	42,182
Peru	0	11,148	37,216
Hong Kong	0	22,037	34,698
Other markets	23,002	107,710	70,659
Total	23,002	351,715	436,083
Polish exports to--			
United States	0	71,164	49,694
Germany	18,915	2,270	4,058
Czech Republic	1,680	5,308	3,352
Slovakia	1,333	2,409	2,870
Hungary	3,290	2,643	2,256
Other markets	73,192	19,811	1,221
Total	98,410	103,605	63,451

Table continued on next page.

Table D-1--Continued

Rebar: Exports from Austria, Belarus, China, Indonesia, Japan, Korea, Latvia, Poland, Russia, and Venezuela, by markets, 1996-98

Source	Calendar year		
	1996	1997	1998
Quantity (short tons)			
Russian exports to--			
Kazakhstan	0	3,018	11,482
United States	0	0	6,983
Azerbaijan	0	433	2,654
Kyrgyzstan	0	414	2,483
Switzerland	0	31,378	2,313
Other markets	0	75,897	8,704
Total	0	111,140	34,619
Venezuelan exports to--			
Colombia	29,105	36,591	27,405
United States	100,736	54,432	19,783
Costa Rica	0	0	3,859
Chile	0	1,488	3,263
Brazil	182	30	2,727
Other markets	18,290	51,066	6,443
Total	148,313	143,607	63,480
Note.--"Other markets" data are derived by subtracting the rounded figures.			
Source: United Nations' statistics.			

Antidumping Petition Steel Concrete Reinforcing Bars, June 2000

Austrian Exports of HTS 7213 10 00

Country	1997		1998		1999		Jan-March 2000	
	Quantity (in 100 kg)	Amount (in AS 1000)	Quantity (in 100 kg)	Amount (in AS 1000)	Quantity (in 100 kg)	Amount (in AS 1000)	Quantity (in 100 kg)	Amount (in AS 1000)
EU	54	30	228	166	1,846	776	247	177
Central Europe	7	7	1,403	1,443	3,145	1,243	-	-
Developing Countries	-	-	-	-	-	1	-	-
USA	-	-	-	-	-	-	70	40
TOTAL	61	37	1,631	1,609	4,991	2,020	317	217

Austrian Exports of HTS 7214 20 00

Country	1997		1998		1999		Jan-March 2000	
	Quantity (in 100 kg)	Amount (in AS 1000)	Quantity (in 100 kg)	Amount (in AS 1000)	Quantity (in 100 kg)	Amount (in AS 1000)	Quantity (in 100 kg)	Amount (in AS 1000)
EU	232,872	87,933	253,613	108,576	342,748	126,349	136,078	47,760
Central Europe	79,655	28,867	58,466	21,314	105,468	33,088	35,848	11,045
Switzerland	14,468	12,151	29,655	19,893	17,050	6,499	2,952	1,130
Liechtenstein	-	-	-	-	255	95	-	-
Developing Countries	-	-	-	-	11	139	-	-
USA	-	-	-	-	-	-	-	-
TOTAL	326,995	128,951	341,734	149,783	465,532	166,170	174,878	59,935

Source: OESTAT, Austrian Central Statistical Office

AS = Austrian Schillings

APPENDIX E
SUBSTITUTABILITY

Table E-1 Responses to the question:

"Are certain steel concrete reinforcing bars produced in the United States and in other countries used interchangeably (i.e., can they physically be used in the same applications)? Please indicate below, using "A" to indicate that the products from a specified country-pair are *always* interchangeable, "F" to indicate that the products are *frequently* interchangeable, "S" to indicate that the products are *sometimes* interchangeable, "N" to indicate that the products are *never* interchangeable, and "0" to indicate *no familiarity* with products from a specified country-pair."

Country-pair	United States	Austria	Belarus	China	Indonesia	Japan	Korea	Latvia	Moldova	Poland	Russia	Ukraine	Venezuela	Non-subject
United States		24A 2F 3S	28A 3F 3S	27A 3F 3S	25A 2F 3S	28A 3F 3S	30A 4F 3S	28A 4F 3S	28A 3F 3S	28A 2F 3S	27A 2F 3S	28A 3F 3S	25A 2F 3S	19A 1F
Austria			19A 3F	15A 3F	16A 3F	15A 3F	15A 3F	15A 3F	15A 3F	15A 3F	15A 3F	15A 3F	15A 3F	13A 1F
Belarus				22A 3F	20A 3F	19A 3F	19A 3F	19A 3F	19A 3F	19A 3F	19A 3F	19A 3F	19A 3F	13A 1F
China					20A 3F 1S	25A 4F 1S	24A 4F 1S	22A 4F 1S	22A 3F 1S	22A 3F 1S	22A 3F 1S	22A 3F 1S	19A 3F 1S	13A 1F
Indonesia						20A 3F 1S	25A 3F 1S	23A 3F 1S	23A 3F 1S	23A 3F 1S	23A 3F 1S	23A 3F 1S	20A 3F 1S	14A 1F
Japan							26A 3F	22A 4F	22A 3F	22A 3F	22A 3F	22A 3F	19A 3F	13A 1F
Korea								23A 4F 1S	23A 3F 1S	23A 3F 1S	23A 3F 1S	23A 3F 1S	20A 3F 1S	13A 1F
Latvia									22A 3F 1S	22A 3F 1S	22A 3F 1S	22A 3F 1S	19A 3F 1S	13A 1F
Moldova										22A 3F 1S	22A 3F 1S	22A 3F 1S	19A 3F 1S	13A 1F
Poland											22A 3F 1S	22A 3F 1S	19A 3F 1S	13A 1F
Russia												22A 3F	19A 3F	13A 1F
Ukraine													25A 3F	7A 1F
Venezuela														13A 1F

Source: Responses to Commission questionnaires

Table E-2. Responses to the question:

"Are differences other than price (i.e., quality, availability, transportation network, product range, technical support, etc.) between certain steel concrete reinforcing bars produced in the United States and in other countries a significant factor in your firm's sales of the products? Please indicate below, using "A" to indicate that such differences are *always* significant, "F" to indicate that such differences are *frequently* significant, "S" to indicate that such differences are *sometimes* significant, "N" to indicate that such differences are *never* significant, and "0" to indicate *no familiarity* with products from a specified country-pair."

Country-pair	United States	Austria	Belarus	China	Indonesia	Japan	Korea	Latvia	Moldova	Poland	Russia	Ukraine	Venezuela	Non-subject
United States		1A 3F 4S 20N	1A 5F 3S 24N	1A 3F 5S 23N	1A 3F 3S 210N	1A 3F 5S 24N	1A 3F 6S 26N	1A 4F 5S 24N	1A 3F 5S 24N	1A 3F 3S 24N	1A 3F 3S 23N	1A 4F 4S 24N	1A 4F 3S 21N	1F 2S 17N
Austria			2S 17N	3S 14N	2S 15N	3S 14N	3S 14N	3S 14N	3S 14N	2S 14N	2S 14N	3S 14N	2S 14N	3S 12N
Belarus				3S 21N	2S 19N	3S 18N	4S 18N	3S 18N	3S 18N	2S 18N	2S 18N	3S 18N	2S 18N	2S 12N
China					2S 19N	4S 24N	4S 21N	4S 21N	3S 21N	2S 21N	2S 21N	3S 21N	2S 18N	2S 12N
Indonesia						3S 19N	4S 22N	3S 22N	3S 22N	2S 22N	2S 22N	3S 22N	2S 19N	2S 13N
Japan							4S 23N	5S 20N	4S 20N	3S 20N	3S 20N	4S 20N	3S 17N	2S 12N
Korea								6S 20N	6S 20N	4S 20N	4S 20N	5S 20N	4S 17N	2S 12N
Latvia									2S 21N	2S 21N	2S 21N	3S 21N	2S 18N	2S 12N
Moldova										2S 21N	2S 21N	3S 21N	2S 18N	2S 12N
Poland											2S 21N	3S 21N	2S 18N	2S 12N
Russia												3S 21N	2S 18N	2S 12N
Ukraine													2S 24N	2S 6N
Venezuela														2S 12N

Source: Responses to Commission questionnaires.

Table E-3. Responses to the question:

"Are price differences between certain steel concrete reinforcing bars produced in the United States and in other countries a significant factor in your firm's sales of the products? Please indicate below, using "A" to indicate that price differences are *always* significant, "F" to indicate that price differences are *frequently* significant, "S" to indicate that price differences are *sometimes* significant, "N" to indicate that price differences are *never* significant, and "0" to indicate *no familiarity* with products from a specified country-pair."

Country-pair	United States	Austria	Belarus	China	Indonesia	Japan	Korea	Latvia	Moldova	Poland	Russia	Ukraine	Venezuela	Non-subject
United States		22A 1F	28A 3F 1S	28A 3F	25A 3F	30A 3F	31A 3F 2S	30A 3F 1S	29A 3F 1S	28A 3F	27A 3F	29A 3F 1S	25A 3F	20A
Austria			14A 4F 1S	12A 4F 1S	12A 4F 1S	12A 4F 1S	12A 4F 2S	12A 4F 1S	12A 4F 1S	11A 4F 1S	11A 4F 1S	12A 4F 1S	11A 4F 1S	10A 4F
Belarus				18A 4F 1S 1N	15A 4F 1S 1N	15A 4F 1S 1N	15A 4F 2S 1N	15A 4F 1S 1N	15A 4F 1S 1N	14A 4F 1S 1N	14A 4F 1S 1N	15A 4F 1S 1N	14A 4F 1S 1N	10A 4F
China					15A 4F 1S 1N	21A 4F 2S 1N	18A 4F 3S 1N	18A 4F 2S 1N	18A 4F 1S 1N	17A 4F 1S 1N	17A 4F 1S 1N	18A 4F 1S 1N	14A 4F 1S 1N	10A 4F
Indonesia						16A 4F 1S 1N	19A 4F 2S 1N	19A 4F 1S 1N	19A 4F 1S 1N	18A 4F 1S 1N	18A 4F 1S 1N	19A 4F 1S 1N	15A 4F 1S 1N	11A 4F
Japan							19A 4F 1S 3N	18A 4F 2S 1N	18A 4F 1S 1N	17A 4F 1S 1N	17A 4F 1S 1N	18A 4F 1S 1N	14A 4F 1S 1N	10A 4F
Korea								18A 5F 2S 1N	18A 4F 3S 1N	17A 4F 2S 1N	17A 4F 2S 1N	18A 4F 2S 1N	14A 4F 2S 1N	10A 4F
Latvia									18A 4F 1N	17A 4F 1S 1N	17A 4F 1S 1N	18A 4F 1S 1N	14A 4F 1S 1N	10A 4F
Moldova										17A 4F 1S 1N	17A 4F 1S 1N	18A 4F 1S 1N	14A 4F 1S 1N	10A 4F
Poland											17A 4F 1S 1N	18A 4F 1S 1N	14A 4F 1S 1N	10A 4F
Russia												18A 4F 1S 1N	14A 4F 1S 1N	10A 4F
Ukraine													20A 4F 1S 1N	4A 4F
Venezuela														10A 4F

Source: Responses to Commission questionnaires.

APPENDIX F

**SELECTED U.S. PRODUCERS'
PRODUCTION, TRADE, AND EMPLOYMENT DATA
ON A MILL-BY-MILL BASIS**

Table F-1

Rebar: U.S. producers' capacity, production, and capacity utilization, by firms inside of the region and outside of the region, 1997-99, January-March 1999, and January-March 2000

* * * * *

Table F-2

Rebar: U.S. shipments inside the region, by firms inside of the region and outside of the region, 1997-99, January-March 1999, and January-March 2000

* * * * *

Table F-3

Rebar: Total U.S. shipments, by firms inside of the region and outside of the region, 1997-99, January-March 1999, and January-March 2000

* * * * *

Table F-4

Rebar: U.S. producers' end-of-period inventories, by firms inside of the region and outside of the region, 1997-99, January-March 1999, and January-March 2000

* * * * *

Table F-5

Rebar: Average number of production and related workers, hours worked, wages paid to such employees, hourly wages, productivity, and unit labor costs, by firms inside of the region and outside of the region, 1997-99, January-March 1999, and January-March 2000

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APPENDIX G
PRICE TRENDS

Figure G-1

Rebar: Price trends of U.S. producers and importers of product 1 (size 3 straight rebar) from Belarus, China, and Indonesia

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Figure G-2

Rebar: Price trends of U.S. producers and importers of product 1 (size 3 straight rebar) from Japan, Korea, and Latvia

* * * * *

Figure G-3

Rebar: Price trends of U.S. producers and importers of product 1 (size 3 straight rebar) from Moldova, Poland, and Russia

* * * * *

Figure G-4

Rebar: Price trends of U.S. producers and importers of product 1 (size 3 straight rebar) from Ukraine and Venezuela

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Figure G-5

Rebar: Price trends of U.S. producers and importers of product 2 (size 4 straight rebar) from Belarus, China, and Indonesia

* * * * *

Figure G-6

Rebar: Price trends of U.S. producers and importers of product 2 (size 4 straight rebar) from Japan, Korea, and Latvia

* * * * *

Figure G-7

Rebar: Price trends of U.S. producers and importers of product 2 (size 4 straight rebar) from Moldova, Poland, and Russia

* * * * *

Figure G-8

Rebar: Price trends of U.S. producers and importers of product 2 (size 4 straight rebar) from Ukraine and Venezuela

* * * * *

Figure G-9

Rebar: Price trends of U.S. producers and importers of product 3 (size 5 straight rebar) from Belarus, China, and Indonesia

* * * * *

Figure G-10

Rebar: Price trends of U.S. producers and importers of product 3 (size 5 straight rebar) from Japan, Korea, and Latvia

* * * * *

Figure G-11

Rebar: Price trends of U.S. producers and importers of product 3 (size 5 straight rebar) from Moldova, Poland, and Russia

* * * * *

Figure G-12

Rebar: Price trends of U.S. producers and importers of product 3 (size 5 straight rebar) from Ukraine and Venezuela

* * * * *

Figure G-13

Rebar: Price trends of U.S. producers and importers of product 4 (size 6 straight rebar) from Belarus, China, and Indonesia

* * * * *

Figure G-14

Rebar: Price trends of U.S. producers and importers of product 4 (size 6 straight rebar) from Japan, Korea, and Latvia

* * * * *

Figure G-15

Rebar: Price trends of U.S. producers and importers of product 4 (size 6 straight rebar) from Moldova, Poland, and Russia

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Figure G-16

Rebar: Price trends of U.S. producers and importers of product 4 (size 6 straight rebar) from Ukraine and Venezuela

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APPENDIX H
LOST SALES AND REVENUES

Table H-1
Rebar: Lost sales summary

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Table H-2
Rebar: Lost revenue summary

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APPENDIX J

**SELECTED U.S. PRODUCERS' FINANCIAL DATA
ON A MILL-BY-MILL BASIS**

Table J-1

Selected financial data of U.S. mills producing rebar in the region, by mill, fiscal years 1997-99, January-March 1999, and January-March 2000

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Table J-2

Selected financial data of U.S. mills producing rebar outside the region, by mill, fiscal years 1997-99, January-March 1999, and January-March 2000

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APPENDIX K

**EFFECTS OF IMPORTS ON PRODUCERS'
EXISTING DEVELOPMENT AND PRODUCTION
EFFORTS, GROWTH, INVESTMENT, AND
ABILITY TO RAISE CAPITAL**

Responses of U.S. producers for their mills inside the region to the following question:

Since January 1, 1997, has your firm experienced any actual negative effects on its return on investment or its growth, investment, ability to raise capital, existing development and production efforts (including efforts to develop a derivative or more advanced version of the product), or the scale of capital investments as a result of imports of certain steel concrete reinforcing bars from Austria, Belarus, China, Indonesia, Japan, Korea, Latvia, Moldova, Poland, Russia, Ukraine, and Venezuela (question III-8)?

* * * * *

Company responses to question III-8 for their U.S. mills outside the region:

* * * * *

Company responses for their U.S. mills inside the region to the following question:

Does your firm anticipate any negative impact of imports of certain steel concrete reinforcing bars from Austria, Belarus, China, Indonesia, Japan, Korea, Latvia, Moldova, Poland, Russia, Ukraine, and Venezuela (question III-9)?

* * * * *

Company responses to question III-9 for their U.S. mills outside the region:

* * * * *

