CARBON STEEL WIRE ROD FROM BRAZIL AND TRINIDAD AND TOBAGO

Determination of the Commission in Investigations Nos. 731-TA-113 and 114 (Final) Under the Tariff Act of 1930, Together With the Information Obtained in the Investigations

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Note.--Information which would reveal confidential operations of individual concerns may not be published and therefore has been deleted from this report. Deletions are indicated by asterisks.

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

Investigations Nos. 731-TA-113 (Final) and 731-TA-114 (Final),
Carbon Steel Wire Rod from Brazil and
from Trinidad and Tobago

Determinations

On the basis of the record 1/ developed in investigations Nos. 731-TA-113 (Final) and 731-TA-114 (Final), the Commission determines, pursuant to section 735(b) of the Tariff Act of 1930 (19 U.S.C. § 1673(b)), that an industry in the United States is being materially injured by reason of imports of carbon steel wire rod from Brazil, provided for in item 607.17 of the Tariff Schedules of the United States (TSUS) which have been found by the Department of Commerce (Commerce) to be sold in the United States at less than fair value (LTFV). The Commission further determines that an industry in the United States is being materially injured by reason of imports from Trinidad and Tobago (Trinidad) of carbon steel wire rod, also provided for in TSUS item 607.17, which have also been found by Commerce to be sold in the United States at LTFV.

Counsel for petitioners alleged that imports of carbon steel wire rod from Brazil and Trinidad present "critical circustances". Commerce examined such imports under section 735(a)(3) of the act and determined that, for Brazil, critical circumstances exist, and, for Trinidad, critical circumstances do not exit. This affirmative critical circumstances determination by Commerce with respect to imports from Brazil requires an additional finding by the Commission as to whether the material injury is by reason of massive imports from Brazil to an extent that, in order to prevent such material injury from recurring, it is necessary to impose antidumping duties retroactively on those imports. Accordingly, pursuant to section 735(b)(4)(a), the Commission determines, Commissioner Stern dissenting, that

1/ The "record" is defined in sec. 207.2(i) of the Commission's Rules of Practice and Procedure (19 U.S.C. § 207.2(i)).

material injury was not by reason of massive imports of the LTFV merchandise over a short period of time to the extent that it is necessary to impose the duty retroactively to prevent such injury from recurring.

Background

The Commission instituted these final investigations following preliminary determinations by the Department of Commerce, that imports of carbon steel wire rod from Brazil and from Trinidad are being or are likely to be, sold at LTFV. Commerce's preliminary LTFV determinations were published in the Federal Register of May 4, 1983 (48 F.R. 20106).

Notice of the institution of the Commission's final investigations and scheduling of the public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, and by publishing the notice in the Federal Register of May 25, 1983 (48 F.R. 23488). On June 22, 1983, Commerce published in the Federal Register (48 F.R. 28519 and 48 F.R. 28520), notices of postponement of its final determinations with respect to carbon steel wire from Brazil and Trinidad. Accordingly, the Commission revised its investigation schedule. Notice of the Commission's revised schedule for its public hearing was published in the Federal Register of July 7, 1983 (48 F.R. 31305). On September 22, 1983, Commerce published in the Federal Register (48 F.R. 43202) its affirmative final determinations with respect to LTFV sales of carbon steel wire rod from Brazil and Trinidad. The Commission's hearing was held in Washington, D.C. on September 20, 1983 and all persons who requested the opportunity were permitted to appear in person or through counsel. The Commission's determinations in these investigations were made in an open "Government in the Sunshine" meeting held on October 19, 1983.

On September 30, 1982, a petition was filed by counsel on behalf of Atlantic Steel Corp., Continental Steel Corp., Georgetown Steel Corp., Georgetown Texas Steel Corp. (now North Star Steel Texas), and Raritan River Steel Co. with the U.S. International Trade Commission and with the Department of Commerce alleging that an industry in the United States is materially injured, or is threatened with material injury, by reason of imports from Brazil and Trinidad of carbon steel wire rod allegedly being sold in the United States at LTFV. Accordingly, effective October 1, 1982, the Commission instituted preliminary material injury investigations under section 733(a) of the Tariff Act of 1930. On November 15, 1982, the Commission determined that there was a reasonable indication that an industry in the United States was materially injured by reason of such imports. The Commission's determination was published in the Federal Register on November 26, 1982 (47 F.R. 53515). As a result, Commerce continued its investigations of alleged LTFV sales of carbon steel wire rod from Brazil and Trinidad.

VIEWS OF THE COMMISSION

On the basis of the record in these investigations, we conclude that an industry in the United States is materially injured by reason of imports of carbon steel wire rod from Brazil, which are being sold at less than fair value (LTFV). We further determine that the material injury is not by reason of massive imports from Brazil to the extent that it is necessary to require the retroactive imposition of duties. 1/ We also determine that an industry in the United States is materially injured by reason of imports of carbon steel wire rod from Trinidad and Tobago, 2/ which are being sold at LTFV.

In the following analysis, we first define the domestic industry, and then examine the condition of the domestic industry in terms of the relevant economic indicators. We then examine the general conditions of trade and the causal relationship between the condition of the domestic industry and the LTFV imports on a country-by-country basis. With respect to imports from Brazil, we also address the critical circumstances determination under section 735(b)(4)(A).

Domestic industry

Section 771(4)(A) of the Tariff Act of 1930 defines the term "industry" as the "domestic producers as a whole of a like product or those producers

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1/ Commissioner Stern dissents from this finding. See "Views of Commissioner Paula Stern on Critical Circumstances" at pp. 25-29.
2/ Hereinafter referred to as "Trinidad."

whose collective output of the like product constitutes a major proportion of the total domestic production of that product." Section 771(10) defines "like product" as a product which is like, or in the absence of like, most similar in characteristics and uses with the article under investigation.

Both the imported and the domestic products covered by this investigation are carbon steel wire rod, a hot-rolled, semifinished, coiled product of solid, round cross section, not under 0.20 inch nor over 0.74 inch in diameter, which is produced in a variety of different grades, sizes, and qualities. Carbon steel wire rod can be differentiated on the basis of carbon content and method of manufacture. There are three types of carbon steel wire rod based on carbon content: low, medium-high, and high carbon steel wire rod. Carbon steel wire rod can also be differentiated based on the process of manufacturing. "Rimmed" rod is produced by the ingot method, whereas "cast" rod is produced by the continuous casting method.

The imported products from Brazil, for the most part, are low carbon, cast or rimmed steel wire rod. 3/ The imported products from Trinidad are low carbon, cast steel wire rod. 4/ As we have determined in previous investigations on carbon steel wire rod, we conclude that domestically

3/ Report at A-6. During the six month period examined by the Department of Commerce, more than half of the imports from Brazil were of rimmed rod. Since early 1983, virtually all of the imports from Brazil have been of rimmed rod.

4/ Id.

produced low, medium-high, and high carbon steel wire rod are separate like products. 5/

Domestic producers make both cast and/or rimmed steel wire rod. In this final investigation, ISCOTT, the Trinidad wire rod producer, argues that cast and rimmed wire rod are separate like products. We disagree. Within the low carbon category, continuous cast and rimmed wire rod can be distinguished to a certain degree on the basis of characteristics and uses. However, cast wire rod is substitutable for rimmed rod in all but a very small percentage of end-use applications. 6/ Further, cast rod is more likely to be substituted for rimmed wire rod if the price of the cast rod is sufficiently low to outweigh the perceived advantages of using rimmed rod for certain applications. Conversely, if rimmed rod is priced lower than cast rod, there is an incentive to purchase rimmed rod in lieu of cast rod. 7/ As the Commission has determined in previous investigations, we conclude that cast rod is like rimmed rod, and domestic producers of both products should be considered part of the same domestic industry. 8/ 9/

5/ See discussion on "like" products in Carbon Steel Wire Rod From Venezuela, Inv. No. 731-TA-88 (Final), USITC Pub. 1338 (1983), and Carbon Steel Wire Rod From Brazil and Trinidad and Tobago, Invs. Nos. 731-TA-113 and 114 (Preliminary), USITC Pub. 1316 (1982). Although Commissioner Lodwick was not a member of the Commission at the time of these determinations, he concurs with the "like product" and "industry" analysis contained therein.

6/ Report at A-5. See testimony of Thomas N. Tyrrell, hearing transcript at pp. 103-105. See testimony of John Mueller, hearing transcript at pp. 176, 211-212.

7/ See testimony of Thomas Tyrrell, hearing transcript at 26.

8/ See fn. 5, supra.

9/ See Report at A-5.

Although we have found three like products, domestic producers were not able to break out their data on profitability, employment, and other factors on the basis of low, medium-high, and high carbon steel wire rod. 10/ Since available data do not permit the identification of separate like products on the basis of carbon content, the effect of the imports sold at LTFV is assessed under section 771(4)(D) of the Act by examination of the domestic production of the narrowest group which includes the like products for which the necessary information can be provided. The narrowest group of products which includes the like products is all carbon steel wire rod. Thus, the domestic industry consists of the producers of all carbon steel wire rod. 11/

Condition of the domestic industry

As was noted in previous investigations, the domestic industry is experiencing problems. 12/ The industry's financial performance, production, shipments, capacity utilization, and employment levels all declined generally during 1980-1982. Various indicators of the industry's performance for the

10/ The questionnaires sent to domestic producers asked them to break out their data on the basis of low, medium-high, and high carbon steel wire rod, but the domestic producers were not able to provide the requested data. See also Report at A-13, hearing transcript at 73-75, hearing transcript in Carbon Steel Wire Rod from Belgium and France, Inv. Nos. 701-TA-148 and 150, at p. 122, which has been made a part of this record, and memorandum to record dated October 14, 1983. Although the domestic producers provided the Commission general estimates of low, medium-high, and high carbon steel wire rod production, these estimates were not based on actual figures, and, therefore, we have not relied upon these data.

11/ Report at A-13.

12/ See Carbon Steel Wire Rod From Venezuela, supra, and Carbon Steel Wire Rod From Brazil and Trinidad and Tobago, supra.

period January-August 1983 suggest that the domestic carbon steel wire rod industry has experienced an upturn. However, the data suggest that the industry has not returned to 1980 or 1981 levels. 13/

Aggregate production, as reported by the 12 responding U.S. producers that accounted for 89.4 percent of total U.S. capacity in 1982, increased from 4.1 million short tons in 1980 to 4.3 million short tons in 1981, but then declined to 3.0 million short tons in 1982. Production for the most recent period--January-August 1983--increased to 2.3 million short tons as compared with 1.9 million short tons in the corresponding period of 1982. 14/ Capacity utilization declined slightly from 77.2 percent in 1980 to 77.0 percent in 1981, and then fell sharply to 56.7 percent in 1982, or by 26.4 percent. In January-August 1983, capacity utilization increased to 63.9 percent as compared with 54.6 percent in January-August 1982, or by 17.0 percent, but still remains at a relatively low level. 15/ Commercial shipments followed a trend similar to production, increasing slightly from 2.7 million short tons in 1980 to 2.8 million short tons in 1981, and then declined to 2.2 million short tons in 1982. In January-August 1983, commercial shipments increased to 1.6 million short tons as compared with 1.4 million short tons in January-August 1982. 16/

13/ We note that in 1979, all indicators of the performance of the domestic industry were substantially above the indicators in 1980. See the Views of the Commission in its preliminary determination, Carbon Steel Wire Rod From Brazil and Trinidad and Tobago, Inv. Nos. 731-TA-113 and 114, USITC Pub 1316 (1982).

14/ Report at A-14.

15/ Id. at A-15.

16/ Id. at A-17.

Employment and hours worked both declined during every period of investigation. The average number of production and related workers employed in the production of carbon steel wire rod declined from 7,775 workers in 1980 to 7,110 workers in 1981, and then dropped substantially to 4,436 workers in 1982. Employment further declined to 4,109 workers in January-August 1983, as compared with 4,342 workers in 1982. 17/ Total hours worked also declined from 15.1 million hours in 1980 to 14.0 million hours in 1981, and then dropped to 9.0 million hours in 1982. Hours worked further declined to 4.6 million hours in January-August 1983, as compared with 4.8 million hours in January-August 1982. 18/ At the same time, labor productivity continued an upward trend from 0.27 short ton per hour in 1980 to 0.30 short ton per hour in 1981, and further increased to 0.33 short ton per hour in 1982. In January-August 1983, productivity increased further to 0.50 short ton per hour as compared with 0.40 ton per hour in January-August 1982. 19/ Although this increase in productivity accounts for some of the decline in the number of workers employed in the production of carbon steel wire rod, it cannot account for the substantial decline experienced in employment in 1981 and 1982.

The financial data for the domestic industry as a whole dramatically demonstrate its unhealthy state. The domestic industry's carbon steel wire rod operations were not profitable in any period under investigation. The financial indicators of the domestic industry improved from an operating loss

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17/ Report at A-23.
18/ Id.
19/ Id. at A-25.

of $62.9 million in 1980 to an operating loss of $35.6 million in 1981, but then fell sharply to an operating loss of $90.2 million in 1982. In January-August 1983, despite increasing consumption, the industry experienced an operating loss of $43.0 million as compared with an operating loss of $51.6 million in January-August 1982. 20/ 21/

Conditions of trade

It was the intent of Congress that in antidumping investigations the assessment of the impact of dumped imports is to be made with regard to the particular conditions of trade, competition, and development of the relevant

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20/ Report at A-26.

21/ The domestic producers of carbon steel wire rod can be divided into two groups: the integrated and the nonintegrated producers. ISCOTT has argued that, even if the Commission determines that there is one like product and one domestic industry, the integrated producers of rimmed rod should be analyzed separately from the nonintegrated producers of cast rod and that this analysis will show that only the integrated producers of rimmed rod are materially injured. Initially, it should be noted that certain integrated producers manufacture both rimmed and cast wire rod and, conversely, a number of nonintegrated producers manufacture both cast and rimmed wire rod. Report at A-11-A-12.

Although the losses of the integrated producers were larger, the nonintegrated producers, in the aggregate, had operating losses in 1980, 1982, and interim 1983. If the profit-and-loss figures for individual companies are examined, it is clear that certain major integrated producers' losses are much less than certain nonintegrated producers' losses. Furthermore, the losses of certain rimmed wire rod producers are less than the losses of certain cast wire rod producers. These figures indicate that there is no clear dividing line between the financial performance of the integrated and the nonintegrated producers or between the financial performance of the rimmed and the cast wire rod producers. The record in these investigations shows that the nonintegrated producers are gaining market share at the expense of the integrated producers. However, the total market share of nonintegrated and integrated domestic producers has declined during the period of investigation. Therefore, the Commission has examined the domestic industry as a whole in making its injury determination.

industry. 22/ The statutory scheme for determining the appropriate "like product" and, in turn, the industry against which the Commission assesses the impact of imports further assures that the focus of our inquiry is on the nature of the imported product that is the subject of these investigations and those characteristics of trade involving both the relevant domestic and imported products.

As set forth above, we have defined the domestic industry to include the domestic producers of all carbon steel wire rod. Further, we have considered the economic condition of the domestic industry producing this product and have found it to be experiencing material injury. As in previous steel cases, certain conditions of trade with regard to carbon steel wire rod are critical in establishing the framework for our analysis. One fundamental characteristic of carbon steel wire rod is its basic fungibility and price sensitivity within each of the three carbon categories. Although quality is a factor in the decision to purchase low carbon steel wire rod, once the minimum quality requirements of the purchaser are satisfied, price then becomes a major factor in the decision to purchase. 23/

22/ See S. Rep. No. 96-249, 96th Cong., 1st Sess. 74 (1979); H. Rep. No. 96-317, 96th Cong., 1st Sess. 46 (1979). See Views of Chairman Eckes and Commissioner Haggart and the Additional Views of Commissioner Haggart in Certain Carbon Steel Products From Spain, Invs. Nos. 701-TA-155, 157-160, 162 (Final), USITC Pub. 1331 (1982).

23/ Report at A-50. Hearing transcript at pp. 195-197. Both imported and domestic carbon steel wire rod are sold to the same end users. In the carbon steel wire rod market, there are indications that an offer from an importer of carbon steel wire rod at a lower price may have a discernible impact and force the domestic producers to lower their prices to meet the prices of the imported products. Raritan has supplied invoices to the Commission that are a part of the record of these investigations which indicate that on certain occasions it has reduced prices in response to offers by foreign producers, including foreign producers subject to these investigations.

Another important condition of trade relevant to these products is that these LTFV imports are entering the U.S. market at the same time as imports from a variety of other sources. 24/ Additionally, LTFV imports have either entered the U.S. market or have significantly increased their penetration levels during a period when U.S. consumption of these products turned downward and the domestic industry's rate of capacity utilization was declining. The domestic producers' ability to price competitively, to cover fixed costs, and to generate funds for needed capital improvements is affected by the low prices of the imported products. 25/ All of the above factors regarding the conditions of trade relating to this industry are significant in our analysis of the impact of LTFV imports from Brazil and Trinidad. The Commission has made its determination on a case-by-case basis and has not cumulated imports from Brazil and Trinidad.

Carbon Steel Wire Rod from Brazil

We determine that imports from Brazil sold at LTFV have caused material injury to the domestic carbon steel wire rod industry. Our decision is based primarily on the sharp increase in imports from Brazil since 1980, evidence of underselling, and lost sales to imports from Brazil. 26/

24/ Commissioner Stern does not believe that the impact of fairly traded imports should affect the assessment of the impact of the subject imports in this case which proceeds under Title VII.

25/ Raritan, a domestic carbon steel wire rod producer, has testified that it has postponed the planned expansion of its plant because of adverse market conditions related to the low prices of imports. Hearing transcript at 31.

26/ The Commission sent questionnaires to all importers of carbon steel wire rod from Brazil, but Empire Steel Trading Co., an importer of over 50 percent of the wire rod from Brazil, refused to cooperate and submit data to the Commission.

Volume of imports

Imports of carbon steel wire rod from Brazil increased from 0 in 1980 to 32,579 short tons in 1981, and then more than tripled to 111,025 short tons in 1982. In January-August 1983, imports from Brazil decreased slightly to 70,049 short tons, as compared with 81,323 short tons in January-August 1982. 27/ An examination of imports from Brazil on a month-to-month basis, however, indicates that imports in 1983 would have been higher but for the Commerce Department's affirmative preliminary determination of sales at less than fair value on May 4, 1983. During January-March 1983, imports from Brazil were approximately 64,000 short tons. In April-May 1983, imports from Brazil fell to approximately 6,000 short tons. There were no imports from Brazil in June-August 1983. 28/

Brazil's entry into the U.S. market and its increase in market share in 1980-1982 coincide with the decline in both total and noncaptive apparent U.S. consumption during that period. 29/ Imports from Brazil increased as a share of total apparent U.S. consumption from less than 0.7 percent in 1981 to 2.9 percent in 1982, and then declined to 2.5 percent in January-August 1983,

27/ Report at A-37.
28/ Id. at A-40. Hearing transcript at pp. 229-230.
29/ Domestic shipments are divided into transfers or sales to related wire drawers (captive shipments) and sales to nonrelated wire drawers (commercial shipments). Total apparent U.S. consumption is calculated by domestic producers' total shipments (i.e., commercial shipments and captive shipments) and imports for consumption, and by subtracting U.S. exports from that sum. Noncaptive apparent U.S. consumption is calculated by adding domestic producers' commercial shipments and imports for consumption, and by subtracting U.S. exports from that sum. Report at A-21, A-22, and A-42.

as compared with 3.4 percent in January-August 1982. Imports from Brazil increased as a share of noncaptive apparent U.S. consumption from 0.9 percent in 1981 to 3.7 percent in 1982. In January-August 1983, the ratio of imports from Brazil to such consumption decreased slightly to 3.0 percent as compared with 4.4 percent in January-August 1982.

Effect of LTFV imports on prices

Domestic prices of wire rod declined steadily after 1980, and in recent months have not shown significant improvement despite the slight increase in apparent consumption. Average delivered prices paid by purchasers of wire rod fell by 19 percent from January 1981 to June 1983, and half of the decline occurred in the first six months of 1983. [30/] Although the price declines affected all domestic producers, domestic producers reported a wide range of f.o.b. mill prices. [31/] Because of the substitutability of rimmed and cast rod, we have primarily relied on a comparison of delivered prices of imports from Brazil with the weighted-average delivered prices of all wire rod from domestic producers.

Delivered prices of wire rod from Brazil followed the same trends as prices of domestic wire rod. However, whereas from July 1981 through June 1982 the average price of these imports exceeded the average price reported

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30/ Report at A-49.
31/ There is no clear division between prices of integrated and nonintegrated producers, or between prices of rimmed and those of cast wire rod. For example, certain integrated producers' reported f.o.b. prices that were lower than the f.o.b. prices of certain nonintegrated producers in a number of different quarters. See table D-16 in Report at A-82. See also n. 21 at p. 11.

for domestic wire rod, for the next three consecutive quarters, Brazilian rod undersold U.S. rod, by generally increasing margins. During April-June 1983, Brazilian rod continued to undersell domestic rod, but by a smaller margin than in January-March. This reduced margin of underselling coincided with the sharp reduction in shipments in the second quarter of 1983 and the requirement for posting bonds which commenced with the Commerce Department's preliminary LTFV determination. [32/] The largest margins of underselling corresponded with the substantial increase in imports of rod from Brazil in the first quarter of 1983.

The purchasers of Brazilian wire rod provided price information on a delivered basis and did not provide landed, duty-paid prices. [33/] In comparison, individual domestic producers provided price information on an f.o.b. mill basis and not on a delivered basis. In order to make certain comparisons of the imported prices with the domestic producers' f.o.b. prices, the delivered prices reported by purchasers of wire rod from Brazil had to be adjusted by deducting the estimated cost of inland freight in order to approximate the landed, duty-paid prices. [34/] Subtracting this estimated cost from the average delivered price reported for Brazilian wire rod by

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32/ Report at A-49.

33/ As indicated previously, the largest importer of carbon steel wire rod from Brazil did not provide requested information to the Commission.

34/ Since both Brazilian and Trinidad wire rod are imported essentially at the same ports and generally sold to the same customers, the estimate of inland freight should be similar for Brazil. Since the Brazilian producers did not provide the Commission with an actual figure for inland freight, we are using the best information available. Report at A-82, n. 2 of table D-17.

purchasers allows a conservative and reliable comparison of these prices with domestic producers' f.o.b. prices. These calculations show that Brazilian prices were below four domestic producers' f.o.b. prices in the third quarter of 1981, below seven producers by the second quarter of 1982, and below all but two domestic producers from October 1982 through June 1983.[35/] [36/] We have concluded that the underselling by Brazil is the primary reason for the ability of that country to maintain and expand its U.S. market share.

Lost sales

The Commission verified sales lost to wire rod from Brazil amounting to nearly 10,000 short tons. The primary reason quoted by purchasers for buying Brazilian wire rod was price. Some purchasers reported that the wire rod from Brazil was of higher quality than that of domestic producers primarily because it was rimmed rod, and that it was sold at a lower price. These comments confirm our previous analysis showing that rimmed and cast wire rod are competing with each other in the market.

Carbon Steel Wire Rod from Trinidad

We determine that imports from Trinidad sold at less than fair value have caused material injury to the domestic carbon steel wire rod industry. Our decision is based primarily on the sharp increase in imports from Trinidad since their entrance in the market in the last quarter of 1981, indications of underselling in the U.S market, and certain lost sales information.

35/ See Table D-16 in Report at A-82.
36/ Commissioner Stern notes that the substantial margins of 63.51 percent found by the Commerce Department on Brazilian imports account for the ability of the Brazilian wire rod to be priced in the manner discussed here.

Volume of imports

Production of carbon steel wire rod in Trinidad began in July 1981. For the remainder of that year, Trinidad shipped 6,010 short tons of wire rod to the United States. In 1982, imports from Trinidad increased to 56,338 short tons, more than nine times the 1981 level. 37/ This significant increase came during a time when domestic consumption had declined precipitously. Imports from Trinidad further increased in January-August 1983 to 44,250 short tons, as compared with 26,294 short tons in January-August 1982. Imports from Trinidad increased as a share of total apparent U.S consumption from 0.1 percent in 1981 to 1.5 percent in 1982. Imports increased as a share of noncaptive apparent U.S. consumption from 0.2 percent in 1981 to 1.9 percent in 1982. 38/ Although consumption in January-August 1983 increased slightly as compared with that in January-August 1982, the ratio of imports from Trinidad to total apparent consumption increased markedly to 1.6 percent in January-August 1983, as compared with 1.1 percent in January-August 1982, and the ratio of imports to noncaptive consumption increased to 1.9 percent in January-August 1983, as compared with 1.4 percent in January-August 1982. 39/

Impact of LTFV imports on prices

For the reasons previously stated, in analyzing prices, we have relied primarily on a comparison of the weighted-average delivered prices of imports from Trinidad with the weighted-average delivered prices of domestic producers

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37/ Report at A-37.
38/ See Report at A-44. See also n. 29 on p. 14 of these views.
39/ There is testimony that the volume of imports and the import penetration rate would have been higher but for the chilling effect of the existence of this investigation. See hearing transcript at 213, 240 and 241.

as reported by purchasers. 40/ As with Brazil, prices paid by U.S. purchasers for wire rod from Trinidad and domestic wire rod declined throughout 1982 and 1983. 41/ The average delivered price of wire rod from Trinidad was below the domestic producers' delivered prices in all four quarters of 1982. During 1982, margins of underselling ranged from less than 0.5 percent to 4 percent. Significantly, imports from Trinidad as a share of noncaptive consumption reached their highest level in 1982 when margins of underselling were found. 42/ 43/ 44/ The average delivered price of wire

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40/ See discussion on pp. 15-17 regarding pricing information for Brazil.

41/ There were few sales of wire rod from Trinidad made before 1982.

42/ Report at A-49.

43/ Commissioner Haggart has concluded, on the basis of the pricing data developed, that the present investigation is not parallel to the case of City Lumber Co. v. United States, 311 F. Supp. 340 (Cust. Ct. 1970), aff'd 457 F.2d 991 (CCPA 1972). In the City Lumber case, the Commission found that imports of Portuguese cement entered the U.S. market at a price equal to U.S. producers' prices which had already been depressed by imports of cement from Sweden. Under these circumstances, the Commission made an affirmative finding despite the fact that imports of cement from Portugal were only sold at prices prevailing in the market.

Unlike the imports of Portuguese cement, the available data in this investigation indicate that imports of wire rod from Trinidad entered the U.S. market and were sold at prices lower than the weighted-average delivered prices of U.S. producers during all four quarters of 1982. Report A-49, table 25. Furthermore, the imports of wire rod from Trinidad were priced lower than the price of imports from Brazil in three of the four quarters of 1982. During 1982, the level of imports from Trinidad, absolutely and as a share of noncaptive consumption, increased significantly. Thus, the factual predicate of ISCOTT's defense, i.e., wire rod from Trinidad was sold in the U.S. market at prices equal to or higher than the domestic producers' prices and the prices of Brazilian wire rod, is lacking. The City Lumber case is not applicable to this case, because the data do not demonstrate an absence of underselling by ISCOTT.

44/ It should be noted that the delivered prices from Trinidad were lower than the delivered prices reported by purchasers of wire rod from Brazil in three of the four quarters of 1982.

rod from Trinidad was higher than the domestic producers' delivered prices in the first two quarters of 1983. During this period, the share of noncaptive consumption held by imports from Trinidad remained the same. ISCOTT may have changed its pricing policy in the U.S. market in 1983, but this change occurred only after the investigation was instituted.

As with Brazil, we constructed an approximation of the landed, duty-paid cost of wire rod from Trinidad to compare with the f.o.b. prices of individual domestic producers. This calculation, subtracting the lowest estimate of inland freight costs from delivered prices to purchasers of the Trinidad wire rod, shows that wire rod from Trinidad was priced consistently below most domestic producers' wire rod even on an f.o.b. mill basis. In four of the six quarters of 1982 and 1983 for which we have price data for Trinidad wire rod and most domestic producers, the imported product was priced below the f.o.b. mill prices of nine out of eleven domestic producers. In the remaining two quarters, wire rod from Trinidad was priced below the f.o.b. mill prices of seven and eight domestic producers, respectively. 45/

Additionally, Trinidad increased its sales in late 1982 and early 1983 by expanding its market from its initial penetration in the Gulf Coast to include significant sales to customers on the West Coast. The Commission examined invoices provided by ISCOTT and by domestic producers for sales on the West Coast and found certain instances of purchases of wire rod from both Trinidad

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45/ This comparison is significant inasmuch as there is testimony on the record that domestic purchasers of wire rod require domestic producers to freight equalize. Hearing transcript at 242. See also Report at A-45 and Table D-16 at A-82.

and domestic producers by the same domestic customers. After adjusting domestic producers' f.o.b. invoice value for the cost of freight to the West Coast, 46/ ISCOTT's prices in the West Coast market were the same or less than domestic producers' prices in a number of cases. 47/ 48/

Lost sales

Allegations of sales lost to imports of wire rod from Trinidad were confirmed in five of six cases. One of the lost sales was confirmed on the basis of price. A purchaser of the wire rod from Trinidad also stated that Trinidad wire rod was originally sold at a price lower than U.S. rod, but Trinidad's prices increased in 1983, a pattern confirmed by our pricing analysis. Certain other purchasers stated that they had purchased wire rod from Trinidad because of its superior quality. Although it would be expected that a superior quality wire rod would command a premium in the market, 49/ a purchaser stated that it had bought ISCOTT wire rod at the same price as domestic wire rod. 50/

46/ Georgetown Texas and a major West Coast customer agreed on the amount of the freight from Beaumont, Texas, the site of the Georgetown Texas plant, to California. This customer is a major customer of both Georgetown Texas and ISCOTT. Report at A-82, n. 1.

47/ Report at A-82. This analysis is based on the data used to compile table D-18. Since June of 1983, ISCOTT has sold wire rod in the West Coast market at a price lower than the domestic producers' average price reported for the quarter April-June 1983 in that market. Iscott's prices for July-September 1983 were also lower than its delivered prices reported during April-June 1983. Report at A-120.

48/ Commissioner Stern notes that the weighted average LTFV margin of 9.79 percent found by Commerce is more than sufficient to account for the ability of the subject imports from Trinidad to affect U.S. producers in the manner discussed.

49/ See hearing transcript at 241 and 242.

50/ Report at A-54.

Critical circumstances

We determine under section 735(b)(4)(A) that the material injury is not by reason of massive imports over a relatively short period to the extent that it is necessary that the duty provided in section 731 be imposed retroactively on these imports in order to prevent such injury from recurring. Section 735(b)(4)(A) states:

> If the finding of the administering authority under subsection (a)(2) is affirmative, then the final determination of the Commission shall include a finding as to whether the material injury is by reason of massive imports described in subsection (a)(3) [massive imports of the merchandise which is the subject of the investigation over a relatively short period] to an extent that, in order to prevent such material injury from recurring, it is necessary to impose the duty imposed by section 731 retroactively on those imports.

In describing this provision, the House Report states:

> The provision is designed to provide prompt relief to domestic industries suffering from large volumes of, or a surge over a short period of imports, and to deter exporters whose merchandise is subject to an investigation from circumventing the intent of the law by increasing their exports to the United States during the period between initiation of an investigation and a preliminary determination by the Authority [Department of Commerce]. 51/

The relevant legislative history indicates that the Commission is to determine whether the volume of imports is sufficient to establish that foreign producers have circumvented the intent of the antidumping statute by increasing their exports prior to Commerce Department's preliminary determination to an extent so as to warrant the retroactive application of antidumping duties. If the Commission had made an affirmative determination,

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51/ H. Rep. No. 96-317, 96th Cong., 1st Sess. 63 (1979).

the Commerce Department under sections 733(e) and 736(b) would have applied antidumping duties retroactively from the date of the preliminary determination, May 4, 1983, to February 4, 1983, the date which is 90 days prior to the that determination.

The focus of section 735(b)(4)(A) is on the volume of imports. In order to make a determination as to whether an affirmative critical circumstances determination is justified, it is necessary to examine the volume of imports entering the U.S. market during the relevant time period. In making our determination, we have examined the period November 1982-April 1983. 52/ During this period, 79,570 short tons of carbon steel wire rod from Brazil were imported into the United States, as compared with 62,403 short tons in the period November 1981-April 1982. These figures indicate an increase in imports during November 1982-April 1983. However, when viewed in light of historical data, the volume of imports is not sufficiently large, nor does it constitute a surge over a short period which would justify the retroactive assessment of antidumping duties. The volume of imports of carbon steel wire rod from Brazil fluctuated widely on a month-to-month basis during 1981-1983. Furthermore, in the first three months of 1982 and 1983, imports of wire rod from Brazil generally increased. We, therefore, conclude that the increased volume of imports in November 1982-April 1983 is not sufficient to warrant an affirmative determination.

52/ This period is appropriate because the Commerce Department initiated its preliminary LTFV investigation on October 20, 1982, and then issued its preliminary LTFV determination on May 4, 1983. We have not examined October or May import figures because import figures are only available on a complete monthly basis.

VIEWS OF COMMISSIONER STERN ON CRITICAL CIRCUMSTANCES

In contrast to the majority, in investigation No. 731-TA-113, Carbon Steel Wire Rod From Brazil, I determine under the antidumping critical circumstances provision, section 735(b)(4)(A), that material injury is by reason of massive imports of carbon steel wire rod from Brazil over a relatively short period to the extent that it is necessary that the duty provided for in section 731 be imposed retroactively on these imports in order to prevent such injury from recurring.

In reaching my determination, I first considered the intent of Congress in drafting the critical circumstances provision, which I believe should be invoked here. The House Report of the Committee on Ways and Means states:

> The provision is designed to provide prompt relief to domestic industries suffering from large volumes of, or a surge over a short period of imports, and to deter exporters whose merchandise is subject to an investigation from circumventing the intent of the law by increasing their exports to the United States during the period between initiation of an investigation and a preliminary determination by the Authority. 1/ (Emphasis added).

In this case, exporters clearly were increasing their shipments to the U.S. during the period between initiation and the preliminary determination by the Commerce Department. The petition was filed on September 30, 1982. In August and September of 1982, no imports of carbon steel wire rod from Brazil were imported, and in October 16,860 short tons were imported. Between October of 1982 and April of 1983, 96,430 short tons of carbon steel wire rod were imported into the United States from Brazil, in contrast to 70,660 short tons

1/ House Rep. No. 96-317, 96th Cong., 1st Sess. 63 (1979).

in October of 1981 to April of 1982. This is an increase of 25,770 short tons of carbon steel wire rod, approximately 37 percent. This increase should be viewed in conjuction with the fact that in June, July and August of 1983, the imports of carbon steel wire from Brazil were 0. These figures indicate that the situation in Carbon Steel Wire Rod From Brazil is exactly the type of situation the Congress contemplated when enacting sections 733(e) and 735(b)(4)(A): exporters are attempting to avoid the withholding of appraisement by squeezing in their exports before the Commerce Department's preliminary determination.

The period on which my critical circumstances determination is based derives from section 735(b)(4)(A) itself. The Tariff Acts are remedial in nature. The period of application of any retroactive suspension of liquidation--the only remedy available under the critical circumstances provision--had the Commission made an affirmative determination would be from February 4, 1983, to May 4, 1983. I have therefore chosen this relatively short period to see whether the Brazilian exports were massive enough and/or characterized by a sufficient surge to satisfy the concerns of the statute and the House Report. 2/

From February through April 1983, 52,453 short tons of carbon steel wire rod entered the United States, in contrast to 37,110 short tons in February-April 1982. This is an increase of approximately 41 percent. The

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2/ The period mentioned in the House Report commences with initiation of the case rather than the Department of Commerce's preliminary finding. In contrast, the statute in applying duties retroactively to the date of Commerce's preliminary finding has prescribed a shorter period of analysis than the one employed by the Committee on Ways and Means in its discussion. The legislative history provides no guidance on why the statutory remedy is applied to a period different from that envisioned by the Committee. However, the statute prevails in such situations.

majority has emphasized that an increase in imports of this magnitude is not great in absolute terms because 15,000 short tons is in itself, not a large increase. The meaning of any number is obviously a relative, not an absolute, judgment. Brazil is a major source of imports of this product, but because of the wide swings in its volume there is no "typical" level for its imports. Brazil's imports were certainly massive and surged by a large percentage during February-April 1983.

Furthermore, imports from Brazil were among the lowest priced imports entered during the period. During the period October 1982 to April 1983, imports of wire rod from Brazil undersold by substantial margins both domestic wire rod and the LTFV wire rod from Trinidad. Low priced imports from Brazil have had an immediate impact on the domestic producers because they have been forced to drop their prices to meet the lowest imported price. The cancel option in domestic contracts permits the wire rod consumers to use the low prices of the imports to compel domestic producers to lower their prices. Thus the low priced imports from Brazil have had a ripple effect throughout the U.S. wire rod market, causing many domestic producers to lower their prices.

Regardless of which period is examined during September 1982 to April 1983, Brazil considerably increased its exports prior to the preliminary determination by Commerce. Then, the same exports precipitously dropped to zero. These products undersold the domestically produced wire rod by substantial margins. These facts compel me to conclude that massive imports from Brazil have caused material injury to the extent that the duty must be applied retroactively to prevent the injury from recurring.

Section 735(b)(4)(A) states that the Commission shall decide "whether the material injury is by reason of massive imports described in subsection (a)(3) . . . ." Under subsection 735(a)(3), the Commerce Department determines whether "there have been massive imports of the merchandise which is the subject of the investigation over a relatively short period . . . ." The Commerce Department has already determined that there have been massive imports of carbon steel wire rod from Brazil over a relatively short period. The Commission's function is to determine whether those massive imports have caused material injury to the domestic industry to the extent that the duty should be applied retroactively. By determining that imports from Brazil during this period were not that great in light of historical trends, the Commission majority apparently directly contradicts the Commerce Department's determination and impinges on the statutory bifurcation of responsibilities between Commerce and the Commission. Instead, in making this determination, the Commission should focus only on the impact the imports have had on the domestic industry.

By interpreting the statute the way it has, the Commission majority also has not fully appreciated the fact that Title VII is intended to be a remedial statute. Specifically, section 733(e) was enacted to remedy the situation where exporters increase their dumped exports to the United States prior to the Commerce Department's preliminary determination, thereby causing injury to the domestic industry, but would otherwise escape assessment of duties during the period immediately prior to Commerce's preliminary determination. Under section 733(e), the exported merchandise is exposed to possible duties to remedy a portion of the injury to the domestic industry and to prevent it from recurring. Thus, the critical circumstances determination is directed at precisely such situations as the one present in this investigation. Not invoking this provision sends an inappropriate signal to foreign producers that circumvention of the U.S. law by increasing dumped exports to the United States is permissible--so long as exports are stopped just prior to the Commerce Department's preliminary determination.

INFORMATION OBTAINED IN THE INVESTIGATIONS

Introduction

On May 4, 1983, the U.S. Department of Commerce (Commerce) published in the Federal Register (48 F.R. 20106) its preliminary determinations that there is a reasonable basis to believe or suspect that carbon steel wire rod from Brazil and from Trinidad and Tobago (Trinidad) is being sold, or is likely to be sold, in the United States at less than fair value (LTFV). Accordingly, effective May 4, 1983, the U.S. International Trade Commission (Commission) instituted investigations Nos. 731-TA-113 (Final) and 731-TA-114 (Final) to determine whether an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded by reason of imports from Brazil and Trinidad of carbon steel wire rod, provided for in item 607.17, of the Tariff Schedules of the United States (TSUS), which Commerce has determined is being, or is likely to be, sold in the United States at LTFV within the meaning of section 731 of the Tariff Act of 1930 (19 U.S.C. 1673).

Notice of the institution of the Commission's final investigations and of the public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, and by publishing the notice in the Federal Register of May 25, 1983 (48 F.R. 23488). On June 22, 1983, Commerce published in the Federal Register (48 F.R.28519 and 48 F.R. 28520) notices of postponement of its final determinations with respect to carbon steel wire rod from Brazil and Trinidad. Accordingly, the Commission revised its investigation schedule. 1/ On September 22, 1983, Commerce published in the Federal Register (48 F.R. 43202) its affirmative final determination with respect to LTFV sales of carbon steel wire rod from Brazil and Trinidad. 2/ The Commission's hearing was held in Washington, D.C., on September 20, 1983. 3/ It has established October 31, 1983, as its administrative deadline for reporting its final injury determinations to Commerce. The statutory deadline for reporting the Commission's final determinations to Commerce is November 7, 1983.

Background

On September 30, 1982, a petition was filed by counsel on behalf of Atlantic Steel Corp. Continental Steel Corp., Georgetown Steel Corp., Georgetown Texas Steel Corp., (now North Star Steel Texas), and Raritan River Steel Co. with the Commission and with Commerce alleging that an industry in the United States is materially injured, or is threatened with material

1/ Copies of the Commission's notices of investigations and rescheduling of hearing, as published in the Federal Register, are presented in app. A.
2/ Copies of Commerce's final LTFV determinations are presented in app. B.
3/ A calendar of witnesses who appeared at the public hearing is presented in app. C.

injury, by reason of imports from Brazil and Trinidad of carbon steel wire rod allegedly being sold in the United States at LTFV. 1/

Accordingly, effective September 30, 1982, the Commission instituted preliminary material injury investigations under section 733(a) of the Tariff Act of 1930. On November 15, 1982, the Commission determined that there was a reasonable indication that an industry in the United States was materially injured by reason of such imports. The Commission's determinations were published in the Federal Register on November 26, 1982 (47 F.R. 53515). As a result, Commerce continued its investigations of alleged LTFV sales of carbon steel wire rod from Brazil and Trinidad.

Previous Investigations

On February 10, 1982, following the filing of a petition by domestic producers of carbon steel wire rod, the Commission instituted three preliminary countervailing duty investigations on carbon steel wire rod from Belgium (investigation No. 701-TA-148 (Preliminary)), Brazil (investigation No. 701-TA-149 (Preliminary)), and France (investigation No. 701-TA-150 (Preliminary)). The Commission made affirmative determinations that there were reasonable indications that an industry in the United States is being materially injured or threatened with material injury in all three cases. Final investigations were instituted by the Commission in all three cases following preliminary affirmative subsidy determinations by Commerce. On October 1, 1982, the Commission suspended investigation No. 701-TA-149 (Final) (Brazil) following an agreement with Brazil to offset the amount of the subsidy with an export tax. Investigations Nos. 701-TA-148 (Final) (Belgium), and 701-TA-150 (Final) (France) were terminated on October 21, 1982, when the U.S. producers withdrew their petitions in response to the conclusion of an arrangement between the United States and the European Coal and Steel Community (ECSC) affecting trade in certain steel products (47 F.R. 49059, Oct. 29, 1982). Under the arrangement, ECSC exports of wire rod to the United States were to be limited annually to 4.29 percent of U.S. apparent consumption between November 1, 1982, and December 31, 1985.

On February 10, 1982, following the filing of a petition by domestic producers, the Commission instituted a preliminary antidumping investigation on carbon steel wire rod imports from Venezuela (investigation No. 701-TA-88 (Preliminary)). The Commission made an affirmative determination on March 25, 1982, that there was a reasonable indication that an industry in the United States was being materially injured or threatened with material injury by reason of the subject imports. Following an affirmative LTFV determination by Commerce, the Commission made a final negative injury determination on February 14, 1983 (Carbon Steel Wire Rod From Venezuela . . ., USITC publication 1338) (48 F.R. 7821; Feb. 24, 1983). There have been 2 other countervailing duty investigations involving carbon steel wire rod in recent years. They involved nonsignatories of the Subsidies Code, that is "countries not under the agreement" and the Commission was not required to conduct any injury investigations. With regard to carbon steel wire rod from Argentina, the Commerce investigation resulted in a suspension agreement on September

1/ On Sept. 27, 1983, the Commission received notification by letter from two of the large integrated wire rod producers, Armco and Bethlehem, that those firms are also in support of the petition.

27, 1982. With regard to such imports from South Africa, Commerce made a preliminary finding of subsidies equivalent to 7.8 percent of the value of the merchandise on April 1, 1982, but made a final negative determination.

On May 16, 1982, Commerce initiated a countervailing duty investigation concerning carbon steel wire rod imports from Trinidad upon receipt of a petition from domestic producers. Since Trinidad is not a "country under the Agreement," the Commission was not required to make a preliminary determination on a reasonable indication of material injury. Commerce, on October 13, 1983, preliminarily determined that subsidies equivalent to 12.29 percent had been granted on exports of carbon steel wire rod from Trinidad; Commerce's notice of its preliminary determination of countervailable subsidies was published in the Federal Register of October 20, 1983 (48 F.R. 48694). The Commission's record of all the previous investigations cited above, as well as its record of the preliminary investigations for the instant investigations have been placed in the official record of this proceeding. 1/

The Product

Description and uses

For the purpose of these investigations, carbon steel wire rod is a hot-rolled, semifinished, coiled product of solid, approximately round, cross section, not under 0.20 inch nor over 0.74 inch in diameter, which has not been tempered, treated, or partly manufactured. Carbon steel wire rod can be differentiated by its chemistry, diameter, and the process by which it is manufactured. It is categorized by carbon-content levels based on specifications provided by the American Iron & Steel Institute (AISI). These categories are low-carbon rod (encompassing AISI grades 1006 through 1022, with a maximum carbon content of 0.23 percent), medium-high carbon rod (encompassing AISI grades 1023 to 1040, in which the carbon content varies from 0.24 to 0.44 percent), and high-carbon rod (encompassing AISI grades 1041 through 1095, with a maximum carbon content exceeding 0.44 percent).

The traditional method of making wire rod is the ingot method, which is employed most frequently by the integrated producers. 2/ In this process, pig iron and/or scrap steel are charged into basic oxygen, open hearth, or electric furnaces. The resultant molten steel is poured into ladles which transport the liquid steel to ingot molds (typically 3 or 4 feet square by 6 feet deep) into which the steel is poured and allowed to solidify. When solid, the ingots are removed from the molds and placed in soaking pits for uniform heating. From the soaking pits the ingot is gradually reduced (rolled) into billets and then transferred to the rod mill. Wire rod produced by this ingot method is known as "rimmed" wire rod.

Continuous casting is a newer method of converting raw steel into billets. This process is used extensively by the nonintegrated wire rod producers. Continuous casting is more efficient than the ingot method of billet making, as it forms the billet directly from molten steel, bypassing the need to form, reheat, and reduce ingots.

1/ Staff memorandum to the record, Oct. 14, 1983.
2/ Defined as those companies utilizing blast furnaces and whose principal commercial activity is the production and sale of carbon steel products.

In the continuous-casting method, molten steel is transferred in preheated ladles to the continuous-casting facilities by overhead cranes. Here the molten steel is poured into a receiving basin (known as a tundish), which channels the molten steel into spigots.

At this stage the steel is "killed" 1/ with silicon or aluminum, so that the molten steel is able to flow evenly through the spigots and into the continuous-casting molds. In the molds, the steel is cooled by water sprays and partially solidified into a moving continuous strand of steel 4 or 5 inches square. This strand proceeds to the end of the billet preparation line and is cut into lengths of 40 to 50 feet. These billets are normally cooled and stored before being rolled into wire rod.

All billets are converted into wire rod by a hot-rolling process. The first step is the heating of the billet in the reheat furnace to uniform temperatures of 2,200° F to 2,400° F. Billets are then moved into the roughing, intermediate, and finishing stands which reduce them, at exiting speeds of up to 15,000 feet per minute, to predetermined diameters. A typical billet will produce about 4.5 miles of 7/32-inch diameter wire rod. Wire rod produced from the above-described continuous-casting process is referred to as cast wire rod.

After exiting the last finishing stand, the rod is coiled into concentric loops on a conveyor, which moves the hot wire rod along while it cools. The speed at which the wire rod is cooled affects the formation of its metallurgical structure, which may be varied according to the rod's intended end use. The loops of wire rod are fed into various devices, depending on the particular plant, and collect into coils which are compacted, tied, and readied for shipment. The timespan from the exiting of the billet from the reheat furnace to the loading of a finished coil may be as little as 10 minutes.

The two methods of billet making produce different types of steel, which may be preferred or even specified by consumers of wire rod, depending on the wire rod's intended end use and the wire fabricators' wire-drawing facilities. Wire rod produced by the ingot process may be either killed to stop the evolution of gases and segregation of residuals, or "rimmed," in which gas evolution and residual segregation are allowed to occur; cast steel is, of necessity, always killed. 2/

Since the amount of oxygen dissolved in molten steel varies inversely with its carbon content, ingot or cast steel intended for use in the production of high-carbon wire rod can be readily killed or semikilled (in the case of ingots) by the introduction of deoxidation agents, principally silicon or aluminum. However, the lower the desired carbon content of the melt, the higher the amount of deoxidation agents required to kill the steel. Besides increasing the cost of the steel, the presence of the deoxidizing agents

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1/ "Killed" is an expression used to describe steel to which deoxidizing agents, such as aluminum or silicon, have been added in order to stop the evolution of gases during cooling. The process also causes residual impurities to be more evenly distributed throughout the billet.

2/ Cast steel must be killed to prevent solidification of the molten steel in the tundish as it is slowly being poured into the strand caster.

results in a product higher in nonmetallic inclusions (residuals), which make the resultant billet less ductile. Since the killing process also prevents segregation of these residuals, a killed steel will be inherently less ductile than a rimmed steel of the same carbon content, and conversely, will possess a higher tensile strength. 1/ Thus, wire rod produced from continuous-cast billets, although more economical to produce, is sometimes not preferred by customers for end uses where ductility is required or desired. Rimmed wire rod, although it may sell for a premium over cast rod, 2/ can provide a greater yield and normally results in less die wear for the wire drawer. 3/

The differences between cast and rimmed wire rod, and the end uses for which the rimmed rod is preferred or required, were discussed extensively at the hearing in investigations Nos. 701-TA-148 and 150 (Final), on carbon steel wire rod from Belgium and France, and in interested party submissions in the same investigations. Data from these and other industry sources contacted by the Commission indicate a consumer preference for rimmed wire rod in applications where ductility is important. Such customers will weigh the price advantage of the cast product against the workability and greater yield of the rimmed product in making purchasing decisions. However, aside from consumer preference, there exist only limited end uses of wire rod that require the rimmed product. These include very fine wire which is used to make such products as door and window screens, certain chemistries of welding quality wire where control of residuals (especially copper) is critical, and aluminum-killed wire, which is used for some industrial fasteners. These applications represent less than 5 percent of the total market for wire rod, according to industry sources.

Carbon steel wire rod is distinguished by its chemical composition and its method of manufacture. In all phases of production, various practices are employed which determine the characteristics and quality of the finished product. The internal structure, surface quality, and physical properties of wire rod are affected by the method of casting the steel from which the rod is made and by altering the chemical composition of the steel. Some common qualities of carbon steel wire rod and their end uses are discussed below.

Low-carbon steel wire rod is used where malleability is required. The low-carbon steel wire rod is typically drawn into wire for wire mesh, home appliance shelving, shopping carts, nails, screws and bolts, baling wire, and

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1/ Raw steel may also contain higher residuals if it is the product of an electric arc furnace, which utilizes scrap as a raw material instead of pig iron produced in the blast-furnace process. The nonintegrated producers of wire rod use the electric arc furnace exclusively.

2/ The premium charge for rimmed wire rod has been estimated to be $25 to $30 per ton under normal market conditions. The premium decreases or is eliminated in times of slack demand.

3/ Producers of both rimmed and cast wire rod assert that through scrap selection, enrichment of the charge with direct-reduced-iron (DRI) pellets, and other practices, cast wire rod producers can make a substitute for rimmed steel with ductility approaching that of the rimmed product. However, such practices increase the cost of cast rod, which lessens its cost advantage vis-a-vis the rimmed product. Transcript of the hearing in investigations Nos. 701-TA-148 and 150 (Final), Carbon Steel Wire Rod From Belgium and France, pp. 126-130.

chain link fences. Standard industrial quality rod and fine wire quality rod are low-carbon wire rod. Some cold-heading quality, welding quality, and cold-finishing quality rod may also be low-carbon rod. Low-carbon steel wire rod accounts for an estimated 60 to 65 percent of the U.S. market for carbon steel wire rod, with standard industrial quality rod as the industry's mainstay. Standard industrial quality steel wire rod is used primarily in the production of wire mesh, clothes hangers, and chain link fences where the tolerances required of the product are relatively low. Thus, because product differentiation is less significant, standard industrial quality rod is a fungible product, and the market for this product is highly competitive.

Medium-high carbon steel wire rod is used in applications where greater strength and hardness is desired. Major end uses include bolts and screws, snap-tie wire, bicycle spokes, and high-tensile balewire.

High-carbon steel wire rod is used where even greater strength is desired. Typical uses include mechanical springs, upholstery springs, tire bead, tire cord wire, and bridge cables. Traditionally, high-carbon steel wire rod is sold at higher prices than is medium-high carbon or low-carbon steel wire rod, and is sold to different end users.

The imported product

Virtually all of the wire rod imported from Brazil and Trinidad is low-carbon steel wire rod. 1/ The product imported from Trinidad is a cast rod, and the product from Brazil is either cast or rimmed depending on the particular supplier. Brazil also has the capability to produce carbon steel wire rod of all grades and qualities, but the bulk of Brazilian exports to the United States consists of "standard-quality" rod. All imports from ISCOTT (Trinidad) and all imports from COSIGUA (Brazil) are of cast carbon steel wire rod, and all imports from Belgo-Mineira (Brazil) are of rimmed carbon steel wire rod. During the respective 6-month periods of 1982 examined by Commerce, * * * percent of the total value of imports of Brazilian carbon steel wire rod was of rimmed wire rod; * * * percent of the value of such imports was of cast wire rod. Overall, the combined value of imports from both Brazil and Trinidad was * * * cast and * * * percent rimmed during the 6-month periods of 1982 examined by Commerce. Since COSIGUA stopped supplying the U.S. market early in 1983, virtually all 1983 imports from Brazil since then would be of rimmed wire rod.

The domestic product

U.S.-produced carbon steel wire rod (both ingot and cast) is available in all grades and qualities. However, estimates received from 12 major U.S. producers show shipments of carbon steel wire rod were approximately 67 percent low carbon, 5 percent medium-high carbon, and 28 percent high carbon in 1982.

1/ On the basis of data derived from responses to the Commission's and Commerce's questionnaires.

In 1982, 26.3 percent of U.S. producers' total shipments of wire rod was captively consumed in the production of wire, nails, staples, and other wire products by the U.S. producers--down from 33.7 and 34.5 percent in 1980 and 1981, respectively. Wire rod not consumed captively is sold commercially to independent wire fabricators in the United States or is shipped to export markets. In 1982, domestic production of carbon steel wire rod was estimated at 57.5 percent cast rod and 42.5 percent rimmed rod.

U.S. tariff treatment

Carbon steel wire rod is classified under items 607.14 and 607.17 of the TSUS. 1/ TSUS item 607.14 provides for wire rod of iron or steel, other than alloy iron and steel, not tempered, not treated, and not partly manufactured, and valued at not over 4 cents per pound. However, because there have been no imports from either Brazil or Trinidad under this tariff item during recent years, it has been excluded from these investigations. Item 607.17 provides for wire rod of iron or steel, other than alloy iron or steel, not tempered, not treated, and not partly manufactured, and valued over 4 cents per pound. As of January 1, 1982, the column 1 (most-favored-nation) rate of duty for item 607.17 was converted from a specific rate of duty to an ad valorem rate of duty of 2.0 percent. 2/ As a result of a concession granted in the Tokyo round of Multilateral Trade Negotiations (MTN), this rate will be reduced on January 1, 1985, to 1.9 percent ad valorem; no further reductions are scheduled.

The column 2 rate of duty for item 607.17 is 5.5 percent ad valorem. 3/ Imports under this item are not eligible for duty-free treatment under the Generalized System of Preferences (GSP). 4/ However, imports from the least developed developing countries (LDDC's) (enumerated in general headnote 3(d) of the TSUS) are assessed the preferential rate of 1.9 percent ad valorem, representing the full MTN concession rate. This LDDC duty became effective on January 1, 1982, when the MFN rate for item 607.17 was converted from the previous specific rate of duty (0.25 cent per pound) to the 2 percent ad valorem rate negotiated in the MTN. For most other articles covered by the MTN, the LDDC rate became effective on January 1, 1980. Neither Brazil nor Trinidad is classified as an LDDC country.

1/ Prior to Jan. 1, 1980, carbon steel wire rod was classified under TSUS items 608.70 and 608.71.

2/ In 1980 and 1981, the col. 1 rate of duty for item 607.17 was 0.25 cent per pound. The 0.25 cent per pound rate of duty was equivalent to a rate of 1.5 percent ad valorem for imports from Brazil in 1981 and 1.7 percent for imports from Trinidad in 1981; for all imports the ad valorem equivalent was 1.4 percent. The col. 1 rates are applicable to imported products from all countries except those Communist countries and areas enumerated in general headnote 3(f) of the TSUS.

3/ The rate of duty in col. 2 applies to imported products from those Communist countries and areas enumerated in general headnote 3(f) of the TSUS.

4/ The GSP, under title V of the Trade Act of 1974, provides duty-free treatment for specified eligible articles imported directly from designated beneficiary developing countries. GSP, implemented by Executive Order No. 11888 of Nov. 24, 1975, applies to merchandise imported on or after Jan. 1, 1976, and is expected to remain in effect until January 1985.

Nature and Extent of Sales at LTFV

Commerce determined that carbon steel wire rod from Brazil and Trinidad is being sold, or is likely to be sold in the United States at LTFV within the meaning of section 731 of the Act. A summary of the Commerce findings is presented in table 1.

Brazil

The Commerce investigation included two Brazilian firms, Companhia Siderurgica Da Guanabara (COSIGUA) and Companhia Siderurgica Belgo-Mineira (Belgo Mineira), which are believed to account for 100 percent of the Brazilian exports of carbon steel wire rod to the United States. Commerce found that the foreign market value of carbon steel wire rod exceeded the United States price on 100 percent of sales during the period investigated (Feb. 1 to July 31, 1982), as shown in table 1. The LTFV margins in this investigation, in relation to the U.S. sales price, as reported by Commerce, ranged from 51.5 percent to 70.57 percent with an overall weighted average LTFV margin of 63.51 percent. 1/ This weighted average margin would be the LTFV margin that would be applied to any other Brazilian producers that might ship carbon steel wire rod to the U.S. market in the future.

Counsel for petitioners alleged that imports of carbon steel wire rod from Brazil present "critical circumstances." Commerce examined such imports under the provisions set forth in section 733(e)(1) of the act and determined that critical circumstances exist. The effect of such a determination is the requirement of retroactive posting of bonds to 90 days before the date of publication in the Federal Register of the critical circumstances determination. Therefore, bonds on the imports of the subject merchandise from Brazil were required as of February 3, 1983. 2/

Trinidad

The Commerce investigation included the only known producer and exporter of carbon steel wire rod in Trinidad, the Iron and Steel Company of Trinidad and Tobago (ISCOTT) and covered the period April 1, to September 30, 1982, as shown in table 1. Commerce examined 100 percent of the sales and found that

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1/ As calculated in relation to the fair market value of the sales, the LTFV margins ranged from 34.0 percent to 41.4 percent with an overall weighted average of 38.8 percent.

2/ Because the Commission's material injury finding with regard to Brazil was affirmative, and because Commerce made an affirmative critical circumstances determination, the Commission was required to make an additional finding as to whether the material injury found was by reason of massive imports over a relatively short period, such that it is necessary to impose antidumping duties retroactively on those imports in order to prevent the injury from recurring. The Commission's determination on this issue was negative (see pp. 1-3).

Table 1.--Carbon steel wire rod from Brazil 1/ and Trinidad 2/: Summary of data on U.S. imports from Brazil and Trinidad used by the Department of Commerce in making its final LTFV determination.

Sources of LTFV imports	Total sales to the U.S. market	Sales to the U.S. market compared by Commerce	Ratio of compared sales to total sales	Sales at fair value	Sales at less than fair value	Ratio of sales at LTFV to compared sales	Commerce's weighted average LTFV margins based on total sales 4/	Aggregate value of LTFV margins 5/	Commerce's weighted average LTFV margins based on LTFV sales only 4/	Adjusted weighted average LTFV margins based on fair market value of the LTFV sales 6/
	1,000 dollars	1,000 dollars	Percent	1,000 dollars	1,000 dollars	Percent	Percent	1,000 dollars	Percent	Percent
Brazil:										
Belgo-Mineira	***	***	100.0	***	***	100.0	76.49	***	76	43
COSIGUA	***	***	100.0	***	***	100.0	49.61	***	50	33
Total, Brazil	***	***	100.0	***	***	100.0	7/ 63.51	***	64	8/ 39
Trinidad:										
ISCOTT	***	***	100.0	***	***	***	9.79	***	***	***
Total, Trinidad	***	***	100.0	***	***	***	9/ 9.79	***	***	10/ ***
Grand total	***	***	100.0	***	***	***	***	***	***	***

1/ The 6-month period of Commerce's investigation of imports from Brazil was Feb. 1, 1982, through July 31, 1982.
2/ The 6-month period of Commerce's investigation of imports from Trinidad was Apr. 1, 1982, through Sept. 30, 1982.
3/ As published by Commerce.
4/ Commerce calculates LTFV margins by dividing the LTFV dollar value by the United States price.
5/ Estimated by the staff of the U.S. International Trade Commission, based on published LTFV margins for Brazil and Trinidad.
6/ Calculated by dividing LTFV dollar value by fair market values.
7/ The margins found for Brazilian exports to the United States ranged from 51.5 to 70.57 percent of the U.S. sales price.
8/ The margins found for Brazilian exports to the United States ranged from 34 to 41 percent of the fair market value of the merchandise.
9/ The margins found for imports from Trinidad ranged from 0 to 88.5 percent of the U.S. sales price of the merchandise.
10/ The margins found for imports from Trinidad ranged from nil to 47 percent of the fair value of the merchandise.

Source: Compiled from confidential worksheets of the U.S. Department of Commerce, except as noted.

Note: Belgo-Mineira exports only rimmed rod to the United States; COSIGUA exports only cast rod to the United States the foreign-market value exceeded the United States price on 95 percent of the sales compared. 1/ The LTFV margins ranged from 0 percent to 88.5 percent with an overall weighted average LTFV margin of 9.79 percent. 2/ Commerce made a negative determination of critical circumstances with regard to imports from Trinidad. Consequently, bonds on the imports of the subject merchandise were required, as of the date of publication of Commerce's affirmative preliminary determination of LTFV sales, that is, as of May 4, 1983.

Channels of Distribution 3/

Wire rod is ordinarily sold directly from the mill to the customer, which is almost always a wire drawer. The customer may either convert the wire rod into wire for his own purposes or sell it as such for use in an estimated 150,000 different wire products. Thus, the U.S. demand for carbon steel wire rod is dependent on the demand for wire products and the state of the overall economy.

As noted earlier in this report, 26.3 percent of total domestic shipments of carbon steel wire rod was captively consumed by the U.S. producers of wire rod in the production of their own wire products in 1982. Therefore, wire rod producers owning wire fabricating facilities frequently compete directly with their own customers for sales of wire products to consumers. Captive consumption of wire rod by U.S. producers, however, was lower in relation to shipments in 1982 than in 1980 or 1981, and the decline has continued in the first 8 months of 1983.

U.S. Producers

Total U.S. net shipments of all carbon steel mill products in January-April 1983 were 18.5 million tons (according to AISI statistics); of this, net shipments of carbon steel wire rod, as compiled from the Commission's questionnaires, were 0.8 million tons. There are currently 16 firms operating 19 U.S. plants in which carbon steel wire rod is produced. The U.S. producers' wire rod plants are scattered throughout the United States, but are concentrated in the Great Lakes area and in Pennsylvania. Five of the firms are fully integrated producers, four are specialty steel producers, and the remaining companies are minimills. 4/ Table 2, which was compiled from data submitted in response to questionnaires of the Commission, lists all known U.S. carbon steel wire rod producers, by types of producers, their plant locations, each firm's carbon steel wire rod production capacity in 1982, and whether the firms produce rimmed wire rod (R) or cast wire rod (C).

1/ * * *.

2/ As calculated in relation to the fair market value of the sales, the LTFV margins ranged from 0 percent to 46.9 percent with an overall weighted average of 8.9 percent.

3/ A more detailed description of marketing practices and the pricing of wire rod is presented in the pricing section of this report.

4/ For statistical purposes in this report, specialty steel producers and minimills are referred to as nonintegrated producers.

Table 2.--Carbon steel wire rod: U.S. producers, plant locations, capacity, and types of wire rod produced, 1982

Item	Location	Capacity	Percent of Total	Types of wire rod produced 1/
		1,000 short tons		
Nonintegrated producers:				
Petitioners:				
Georgetown Texas Steel Corp 2/	Beaumont, Tex.	***	***	C
Georgetown Steel Corp 2/	Georgetown, S.C.	***	***	C
Raritan River Steel Co	Perth Amboy, N.J.	***	***	RC 3/
Continental Steel	Kokomo, Ind.	***	***	R
Atlantic Steel Co	Atlanta, Ga.	***	***	C
Subtotal, petitioners	-	***	***	-
Others:				
Northwestern Steel and Wire	Sterling Ill.	***	***	C
Ameron Steel	Etiwanda, Calif.	***	***	C
Keystone Consolidated Industries, Inc. 4/	Peoria, Ill.	***	***	C
Laclede Steel Co. 4/	Alton, Ill.	***	***	R
Charter Rolling 4/	Saukville, Wis.	***	***	RC 5/
Roblin Steel Co 6/	N. Tonawanda, N.Y.	***	***	C
Subtotal, others	-	***	***	-
Subtotal, nonintegrated producers	-	***	***	-
Integrated producers:				
U.S. Steel Corp	Cuyahoga, Ohio	***	***	R
	Fairless Hills, Pa.			
	Joliet, Ill.			
Armco Steel Corp	Kansas City, Mo.	***	***	RC 7/
Bethlehem Steel Corp	Johnstown, Pa.	***	***	R
	Sparrows Point, Md.			

See footnotes at end of table.

Table 2.--Carbon steel wire rod: U.S. producers, plant locations, capacity, and types of wire rod produced, 1982--Continued

item	Location(s)	Capacity	Percent of Total	Types of wire rod produced 1/
		1,000 short tons		
Integrated producers:				
CF&I Corp	Pueblo, Colo.	***	***	C
Jones & Laughlin Steel Corp 8/	Aliquipa, Pa.	***	***	RC 9/
Republic Steel Corp 4/	S. Chicago, Ill.	***	***	R
Subtotal, integrated producers	-	***	***	-
Grand total, all producers	-	5,875	100.0	-

1/ R=rimmed steel; C=cast steel.

2/ Georgetown Texas Steel Corp. and Georgetown Steel Corp. were both owned by Korf Industries. Together they accounted for * * * short tons of capacity in 1982--* * * percent of total U.S. production capacity in that year. Georgetown Texas, however, was sold by Korf Industries, to Cargill, Inc., Minneapolis, Minn., on August 25, 1983, and is now known as North Star Steel Texas.

3/ Raritan River's production in 1982 was estimated to be * * * percent cast and * * * percent rimmed rod.

4/ * * *.

5/ Charter Rolling reported its 1982 production to be * * * percent cast and * * * percent rimmed wire rod.

6/ Roblin Steel Co. * * *.

7/ Armco's sales in 1982 were estimated to be * * * percent cast and * * * percent rimmed; in January-August 1983, they were estimated to be * * * percent cast and * * * percent rimmed.

8/ Jones & Laughlin Steel Corp. ceased production of carbon steel wire rod in October 1981. Prior to its shutdown, Jones & Laughlin had an annual capacity of * * * million short tons at its Aliquipa, Pa. plant.

9/ In Jones & Laughlin's last full year of its wire rod operations, it produced an estimated * * * percent rimmed and * * * percent cast wire rod.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Note.--For nonintegrated producers, the ratio of cast rod to total cast and rimmed rod was * * * percent; for integrated producers, the ratio was * * * percent; overall it was 57.5 percent.

U.S. Importers

Information provided by the U.S. Customs Service identifies approximately 10 importers of carbon steel wire rod from Brazil and Trinidad. The bulk of the exports from the subject countries entered the United States through only one or two importers. Major importers of carbon steel wire rod from the subject countries are listed in the following tabulation:

Country	Importing firm
Brazil 1/---------------	* * * 2/
	* * * 3/
Trinidad----------------	* * * 4/

1/ Although it submitted a prehearing brief to the Commission, Brazil was not represented at the Commission hearing and no posthearing statements were received by the Commission on behalf of the carbon steel wire rod industry in Brazil or the importers in the United States that obtain wire rod from that source.
2/ * * *.
3/ * * *.
4/ * * *.

The Question of Alleged Material Injury

U.S. production, capacity, and capacity utilization

The Commission requested specific information on U.S. producers' operations on low-, medium-high, and high-carbon steel wire rod in its questionnaires. Because of difficulties in obtaining certain information in past investigations on wire rod operations, by class of carbon content, and because of assertions by U.S. producers in these final investigations that such information is unavailable and would be unreliable if estimated, the Commission's questionnaires in these investigations did not request separate data by class of carbon content, on U.S. producers' wire rod capacity, shipments, employment, or profit-and-loss experience. The Commission's questionnaires in these investigations did request, however, such separate data, with regard to production and inventories, but the only complete information received was on production. Data on the percentage distribution of production, by class of carbon content, are presented in the following tabulation (in percent): 1/

Carbon content	Rimmed steel	Cast steel	Overall
Low----------------	49	81	67
Medium-high--------	10	2	5
High---------------	41	17	28
Total------------	100	100	100

1/ Producers were generally able only to estimate their production of wire rod based on carbon content (low-, medium-high, or high) and type (rimmed or cast). Also, see p. 122 of the transcript of the hearing for investigations 701-TA-148 and 150 (Final).

U.S. production of carbon steel wire rod by 12 reporting U.S. producers rose from 4.1 million short tons in 1980, to 4.3 million short tons in 1981, but fell in 1982 to 3.0 million short tons, or by 30.1 percent. Production rose by 19.6 percent, however, in January-August 1983 compared with that in the corresponding period of 1982 (table 3). Table D-1 in appendix D presents U.S. production, by types of producers and by firms, for 1980-82, January-August 1982, and January-August 1983.

U.S. capacity to produce wire rod, as reported to the Commission by 12 U.S. producers, rose from 5.3 million short tons in 1980 to 5.5 million short tons in 1981, but fell thereafter to 5.3 million short tons in 1982, representing a decline of 5.3 percent. During January-August 1983, U.S. producers' wire rod capacity increased by 2.2 percent from that of January-August 1982 (tables 4 and D-2). * * *.

Table 3.--Carbon steel wire rod: U.S. production, by types of producers, 1/ 1980-82, January-August 1982, and January-August 1983

Item	1980	1981	1982	January-August-- 1982	January-August-- 1983
	Quantity (short tons)				
Nonintegrated producers	***	***	***	1,147,160	1,443,081
Integrated producers	***	***	***	775,153	855,205
Total	4,090,473	4,269,443	2,982,822	1,922,313	2,298,286
	Percent of total quantity				
Nonintegrated producers	***	***	***	59.7	62.8
Integrated producers	***	***	***	40.3	37.2
Total	100.0	100.0	100.0	100.0	100.0

1/ Production data include responses from 12 firms that accounted for 89.4 percent of total U.S. capacity in 1982.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

* * * * * * *

The composition of U.S. production has shifted since 1980. In that year, the integrated steel producers accounted for * * * percent of overall production; however, by 1982, their share of production had eroded to * * * percent. Conversely, the nonintegrated producers increased their share of U.S. production during the period under investigation from * * * percent in 1980 to * * * percent in 1982 and to 62.8 percent in January-August 1983.

Utilization of U.S. producers' capacity to produce carbon steel wire rod declined irregularly during the period under consideration from 77.2 percent in 1980 to 56.7 percent in 1982; the level of utilization in January-August 1983--63.9 percent--was an increase from the 54.6 percent experienced during the corresponding period of 1982 (tables 4 and D-3).

Table 4.--Carbon steel wire rod: U.S. production capacity and capacity utilization, by types of producers, 1/ 1980-82, January-August 1982, and January-August 1983

Item	1980	1981	1982	January-August-- 1982	January-August-- 1983
	Production capacity (short tons) 2/				
Nonintegrated producers	***	***	***	1,858,346	1,937,156
Integrated producers	***	***	***	1,658,840	1,658,840
Total	5,300,755	5,548,255	5,256,720	3,517,186	3,595,996
	Capacity utilization (percent)				
Nonintegrated producers	***	***	***	61.7	74.5
Integrated producers	***	***	***	46.7	51.6
Average	77.2	77.0	56.7	54.6	63.9

1/ Data include responses from 12 firms that accounted for 89.4 percent of total U.S. capacity in 1982. Total production capacity by all U.S. producers in 1982 amounted to 5.9 million short tons, as shown in table 2.

2/ Capacity is defined as the greatest level of output a firm can achieve within the framework of a realistic and sustainable work pattern. Aggregate capacity is based on production facilities operating an average of 149 hours per week, 50.5 weeks per year.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Counsel for petitioners was requested to provide information on the lead time required for domestic producers between the receipt of an order and shipment of the merchandise. He stated that, at least for the petitioners, in 1981, a small percentage of the orders received required a * * * week lead time prior to shipment, but that many orders can be filled in less than * * * weeks. Currently, lead times are generally less than * * * -weeks, but depend on the size and specifications of the order.

U.S. producers' shipments

For the 12 responding U.S. producers, total shipments of carbon steel wire rod rose by 4.6 percent, from 4.0 million short tons in 1980 to 4.2 million short tons in 1981, before falling by 28.6 percent, to 3.0 million short tons in 1982. Such shipments, which include both captive and noncaptive shipments and both domestic and export shipments, rose by 9.8 percent from less than 2.0 million short tons in January-August 1982, to 2.1 million short tons in the corresponding period of 1983, as shown in tables 5 and D-4.

Table 5.--Carbon steel wire rod: U.S. producers' total shipments, by types of producers, 1/ 1980-82, January-August 1982, and January-August 1983

Item	1980	1981	1982	January-August-- 1982	January-August-- 1983
	Quantity (short tons)				
Nonintegrated producers	***	***	***	1,185,132	1,300,013
Integrated producers	***	***	***	769,126	845,689
Total	4,011,152	4,196,734	2,995,735	1,954,258	2,145,702
	Percent of total quantity				
Nonintegrated producers	***	***	***	60.6	60.6
Integrated producers	***	***	***	39.4	39.4
Total	100.0	100.0	100.0	100.0	100.0

1/ Data include responses from 12 firms that accounted for 89.4 percent of total U.S. capacity in 1982.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

U.S. producers' commercial shipments 1/ decreased unevenly during 1980-82; such shipments rose by 3.2 percent, from 2.7 million short tons in 1980 to 2.8 million short tons in 1981, but then fell by 20.4 percent to 2.2 million short tons in 1982 (table 6). However, this does not reflect a uniform trend among all U.S. producers of carbon steel wire rod. The commercial shipments of the integrated producers totaled * * * short tons in 1980, but by 1982 such shipments had declined by * * * percent to * * * short tons. Nonintegrated producers experienced a gain in their commercial shipments of * * * percent, from * * * short tons in 1980 to * * * million short tons in 1981, before falling by * * * percent to * * * short tons in 1982.

The integrated producers' share of commercial shipments fell from * * * percent in 1980 to * * * percent in 1982. The average unit value of the integrated producers' shipments rose by * * * percent, from * * * per short

1/ Commercial shipments of carbon steel wire rod by responding U.S. producers (consisting of noncaptive domestic shipments plus exports) accounted for 66.3 percent of total shipments in 1980, 65.5 percent in 1981, and 73.7 percent in 1982. The remainder was consumed internally in the production of other products.

ton in 1980 to * * * per short ton in 1981, but fell to * * * per short ton in 1982. The average unit value of the nonintegrated producers' shipments declined from * * * per short ton in 1980 to * * * per short ton in 1982. Both integrated and nonintegrated producers registered increases in commercial shipments of 22.5 and 12.6 percent, respectively, in January-August 1983, compared with such shipments in the corresponding period of 1982. Table D-5 presents commercial shipments, by types of producers and by firms, for 1980-82, January-August 1982, and January-August 1983; table D-6 presents captive and noncaptive shipments separately, and table D-7 presents the ratio of U.S. producers' captive shipments to total U.S. producers' shipments, by types of producers and by firms, for the same periods.

Table 6.--Carbon steel wire rod: U.S. producers' commercial shipments, 1/ 2/ by types of producers, 1980-82, January-August 1982, and January-August 1983

Item	1980	1981	1982	January-August-- 1982	January-August-- 1983
	Quantity (short tons)				
Nonintegrated producers	***	***	***	877,956	988,278
Integrated producers	***	***	***	533,869	653,858
Total	2,689,422	2,774,808	2,208,946	1,411,825	1,642,136
	Value (1,000 dollars)				
Nonintegrated producers	***	***	***	271,405	314,481
Integrated producers	***	***	***	223,753	240,783
Total	926,408	1,033,255	732,985	495,158	555,264
	Unit value (per short ton)				
Nonintegrated producers	***	***	***	$309	$318
Integrated producers	***	***	***	419	368
Average	344	372	332	351	338
	Percent of total quantity				
Nonintegrated producers	***	***	***	62.1	60.2
Integrated producers	***	***	***	37.8	39.8
Total	100.0	100.0	100.0	100.0	100.0

1/ Noncaptive domestic shipments plus exports.
2/ Data include responses from 12 firms that accounted for 89.4 percent of total U.S. capacity in 1982.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Note.--Because of rounding, figures may not add to the totals shown.

Monthly data on U.S. producers' net shipments of carbon steel wire rod for 1981, 1982, and January-April 1983 were available from the AISI. These data are presented in figure 1. The data show an increase in U.S. producers' shipments from January to April 1983 over those in the corresponding months of 1982. U.S. producers' net shipments in 1982 were less than those in 1981 for all months.

U.S. exports

Data on U.S. producers' exports of carbon steel wire rod are presented in tables 7 and D-8. These data indicate that, with the exception of 1980, U.S. producers' exports have not represented a significant portion of their overall sales. In 1980, U.S. producers' export shipments totaled 225,161 tons and accounted for 8.4 percent of U.S. producers' commercial shipments but have since fallen sharply. According to official statistics of the U.S. Department of Commerce, 33 percent of U.S. exports of carbon steel wire rod went to Canada, 30 percent went to the Dominican Republic, and 23 percent went to Mexico in 1982.

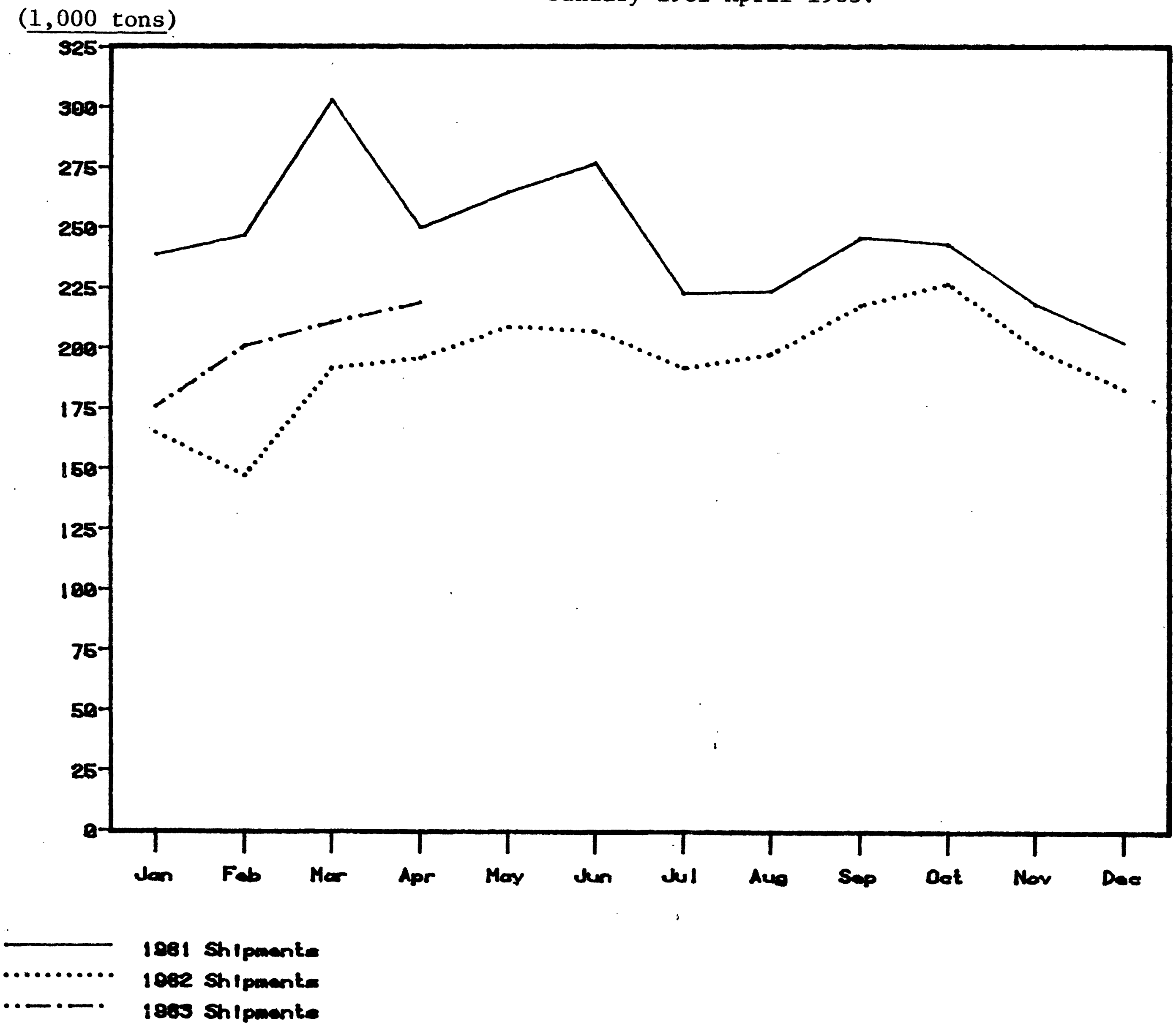
Table 7.--Carbon steel wire rod: U.S. producers' exports, 1/ by types of producers, 1980-82, January-August 1982, and January-August 1983

Item	1980	1981	1982	January-August-- 1982	January-August-- 1983
	Exports (short tons)				
Nonintegrated producers	***	***	***	***	***
Integrated producers	***	***	***	***	***
Total	225,161	54,238	37,471	30,659	184
	Ratio of exports to total commercial shipments (percent)				
Nonintegrated producers	***	***	***	***	***
Integrated producers	***	***	***	***	***
Average	8.4	2.0	1.7	2.2	2/

1/ Data include responses from 12 firms that accounted for 89.4 percent of total U.S. capacity in 1982.
2/ Less than 0.05 percent.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Figure 1.--Carbon steel wire rod: U.S. producers' net shipments, by months, January 1981-April 1983.



Source: Compiled from statistics of the American Iron & Steel Institute.

Inventories

The quantity of U.S. producers' end-of-period inventories of carbon steel wire rod fell unevenly from 132,000 short tons, as of December 31, 1980, to 113,000 short tons, as of December 31, 1982, after rising to 135,000 short tons, as of December 31, 1981; however, because producers' production fell more rapidly, end-of-period inventories increased as a share of U.S. producers' production from 3.2 percent in 1980 and 1981 to 3.8 percent in 1982, as shown in table 8. Inventories increased from 200,000 short tons, as of August 31, 1982, to 246,000 short tons, as of August 31, 1983, or by 22.7 percent. The ratio of end-of-period inventories to annualized production rose from 6.9 percent for January-August 1982 to 7.1 percent for January-August 1983. Table D-9 presents U.S. producers' inventories and the ratio of inventories to production, by types of producers and by firms, for 1980-82, January-August 1982, and January-August 1983.

Table 8.--Carbon steel wire rod: U.S. producers' end-of-period inventories, 1/ by types of producers, 1980-82, January-August 1982, and January-August 1983

Item	As of Dec. 31--			As of Aug. 31--	
	1980	1981	1982	1982	1983
	Inventories (short tons)				
Nonintegrated producers---:	***	***	***	138,881	191,171
Integrated producers------:	***	***	***	61,345	54,498
Total------------------:	132,375	134,846	112,514	200,226	245,669
	Ratio of inventories to production (percent)				
Nonintegrated producers---:	***	***	***	2/ 8.1	2/ 8.8
Integrated producers------:	***	***	***	2/ 5.3	2/ 4.2
Average----------------:	3.2	3.2	3.8	2/ 6.9	2/ 7.1

1/ Data include responses from 12 firms that accounted for 89.4 percent of total U.S. capacity in 1982.
2/ Based on annualized production.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Carbon steel wire rod is not usually held by U.S. producers in more than minimal inventories, as shown in table 8. Most of the carbon steel wire rod from both domestic and offshore sources is made to order, even though the bulk of the wire rod market is primarily a commodity market. Virtually all of the imports from the subject countries are handled by trading companies which, like U.S. producers, keep only minimal inventories. See page A-32 for a discussion of U.S. importers' inventories.

Apparent U.S. consumption

Total apparent U.S. consumption of carbon steel wire rod, including captive consumption, rose from 1980 to 1981, but declined sharply in 1982 (table 9). Total apparent U.S. consumption rose from 4.5 million short tons in 1980 to 4.9 million short tons in 1981, or by 8.6 percent; it fell by 22.8 percent to 3.8 million short tons in 1982, but rose by 17.8 percent in January-August 1983, compared with consumption in the corresponding period of 1982.

Table 9.--Carbon steel wire rod: U.S. producers' total shipments, imports for consumption, exports of domestic merchandise, and total apparent U.S. consumption, 1980-82, January-August 1982, and January-August 1983

(In short tons)

Item	1980	1981	1982	January-August--	
				1982	1983
Producers' total shipments 1/ 2/	4,011,152	4,196,734	2,995,735	1,954,258	2,145,702
Imports	729,901	760,734	829,804	486,032	694,026
Exports 2/	225,161	54,238	37,471	30,659	184
Total apparent U.S. consumption 3/	4,515,892	4,903,230	3,788,068	2,409,631	2,839,544

1/ U.S. producers' shipments include intraplant and intracompany transfers as well as commercial shipments, and both export and domestic shipments.

2/ U.S. producers' shipments and exports include responses from 12 firms that accounted for 89.4 percent of total U.S. capacity in 1982.

3/ If total apparent consumption data are adjusted upward to account for estimated shipments of nonreporting U.S. producers, it would amount to an estimated 4.9 million short tons in 1980; 5.3 million short tons in 1981, 4.1 million short tons in 1982, 2.6 million short tons in January-August 1982, and 3.1 million short tons in January-August 1983.

Source: U.S. producers' total shipments and exports, compiled from data submitted in response to questionnaires of the U.S. International Trade Commission; imports for consumption, compiled from official statistics of the U.S. Department of Commerce.

Noncaptive apparent U.S. consumption of carbon steel wire rod (table 10) followed nearly the same pattern as total apparent U.S. consumption. Noncaptive apparent U.S. consumption rose by 9.0 percent, from 3.2 million short tons in 1980 to 3.5 million short tons in 1981, before dropping by 13.8 percent, to 3.0 million short tons in 1982. Such consumption, however, rose by 25.1 percent, from January-August 1982, to the corresponding period of 1983.

Table 10.--Carbon steel wire rod: U.S. producers' commercial shipments, imports for consumption, exports of domestic merchandise, and non-captive apparent U.S. consumption, 1980-82, January-August 1982, and January-August 1983

(In short tons)

Item	1980	1981	1982	January-August-- 1982	January-August-- 1983
Producers' commercial shipments 1/	2,689,422	2,774,808	2,208,946	1,411,825	1,642,136
Imports	729,901	760,734	829,804	486,032	694,026
Exports 1/	225,161	54,238	37,471	30,659	184
Noncaptive apparent U.S. consumption 2/	3,194,162	3,481,304	3,001,279	1,867,198	2,335,978

1/ U.S. producers' shipments and exports include responses from 12 firms that accounted for 89.4 percent of total U.S. capacity in 1982.

2/ If noncaptive apparent U.S. consumption data are adjusted upward to account for estimated shipments of nonreporting U.S. producers, it would amount to an estimated 3.5 million short tons in 1980, 3.8 million short tons in 1981, 3.2 million short tons in 1982, 2.0 million short tons in January-August 1982, and 2.5 million short tons in January-August 1983.

Source: U.S. producers' commercial shipments and exports, compiled from data submitted in response to questionnaires of the U.S. International Trade Commission; imports for consumption, compiled from official statistics of the U.S. Department of Commerce.

U.S. employment, wages, and productivity

The average number of all persons employed in U.S. establishments producing carbon steel wire rod declined in each period under consideration, from 90,822 workers in 1980 to 40,720 workers in 1982, or by 55.2 percent. The number of production and related workers employed in the production of carbon steel wire rod accounted for only 8.6 percent of the total in 1980, 8.1 percent in 1981, and 10.9 percent in 1982. Table 11 summarizes employment data on carbon steel wire rod. The average number of production and related workers employed in the production of carbon steel wire rod declined from 7,775 workers to 4,436 workers, or by 42.9 percent, from 1980 to 1982. Employment in the production of carbon steel wire rod continued to decline in the first 8 months of 1983, falling by 5.4 percent from that in the corresponding period of 1982. Table D-10 presents employment in the production of carbon steel wire rod, by types of producers and by firms, for 1980-82, January-August 1982, and January-August 1983. The hours worked by production and related workers producing carbon steel wire rod followed a trend similar to that of employment, declining from 15.1 million hours in 1980 to 9.0 million hours in 1982, or by 40.3 percent. They fell by an additional 2.7 percent in January-August 1983 from that in the corresponding period of 1982.

Table 11.--Average number of employees, total and production and related workers, in U.S. establishments producing carbon steel wire rod, 1/ and hours worked by and total compensation 2/ paid to such workers, by types of producers, 1980-82, January-August 1982, and January-August 1983

Item	1980	1981	1982	January-August--	
				1982	1983
Average employment of production and related workers producing carbon steel wire rod:					
Nonintegrated producers-----number---:	***	***	***	2,089	2,010
Integrated producers---------do----:	***	***	***	2,253	2,099
Total-----------do----:	7,775	7,110	4,436	4,342	4,109
Total hours worked by production and related workers producing carbon steel wire rod:					
Nonintegrated producers-1,000 hours--:	***	***	***	2,339	2,296
Integrated producers---------do----:	***	***	***	2,424	2,337
Total-----------do----:	15,143	13,999	9,035	4,763	4,633
Average annual hours worked by production and related workers producing carbon steel wire rod:					
Nonintegrated producers-------hours--:	***	***	***	3/ 1,679	3/ 1,713
Integrated producers---------do----:	***	***	***	3/ 1,614	3/ 1,670
Average----------do----:	1,948	1,969	2,037	3/ 1,646	3/ 1,691

See footnotes at end of table.

Table 11.--Average number of employees, total and production and related workers, in U.S. establishments producing carbon steel wire rod, 1/ and hours worked by and total compensation 2/ paid to such workers, by types of producers, 1980-82, January-August 1982, and January-August 1983--Continued

Item	1980	1981	1982	January-August-- 1982	January-August-- 1983
Total compensation paid 2/ to production and related workers producing carbon steel wire rod:					
Nonintegrated producers-1,000 dollars--	***	***	***	44,467	46,243
Integrated producers-----------do----	***	***	***	58,554	59,642
Total-----------do----	248,895	255,981	170,025	103,021	105,885

1/ Data include responses from 12 firms that accounted for 89.4 percent of total U.S. capacity in 1982.
2/ Includes hourly wages, contributions to social security, and other employee benefits.
3/ Annualized on the basis of 8-months data.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Total compensation paid to production and related workers, including wages, contributions to social security, and other benefits, followed a slightly different trend, increasing by 2.8 percent from 1980 to 1981, but declining by 33.6 percent in 1982 (table D-11). Total compensation paid per hour by carbon steel wire rod producers increased from $16.44 per hour in 1980 to $22.85 per hour in January-August 1983, an increase of 39.0 percent (table 12). Total compensation rose by 2.8 percent in January-August 1983 from the level for the corresponding period of 1982. Total hourly wages paid to production and related workers producing carbon steel wire rod have accounted for about 75 percent of the total compensation paid to such workers in recent years.

The productivity of production and related workers in the carbon steel wire rod industry varies significantly from producer to producer; however, the trend for the aggregate has been upward (table 12). As mentioned earlier, however, it is extremely difficult for multiproduct producers to accurately account for personnel and materials devoted to the production of carbon steel wire rod. Methods of allocating workers vary significantly between producers, for each individual producer, however, relatively accurate trends can be shown. Such data are presented, by types of producers and by firms, in table D-12. Productivity in the production of carbon steel wire rod nearly doubled during recent years, from an average of 0.27 short tons per hour in 1980 to 0.50 short tons per hour in January-August 1983. All carbon steel wire rod production and related workers, with the exception of those working for Raritan, are represented by the United Steel Workers of America. Raritan's employees are not represented by any union.

Table 12.--Labor productivity, hourly compensation, and unit labor costs in the production of carbon steel wire rod, by types of producers, 1/ 1980-82, January-August 1982, and January-August 1983

Item	1980	1981	1982	January-August-- 1982	January-August-- 1983
	Labor productivity (short tons per worker hour)				
Nonintegrated producers	***	***	***	0.49	0.63
Integrated producers	***	***	***	.32	.37
Average	.27	.30	.33	.40	.50
	Total hourly compensation paid 2/ (per worker)				
Nonintegrated producers	***	***	***	$19.01	$20.14
Integrated producers	***	***	***	24.16	25.52
Average	16.44	18.29	18.82	21.63	22.85
	Unit labor related costs (per short ton)				
Nonintegrated producers	***	***	***	$38.76	$32.04
Integrated producers	***	***	***	75.54	69.74
Average	60.85	59.96	57.00	53.59	46.07

1/ Data include responses from 12 firms that accounted for 89.4 percent of total U.S. capacity in 1982.
2/ Hourly compensation includes both wages and fringe benefits provided to production and related workers producing carbon steel wire rod.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Financial experience of U.S. producers

Operations on carbon steel wire rod.--The 12 firms that furnished profit-and-loss data accounted for 89.4 percent of total U.S. production capacity of carbon steel wire rod in 1982. Their net sales of carbon steel wire rod rose by 15.0 percent from $1.1 billion in 1980 to $1.2 billion in 1981, but fell by 25.4 percent to $0.9 billion in 1982, the lowest sales level for the period (table 13).

Table 13.--Profit-and-loss experience of 12 U.S. producers on their operations producing carbon steel wire rod, by types of producers, accounting years 1980-82, January-June 1982, and January-June 1983 1/ 2/ 3/

Period and type of firm	Net sales	Cost of goods sold	Gross profit or (loss)	General, selling, and administrative expenses	Net operating profit or (loss)	Ratio of net operating profit or (loss) to net sales	Ratio of cost of goods sold to net sales
	Million dollars					Percent	
1980:							
Nonintegrated producers	399.1	380.2	18.8	24.8	(6.0)	(1.5)	95.3
Integrated producers	678.6	715.7	(37.1)	19.8	(56.8)	(8.4)	105.5
Total or average	1,077.6	1,095.9	(18.3)	44.6	(62.9)	(5.8)	101.7
1981:							
Nonintegrated producers	545.0	505.8	39.2	30.4	8.7	1.6	92.8
Integrated producers	694.6	717.5	(22.9)	21.4	(44.3)	(6.4)	103.3
Total or average	1,239.5	1,223.3	16.3	51.9	(35.6)	(2.9)	98.7
1982:							
Nonintegrated producers	508.1	491.8	16.3	24.1	(7.8)	(1.5)	96.8
Integrated producers	416.7	482.3	(65.5)	16.8	(82.4)	(19.8)	115.7
Total or average	924.8	974.1	(49.2)	40.9	(90.2)	(9.8)	105.3
January-June 4/ 1982:							
Nonintegrated producers	266.4	264.8	1.6	10.4	(8.8)	(3.3)	99.4
Integrated producers	232.1	265.0	(32.9)	9.9	(42.8)	(18.4)	114.2
Total or average	498.5	529.8	(31.3)	20.3	(51.6)	(10.3)	106.3
January-June 4/ 1983:							
Nonintegrated producers	278.0	267.3	10.6	10.8	(0.2)	(.1)	96.2
Integrated producers	230.5	262.6	(32.1)	10.7	(42.8)	(18.6)	113.9
Total or average	508.4	529.9	(21.5)	21.5	(43.0)	(8.5)	104.2

1/ Jones & Laughlin discontinued production of wire rod in 1981; therefore, data for periods subsequent to 1981 represent the operations of 11 U.S. producers.
2/ * * *.
3/ Raritan River Steel Corp. began production of carbon steel wire rod in March 1980.
4/ * * * and * * * reported data for January-August 1982 and 1983.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Note.--Because of rounding, figures may not add to the totals shown, and percentages may not compute to the averages shown.

The 12 firms' aggregate operations on carbon steel wire rod were not profitable in any of the periods under investigation. The integrated producers sustained significant operating losses in every period, losing as much as $82.4 million in 1982. In contrast, nonintegrated producers showed much smaller operating losses during all periods except for 1981, when they posted an $8.7 million operating profit. The carbon steel wire rod industry recorded a net operating loss of $43.0 million, or 8.5 percent or its net sales, in January-June 1983.

The ratio of the cost of goods sold to net sales rose irregularly from 101.7 percent in 1980 to 105.3 percent in 1982, indicating that, in the aggregate, the 12 firms sold carbon steel wire rod at less than their costs during much of the period.

Some concern was expressed by the respondents in their prehearing briefs 1/ and at the public hearing 2/ that Raritan has used startup amortization costs to understate overall profitability. Hence, the data in table 14 show the operating profit or loss margin excluding amortization of startup costs from Raritan's data, and excluding Raritan's data in total from the aggregate data.

Raritan River Steel Co. was still in the developmental stage on December 31, 1980. Hence, Raritan treated all costs incurred up to December 31, 1980, as startup costs. Total startup costs amounted to * * *, which are being amortized over * * * years. The reported depreciation and amortization costs by Raritan for its other productive assets are computed by the * * * method using the following estimated useful lives of the assets:

Buildings------------------------	*** years
Leasehold improvements-----------	*** years
Machinery and equipment----------	*** years
Furniture and fixtures-----------	*** years

Raritan uses * * * for tax purposes. Since * * *, depreciation and amortization expenses of Raritan have included the amortization of startup costs of * * * each year. * * *. When the amortization of Raritan's startup costs is excluded from the reported data, the trend of operating profit or loss margins for nonintegrated producers and for the total industry remained approximately the same during 1980-82, January-June 1982, and January-June 1983, as shown in table 14.

1/ See ISCOTT's prehearing brief at pp. 30 and 105.
2/ See transcript of the hearing, p. 142.

Table 14.--Operating profit or (loss) margins of 12 U.S. producers of carbon steel wire rod, as a share of net sales, total, and both excluding amortization of Raritan's startup costs and excluding all Raritan data, by types of producers, accounting years 1980-82, January-June 1982, and January-June 1983

(In percent)

Item	1980	1981	1982	January-June--	
				1982	1983
Including all Raritan data:					
Nonintegrated producers	(1.5)	1.6	(1.5)	(3.3)	(0.1)
Total industry	(5.8)	(2.9)	(9.8)	(10.3)	(8.5)
Excluding amortization of Raritan's startup costs:					
Nonintegrated producers	***	***	***	***	***
Total industry	***	***	***	***	***
Excluding all Raritan data:					
Nonintegrated producers	***	***	***	***	***
Total industry	***	***	***	***	***

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

When all Raritan data is excluded from the totals, the trend of operating profit or loss margins for nonintegrated producers and for the total industry also remained approximately the same during 1980-82. However, during January-June 1983, * * *. * * *.

In addition to questions about Raritan's treatment of its startup costs, other questions were raised about Georgetown's interest expenses and their impact of the industry's profitability. As not all producers were able to provide interest expenses relating to their wire rod operations, data on interest expenses and, hence, net profit before taxes, are not presented in table 13. Generally, interest expenses are treated as financing costs rather than operating costs. Further, interest expenses will vary from company to company based on the financing strategy chosen by management in providing resources to their businesses (i.e., debt or equity funding). Accordingly, only data on operating profit or loss are discussed. However, both interest expenses and net profits before taxes, by types of producers and by firms, are presented in table D-13.

To further reflect the impact of depreciation, amortization, and interest expenses, operating profit or loss margins before depreciation and amortization expenses and pretax net profit or loss margins before interest expenses and/or depreciation and amortization expenses, by types of producers, are presented in tables 15 and D-14.

Table 15.--Operating profit or (loss) margins of 12 U.S. producers on their carbon steel wire rod operations, with and without depreciation and amortization expenses, and pretax net profit or (loss) margins with and without interest expenses and/or depreciation and amortization expenses, by types of producers, accounting years 1980-82, January-June 1982, and January-June 1983

(In percent)

Item	1980	1981	1982	January-June-- 1982	January-June-- 1983
Operating profit or (loss):					
Nonintegrated producers	(1.5)	1.6	(1.5)	(3.3)	(0.1)
Integrated producers	(8.4)	(6.4)	(19.8)	(18.4)	(18.6)
Total industry	(5.8)	(2.9)	(9.8)	(10.3)	(8.5)
Operating profit or (loss) without depreciation and amortization:					
Nonintegrated producers	***	***	***	***	***
Integrated producers	***	***	***	***	***
Total industry	(3.5)	(0.3)	(5.1)	(5.4)	(3.2)
Pretax net profit or (loss):					
Nonintegrated producers	(8.2)	(7.7)	(11.5)	(13.5)	(9.1)
Integrated producers	(7.8)	(5.6)	(19.0)	(18.0)	(17.4)
Total industry	(7.9)	(6.5)	(14.9)	(15.6)	(12.9)
Pretax net profit or (loss) without interest expenses:					
Nonintegrated producers	***	***	***	***	***
Integrated producers	***	***	***	***	***
Total industry	(5.3)	(2.1)	(9.3)	(10.0)	(8.1)
Pretax net profit or (loss) without depreciation and amortization:					
Nonintegrated producers	***	***	***	***	***
Integrated producers	***	***	***	***	***
Total industry	(5.7)	(3.3)	(10.2)	(10.6)	(7.7)

Table 15.--Operating profit or (loss) margins of 12 U.S. producers on their carbon steel wire rod operations, with and without depreciation and amortization expenses, and pretax net profit or (loss) margins with and without interest expenses and/or depreciation and amortization expenses, by types of producers, accounting years 1980-82, January-June 1982, and January-June 1983--Continued

(In percent)

Item	1980	1981	1982	January-June-- 1982	January-June-- 1983
Pretax net profit or (loss) without interest expenses and without depreciation and amortization:					
Nonintegrated producers	***	***	***	***	***
Integrated producers	***	***	***	***	***
Total industry	(3.0)	1.1	(4.7)	(5.1)	(2.8)

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

The data shown in table 15 generally reflect the same trends as did the operating profit margins in table 13.

<u>Cash flow from operations</u>.--Cash flow generated by integrated producers and nonintegrated producers from their operations producing carbon steel wire rod are shown in table 16. Cash flow from overall operations ranged from a low of a negative * * * by the integrated producers in 1982 to a high of a positive * * * for the nonintegrated producers in 1981.

<u>Value of plant, property, and equipment (investment in productive facilities)</u>.--Nine firms supplied data relative to the value of their plant, property, and equipment (investment in productive facilities) during 1980-82. The value of the nine firms' productive facilities used in the production of carbon steel wire rod, at cost, increased by 10.1 percent, from $484 million in 1980 to $533 million in 1982 (table 17). The book value of such facilities increased by 9.1 percent from $333 million in 1980 to $363 million in 1982. The relationship of operating profit or loss to the value of productive facilities, whether at original cost or book value, generally followed the same trend as did the ratio of such profits to net sales; the ratios were negative in each instance, with 1982 being the weakest year of the period.

Table 16.--Cash flow for 9 U.S. producers' operations producing carbon steel wire rod, by types of producers, accounting years 1980-82

(In thousands of dollars)

Item	1980	1981	1982
Integrated producers:			
Net operating profit or (loss)	***	***	***
Depreciation and amortization	***	***	***
Cash flow 1/	***	***	***
Nonintegrated producers:			
Net operating profit or (loss)	***	***	***
Depreciation and amortization	***	***	***
Cash flow	***	***	***
Total cash flow	***	***	***

1/ Negative cash flow is understated to the extent that * * * did not supply depreciation and amortization data.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 17.--Value of plant, property, and equipment (investment in productive facilities) by 9 U.S. producers of carbon steel wire rod, as of the end of accounting years 1980-82

Item	1980	1981	1982
Original cost---------1,000 dollars	484,165	515,984	533,222
Book value---------do	332,817	338,944	363,069
Operating profit or (loss)-----do	(24,492)	(14,089)	(89,147)
Ratio of operating profit or (loss) to--			
Net sales---------percent	(3.3)	(1.5)	(9.7)
Original cost---------do	(5.1)	(2.7)	(16.7)
Book value---------do	(7.4)	(4.2)	(24.6)

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Capital expenditures.--Nine firms supplied data relative to their expenditures during 1980-82 for land, buildings, machinery, and equipment used in the production of carbon steel wire rod. As shown in the following tabulation, their aggregate annual capital expenditures fell by 26.1 percent, from $35.3 million in 1980 to $26.1 million in 1982:

	Capital expenditures (1,000 dollars)
1980	35,295
1981	33,341
1982	26,085

Research and development expenses.--Only six producers supplied data on their research and development expenses relative to their carbon steel wire rod operations during 1980-82. Such expenses fell from * * * in 1980 to * * * in 1982, or by * * * percent, as shown in the following tabulation:

	Research and development expenses (1,000 dollars)
1980	***
1981	***
1982	***

The Question of Alleged Threat of Material Injury

U.S. importers' inventories

The Commission's most recent data on importers' inventories are for June 30, 1982. U.S. importers reported inventories of carbon steel wire rod from Brazil of * * * short tons, and * * * inventories of carbon steel wire rod from Trinidad, as shown in the following tabulation:

Country	Inventories (short tons)	Ratio of end-of-period inventories to imports by reporting firms (percent)
Brazil	***	***
Trinidad	***	***
Total	***	***

* * * * * * *

<u>Capacity of foreign producers to generate exports and the availability of export markets other than the United States</u>

<u>Brazil</u>.--Although there are reportedly * * * firms in Brazil which produce carbon steel wire rod, 2 companies accounted for nearly all of the wire rod exported to the United States in 1982. These companies are COSIGUA and Belgo-Mineira, 1/ with reported steelmaking capacities of * * * and * * * tons per year, respectively. The Brazilian Government has pursued a long-term policy of expansion of the Brazilian steel wire rod industry and additional carbon steel wire rod productive capability was scheduled for 1982, when * * * and * * * reportedly expanded their capacities by * * * tons and * * * tons, respectively. 2/ One importer contacted by the Commission reported that it had imported carbon steel wire rod from * * * in 1982.

Production of carbon steel wire rod in Brazil increased from * * * tons in 1979 to * * * tons in 1980, or by * * * percent. However, production then declined to * * * tons in 1981, or by * * * percent (table 18). The capacity of firms in Brazil to produce carbon steel wire rod declined by * * * percent from 1980 to 1981. Their capacity utilization also declined from 1980 to 1981, but reached its period peak of * * * percent in January-June 1982. Total exports of wire rod from Brazil increased sharply in 1981, when they accounted for * * * percent of total Brazilian production. Exports to the United States accounted for * * * percent of total exports from Brazil in 1981.

Belgo-Mineira sells * * * of its output of commercial quality low-carbon steel wire rod to end users in its home market in Brazil, and, prior to 1983, * * * its output to the U.S. market. Belgo-Mineira's U.S. sales, all of which are of rimmed rod, are to * * * in the United States which markets the wire rod to end users in smaller volumes.

Belgo-Mineira sold the quantities of carbon steel wire rod during the 6-month period investigated by Commerce, February-July 1982, as shown in the following tabulation:

Market	Metric tons	Percent of total
United States--------	***	***
* * *----------------	***	***
* * *----------------	***	***
Brazil---------------	***	***
* * *----------------	***	***
* * *----------------	***	***
Total------------	***	100.0

In its response to Commerce's antidumping questionnaire, counsel for Belgo-Mineira stated: "* * *."

1/ * * *.
2/ <u>Metal Bulletin</u>, Aug. 19, 1980, and Department of Commerce, "Brazil Government Assistance to Plate Producers," Nov. 11, 1981.

Table 18.--Carbon steel wire rod: Brazil's production, capacity, capacity utilization, and exports, 1979-81, January-June 1981, and January-June 1982

Item	1979	1980	1981	January-June-- 1981	January-June-- 1982
Production---					
1,000 short tons--:	***	***	***	***	***
Capacity-----------do----:	***	***	***	***	***
Capacity utilization					
percent--:	***	***	***	***	***
Exports to--					
United States					
1,000 short tons--:	***	***	***	***	***
All other countries					
do----:	***	***	***	***	***
Total----------do----:	***	***	***	***	***

1/ Not available.

Source: Compiled from data obtained from U.S. Embassy, Rio de Janeiro.

Counsel for Belgo-Mineria was requested to provide to Commission with information on lead time required between orders for and the shipment of wire rod to U.S. purchasers. Counsel stated that, * * *.

COSIGUA is a manufacturer of iron and steel products, including ingots, billets, rebar, wire rod, and wire. All of COSIGUA's exports to the United States have been of cast rod. COSIGUA has marketed its wire rod in * * * in that COSIGUA sold * * * directly to end users in its home market and * * *.

COSIGUA reported its sales to the United States, Brazil, and all other countries for the period February-December 1982, as shown in the following tabulation:

Market	Short tons	Percent of total
Brazil--------------------	***	***
United States-------------	***	***
All other countries------	***	***
Total-----------------	***	100.0

Trinidad

Trinidad is a nation composed of two principal islands located on the southern terminus of the Caribbean archipelago. The island of Trinidad is the larger of the two islands and the island of Tobago is the smaller of the two.

At its closest point, the island of Trinidad comes to within 5 miles of the coast of Venezuela. The nation's steel industry consists of ISCOTT, located on the island of Trinidad. 1/ The ISCOTT industrial complex is an integrated, greenfield facility, which began production in August 1980. ISCOTT currently produces three products: direct-reduced iron (DRI) pellets, continuous-cast steel billets, and low-carbon, medium-high-carbon, and high-carbon cast steel wire rod. 2/

The ISCOTT facility is modern, possessing certain technologies which, representatives claim, enable the company to produce a distinctly higher quality wire rod than most U.S. producers. 3/ Raw steel is produced primarily from DRI pellets manufactured at ISCOTT's own facility, which produces * * * short tons of DRI per year. The use of DRI, according to ISCOTT, results in a "cleaner" (more residual-free) steel than that produced from scrap. The ISCOTT facility also utilizes * * * thus increasing its ductility within specified carbon-content ranges. Each of these technologies, ISCOTT representatives claim, may result in a consumer preference for their rod for certain applications.

Production of wire rod began in Trinidad in mid-1981, and its first export shipment to the United States was in November of that year. Counsel for ISCOTT has informed the Commission that capacity utilization rates are difficult to determine as a result of personnel factors. For the full year of 1981, Trinidad's capacity for production of wire rod was reported to be * * * short tons, but production amounted to only * * * short tons, or * * * percent of capacity. Exports to all markets in 1981 were reported to be * * * short tons.

Full year sales data for 1982 for ISCOTT are not available; however, counsel for ISCOTT supplied the following shipments data, which allows a comparison for April-September 1982 and January-June 1983:

Market	April-September 1982	January-June 1983
	Short tons	
Western Europe	***	***
Caricom (excluding Trinidad)	***	***
Trinidad	***	***
United States	***	***
South America	***	***
Others	***	***
Total	***	***

1/ Central Trinidad Steel Co., a firm not related to ISCOTT, was scheduled to bring on line a * * * ton per year section mill in March 1983. * * *.
2/ Production of wire rod by ISCOTT did not commence until mid-1981.
3/ The representatives of ISCOTT stated that the ISCOTT rod was of exceptionally high quality and that domestic mills could not consistently produce rod of comparable quality. See transcript of the conference in the Commission's preliminary investigation of the subject merchandise, pp. 66-68 and 95-97.

Counsel for ISCOTT was requested to provide the Commission with information on lead time between orders and shipment of wire rod to U.S. purchasers. Counsel stated that in 1982, the lead times required to fill orders were * * * weeks, and in early 1983, the lead times required were * * * weeks.

The Question of the Causal Relationship Between LTFV Imports and the Alleged Material Injury or Threat Thereof

U.S. imports

The quantity of U.S. imports of carbon steel wire rod from all sources increased from 730,000 short tons in 1980 to 830,000 short tons in 1982, or by 13.7 percent (table 19). U.S. imports increased from 486,000 short tons in January-August 1982 to 694,000 short tons in January-August 1983, or by 42.8 percent. 1/

The value of total U.S. imports followed a similar trend, increasing from $235 million in 1980 to $266 million in 1982, or by 12.8 percent (table 20). The value of imports in January-August 1983 was 16.7 percent greater than that in January-August 1982.

Imports of carbon steel wire rod from Brazil have increased dramatically since 1980, from 0 to over 111,000 short tons in 1982. Imports from Brazil as a share of all imports increased from 0 in 1980 to 13.4 percent in 1982; in January-August 1983, they accounted for 10.1 percent of all imports, down from 16.7 percent in January-August 1982.

Imports of carbon steel wire rod from Trinidad first entered the U.S. market in October-December 1981 (6,010 short tons) and increased to 56,388 short tons in 1982. Counsel for ISCOTT advised the Commission that a reasonable production status for the greenfield plant was not achieved until the second half of 1982. 2/

On a cumulated basis, imports from the two countries subject to the Commission's investigations increased from 1981 to 1982 by 334 percent. Brazil's and Trinidad's combined share of total imports rose from 5.1 percent in 1981 to 20.2 percent in 1982, but declined in January-August 1983 to 16.5 percent.

1/ U.S. imports for consumption, grouped to highlight imports from Brazil and Trinidad, and grouping all other sources that have been the subject of recent antidumping and countervailing-duty investigations and actions, are presented in table D-15.

2/ Counsel for ISCOTT had requested that the Commission compare imports from Trinidad during the first half of 1983 with imports during the last half of 1982. On that basis imports in July-December 1982 were 12 percent higher than imports in January-June 1983. Counsel also suggested than an appropriate comparison could be made between May-December 1982 and January-August 1983. On that basis, imports from Trinidad fell by 10.8 percent between the 1982 period and the 1983 period. These 8-month data and their relationship with domestic consumption are shown in table 23, on page A-44.

Table 19.--Carbon steel wire rod: U.S. imports for consumption, by principal sources, 1980-82, January-August 1982, and January-August 1983

Source	1980	1981	1982	January-August-- 1982	January-August-- 1983
	Quantity (short tons)				
Canada	355,583	314,599	279,987	164,147	174,602
Japan	198,055	167,390	141,930	90,292	103,857
Brazil	0	32,579	111,025	81,323	70,049
France	93,138	101,921	105,068	68,747	41,671
Trinidad	0	6,010	56,338	26,294	44,250
All other	83,125	138,235	135,455	55,229	259,597
Total	729,901	760,734	829,804	486,032	694,026
	Percent of total quantity				
Canada	48.7	41.4	33.7	33.8	25.2
Japan	27.1	22.0	17.1	18.6	15.0
Brazil	.0	4.3	13.4	16.7	10.1
France	12.8	13.4	12.7	14.1	6.0
Trinidad	.0	.8	6.8	5.4	6.4
All other	11.4	18.2	16.3	11.4	37.4
Total	100.0	100.0	100.0	100.0	100.0

Source: Compiled from official statistics of the U.S. Department of Commerce.

Note.--Because of rounding, figures may not add to the totals shown.

Table 20.--Carbon steel wire rod: U.S. imports for consumption from LTFV countries and from all other sources, 1980-82, January-August 1982, and January-August 1983

Source	1980	1981	1982	January-August-- 1982	January-August-- 1983
	Quantity (short tons)				
LTFV countries:					
Brazil	0	32,579	111,025	81,323	70,049
Trinidad	0	6,010	56,338	26,294	44,250
Subtotal, LTFV countries	0	38,589	167,363	107,617	114,299
All other countries	729,901	722,145	662,441	378,415	579,727
Total	729,901	760,734	829,804	486,032	694,026
	Value (1,000 dollars) 1/				
LTFV countries:					
Brazil	-	10,553	32,151	25,110	14,896
Trinidad	-	1,806	14,824	7,223	10,538
Subtotal, LTFV countries	-	12,359	46,975	32,333	25,434
All other countries	235,447	251,205	218,633	130,318	162,319
Total	235,447	263,564	265,608	162,651	189,753
	Unit value (per short ton) 2/				
LTFV countries:					
Brazil	-	$324	$290	$309	$213
Trinidad	-	300	263	275	238
Subtotal, LTFV countries	-	320	281	300	223
All other countries	$323	348	330	344	280
Average	323	346	320	335	272
	Percent of total quantity				
LTFV countries:					
Brazil	-	4.3	13.4	16.7	10.1
Trinidad	-	0.8	6.8	5.4	6.4
Subtotal, LTFV countries	-	5.1	20.2	22.1	16.5
All other countries	100.0	94.9	79.8	77.9	83.5
Total	100.0	100.0	100.0	100.0	100.0

1/ Landed, duty-paid value.

2/ The trends in unit values and the relationships of unit values from other sources may, at least partly, reflect differences in or shifts in product mix.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Note.--Because of rounding, figures may not add to the totals shown.

Quarterly imports from Brazil and Trinidad, and from all other sources, for July 1981-June 1983, and data for July-August 1983, as reported by the U.S. Department of Commerce, are shown in the following tabulation (in short tons):

Period	Brazil	Trinidad	All other sources	Total
1981:				
July-September	17,144	0	161,896	179,040
October-December	15,435	6,010	184,320	205,765
1982:				
January-March	55,217	6,716	127,190	189,123
April-June	13,982	12,929	157,071	183,982
July-September	12,124	14,181	165,802	192,107
October-December	29,702	22,512	212,378	264,592
1983:				
January-March	63,992	16,221	194,649	274,862
April-June	6,057	15,945	238,385	260,387
July-August	0	12,084	146,693	158,777

Monthly imports from Brazil and Trinidad are shown in tables 21 and in figure 2 for June 1981-August 1983. During the period covered by these investigations, no imports from Brazil or Trinidad entered the United States prior to July 1981. 1/

Market penetration of imports

As a share of total apparent U.S. consumption (including captive consumption), U.S. imports from all sources of carbon steel wire rod increased from 16.2 percent in 1980 to 21.9 percent in 1982 (table 22). They increased further from 20.2 percent of total apparent U.S. consumption in January-August 1982 to 24.4 percent in the corresponding period of 1983. As a share of noncaptive apparent U.S. consumption, such imports increased from 22.8 percent in 1980 to 27.6 percent in 1982, and from 26.0 percent in January-August 1982 to 29.7 percent in the corresponding period of 1983.

Imports of carbon steel wire rod from Brazil were nonexistent in 1980 and in January-June 1981; however, such imports increased from 0.7 percent of total apparent U.S. consumption in full year 1981 to 2.9 percent in 1982. They then fell from 3.4 percent of total apparent consumption in January-August 1982 to 2.5 percent in January-August 1983. In relation to noncaptive apparent U.S. consumption, imports from Brazil increased from 0.9 percent in 1981 to 3.7 percent in 1982, but fell from 4.4 percent in January-August 1982 to 3.0 percent in January-August 1983.

1/ Brazilian carbon steel wire rod was sold in the United States prior to 1980, but the last significant imports from that source prior to 1980 entered in 1978. See table D-15.

Table 21.--Carbon steel wire rod: U.S. imports for consumption from LTFV countries and from all other sources, by months, June 1981-August 1983

(In short tons)

Period	Brazil	Trinidad	All other	Total
1981:				
June	0	0	79,208	79,208
July	0	0	57,865	57,865
August	6,023	0	54,446	60,469
September	11,121	0	49,585	60,706
October	8,257	0	54,227	62,484
November	820	2,356	59,210	62,386
December	6,358	3,653	70,883	80,894
1982:				
January	18,115	0	49,201	67,316
February	1/ 23,717	3,355	38,244	65,316
March	1/ 13,385	3,361	39,184	55,930
April	1/ 8	2/ 0	31,632	31,640
May	1/ 3,511	2/ 6,288	50.483	60,282
June	1/ 10,463	2/ 6,641	72,710	89,814
July	1/ 12,124	2/ 2,230	35,882	50,236
August	0	2/ 4,419	60,518	64,937
September	0	2/ 7,532	69,351	76,883
October	16,860	9,438	62,716	89,014
November	9,575	11,879	83,114	104,568
December	3,267	1,195	68,844	73,306
1983:				
January	14,275	10,739	72,102	97,116
February	3/ 25,186	5,482	64,182	94,850
March	24,351	-	58,545	82,896
April	2,916	9,504	56,415	68,835
May	3,141	4/ 6,441	106,745	116,327
June	0	-	75,225	75,225
July	0	1,220	75,179	76,399
August	0	10,864	71,514	82,378

1/ For Brazil, the period of Commerce's investigation was Feb. 1-July 31, 1982.

2/ For Trinidad, the period of Commerce's investigation was April 1-Sept. 30, 1982.

3/ For Brazil, bonds on the subject merchandise were required as of Feb. 4, 1983.

4/ For Trinidad, bonds on the subject merchandise were required as of May 4, 1983.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Note: Data in this table were derived from Commerce's preliminary monthly statistics, which are not subject to later revision by Commerce, even when corrections are received by Commerce. They may not correspond exactly with the annual and quarterly data presented elsewhere in this report, because Commerce does correct and revise its annual data when new information is received. In most instances, any differences are slight.

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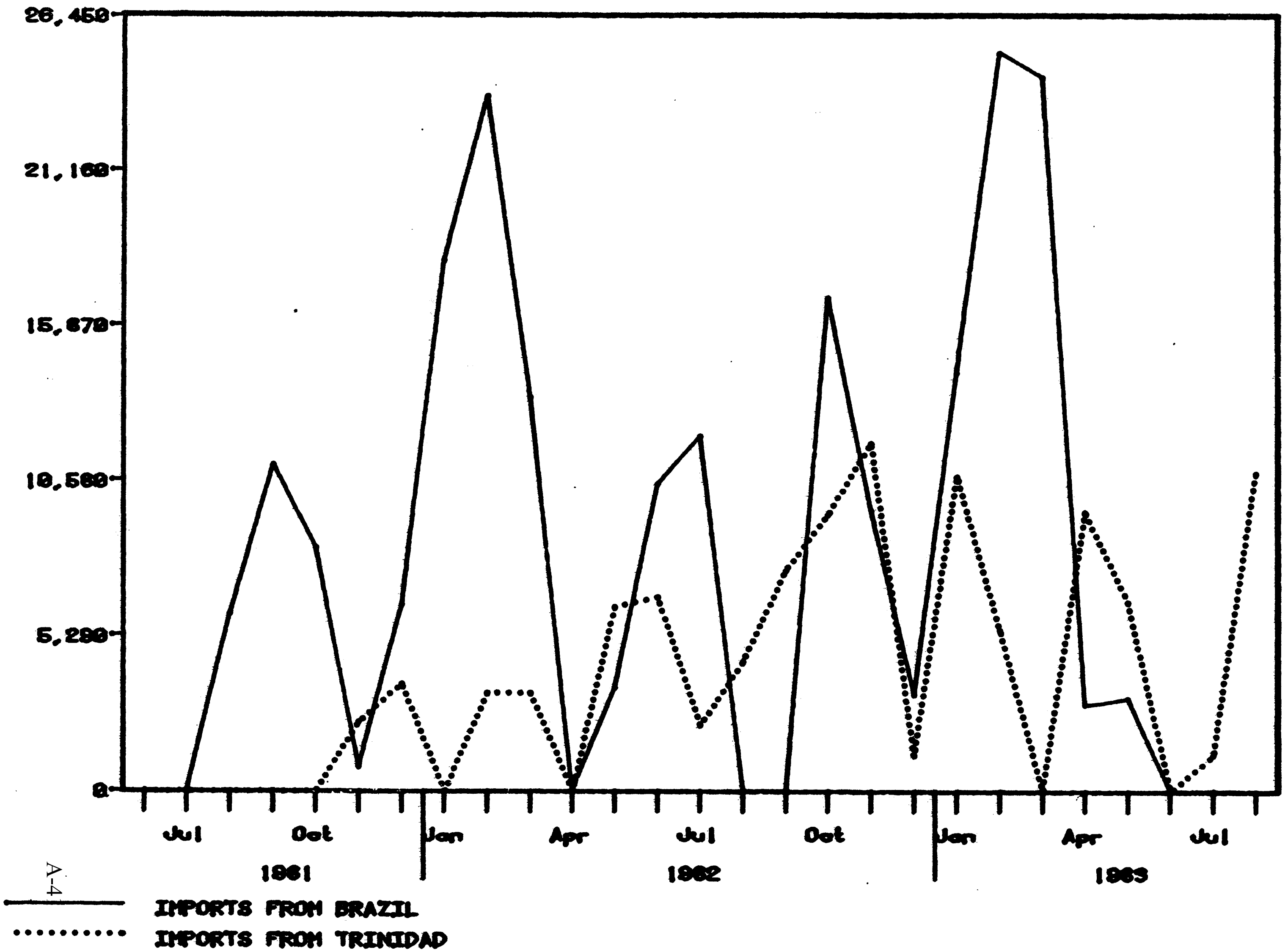
FIGURE 2.--CARBON STEEL WIRE ROD: U.S.IMPORTS FOR CONSUMPTION FROM SELECTED SOURCES, BY MONTHS, JUNE 1981-AUGUST 1983



Source: Table 21.

Table 22.--Carbon steel wire rod: U.S. imports for consumption from LTFV countries and from all other sources, 1980-82, January-August 1982, and January-August 1983

Source	1980	1981	1982	January-August-- 1982	January-August-- 1983
	Quantity (short tons)				
LTFV countries:					
Brazil	0	32,579	111,025	81,323	70,049
Trinidad	0	6,010	56,338	26,294	44,250
Subtotal, LTFV countries	0	38,589	167,363	107,617	114,299
All other countries	729,901	722,145	662,441	378,415	579,727
Total	729,901	760,734	829,804	486,032	694,026
	Ratio of imports to total apparent U.S. consumption (percent)				
LTFV countries:					
Brazil 1/	-	0.7	2.9	3.4	2.5
Trinidad 1/	-	.1	1.5	1.1	1.6
Subtotal, LTFV countries	-	0.8	4.4	4.5	4.0
All other countries	16.2	14.7	17.5	15.7	20.4
Total	16.2	15.5	21.9	20.2	24.4
	Ratio of imports to noncaptive apparent U.S. consumption (percent)				
LTFV countries:					
Brazil 2/	-	0.9	3.7	4.4	3.0
Trinidad 2/	-	.2	1.9	1.4	1.9
Subtotal, LTFV countries	-	1.1	5.6	5.8	4.9
All other countries	22.8	20.7	22.0	20.3	24.8
Total	22.8	21.8	27.6	26.0	29.7

1/ If consumption data are adjusted upward to account for nonresponding U.S. producers' estimated shipments, the ratios of imports from Brazil to total apparent U.S. consumption become 0.6 percent in 1981, 2.7 percent in 1982, 3.1 percent in January-August 1982, and 2.3 percent in January-August 1983. For imports from Trinidad, the ratios become 0.1 percent in 1981, 1.4 percent in 1982, 1.0 percent in January-August 1982, and 1.4 percent in January-August 1983.

2/ If consumption data are adjusted upward to account for nonresponding U.S. producers' estimated shipments, the ratios of imports from Brazil to noncaptive apparent U.S. consumption become 0.9 percent in 1981, 3.4 percent in 1982, 4.0 percent in January-August 1982, and 2.8 percent in January-August 1983. For imports from Trinidad, the corresponding ratios became 0.2 percent in 1981, 1.7 percent in 1982, 1.3 percent in January-August 1982, and 1.8 percent in January-August 1983.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission, official statistics of the U.S. Department of Commerce, and AISI data.

Note.--Because of rounding, figures may not add to the totals shown.

As with imports from Brazil, imports from Trinidad did not commence until 1981. In that year, such imports from Trinidad accounted for 0.1 percent of total apparent U.S. consumption and 0.2 percent of noncaptive apparent U.S. consumption. These figures increased to 1.5 percent of total apparent U.S. consumption and 1.9 percent of noncaptive apparent U.S. consumption in 1982. Imports from Trinidad have been sharply curtailed in recent months, but still accounted for a greater share of both total apparent U.S. consumption and noncaptive apparent U.S. consumption in January-August 1983, than in the corresponding period of 1982. In January-August 1983, imports from Trinidad accounted for 1.6 percent of total apparent U.S. consumption of carbon steel wire rod, and for 1.9 percent of noncaptive apparent consumption of such merchandise.

On a cumulated basis, imports of carbon steel wire rod from both LTFV countries increased their U.S. market penetration during 1980-82, both as a share of total apparent U.S. consumption (from zero in 1980 to 0.8 percent in 1981 and 4.4 percent in 1982), and as a share of noncaptive apparent U.S. consumption (from zero in 1980 to 1.1 percent in 1981 and 5.6 percent in 1982). In January-August 1983, such imports amounted to 4.0 percent of total apparent U.S. consumption and 4.9 percent of noncaptive apparent U.S. consumption.

Representatives of ISCOTT have contended that, because ISCOTT was not in full production prior to mid-1982, the Commission should examine the imports from ISCOTT during the last 8 months of 1982 and the first 8 months of 1983 as the appropriate basis for measuring the trend of its penetration of the U.S. market. These data are presented in table 23.

Table 23.--Carbon steel wire rod: U.S. imports for consumption from LTFV countries and from all other sources, May-December 1982, and January-August 1983

Source	May-December 1982	January-August 1983
	Quantity (short tons)	
LTFV countries:		
Brazil	55,801	70,049
Trinidad	49,622	44,250
Subtotal, LTFV countries	105,423	114,299
All other countries	503,618	579,727
Total	609,041	694,026
	Ratio of imports to total apparent U.S. consumption (percent)	
LTFV countries:		
Brazil 1/	2.1	2.5
Trinidad 1/	1.9	1.6
Subtotal, LTFV countries	4.0	4.0
All other countries	19.2	20.4
Total	23.2	24.4
	Ratio of imports to noncaptive apparent U.S. consumption (percent)	
LTFV countries:		
Brazil 2/	2.6	3.0
Trinidad 2/	2.3	1.9
Subtotal, LTFV countries	5.0	4.9
All other countries	23.7	24.8
Total	28.7	29.7

1/ If consumption data are adjusted upward to account for nonreporting U.S. producers' estimated shipments, the ratios of imports from Brazil to total apparent U.S. consumption become 1.8 percent in May-December 1982, and 2.3 percent in January-August 1983. For imports from Trinidad, the corresponding ratios are 1.6 percent in May-December 1982, and 1.4 percent for January-August 1983.

2/ If consumption data are adjusted upward to account for nonreporting U.S. producers' estimated shipments, the ratios of imports from Brazil to noncaptive apparent U.S. consumption become 2.4 percent in May-December 1982 and 2.8 percent in January-August 1983. For imports from Trinidad, the corresponding ratios become 2.2 percent for January-August 1983 and 1.8 percent for January-August 1983.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission, official statistics of the U.S. Department of Commerce, and AISI data.

Note.--Because of rounding, figures may not add to the totals shown.

Prices

Prices of carbon steel wire rod depend on demand and supply conditions for wire and wire products. Such products include fencing, wire reinforcing mesh, welding rod, nails, bolts, springs, and a wide variety of articles used in construction and manufacturing. Demand for many of these products has been adversely affected by the recession that began in the last half of 1981. The decline in demand put downward pressures on sales and prices of these articles and hence on carbon steel wire rod sales and prices. Wire rod prices became so competitive that domestic producers reportedly sold these products far below list prices at all levels of distribution. Producers also reportedly sold wire rod falling within wide ranges of specifications for essentially the same price, and offered allowances for certain freight costs. Such allowances, known as freight equalization allowances, guarantee that the buyer will not pay more shipping costs for goods from one supplier than it would pay for buying from its closest supplier.

Freight equalization allowances and other discounts were documented by invoices received by the Commission from the petitioners. These invoices show that some domestic producers granted purchasers of low-carbon steel wire rod competitive price adjustments, ranging from * * * to * * * percent of the total invoice value, and competitive freight allowances ranging from * * * to * * * percent. In some instances, freight was absorbed but no competitive allowances were granted. Invoices did not indicate that either type of price adjustment was made in response to import competition. Freight equalization allowances were granted to buyers in different areas of the United States, although only * * * such instances were reported for shipments to the West Coast; these sales were made by Georgetown Texas.

Petitioners alleged that ISCOTT grants more favorable credit terms of 60 to 120 days which affect the comparability of prices. ISCOTT's more favorable credit terms, it is argued, enhance the imports' price competitiveness over the domestic product. Invoices submitted to the Commission show that domestic producers offered credit terms ranging from * * * to * * * days and that ISCOTT offered * * * credit terms of * * * days. ISCOTT, however, maintains that * * * paid interest for the * * * days' credit at the prime rate.

The weakness in demand for steel wire rod during 1981-83 is also reflected in the Bureau of Labor Statistics' (BLS) Producer Price Index 1/ for low-carbon steel wire rod; this index increased by 7.5 percent from January-March 1981 through January-March 1982, then declined by 1.3 percent through June 1983, reflecting reduced domestic commercial shipments in late 1982. The following tabulation shows the BLS Producer Price Index for low-carbon steel wire rod (January-March 1981=100):

1/ The BLS Producer Price Index may reflect changes in list prices rather than actual transaction prices, depending on the data reported by producing firms. List prices generally lag behind transaction prices when declining, but often lead transaction prices when rising.

Period	Producer Price Index
1981:	
January-March	100.0
April-June	99.8
July-September	107.1
October-December	107.2
1982:	
January-March	107.5
April-June	107.4
July-September	107.3
October-December	107.2
1983:	
January-March	106.2
April-June	106.2

Price trends.--The Commission requested f.o.b. mill price data from domestic producers, and f.o.b. port-of-entry price data from importers. Usable data were received from 11 producers and from ISCOTT. 1/ Price data for low-carbon steel wire rod, AISI grade 1008, 7/32 inch to 27/64 inch in diameter, the most common specification from both Brazil and Trinidad, are shown in table 24. No imports were recorded during 1980. Because no price data were reported by Brazilian importers, the price data obtained from lost sales allegations provided by the domestic producers were used, but only to show trends in prices of imports from Brazil during this period.

Integrated domestic producers' f.o.b. prices rose to * * * per short ton in April-June 1981 from * * * per short ton in January-March 1981, then fell irregularly to * * * per short ton in April-June 1983, a decline of * * * percent. Prices reached their highest level in April-June 1981, a period in which there were no imports from either Brazil or Trinidad. Prices were at their lowest level during January-March 1983, a period in which imports of carbon steel wire rod from Brazil and Trinidad reached their highest level.

1/ ISCOTT was able to supply price data only on a delivered basis. Therefore, ISCOTT's prices include the approximately * * * to * * * percent estimated cost of inland freight.

Table 24.--Carbon steel wire rod: U.S. producers' and importers' weighted average prices for low-carbon steel wire rod, AISI grade 1008, 7/32 inch to 27/64 inch in diameter, by quarters, January 1981-September 1983

Period	Domestic producers 1/			Importers	
	Integrated	Non-integrated	All producers	Brazil 2/	Trinidad 3/
	Per short ton				
1981:					
Jan.-Mar	***	***	***	-	-
Apr.-June	***	***	***	-	-
July-Sept	***	***	***	-	-
Oct.-Dec	***	***	***	***	***
1982:					
Jan.-Mar	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept	***	***	***	***	***
Oct.-Dec	***	***	***	***	***
1983:					
Jan.-Mar	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept	***	***	***	-	***

1/ Domestic producers' prices are f.o.b. mill.
2/ Prices of imports from Brazil are delivered prices and were obtained from data on alleged lost sales, estimated by U.S. producers, as requested by the Commission's questionnaires.
3/ Prices of imports from Trinidad are delivered prices, and include the approximately * * * to * * * percent estimated cost of inland freight.
4/ Not available.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Nonintegrated domestic producers' f.o.b. prices were consistently lower than integrated producers' prices but followed a similar declining trend. After increasing from * * * per short ton in January-March 1981 to * * * per short ton in April-June 1981, nonintegrated domestic producers' prices decreased to * * * per short ton in July-September 1983, or by * * * percent. Prices decreased in every quarter from January-March 1982 to April-June 1983, falling from * * * to * * * per short ton, or by * * * percent. Prices then increased to * * * per short ton in July-September 1983, or by * * * percent.

Prices of imports from Brazil, as alleged by U.S. producers, increased by * * * percent, from * * * per short ton in July-September 1981 to * * * per short ton in October-December 1981. In January-March 1982, prices declined to * * * per short ton, or by * * * percent, but increased in April-June 1982, by * * * percent, to * * * per short ton. Prices declined by * * * percent to * * * per short ton in July-September 1982, increased by * * * percent to * * * per short ton in October 1982-March 1983, but dropped by * * * percent to * * * per short ton in April-June 1983. From July-September 1981 to April-June 1983, prices of imports from Brazil declined by a total of * * * percent.

Prices of imports of low-carbon steel wire rod from Trinidad declined steadily from * * * per short ton in October-December 1981 to * * * per short ton in July-September 1983, or by * * * percent. For comparison, prices of imports from Brazil fell by * * * percent during July 1981-June 1983; prices of nonintegrated U.S. producers fell by * * * percent during January 1981-September 1983; and prices of integrated U.S. producers fell by * * * percent during January 1981-June 1983.

Domestic producers' prices, by types of producers and by firms.--Domestic producers' prices, by types of producers and by firms, are shown in table D-16. The table shows domestic producers' highest price, median price, and lowest price for the period January-March 1981 to July-September 1983, and available price data for imports from Brazil 1/ and Trinidad. The data show that petitioners' prices were generally lower than other domestic producers' prices with few exceptions. The data shown on prices of imports from Brazil and Trinidad are not directly comparable with the data shown for U.S. producers. Import data generally are delivered prices and include all freight charges, whereas those of U.S. producers do not. The delivered prices shown for Brazilian wire rod generally fall below the median U.S. f.o.b. prices, but are above the lowest U.S. f.o.b. prices. The delivered prices shown for Trinidad are consistently below the median U.S. f.o.b. prices, but are above the lowest U.S. f.o.b. prices.

Additional pricing information requested by the Commission.--The Commission requested information on prices of rimmed steel and cast steel wire rod, and on prices of low-carbon steel wire rod to coathanger manufacturers.

* * * * * * *

Prices of carbon steel wire rod to coathanger manufacturers throughout the United States are shown in table D-17. The table shows that, in each year, the range of prices reported * * *.

Prices to West Coast purchasers reported by Georgetown Texas and by ISCOTT are shown in table D-18. ISCOTT's delivered price exceeded the f.o.b. mill price of Georgetown Texas by * * * to * * * per short ton. Georgetown Texas reports that freight costs to Los Angeles are * * * per short ton by rail 2/ and * * * to * * * per short ton by truck.

Purchasers' prices.--The Commission requested that 36 purchasers of U.S.-produced and imported carbon steel wire rod provide delivered price data on their purchases of standard-quality low-carbon steel wire rod, AISI grade 1008, 7/32 inch to 27/64 inch in diameter. Eighteen purchasers provided

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1/ Prices shown for imports from Brazil are those reported by U.S. producers in lost sales allegations and those reported by purchasers. The latter data are discussed separately.

2/ * * *.

usable data. Purchasers' prices of domestically produced wire rod included purchases from both integrated and nonintegrated producers. Purchasers' weighted-average prices are shown in table 25. Purchasers' delivered prices for U.S.-produced wire rod followed a trend similar to prices reported by domestic producers, increasing in early 1981, but falling thereafter.

Table 25.--Carbon steel wire rod: Weighted-average delivered prices 1/ paid by purchasers of standard-quality, low-carbon steel wire rod, AISI grade 1008, 7/32 inch to 27/64 inch in diameter, produced in the United States and imported from Brazil and Trinidad, by quarters, January 1981-June 1983

Period	Domestic producers	Importers		Margin of underselling	
		Brazil	Trinidad	Brazil	Trinidad
	----------Per short ton--------			--------Percent-------	
1981:					
January-March-------	***	-	-	2/	2/
April-June----------	***	-	-	2/	2/
July-September------	***	***	-	***	2/
October-December----	***	***	***	***	***
1982:					
January-March-------	***	***	***	***	***
April-June----------	***	***	***	***	***
July-September------	***	***	***	***	***
October-December----	***	***	***	***	***
1983:					
January-March-------	***	***	***	***	***
April-June----------	***	***	***	***	***

1/ Prices rounded to the nearest dollar.
2/ Not available.
3/ Less than 0.5 percent below the domestic producers' prices.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Purchasers' delivered prices for low-carbon steel wire rod imported from Brazil declined from * * * per short ton in July-September 1981 to * * * per short ton in April-June 1983, or by * * * percent. Purchasers reported far fewer instances of purchases of wire rod from Brazil in 1981 than in 1982.

Purchasers' prices of low-carbon steel wire rod imported from Trinidad declined unevenly from * * * per short ton in January-March 1982 to * * * per short ton in April-June 1983, a decline of * * * percent. For comparison, during this same period, purchasers' prices for imports from Brazil fell by * * * percent, and purchasers' prices for U.S.-produced merchandise fell by * * * percent.

Purchasers were also requested to rank factors in terms of their importance in their decision to buy carbon steel wire rod from a particular supplier. Most purchasers ranked price of highest importance, followed by quality, availability of services, and alternative source of supply.

Exchange rates.--The Brazilian cruzeiro depreciated sharply in nominal terms, by 85.1 percent, relative to the U.S. dollar from January 1981 to June 1983; in real terms the cruzeiro depreciated by 24.4 percent (table 26).

Table 26.--Indices of the nominal exchange rates of Brazilian cruzeiros and Trinidad dollars in terms of the U.S. dollar, and real exchange rates of Brazilian cruzieros and Trinidad dollars, 1/ by quarters, January 1981-June 1983

(January-March 1981=100)

Period	Brazilian cruzeiro		Trinidad dollar	
	Nominal	Real	Nominal	Real
1981:				
January-March	100.0	100.0	100.0	100.0
April-June	84.3	98.4	100.0	99.2
July-September	70.9	94.9	100.0	99.8
October-December	59.9	93.2	100.0	101.5
1982:				
January-March	51.3	92.8	100.0	104.1
April-June	44.2	96.4	100.0	104.2
July-September	37.3	95.6	100.0	105.3
October-December	30.7	90.9	100.0	107.4
1983:				
January-March	21.7	80.2	100.0	117.1
April-June	14.9	75.6	100.0	2/

1/ Real exchange rate indices were calculated using a relative wholesale price index in the case of Brazil and a relative consumer price index in the case of Trinidad; no wholesale price index for Trinidad is published.
2/ Not available.

Source: Compiled from official statistics of the International Monetary Fund.

The Trinidad dollar maintained its nominal value relative to the U.S. dollar during the entire period January 1981-June 1983, since it has been pegged to the U.S. dollar at a ratio of 2.4 to one. In real terms, however, the Trinidad dollar appreciated by 17.1 percent during the period January 1981-March 1983.

Lost sales

Only 8 of the 12 producers responding to the Commission's questionnaires provided usable information concerning sales lost to imports from Brazil and Trinidad during January 1982-June 1983. 1/ The aggregate lost sales information concentrated exclusively on imports of low-carbon, standard-quality wire rod. 2/

The Commission investigated 18 of these claims, which involved 13 different purchasers. The 12 alleged sales lost to imports from Brazil that were investigated by the Commission amounted to 41,023 short tons, equivalent to 1.4 percent of U.S. producers' total shipments and 1.9 percent of their commercial shipments. The 6 alleged sales lost to imports from Trinidad that were investigated by the Commission amounted to 10,792 short tons, equivalent to 0.4 percent of U.S. producers' total shipments and 0.5 percent of their commercial shipments. Alleged sales lost to imports from Brazil and Trinidad combined amounted to 51,815 short tons, equivalent to 1.8 percent of U.S. producers' total shipments and 2.4 percent of their commercial shipments.

The Commission found increased purchases of the subject imports by many of the purchasers alleged to have been lost sales. The increase in purchases of wire rod from Brazil amounted to * * * short tons, equivalent to * * * percent of U.S. producers' total shipments and * * * percent of their commercial shipments. Increased purchases of imports from Trinidad amounted to * * * short tons, equivalent to * * * percent of U.S. producers' total shipments and * * * percent of their commercial shipments. The total of such increased purchases of wire rod imported from Brazil and Trinidad combined amounted to 17,800 short tons, equivalent to 0.6 percent of U.S. producers' total shipments and 0.9 percent of their commercial shipments.

On an aggregate basis, imports were reported to be of higher quality than wire rod sold by the nonintegrated producers. Hence, the quality of the rod was an important issue for many of the purchasers. Other purchasers cited alternate sourcing as a determining factor in continuing a mix of domestic and imported wire rod, emphasizing both the importers' price gouging during the mid-1970's and the domestic mills' inability to supply sufficient quantities of wire rod in 1974 and in the early 1980's. A summary of the lost sales inquiries follows.

1/ Further information on lost sales concerning imports of carbon steel wire rod from Brazil and Trinidad is presented in Carbon Steel Wire Rod From Venezuela, USITC Publication 1338, February 1983, pp. A-52-A-54; and Carbon Steel Wire Rod Brazil and Trinidad and Tobago, USITC Publication 1316, November 1982, pp. A-39-A-40.

2/ Both integrated and nonintegrated producers of carbon steel wire rod reported sales lost to purchasers from imported carbon steel wire rod. In some instances, both types of producers, integrated and nonintegrated, alleged lost sales to the same customers. In some cases U.S. producers that make only rimmed rod alleged lost sales to imported cast rod.

Brazil

Purchaser 1.--* * *: This lost sale allegation, by * * *, involved no specific quantity of low-carbon steel wire rod, but the sale was alleged to have occured * * *. Purchases of wire rod from Brazil by * * * are as shown in the following tabulation (in short tons):

1982	***
January-June--	
1982	***
1983	***

Purchaser 2.--* * *: One U.S. producer, * * *, alleged sales lost to this firm totaling * * * short tons of low-carbon steel wire rod, reportedly purchased in * * *. A representative of * * * reported that his firm purchased wire rod from Brazil because the product was not killed, and there was no way a domestic supplier could meet the price offered by the Brazilians. * * * did not supply the quantity of its purchases.

Purchaser 3.--* * *: This lost sale allegation, by * * *, involved * * * tons of Brazilian low-carbon steel wire rod offered in * * *. A representative of * * * indicated that the firm had made a one-time purchase of Brazilian rod of approximately * * * short tons in * * *. He reported that the Brazilian rod was of exceedingly good quality and was purchased at a favorable price. * * * also reported buying wire rod from Trinidad for alternate supply purposes, stating that the continuous cast rod available from Trinidad was among the very best available.

Purchaser 4.--* * *: Two U.S. producers, * * * with * * * short tons of rimmed steel, and * * *, with * * * short tons of rimmed steel, alleged sales lost to this firm. Total alleged lost sales involved * * * short tons of low-carbon steel wire rod. A representative of * * * stated that the wire rod from Brazil was among the best quality available anywhere, primarily because the raw material was pure iron instead of scrap. * * * did not provide the amount of its purchases of Brazilian rod, but stated that its purchases of rod from South American sources began approximately * * *, when the prices of the domestic rod were reported to have gone "out of sight".

Purchaser 5.--* * *: This lost sale allegation, by * * *, involved * * * tons of low-carbon steel wire rod allegedly purchased during * * *. A representative of * * * stated that this firm purchases wire rod from Brazil because of simple economics. Selected purchases by * * * are shown in the following tabulation (in short tons):

Source	January-June--		
	1981	1982	1983
United States	***	***	***
Brazil	***	***	***
Others	***	***	***
Total	***	***	***

Purchaser 6.--* * *: Two U.S. producers, * * *, with * * * short tons, and * * *, which did not specify quantities, alleged having sales lost to Brazilian wire rod purchased by this firm. The allegations involved a total of at least * * * tons of low-carbon steel wire rod allegedly purchased in * * *. * * * is a * * * purchaser of wire rod and a representative of the firm stated that price was the primary reason for purchasing wire rod from Brazil. * * * wire rod purchases from Brazil and the United States are shown in the following tabulation:

Source	1981	January-June--	
		1981	1982
United States--short tons	***	***	***
Brazil----do	***	***	***
Total----do	***	***	***
U.S. share of total----percent	***	***	***

Purchaser 7.--* * *: This lost sale, alleged by * * *, involved * * * tons of low-carbon steel wire rod allegedly sold in * * *. A representative of * * * stated that this firm purchased about * * * of Brazilian wire rod * * *. The wire rod purchased, however, was of secondary quality since * * *. The * * * spokesman stated that * * * received a very favorable price and that the * * * the cleaned rod was of exceptionally high quality.

Purchaser 8.--* * *: These lost sales, allegedly involving * * * short tons from * * * and * * * short tons from * * *, totaled * * * short tons of low-carbon steel wire rod. A spokesman for * * * stated that the firm had purchased * * * short tons of the subject merchandise from Brazil in * * *, but that it had shifted its low-carbon steel wire rod purchases from primarily offshore sources to domestic producers since * * *.

Purchaser 9.--* * *: This lost sale allegation, by * * *, involved * * * short tons of low-carbon steel wire rod allegedly sold in * * *. A representative of * * * stated that the primary reason for purchasing wire rod from Brazil was price. A summary of * * *'s purchases of wire rod is shown in the following tabulation:

Source	1980	1981	1982	January-June-- 1982	January-June-- 1983
United States--short tons--:	***	***	***	***	***
Brazil----------------do----:	***	***	***	***	***
All others------------do----:	***	***	***	***	***
Total-------------do----:	***	***	***	***	***
U.S. share of total-----------percent--:	***	***	***	***	***
Brazil share of total do----:	***	***	***	***	***

Trinidad

Purchaser 1.--* * *: This lost sale allegation, by * * *, involved * * * short tons of low-carbon steel wire rod, allegedly purchased in * * *, for use by * * * the firm. The * * * representative stated that the price of the rod from Trinidad was lower than that of the domestic producers when it was first imported in 1981, but has risen since then to a level comparable with that of U.S.-produced rod. The * * * representative said that * * * buys rod from Trinidad because of the service, and for purposes of an alternate supply. * * * purchased * * * short tons of wire rod from Trinidad in * * *.

Purchaser 2.--* * *: This lost sale allegation, by * * *, involved * * * tons of low-carbon steel wire rod allegedly purchased in * * *. A representative of * * * admitted buying wire rod from Trinidad * * *, but did not specify the month or the amount. He cited availability of the product and a desire to test another source as his major reasons for purchasing from Trinidad, emphasizing that the price paid for the rod from Trinidad was the same as the price offered by domestic sources.

Purchaser 3.--* * *: This lost sale allegation, by * * *, involved * * * short tons of low-carbon steel wire rod allegedly purchased in * * *. A representative of * * * stated that Trinidad provides a superior quality product, better service, and an alternate supply. * * * did not specify the quantity of its purchases from Trinidad.

Purchaser 4.--* * *: This lost sale allegation, by * * *, involved * * * short tons of low-carbon steel wire rod, allegedly purchased in * * *. A spokesman for * * * stated that the firm had made no purchases from Trinidad.

Purchaser 5.--* * *: This lost sale allegation, by * * *, involved * * * tons of low-carbon steel wire rod, allegedly purchased in * * *. * * *'s purchases of the subject merchandise from Trinidad are shown in the following tabulation (in short tons):

1981	***
1982	***
January-June--	
1982	***
1983	***

* * * cited the superior quality of the rod and the service offered for the Trinidad rod as the primary reasons for its purchases. * * * reported that representatives of ISCOTT provided technical assistance in the preparation of the raw material.

Purchaser 6.--* * *: This lost sale allegation, by * * *, involved * * * tons of low-carbon steel wire rod allegedly purchased in * * *. A spokesman for * * * stated that it had purchased * * * tons of wire rod from Trinidad in * * *, but that it had not purchased any since then. The rod from Trinidad was higher priced than that offered by domestic sources, and was purchased because it was of superior quality for * * * applications, which require a more residual-free product. * * * stated that * * * percent of its purchases are from imported sources.

APPENDIX A

NOTICES OF THE COMMISSION'S INSTITUTION OF ITS FINAL INVESTIGATIONS AND THE RESCHEDULING OF ITS PUBLIC HEARING

available for public inspection during regular business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary to the Commission.

Any business information for which confidential treatment is desired shall be submitted separately. The envelope and all pages of such submissions must be clearly labeled "Confidential Business Information." Confidential submissions and requests for confidential treatment must conform with the requirements of §201.6 of the Commission's rules (19 CFR 201.6).

For further information concerning the conduct of the investigation, hearing procedures, and rules of general application, consult the Commission's Rules of Practice and Procedure, part 207, subparts A and C (19 CFR Part 207, as amended by 47 FR 33682, Aug. 4, 1982), and Part 201, subparts A through E (19 CFR Part 201, as amended by 47 FR 33682, Aug. 4, 1982).

This notice is published pursuant to § 207.20 of the Commission's rules (19 CFR 207.20).

By order of the Commission.

Issued: May 16, 1983.

Kenneth R. Mason,

Secretary.

[FR Doc. 83-14064 Filed 5-24-83; 8:45 am]

BILLING CODE 7020-02-M

[Investigations Nos. 731-TA-113 and 114; Final]

Carbon Steel Wire Rod From Brazil and Trinidad and Tobago

AGENCY: United States International Trade Commission.

ACTION: Institution of final antidumping investigations and scheduling of a hearing to be held in connection with the investigations.

EFFECTIVE DATE: May 4, 1983.

SUMMARY: As a result of affirmative preliminary determinations by the U.S. Department of Commerce that there is a reasonable basis to believe or suspect that imports from Brazil and Trinidad and Tobago of carbon steel wire rod, provided for in item 697.17 of the Tariff Schedules of the United States, are being, or are likely to be, sold in the United States at less than fair value (LTFV) within the meaning of section 731 of the Tariff Act of 1930 (19 U.S.C. 1673), the United States International Trade Commission hereby gives notice of the institution of investigations Nos. 731-TA-113 and 114 (Final) under section 735(b) of the act (19 U.S.C. 1673d(b)) to determine whether an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports of such merchandise. Unless the investigation is extended, the Department of Commerce will make its final dumping determination in these cases on or before July 12, 1983, and the Commission will make its final injury determinations by August 31, 1983 (19 CFR 207.25).

FOR FURTHER INFORMATION CONTACT: Mr. John MacHatton (202-523-0439), Office of Investigations, U.S. International Trade Commission.

SUPPLEMENTARY INFORMATION:

Background.—On November 15, 1982, the Commission determined, on the basis of the information developed during the course of its preliminary investigations, that there was a reasonable indication that an industry in the United States was materially injured or threatened with material injury by reason of allegedly LTFV imports of carbon steel wire rod from Brazil and Trinidad and Tobago. The preliminary investigations were instituted in response to a petition filed on September 30, 1982, by five producers of carbon steel wire rod.

Participation in the investigations.—Persons wishing to participate in these investigations as parties must file an entry of appearance with the Secretary to the Commission, as provided in § 201.11 of the Commission's Rules of Practice and Procedure (19 CFR 201.11) not later than 21 days after the publication of this notice in the Federal Register. Any entry of appearance filed after this date will be referred to the Chairman, who shall determine whether to accept the late entry for good cause shown by the person desiring to file the entry.

Upon the expiration of the period for filing entries of appearance, the Secretary shall prepare a service list containing the names and addresses of all persons, or their representatives, who are parties to the investigations, pursuant to § 201.11(d) of the Commission's rules (19 CFR 201.11(d)). Each document filed by a party to these investigations must be served on all other parties to the investigations (as identified by the service list), and a certificate of service must accompany the document. The Secretary will not accept a document for filing without a certificate of service (19 CFR 201.16(c), as amended by 47 FR 33682, Aug. 4, 1982).

Staff report.—A public version of the staff report containing preliminary findings of fact in these investigations will be placed in the public record on June 29, 1983, pursuant to § 207.21 of the Commission's rules (19 CFR 207.21).

Hearings.—The Commission will hold a hearing in connection with these investigations beginning at 10:00 a.m. on July 12, 1983, at the U.S. International Trade Commission Building, 701 E Street NW., Washington, D.C. 20436. Requests to appear at the hearing should be filed in writing with the Secretary to the Commission not later than the close of business (5:15 p.m.) on June 17, 1983. All persons desiring to appear at the hearing and make oral presentations should file prehearing briefs and attend a prehearing conference to be held at 10:00 a.m. on June 22, 1983, in room 117 of the U.S. International Trade Commission Building. The deadline for filing prehearing briefs is July 8, 1983.

Testimony at the public hearing is governed by § 207.23 of the Commission's rules (19 CFR 207.23, as amended by 47 FR 33682, Aug. 4, 1982). This rule requires that testimony be limited to a nonconfidential summary and analysis of material contained in prehearing briefs and to information not available at the time the prehearing brief was submitted. All legal arguments, economic analyses, and factual materials relevant to the public hearing should be included in prehearing briefs in accordance with § 207.22 (19 CFR 207.22), as amended by 47 FR 33682, Aug. 4, 1982). Posthearing briefs must conform with the provisions of § 207.24 (19 CFR 207.24) and must be submitted not later than the close of business on July 19, 1983.

Written submissions.—As mentioned, parties to these investigations may file prehearing and posthearing briefs by the dates shown above. In addition, any person who has not entered an appearance as a party to the investigations may submit a written statement of information pertinent to the subject of the investigations on or before July 19, 1983. A signed original and fourteen (14) true copies of each submission must be filed with the Secretary to the Commission in accordance with § 201.8 of the Commission's rules (19 CFR 201.8). All written submissions except for confidential business data will be available for public inspection during regular business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary to the Commission.

Any business information for which confidential treatment is desired shall be submitted separately. The envelop and all pages of such submissions must be clearly labeled "Confidential Business Information." Confidential submissions and requests for

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confidential treatment must conform with the requirements of § 201.6 of the Commission's rules (19 CFR 201.6).

For further information concerning the conduct of the investigations, hearing procedures, and rules of general application, consult the Commission's Rules of Practice and Procedure, part 207, subparts A and C (19 CFR Part 207, as amended by 47 FR 33682, Aug. 4, 1982), and Part 201, subparts A through E (19 CFR Part 201, as amended by 47 FR 33682, Aug. 4, 1982).

This notice is published pursuant § 207.20 of the Commission's rules (19 CFR 207.20).

By order of the Commission.

Issued: May 17, 1983.

Kenneth R. Mason,

Secretary.

[FR Doc. 83-14062 Filed 5-24-83; 8:45 am]

BILLING CODE 7020-02-M

[Investigation No. 731-TA-96; Final]

Nitrocellulose From France

AGENCY: United States International Trade Commission.

ACTION: Institution of a final antidumping investigation and scheduling of a hearing to be held in connection therewith.

EFFECTIVE DATE: May 10, 1983.

SUMMARY: On May 10, 1983, the U.S. Department of Commerce made an affirmative final determination that imports from France of nitrocellulose, provided for in item 445.25 of the Tariff Schedules of the United States, 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 Tariff Act of 1930 (19 U.S.C. 1673). Accordingly, the United States International Trade Commission hereby gives notice of the institution of investigation No. 731-TA-96 (Final) under section 735(b) of the act (19 U.S.C. 1673d(b)) to determine whether an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports of such merchandise. The Commission will make its final injury determination by July 25, 1983 (19 CFR 207.25).

FOR FURTHER INFORMATION CONTACT: Mr. Lawrence Rausch (202-523-0286), Office of Investigations, U.S. International Trade Commission.

SUPPLEMENTARY INFORMATION:

Background.—On August 16, 1982, the Commission determined, on the basis of the information developed during the course of its preliminary investigation, that there was a reasonable indication that an industry in the United States was materially injured or threatened with material injury by reason of allegedly less-than-fair-value imports of nitrocellulose from France. The preliminary investigation was instituted in response to a petition filed on July 2, 1982, by counsel for Hercules, Inc., Wilmington, Del.

Participation in the investigation.—Persons wishing to participate in this investigation as parties must file an entry of appearance with the Secretary to the Commission, as provided in § 201.11 of the Commission's Rules of Practice and Procedure (19 CFR 201.11), not later than 21 days after the publication of this notice in the Federal Register. Any entry of appearance filed after this date will be referred to the Chairman, who shall determine whether to accept the late entry for good cause shown by the person desiring to file the entry.

Upon the expiration of the period for filing entries of appearance, the Secretary shall prepare a service list containing the names and address of all persons, or their representatives, who are parties to the investigation, pursuant to § 201.11(d) of the Commission's rules (19 CFR 201.11(d)). Each document filed by a party to this investigation must be served on all other parties to the investigation (as identified by the service list), and a certificate of service must accompany the document. The Secretary will not accept a document for filing without a certificate of service (19 CFR 201.16(c), as amended by 47 FR 33682, Aug. 4, 1982).

Staff report.—A public version of the staff report containing preliminary findings of fact in this investigation will be placed in the public record on June 10, 1983, pursuant to § 207.21 of the Commission's rules (19 CFR 207.21).

Hearing.—The Commission will hold a hearing in connection with this investigation beginning at 10:00 a.m. on June 24, 1983, at the U.S. International Trade Commission Building, 701 E Street NW., Washington, D.C. 20436. Requests to appear at the hearing should be filed in writing with the Secretary to the Commission not later than the close of business (5:15 p.m.) on June 9, 1983. All persons desiring to appear at the hearing and make oral presentations should file prehearing briefs and attend a prehearing conference to be held at 10:00 a.m. on June 13, 1983, in room 117 of the U.S. International Trade Commission Building. The deadline for filing prehearing briefs is June 21, 1983.

Testimony at the public hearing is governed by § 207.23 of the Commission's rules (19 CFR 207.23, as amended by 47 FR 33682, Aug. 4, 1982). This rule requires that testimony be limited to a nonconfidential summary and analysis of material contained in prehearing briefs and to information not available at the time the prehearing brief was submitted. All legal arguments, economic analyses, and factual material relevant to the public hearing should be included in prehearing briefs in accordance with § 207.22 (19 CFR 207.22, as amended by 47 FR 33682, Aug. 4, 1982). Posthearing briefs must conform with the provisions of § 207.24 (19 CFR 207.24) and must be submitted not later than the close of business on June 30, 1983.

Written submissions.—As mentioned, parties to this investigation may file prehearing and posthearing briefs by the dates shown above. In addition, any person who has not entered an appearance as a party to the investigation may submit a written statement of information pertinent to the subject of the investigation on or before June 21, 1983. A signed original and fourteen (14) true copies of each submission must be filed with the Secretary to the Commission in accordance with § 201.8 of the Commission's rules (19 CFR 201.8). All written submissions except for confidential business data will be available for public inspection during regular business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary to the Commission.

Any business information for which confidential treatment is desired shall be submitted separately. The envelope and all pages of such submissions must be clearly labeled "Confidential Business Information." Confidential submissions and requests for confidential treatment must conform with the requirements of § 201.6 of the Commission's rules (19 CFR 201.6).

For further information concerning the conduct of the investigation, hearing procedures, and rules of general application, consult the Commission's Rules of Practice and Procedure, part 207, subparts A and C (19 CFR Part 207, as amended by 47 FR 33682, Aug. 4, 1982), and Part 201, subparts A through E (19 CFR part 201, as amended by 47 FR 33682, Aug. 4, 1982).

This notice is published pursuant to § 207.20 of the Commission's rules (19 CFR 207.20).

By order of the Commission.

The meeting is open to the public. Any member of the public may file with the Commission a written statement concerning issues to be discussed.

Persons wishing to receive further information on this meeting or who wish to submit written statements may contact the Superintendent, Santa Monica Mountains National Recreation Area, 22900 Ventura Boulevard, Suite 140, Woodland Hills, California 91364.

A summary of public comment will be available for public inspection by September 2, 1983 at the above address.

Dated: June 16, 1983.

William Webb,

Acting Superintendent, Santa Monica Mountains National Recreation Area.

[FR Doc. 83-18353 Filed 7-6-83; 8:45 am]

BILLING CODE 4310-70-M

Bureau Forms Submitted for Review

The proposal for the collection of information listed below has been submitted to the Office of Management and Budget for approval under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35). Copies of the proposed information collection requirement and related forms and explanatory material may be obtained by contacting the Bureau's clearance officer at the phone number listed below. Comment and suggestions on the requirement should be made directly to the Bureau clearance officer and the Office of Management and Budget reviewing official at 202-395-7340.

Title: Gulf Island Off-Road Vehicle Permit
Bureau Form Number: None
Frequency: On Occasion
Description of Respondents: Individuals
Annual Responses: 1,200
Annual Burden Hours: 120
Bureau clearance officer: Russell K. Olsen, 523-5133

Russell K. Olsen,

Information Collection Clearance Officer.

[FR Doc. 16254 Filed 7-6-83; 8:45 am]

BILLING CODE 4310-70-M

INTERNATIONAL TRADE COMMISSION

Agency Forms Submitted for OMB Review

AGENCY: International Trade Commission.

ACTION: In accordance with the provisions of the Paperwork Reduction Act of 1980 (44 U.S.C. Chapter 35), the Commission has submitted a proposal for the collection of information to the Office of Management and Budget for review.

Purpose of Information Collection

The proposed information collection is for use by the Commission in connection with investigation No. 332-163, Trends in International Trade in Nonpowered Handtools, instituted under the authority of section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)).

Summary of Proposals

(1) Number of forms submitted: 3

(2) Title of forms: Trends in International Trade in Nonpowered Handtools Industry—Questionnaire for U.S. Producers, Purchasers, and Importers

(3) Type of request: New

(4) Frequency of use: Nonrecurring

(5) Description of respondents: Firms manufacturing, purchasing, and importing nonpowered handtools in the United States

(6) Estimated number of respondents: 140

(7) Estimated total number of hours to complete the forms: 2,800

(8) Information obtained from the form that qualifies as confidential business information will be so treated by the Commission and not disclosed in a manner that would reveal the individual operations of a firm.

(9) Section 3504(h) of Pub. L. 96-511 does not apply.

Additional Informations or Comment

Copies of the proposed forms and supporting documents may be obtained from Charles Ervin, the USITC agency clearance officer (tel. no. 202-523-4463). Comments about the proposals should be directed to the Office of Information and Regulatory Affairs of OMB, Attention: Desk Officer for U.S. International Trade Commission. If you anticipate commenting on a form but find that time to prepare comments will prevent you from submitting them promptly you should advise OMB of your intent as soon as possible. Copies of any comments should be provided to Charles Ervin (United States International Trade Commission, 701 E Street, NW, Washington, D C. 20436.

Issued: July 1, 1983.

By order of the Commission.

Kenneth R. Mason,

Secretary.

[FR Doc. 83-18347 Filed 7-6-83; 8:45 am]

BILLING CODE 7020-02-M

[Investigations Nos. 731-TA-113 and 114 (Final)]

Carbon Steel Wire Rod From Brazil and Trinidad and Tobago

AGENCY: International Trade Commission.

ACTION: Rescheduling of the hearing to be held in connection with the subject investigations.

EFFECTIVE DATE: June 24, 1983.

SUMMARY: The Commission hereby announces the rescheduling of the hearing to be held in connection with these investigations from 10:00 a.m. on July 12, 1983, to 10:00 a.m. on September 20, 1983.

FOR FURTHER INFORMATION CONTACT: Mr. John MacHatton, (202-523-0439), Office of Investigations, U.S. International Trade Commission.

SUPPLEMENTARY INFORMATION:

Background.—Effective May 4, 1983, the Commission instituted these final antidumping investigations involving carbon steel wire rod from Brazil and Trinidad and Tobago and scheduled a hearing to be held in connection with the investigations for July 12, 1983 (48 FR 23489, May 25, 1983). Subsequently, on June 8 and June 22, 1983 the Department of Commerce extended the date for its final determinations in the investigations from July 12, 1983, to September 16, 1983. The Commission, therefore, is revising its schedule in the investigations to conform with Commerce's new schedule. Pursuant to section 735(b)(2)(B) of the Tariff Act of 1930 (19 U.S.C. 1673d(b)(2)(B)), the Commission must make its final determinations within 45 days of Commerce's final determinations, or in this case by October 31, 1983.

Staff report.—A public version of the staff report containing preliminary findings of fact in these investigations will be placed in the public record on July 29, 1983, pursuant to § 207.21 of the Commission's rules (19 CFR 207.21).

Hearing.—The hearing in connection with these investigations will begin at 10:00 a.m., on September 20, 1983, at the U.S. International Trade Commission Building, 701 E Street, N.W., Washington, D.C. 20436. Requests to appear at the hearing should be filed in writing with the Secretary to the Commission not later than the close of business (5:15 p.m.) on August 29, 1983. All persons desiring to appear at the hearing and make oral presentations should file prehearing briefs and attend a prehearing conference to be held at 10:00 a.m., on August 31, 1983, in room 117 of the U.S. International Trade

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Commission Building. The deadline for filing prehearing briefs is September 13, 1983.

Testimony at the public hearing is governed by § 207.23 of the Commission's rules (19 CFR 207.23, as amended by 47 FR 33682, Aug. 4, 1982). This rule requires that testimony be limited to a nonconfidential summary and analysis of material contained in prehearing briefs and to information not available at the time the prehearing brief was submitted. All legal arguments, economic anlayses, and factual materials relevant to the public hearing should be included in prehearing briefs in accordance with § 207.22 (19 CFR 207.22, as amended by 47 FR 33682, Aug. 4, 1982). Posthearing briefs must conform with the provisions of § 207.24 (19 CFR 207.24) and must be submitted not later than the close of business on September 27, 1983.

Written submissions.—As mentioned, parties to these investigations may file prehearing and posthearing briefs by the dates shown above. In addition, any person who has not entered an appearance as a party to the investigations may submit a written statement of information pertinent to the subject of the investigations on or before September 27, 1983. A signed original and fourteen (14) true copies of each submission must be filed with the Secretary to the Commission in accordance with § 201.8 of the Commission's rules (19 CFR 201.8). All written submissions except for confidential business data will be available for public inspection during regular business hours (8:45 a.m to 5:15 p.m.) in the Office of the Secretary to the Commission.

Any business information for which confidential treatment is desired shall be submitted separately. The enevelope and all pages of such submissions must be clearly labeled "Confidential Business Information." Confidential submissions and requests for confidential treatment must conform with the requirements of § 201.6 of the Commission's rulels (19 CFR 201.6).

For further information concerning the conduct of the investigations, hearing procedures, and rules of general application, consult the Commission's Rules of Practice and Procedure, part 207, subparts A and C (19 CFR Part 207, as amended by 47 FR 33682, Aug. 4, 1982), and part 201, subparts A through E (19 CFR Part 201, as amended by 47 FR 33682, Aug. 4, 1982).

This notice is published pursuant to § 207.20 of the Commission's rules (19 CFR 207.20).

Issued June 27, 1983.

By order of the Commission.

Kenneth R. Mason,

Secretary.

[FR Doc. 83-18341 Filed 7-6-83; 8:45 am]

BILLING CODE 7020-02-M

[Investigation No. 337-TA-127]

Certain Amino Acid Formulations; Commission Decision Not To Review Initial Determination

AGENCY: International Trade Commission.

ACTION: Notice is hereby given that the Commission has determined not to review the presiding officer's initial determination finding no violation of section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) in the above-captioned investigation. Accordingly, as of June 22, 1983, the initial determination became the Commission's determination.

Authority: The authority for the Commission's disposition of this matter is contained in section 337 and in §§ 210.53(a) and 210.53(h) of the Commission's Rules of Practice and Procedure (47 FR 25134, June 10, 1982, and 48 FR 20225, May 5, 1983; to be codified at 19 CFR 210.53 (a) and (h)).

SUPPLEMENTARY INFORMATION: On May 20, 1983, the presiding officer issued an initial determination that there is no violation of section 337 in the importation and sale of certain amino acid formulations. Pursuant to § 210.54(a) of the Commission's Rules of Practice and Procedure, complainants American Hospital Supply Corp. and Massachusetts General Hospital and the Commission investigative attorney filed petitions for review of the issue of whether respondents' imported amino acid formulations infringed U.S. Letters Patent 3,950,529 owned by complainants; respondents Travenol Laboratories, Inc., and Pfrimmer & Co. filed a petition for review on other issues.

Having examined the record in this investigation, including the initial determination of the presiding officer, the petition for review, and the responses thereto, the Commission on June 22, 1983, determined not to review the initial determination.

Notice of this investigation was published in the Federal Register of August 20, 1982, 47 FR 36482.

Copies of the public version of the presiding officer's initial determination and all other nonconfidential documents filed in connection with this investigation are available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 701 E Street NW., Washington, D.C. 20436, telephone 202-523-0161.

FOR FURTHER INFORMATION CONTACT: William E. Perry, Esq., Office of the General Counsel, U.S. International Trade Commission, telephone 202-523-0499.

Issued: June 28, 1983.

By order of the Commission.

Kenneth R. Mason,

Secretary.

[FR Doc. 83-18350 Filed 7-6-83; 8:45 am]

BILLING CODE 7020-02-M

[Investigation No. 337-TA-146]

Certain Canape Makers; Commission Decision Not To Review Initial Determination Terminating Investigation With Respect to One Respondent

AGENCY: International Trade Commission.

ACTION: Termination of investigation as to respondent S. Rossi Company. Notice is hereby given that the Commission has determined not to review the presiding officer's initial determination (Order No. 5) to grant the motion of respondent S. Rossi Company to terminate the above-captioned investigation as to Rossi. Accordingly, as of June 29, 1983, the initial determination became the Commission's determination with respect to this matter.

Authority: The authority for the Commission's disposition of this matter is contained in the Tariff Act of 1930 (19 U.S.C. 1337) and in § 210.53(c) and (h) of the Commission's Rules of Practice and Procedure (47 FR 25134, June 10, 1982, and 48 FR 9242, Mar. 4, 1983; to be codified at 19 CFR 210.53(c) and (h).

SUPPLEMENTARY INFORMATION: On June 2, 1983, respondent S. Rossi Company filed a motion for summary determination to terminate the investigation as to itself (Motion No. 146-1). Rossi stated in an affidavit that it does not sell or offer for sale canape makers manufactured outside the United States.

Pursuant to § 210.53(h)(2) of the Commission's rules, and initial determination of the presiding officer under § 210.53(c) becomes the determination of the Commission 30 days from the date of service, unless the Commission orders review of the initial determination.

Having examined the record in this investigation, including Motion No. 146-1 and the initial determination of the presiding officer, the Commission found no grounds for review of the initial determination.

APPENDIX B

THE DEPARTMENT OF COMMERCE'S NOTICES OF ITS FINAL AFFIRMATIVE LTFV DETERMINATIONS

environmental impact statement are not needed for this project.

The measure concerns a plan for public water-based recreation development and critical area treatment adjacent to St. Mary's River and St. Inigoes Creek. The planned works of improvement include development of a trail system, wharfs, picnic shelters, restroom facilities, and related water-based recreational amenities, plus vegetative stabilization of an eroding bank and beach.

The Notice of a Finding of No Significant Impact (FONSI) has been forwarded to the Environmental Protection Agency and various Federal, State, and local agencies and interested parties. Basic data developed during the environmental assessment are on file and may be reviewed by contacting Mr. Gerald R. Calhoun. A limited number of copies of the FONSI are available to fill single copy requests at the above address.

No administrative action on implementation of the proposal will be taken until 30 days after the date of this publication in the Federal Register.

(Catalog of Federal Domestic Assistance Program No. 10.901, Resource Conservation and Development Program. Office of Management and Budget Circular No. A-95 regarding State and local Clearinghouse review of Federal and federally assisted programs and projects is applicable).

Dated: September 13, 1983.

Gerald R. Calhoun,

State Conservationist.

[FR Doc. 83-25807 Filed 9-21-83; 8:45 am]

BILLING CODE 3410-16-M

OFFICE OF THE FEDERAL INSPECTOR OF THE ALASKA NATURAL GAS TRANSPORTATION SYSTEM

Final Rate Base Determinations; Final Determination Regarding Proposed Scope Change

AGENCY: Office of the Federal Inspector for the Alaska Natural Gas Transportation System.

ACTION: Final determinations.

FOR FURTHER INFORMATION CONTACT: Mr. J. Richard Berman, (202) 275-1100.

Take notice that on September 7, 1983, the Office of the Federal Inspector (OFI) issued the following reports: (1) Final Determination for Approving in Part and Disallowing in Part Expenditures Claimed for Inclusion in Rate Base by Northern Border Pipeline Company; (2) Final Determination Allowing in Part and Disallowing in Part Northern Border Pipeline Company's Request for Change in Scope for Costs Resulting from South Dakota Public Utility Commission Action; and (3) Final Determination for Approving in Part and Disallowing in Part Expenditures Claimed for Inclusion in Rate Base by Alaskan Northwest Natural Gas Transportation Company.

Copies of these reports are available upon request from the OFI.

Dated: September 19, 1983.

John T. Rhett,

Federal Inspector.

[FR Doc. 83-25883 Filed 9-21-83; 8:45 am]

BILLING CODE 6119-01-M

DEPARTMENT OF COMMERCE

International Trade Administration

Carbon Steel Wire Rod From Brazil; Final Determination of Sales at less Than Fair Value

AGENCY: International Trade Administration, Commerce.

ACTION: Notice of Final Determination of Sales at Less than Fair Value.

SUMMARY: We have determined that carbon steel wire rod from Brazil is being sold, or is likely to be sold, in the United Statess at less than fair value. The United States International Trade Commission (ITC) will determine within 45 days of publication of this notice whether these imports are materially injuring, or are threatening to materially injure, a United States Industry.

EFFECTIVE DATE: September 22, 1983.

FOR FURTHER INFORMATION CONTACT: John R. Brinkmann, Jr., Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 377-4929.

SUPPLEMENTARY INFORMATION:

Case History

On September 30, 1982, we received a petition filed by counsel for Atlantic Steel Company, Continental Steel Corporation, Georgetown Steel Corporation, Georgetown Texas Steel Corporation, and Raritan River Steel Company on behalf of the domestic wire rod industry. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petition alleged that imports from Brazil of carbon steel wire rod 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 Tariff Act of 1930, as amended (the Act), and that these imports are materially injuring, or are threatening to materially injure, a United States industry. The petitioners also alleged that "critical circumstances" exist, as defined in section 733(e) of the Act.

After reviewing the petition, we determined that it contained sufficient grounds to initiate an antidumping investigation. We notified the ITC of our action and initiated the investigation of October 20, 1982 (47 FR 47452). On November 15, 1982, the ITC found that there is a reasonable indication that imports of carbon steel wire rod are materially injuring a United States industry. We determined this case to be "extraordinarily complicated," as defined in section 733(c) of the Act. Therefore, we extended the period for making our preliminary determination by 50 days, until April 28, 1983 (48 FR 7610).

Questionnaires were presented to the Companhia Siderurgica Da Guanabara (CONSIGUA) and Companhia Siderurgica Belgo-Mineira (Belgo-Mineira) on October 27, 1982. The responses were received in December, 1982. Verifications were conducted at the Brazilian offices of COSIGUA and Belgo-Mineira on January 27-28 and January 24-25, 1983, respectively.

On May 4, 1983, we determined that there is a reasonable basis to believe or suspect that carbon steel wire rod from Brazil is being, or is likely to be, sold in the United States at less than fair value and that critical circumstances do exist (48 FR 20106).

Our notice of the preliminary determination provided interested parties an opportunity to submit views orally and in writing. There were no requests by interested parties for a public hearing. On June 22, 1983, we published a notice extending the period for making the final determination until no later than September 16, 1983, at the request of the exporters who accounted for a significant proportion of exports of this merchandise in accordance with section 735(a)(2)(A) of the Act (48 FR 28519). The Department has decided not to enter into a suspension agreement proposed by the respondents.

Scope of Investigation

The merchandise covered by this investigation is carbon steel wire rod, a coiled, semi-finished, hot-rolled, carbon steel product of approximately round solid cross section, not under 0.20 inch nor over 0.74 inch in diameter, not tempered, not treated, not partly manufactured, and valued over 4 cents per pound. Wire rod is currently classifiable under item 607.17 of the *Tariff Schedules of the United States (TSUS).*

The period of investigation for carbon steel wire rod from Brazil sold in the United States is from February 1 to July 31, 1982. COSIGUA and Belgo-Mineira are the only known Brazilian producers who export the subject merchandise to the United States. We examined 100 percent of United States sales made during the period of investigation.

Fair Value Comparison

To determine whether sales of the subject merchandise in the United States were made at less than fair value, we compared the United States price with the foreign market value.

Since we found that the Brazilian home market prices were constantly adjusted upward to reflect the high rate of inflation in Brazil during the period of investigation, we calculated, for each United States sale, a foreign market value based on home market sales which occurred immediately prior to and subsequent to the date of the United States sale. For four of the five United States sales, foreign market value was based on a weighted-average of home market sales occurring 15 days before and 15 days after the appropriate United States sale. The remaining United States sale occurred on February 2, the second day of the period of investigation. For that sale, we calculated foreign market value based on home market sales occurring February 1 through 15. We then made our fair value comparisons using the appropriate foreign market value.

United States Price

As provided in section 772(b) of the Act, we used the purchase price of the carbon steel wire rod to represent the United States price because the merchandise was sold to unrelated purchasers prior to its importation into the United States.

COSIGUA: We calculated the purchase price for COSIGUA based on the f.o.b., packed, Brazilian port price from a company related to COSIGUA to an unrelated European company which acts as a distributor for resale to United States purchasers. In each of its United States sales transactions, COSIGUA knew at the time of sale to the unrelated European company that the merchandise was destined for a United States company. We made deductions for Brazilian inland freight and port costs.

Belgo-Mineira: We calculated the purchase price for Belgo-Mineira based on the f.o.b., packed, Brizilian port price from Belgo-Mineira to an unrelated European company, who in turn sold the merchandise to a United States trading company. In each of Belgo-Mineira's Unites States sales transactions, Belgo-Mineira knew at the time of the sale that the merchandise was destined for a United States company. We made deductions for Brazilian inland freight and port costs.

Foreign Market Value

In accordance with section 773(a)(1) of the Act, we calculated foreign market value based on home market sales of COSIGUA and Belgo-Mineira. In calculating foreign market value, we made currency conversions from Brazilian cruzeiros to United States dollars in accordance with § 353.56(a)(1) of the Commerce Regulations using the certified daily exchange rates.

COSIGUA: The home market sales reported by COSIGUA and used in our calculation of foreign market value were of carbon steel wire rod of an AISI category identical to the wire rod sold by COSIGUA in the United States. All home market sales reported by COSIGUA were to unrelated companies. We calculated the foreign market value for COSIGUA by deducting freight costs from the packed c & f prices. Since wire rod sold in both the United States and the home market was sold in the identical packed condition, no adjustments were made for packing. In accordance with § 353.15(c) of the Commerce Regulations, an adjustment was made for differences between commissions on sales to the United States and indirect selling expenses in the home market used as offsets to United States commissions.

COSIGUA requested that we make adjustments for the cost of warranty service, bad debt, technical services, level of trade differences and an "economic correlation adjustment" for net inflation. We did not allow the adjustments for warranty service, bad debt and technical services since they were not directly related to the sales under consideration, as required by § 353.15 of the Commerce Regulations.

The level of trade adjustment claimed by COSIGUA was to compensate for differences in levels of trade existing between the United States market and the home market for sales of wire rod. Pursuant to § 353.19 of the Commerce Regulations, the deduction was disallowed because COSIGUA did not establish the differences in the selling costs associated with sales at different levels of trade in the home market.

COSIGUA claimed we should make the "economic correlation" adjustment to home market prices to compensate for the high Brazilian inflation rate and for the alleged failure of the government of Brazil to devalue the Brazilian cruzeiro at rates consistent with domestic inflation. They further alleged that the combination of these circumstances creates an artifically high foreign market value when the cruzeiro-based foreign market value is converted to U.S. dollars at the official rate of exchange.

Under § 353.15 of the Commerce Regulations, the Department of Commerce (the Department) will make reasonable allowances for bona fide differences in circumstances of the sale compared to the extent we are satisfied that the amount of any price differential between the U.S. and domestic market is wholly or partly due to such differences. In this case, respondents have not demonstrated that any price differential is due to the requirement that they convert proceeds from their U.S. sales into cruzeiros at the official exchange rate. We have no evidence that respondents do not take into account the economic effect of inflation and currency exchange controls when setting prices in either market. In this instance, we would expect that respondent's price would incorporate the effect of the official exchange rate in setting its price to U.S. customers in order to ensure an equitable return in real cruzeiros on U.S. sales.

COSIGUA also claimed a curcumstance of sale adjustment for subsidies which we preliminarily determined existed in an earlier countervailing duty investigation of carbon steel wire rod from Brazil (47 FR 30550). We have not allowed this adjustment. The applicability of adjusting for export subsidies is discussed in the "Respondents' Comments" section of this notice.

Belgo-Mineira: Belgo-Mineira had no home market sales of wire rod which were identical in physical characteristics to the AISI category wire rod sold to the United States. Accordingly, the home market sales we used to value were of "similar" merchandise, as defined in section 771(16)(b) of the Act. The home market sales reported by Belgo-Mineira were to both related and unrelated customers. Pursuant to § 353.22(b) of the Commerce Regulations, we found sales to Belgo-Mineira's related customers to be at prices comparable to those at which such or similar merchandise was sold to customers unrelated to Belgo-Mineira. Therefore, we used sales to both related and unrelated customers in our calculation of foreign market value.

Home market prices were based on the f.o.b. packed prices to both related and unrelated purchasers. An adjustment was made to home market prices to account for differences between the U.S. and home market cost of packing. Adjustments were made for differences in credit costs and warranty expenses, in accordance with § 353.15 of the Commerce Regulations.

We did not allow an adjustment requested by Belgo-Mineira for technical services, since we found it was not directly related to the sales under consideration as required by § 353.15 of the Commerce Regulations. We also disallowed an adjustment claimed for export subsidies. The question of adjusting for export subsidies is discussed in the "Respondents' Comments" section of this notice. A quantity discount adjustment claimed by Belgo-Mineira under § 353.14 of the Commerce Regulations was not allowed because Belgo-Mineira was unable to demonstrate that the discounts were justified based on cost savings or that they had been granted with respect to 20 percent or more of sales of such or similar merchandise in the home market dsuring a period of at least six months.

Verification

In accordance with section 776(a) of the Act, we verified the information used in making this determination. We were granted access to the books and records of COSIGUA and Belgo-Mineira.

We used standard verification procedures, including examination of accounting records, financial records, and selected documents containing relevant information.

Results of Investigation

We made fair value comparisons on all the reported carbon steel wire rod sold in the United States by the two Brazilian companies during the investigative period. We have found that the foreign market value exceeded the United States price on 100 percent of the merchandise sold. These margins ranges from 51.50 percent to 70.57 percent. The overall weighted-average margin on all carbon steel wire rod is 63.51 percent.

Respondents' Comments

Belgo-Mineira—Comment 1

Belgo-Mineira's home market prices of wire rod do not reflect commercial reality when they are translated into dollars at the official rate of exchange, since the official exchange rate is controlled by the Brazilian government and does not reflect those economic conditions in Brazil by which the cruzeiro selling price of wire rod is determined. Therefore, the Department should determine foreign market value based on the prices of wire rod sold by Belgo-Mineira in third countries.

DOC Position

Under § 353.4 of the Commerce Regulations the home market is considered viable and the appropriate basis for foreign market value when it has been determined that the quantities of such or similar merchandise sold in the home market consitituės at least five percent of the quantity sold for exportation to countries other than the United States. In this case, home market sales meet this test. The currency conversion issue posed by Belgo-Mineira is irrelevant to this determination.

Belgo-Mineira—Comment 2

The Commerce Department should have permitted an adjustment to account for the fact that under government of Brazil Resolution 331, Belgo-Mineira is entitled to receive from Brazilian banks the cruzeiro equivalent of the sales price for export sales up to 150 days before exportation. On the particular sales in question, Belgo-Mineira received its cash payment 10 days in advance of the date of shipment and the date from which the terms of payment to the export customer were to commence. Specifically, Belgo-Mineira claims the Department made three errors in calculating U.S. credit costs.

(1) The Department deducted as a directly-related credit cost for each U.S. sale, the interest charged to Belgo-Mineira by the banks for the entire term of Belgo-Mineira export financing under Resolution 331 (i. e. from 10 days before shipment until actual receipt by the bank of payment from the purchaser). Instead, the Department should have deducted only that amount of the interest cost incurred between receipt of the 10 days' advance payment and the date specified in the terms of sale (date of shipment).

(2) With regared to the 10 day's advance payment, the Department should have considered the benefit arising to Belgo-Mineira from the advance having been obtained at preferential interest rates. Since the advanced funds make it unnecessary to borrow operating funds at the higher commercial rates, the producers receive a net "benefit" equal to the difference between the preferential rate paid and the commercial rate they would have paid had the funds been borrowed at market rates.

(3) The Department should not have deducted from the U.S. price the interest charged Belgo-Mineira by the bank as a penealty for the purchaser's late payment.

DOC Position

The Department's position on the circumstance of sale adjustment for differences in credit costs is that where actual credit costs are known, the adjustment must be based on the credit costs actually experienced by a respondent company, as verified through the corporate books and records. Where available, the actual interest expenses paid will be used to compute credit costs. Furthermore, we consider the credit expense associated with a particular sale to commence from the time the debt obligation for that sale is assumed and to terminate when the debt has been paid in full.

In the case of Belgo-Mineira, the Department was able to obtain the actual interest expense for each U.S. sale from the time the debt obligation to the bank commenced (10 days prior to shipment) until the indebtedness was terminated (when the purchaser actually paid the bank). This includes the late payment penalty in as much as it is a cost associated with the extension of credit. With regard to Belgo-Mineira's claim for a benefit arising from the 10-day advance, the Department considers the "benefit" of not borrowing at market rates as a theoretical or imputed value and, as such, it does not represent the actual cost of extending credit in U.S. sales.

Belgo-Mineira—Comment 3

Belgo-Mineira and (in its pre-preliminary determination comments) COSIGUA claim that the Commerce Department should grant an adjustment for differences in circumstances of sale to account for subsidies received on exports to the United States. (On September 21, 1982, the Department of Commerce and the government of Brazil concluded a suspension agreement pursuant to section 704 of the Act under which the government of Brazil agreed to impose an export tax equal to the net subsidy amount on all shipments of carbon steel wire rod shipped from Brazil to the United States on or after October 20, 1982 (47 FR 42399)). They argue that these subsidies represent a direct reduction in the cost of exporting and are, therefore, directly related to the sales of wire rod to the United States. They further claim that the Department should make an adjustment since the imposition of the export tax did not take effect until after the investigative period. In support of their arguments, respondents point to *Certain Iron Metal Casting from India*, where the Department adjusted for export subsidies.

DOC Position

We do not consider subsidies received by respondents to be a circumstance of sale for which an adjustment is allowable under § 353.15 of the Commerce Regulations, because we do not find that the subsidies received necessarily create a price differential for wire rod in the two markets compared. It is possible, as respondents claim, that the U.S. prices are reduced as a result of the subsidies. It is equally possible, however, that the subsidies had the effect of increasing the respondents' revenues without affecting U.S. prices. Respondents have not demonstrated that subsidies received had an effect of the U.S. or home market selling price of wire rod.

We further note that the Act does allow adjustments to U.S. price for export taxes or countervailing duties, but not in the context of this case. Section 772(d)(1)(D) of the Act provides for increasing purchase price by the amount of any countervailing duty imposed on merchandise to offset an export subsidy. This provision does not apply in this case since countervailing duties were not imposed on the sales in question. Section 772(d)(2)(B) allows purchase price to be reduced by the amount, if included in such price, of export taxes, except those levied on the export of merchandise to the United States specifically intended to offset the subsiby received. This provision does not apply because the export taxes imposed by Brazil under the suspension agreement fall under the exception. Further, export taxes were not imposed on sales subject to the investigation. The fact that section 772(d) specifically addressses those situations when the Department is required to make an adjustment for export subsidies in its antidumping calculations indicates that Congress did not intend that an adjustment to U.S. price be made for export subsidies in this case.

The case of *Certain Iron Metal Casting from India* used by respondents in support of their agrument is distinguishable. In *Casting*, foreign market value was based on third country sales from India to Canada. Since both export sales to Canada and to the U.S. received the benefit from the same export subsidies, comparability existed before the Department made the statutorily mandated adjustment of an increase to U.S. price for the amount of countervailing duties imposed. To reestablish comparability, the Department increased the Canadian price in an amount equal to the amount of the countervailing duties.

Belgo-Mineira—Comment 4

Unless the Commerce Department adjusts foreign market value to reflect the amount of subsidies received on exports, it will be imposing both countervailing and antidumping duties on the same merchandise in violation of U.S. obligations under the General Agreement on Tariffs and Trade (GATT).

DOC Position

The GATT prohibits double counting for the imposition of dumping duties to offset export subsidies already subject to countervailing duties. There is no double counting in this case since countervailing duties were not imposed on exports of carbon steel wire rod to the United States during the period of investigation. Further, the export tax imposed on wire rod under the suspension agreement did not go into effect until after the period of investigation.

Belgo-Mineira—Comment 5

The Department should grant a quantity adjustment under § 353.14 of the Commerce Regulations for the differences in the quantities sold by Belgo-Mineira in the two markets. Belgo-Mineira claims that it qualifies for a quantity discount allowance based on the fact that it grants a discount to one customer in the home market based on the cumulative quantity of wire rod (some of which was not subject to this investigation) purchased by that customer each month, even though that customer's purchases of the product under investigation did not meet the criteria of allowances in § 353.14b(1).

DOC Position

A quantity discount may be applied to the sales in the home market when the criteria of allowances under § 353.14 of the Commerce Regulations have been met.

In the preliminary determination we noted that we did not allow the quantity discount because Belgo-Mineira had not met the prerequisites in § 353.14(b). Specifically, over a six-month period Belgo-Mineira had not (1) granted quantity discounts of at least the same magnitude with respect to 20 percent of such or similar merchandise sold in the home market, or (2) demonstrated cost savings specifically attributable to production of the different quantities involved. We affirm this position. Further, we note that the claimed quantity discounts are not directly linked to individual sales, but are based on the customer's past and anticipated aggregate purchases. In order for § 353.14(b) to be applied to sales under consideration, the quantity discount offered must first meet the threshold test of being directly contingent upon the quantity purchased in that particular sale.

Belgo-Mineira—Comment 6

If the Department refuses to grant an adjustment for difference in quantities, an equivalent adjustment should be made for difference in levels of trade under § 353.19 of the Commerce Regulations between wire rod is sold to distributors in the U.S. and to end users in the home market. The fact that Belgo-Mineira makes large volume sales of carbon and specialty steel wire rod to a single company at a discounted price is in itself a reliable measurement of the price differential that would be provided to the home market distributors if any were to purchase the material under investigation.

DOC Position

As noted in our response to Belgo-Mineira Comment 5, the home market sales referred to by Belgo-Mineira are discounted based on the customer's past and anticipated aggregate purchases of all types of wire rod. We are not allowing an adjustment under § 353.19 because the respondent did not quantify the cost differential of selling at different levels of trade in the home market.

Petitioner's Comments

Petitioners—Comment 1

The adjustment to foreign market value for credit cost differences is based on findings which show that the respondents have received substantial subsidies not investigated in the earlier countervailing duty case of carbon steel wire rod from Brazil. Specifically, both Belgo-Mineira and COSIGUA benefited from financing on their export transactions by receiving from the Bank of Brazil advance payment on their export accounts receivable at preferential terms.

DOC Position

We investigated the export financing referred to by the petitioners in the aforementioned countervailing duty investigation, and found that it did not constitute an export subsidy. It is therefore not reflected in the export tax currently imposed by the government of Brazil pursuant to the suspension agreement in that investigation. We determined that the terms of the export financing were not controlled by the government of Brazil, but were based on commercial considerations by the bank.

The Department's Office of Compliance, which monitors the suspension agreement, has been advised of all facts obtained in this investigation relating to the export financing used by Belgo-Mineira and COSIGUA. In the event that the circumstances of the export financing merchanism have changed since the countervailing duty investigation, any such changes will be taken into account in the monitoring of that agreement.

Affirmative Determination of Critical Circumstances

Counsel for petitioners alleged that imports of carbon steel wire rod from Brazil present "critical circumstances." Under section 735(a)(3) of the Act, critical circumstances exist when the Department determines that: (1) There have been massive imports of the merchandise under investigation over a relatively short period; and (2) there is a history of dumping in the United States or elsewhere of the merchandise under investigation, or the person by whom, or for whose account, the merchandise was imported know or should have known that the exporter was selling the merchandise under investigation at less than is fair value.

In determining whether there have been massive imports over a relatively short period, we considered the following factors: recent import penetration levels; changes in import penetration since the date of the ITC's preliminary affirmative determination of injury; whether imports have surged recently; whether recent imports are significantly above the average calculated over the several years (1980–1982); and whether the patterns of imports over that three-year period may be explained by seasonal swings. Based upon our analysis of the information, we determine that imports of the products covered by this investigation are massive over a relatively short period (November 1982 through February 1983).

Therefore, we proceeded to consider whether there is a history of dumping of carbon steel wire rod from Brazil in the U.S. or elsewhere. We reviewed past antidumping findings of the Department of the Treasury as well as past Department of Commerce antidumping orders. There have been no past United States antidumping determinations on carbon steel wire rod from Brazil. We also reviewed the antidumping actions of other countries made available to us through the Antidumping Code Committee established by the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade. We found no history of dumping of this product from Brazil.

We then considered whether the person by whom, or for whose account, this product was imported knew or should have known that the exporter was selling this product at less than its fair value. It is the Department's position that this test is met where margins calculated on the basis of responses to the Department's questionnaire are sufficiently large that the importer knew or should have known that prices for sales to the United States (as adjusted according to the antidumping law) were significantly below home market sales prices. In this case, the margin calculated on the basis of responses to the Department's questionnaire is sufficiently large, even though there is no corporate relationship between the exporters and importers, that the importer knew or should have known that the merchandise was being sold in the United States at less than fair value.

For the reasons described above, we determine that critical circumstances do exist with respect to carbon steel wire rod from Brazil.

Final Determination

Based on our investigation and in accordance with section 735(a) of the Act, we determine that carbon steel wire rod from Brazil is being sold in the United States at less than fair value within the meaning of section 731 of the Act.

Continuation of Suspension of Liquidation

Liquidation will continue to be suspended on all entries of carbon steel wire rod from Brazil that are entered into the United States, or withdrawn from warehouse, for consumption. The United States Customs Service will continue to require the posting of a cash deposit or bond in amounts based on the following weighted-average margins for carbon steel wire rod from Brazil. The security amounts established in our preliminary determination of May 4, 1983, are no longer in effect.

Manufacturers, producers and exporters	Weighted-average margins (percent)
COSIGUA	49.61
Belgo-Mineria	76.49
All other manufacturers, producers, and exporters	63.51

ITC Notification

We are notifying the ITC and making available to it all non-privileged and non-confidential information relating to this determination. We will allow the ITC access to all privileged and confidential information in our files, provided it confirms that it will not disclose such information, either publicly or under an administrative protective order, without the written consent of the Deputy Assistant Secretary for Import Administration. If the ITC determines that material injury or threat of material injury does not exist, this proceeding will be terminated and all securities posted as a result of the suspension of liquidation will be refunded or cancelled. If the ITC determines that such injury does exist, we will issue an antidumping duty order directing Customs officers to assess an antidumping duty on carbon steel wire rod from Brazil entered, or withdrawn from warehouse, for consumption after the suspension of liquidation, equal to the amount by which the foreign market value exceeds the United States price.

This determination is being published pursuant to section 735(d) of the Act (19 U.S.C. 1673(d)).

Dated: September 16, 1983.

Lawrence J. Brady,

Assistant Secretary for Trade Administration.

[FR Doc. 83-25862 Filed 9-21-83; 8:45 am]

BILLING CODE 3510-25-M

Final Determination of Sales at Less Than Fair Value; Carbon Steel Wire Rod From Trinidad and Tobago

AGENCY: International Trade Administration, Commerce.

ACTION: Notice of Final Determination of Sales at Less than Fair Value: Carbon Steel Wire Rod from Trinidad and Tobago.

SUMMARY: We have determined that carbon steel wire rod from Trinidad and Tobago is being sold, or is likely to be sold, in the United States at less than fair value. The United States International Trade Commission (ITC) will determine within 45 days of publication of this notice whether these imports are materially injuring, or are threatening to materially injure, a U.S. industry.

FOR FURTHER INFORMATION CONTACT: John R. Brinkmann, Jr. or Mary Jenkins, Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 377-4929 or 377-1756.

SUPPLEMENTARY INFORMATION:

Case History

On September 30, 1982, we received a petition filed by counsel for Atlantic Steel Company, Continental Steel

Corporation, Georgetown Texas Steel Corporation, and Raritan River Steel Company on behalf of the domestic wire rod industry. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petition alleged that imports from Trinidad and Tobago of carbon steel wire rod 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 Tariff Act of 1930, as amended (the Act), and that these imports are materially injuring, or are threatening to materially injure, a United States industry. The petitioners also alledge that "critical circumstances" exist, as defined in section 733(e) of the Act.

After reviewing the petition, we determined that it contained sufficient grounds to initiate an antidumping investigation. We notified the ITC of our action and initiated the investigation on October 20, 1982 (47 FR 47453). On November 15, 1982, the ITC found that there is a reasonable indication that imports of carbon steel wire rod are materially injuring, or threatening to materially injure, a United States industry. Pursuant to section 733(c)(1)(A) of the Act, we subsequently postponed the preliminary determination by 50 days until no later than April 28, 1983 (48 FR 7610).

A questionnarie was presented to the Iron and Steel Company of Trinidad and Tobago (ISCOTT) on November 1, 1982. The response was received on December 15, 1982. A verification was conducted at the Port of Spain and Port Lisa offices of ISCOTT from February 7–11, 1983.

On May 4, 1983, we determined there is a reasonable basis to believe or suspect that carbon steel wire rod from Trinidad and Tobago is being, or is likely to be, sold in the United States at less than fair value (48 FR 20109).

Our notice of the preliminary determination provided interested parties an opportunity to submit views orally and in writing.

On July 20, 1983, in accordance with ISCOTT's request, a public hearing was held. On June 22, 1983, we published a notice extending the period for making the final determination until no later than September 16, 1983, at the request of the sole exporter of this merchandise in accordance with section 735(a)(2)(A) of the Act (48 FR 28520).

Scope of Investigation

The merchandise covered by this investigation is carbon steel wire rod, a coiled, semi-finished, hot-rolled, carbon steel product of approximately round solid cross section, not under 0.20 inch nor over 0.74 inch in diameter, not tempered, not treated, not partly manufactured, and valued over 4 cents per pound. Wire rod is currently classifiable under item 607.17 of the *Tariff Schedules of the United States (TSUS).*

The period of investigation for carbon steel wire rod from Trinidad and Tobago sold in the United States is from April 1 to September 30, 1982. ISCOTT is the only known Trinidad and Tobago producer who exports the subject merchandise to the United States. We examined 100 percent of the sales made during the period of investigation.

Fair Value Comparison

To determine wherher sales of the subject merchandise in the United States were made at less than fair value, we compared the United States price with the foreign market value.

United States Price

As provided in section 772(b) of the Act, we used the purchase price of the subject merchandise to represent the United States price, because the merchandise was sold to unrelated purchasers prior to its importation into the United States.

We calculated the purchase price based on the c.i.f., duty-paid, delivered, packed price to unrelated U.S. customers. We made deductions for United States and foreign inland freight, ocean freight, marine insurance, United States duties and United States port costs. We made additional deductions, where appropriate, for U.S. warehousing expenses.

Foreign Market Value

In accordance with section 773(a)(1) of the Act, we calculated foreign market value based on home market sales of ISCOTT. We have made comparisons of "such or similar" merchandise based on grade categories selected by Commerce Department industry experts, according to section 771(16)(B) of the Act. We calculated the foreign market value for ISCOTT based on ex-mill packed prices. Since wire rod sold in both the United States and the home market was sold in the identical packed condition, no adjustments were made for packing. An adjustment was made for differences between commissions on sales to the United States and indirect selling expenses in the home market used as an offset to United States commissions in accordance with § 353.15(c) of the Commerce Regulations. In accordance with § 353.15(b) of the Commerce Regulations, an adjustment was made for differences in credit costs on all sales to reflect the cost of credit from the time the merchandise is sold until payment is received from the customer. In the preliminary determination the cost of credit had been calculated from the date of shipment. A further adjustment was made for differences in post sale warehousing costs in accordance with § 353.15 of the Commerce Regulations.

Verification

In accordance with section 776(a) of the Act, we verified the information used in making this determination. We were granted access to the books and records of ISCOTT.

We used standard verification procedures, including examination of accounting records, financial records, and selected documents containing relevant information.

Results of Investigation

We made fair value comparisons on all the reported carbon steel wire rod sold in the United States by ISCOTT during the investigative period. We have found that the foreign market value exceeded the United States price on 95 percent of the merchandise sold. These margins ranged from 0 percent to 88.5 percent. The overall weighted-average margin on all carbon steel wire rod is 9.79 percent.

Respondent's Comments

Comment 1

Respondent argues that the Department should have allowed a "circumstances of sale" adjustment for ISCOTT's post sale warehousing expenses as these expenses were directly related to the sale of wire rod in the home market during the period of investigation.

DOC Position

In our preliminary determination we noted that while ISCOTT did carefully allocate wire rod to specific customer orders in its production and inventory control records, the merchandise was never set aside as sold and therefore remained available to meet the general inventory needs and sales commitments of ISCOTT.

We have considered all information submitted regarding our preliminary determination on this issue. We determine that ISCOTT has demonstrated that its customers consider the after-sale storage of wire rod sold as a condition of sale. It also established that, with minor exceptions, the merchandise sold and awaiting pickup by a customer is maintained for that customer's account in ISCOTT's inventory control system. However, in calculating the price differential in the two markets compared, the Department used an actual weighted-average standing time in inventory for sales made during the period of investigation rather than the average post-sale standing time in computation employed by ISCOTT. Also we did not include in our calculations data used by ISCOTT pertaining to sales of wire rod in categories ASTM 60 and BS 4449 because these categories were determined by Departmental industry experts not to constitute "such or similar" merchandise within the meaning of section 771(16)(b) of the Act. Finally, the interest expense carrying costs claimed by ISCOTT was included in our calculation of credit expense and not in the post-sale warehousing adjustment.

Comment 2

ISCOTT argues that the Department's recognition of, and adjustment for, warehousing expenses on certain U.S. sales provides a basis for the Department to make the claimed post-sale warehousing adjustment in the home market.

DOC Position

We have determined that ISCOTT has satisfactorily established that warehousing expenses in the U.S. market are directly related to storage of carbon steel wire rod shipped pursuant to a specific order and awaiting delivery to specific U.S. customers. As such, these expenses are incurred in bringing the merchandise from the place of shipment in the country of exportation to the place of delivery in the United States and are a necessary deduction from U.S. price under § 353.10(d) of the Commerce Regulations. The Department's position with regard to home market warehousing is stated in our response to comment 1.

Comment 3

Respondent argues that the Department's application of the antidumping law in this case unfairly discriminates against ISCOTT's position as a company in a developing nation.

DOC Position

Section 773(a)(4)(B) of the Act, and § 353.15 of the Commerce Regulations provide the authority and standards by which we make adjustments for differences in "circumstances of sale." Firms of all nations must meet the standards for which such adjustments may be made. Where we have not allowed an adjustment claimed by ISCOTT, we determined that the claimed adjustment did not meet the standards established under § 353.15 of the Commerce Regulations.

Comment 4

Respondent argues that the Department's calculation comparing commissions in the U.S. market and home market indirect selling expenses as an offset to commissions on a per unit basis fails to make proper allowances for differences in selling expenses. ISCOTT proposed that the Department calculate the offset adjustment by comparing the total amount of sales commissions in the U.S. market with the total actual selling expenses in the home market.

DOC Position

Our method of comparing commissions and indirect selling expenses on a per unit basis makes reasonable allowances for differences in such expenses between the two markets. We have consistently applied this practice in interpreting § 353.15(c) of the Commerce Regulations.

Comment 5

ISCOTT claims that the Department used incorrect values in preliminarily computing the offset allowance to U.S. commissions because the Department failed to consider revised U.S. commission figures submitted by ISCOTT, as well as additional sales commission expenses attributed by the Department to ISCOTT's U.S. marketing service agency.

DOC Position

We have adjusted our calculations of U.S. commission expenses to reflect the revised commission figures as well as the direct selling expenses associated with the U.S. marketing service agency. The offset allowance has also been adjusted to reflect these changes.

Comment 6

Respondent argues that the Department improperly denied ISCOTT's "circumstances of sale adjustment" for the advertising expense by ISCOTT for magazine advertising and for a paper holder made of wire rod which displayed ISCOTT's logo.

DOC Position

We consider advertising expenses which are an assumption of a purchaser's cost to be allowable as a "circumstance of sale adjustment." We have determined that the advertising adjustment claimed by ISCOTT is aimed at ISCOTT's home market customers, rather than those firms which purchase from ISCOTT's customers. ISCOTT's advertising points out to its home market customers the advantages of purchasing wire rod from ISCOTT by describing the component materials contained in the wire rod and the process by which the rod is manufactured. Such advertising is beneficial to ISCOTT and not to ISCOTT's home market customers. Therefore, a "circumstance of sale adjustment" is not allowable under § 353.15 of the Commerce Regulations.

Comment 7

Respondent argues that an allowance should be made for technical service expenses as a "circumstance of sale" adjustment.

DOC Position

We have verified that the claimed technical expenses are not directly related to specific sales during the period of investigation. Therefore, they are now allowable as an adjustment under § 353.15 of the Commerce Regulations.

Comment 8

Respondent argues that the Department improperly disregarded supplementary payments received by ISCOTT for differences between mill weight and scale weight on certain U.S. sales. These supplementary payments made by the customer for the actual amount of wire rod received should have been used to increase the unit price in the Department's calculation of U.S. price.

DOC Position

Mill weight is ISCOTT's registered weight of the carbon steel wire rod sale prior to shipment to the United States. Scale weight is the registered weight of the shipment at the U.S. port of entry. In this case, the supplemental payments made by the U.S. customer were based on the additional quantities noted in the scale weight adjustment and on the same unit price as originally contracted for. The only adjustment required in this instance would be to the total quantity sold and the total selling price and not to the unit price as claimed by ISCOTT. Therefore, we have adjusted our figures to reflect total volume and quantity of merchandise actually purchased.

Comment 9

Respondent argues that the Department did not adjust the U.S. price in one sale, where an overpayment was made by customer and the excess payment had not been refunded or credited to the customer's account. Further, the Department did not adjust the United States price in a second sale where a post-sale price increase was negotiated when the customer requested a change in the ultimate destination of the shipment.

DOC Position

We have adjusted United States price to reflect the requested adjustments.

Comment 10

Respondent argues that the Department improperly calculated inland freight cost by multiplying the distance traveled by two, because two trucks are normally used in transporting the wire rod. The distance traveled as reflected by ISCOTT's freight calculation is the total distance traveled by all trucks.

DOC Position

We have determined that the distance factor in ISCOTT's calculation is the total distance traveled by all trucks. Therefore, we have accepted ISCOTT's inland freight calculation for the final determination.

Petitioners' Comments

Petitioners—Comment 1

ISCOTT's claimed adjustment for post-sale warehousing is not allowable under § 353.15 of the Commerce Regulations. ISCOTT's expenses are not incurred after a sale is made but are more accurately characterized as general operating expenses that do not relate directly to the sales under investigation. Furthermore, the data on which the adjustment is based are computed from averages and estimates only and do not sufficiently reflect actual costs incurred in connection with the specific sales under investigation. Finally, the interest expenses included by ISCOTT as a element of its post-sale warehousing costs are in reality financing costs and have nothing to do with warehousing. However, these financial costs should not be considered in the adjustment for differences in credit costs because the credit cost adjustment is limited to the time between the date the customer's obligation to pay arises (no earlier than date of delivery) and the date of actual payment.

DOC Response

We stated earlier in this notice and our response to Petitioner's Comment 5, that we have granted a post-sale warehouse adjustment to ISCOTT. As noted, we determined that after-sale warehousing was a condition of sale and that the merchandise sold and awaiting pickup by the customer is maintained in ISCOTT's inventory control system. We did base the adjustment allowed on the *actual* standing time in inventory (weight-averaged) of merchandise (subject to this investigation) sold during the period of investigation.

We did not include in our calculation of carrying costs for post-sale warehousing the interest expense claimed by ISCOTT. We did consider the interest expense associated with standing time in inventory of products sold in both markets as a credit expense, as we consider credit expenses associated with a particular sale to commence at the time of sale or production of the merchandise, whichever occurs later. Accordingly, we are allowing this adjustment under § 353.15 of the Commerce Regulations, and have provided for the adjustment in our calculation of credit costs and post-sale warehousing.

Negative Determination of Critical Circumstances

Counsel for petitioners alleged that imports of carbon steel wire rod from Trinidad and Tobago present "critical circumstances." Under section 735(a)(3) of the Act, critical circumstances exist when there is a reasonable basis to believe or suspect that: (1) There is a history of dumping in the United States or elsewhere of the class or kind of merchandise which is the subject of the investigation; or the person by whom, or for whose account, the merchandise was imported knew or should have known that the exporter was selling the merchandise which is the subject of the investigation at less than its fair value; and that (2) there have been massive imports of the class or kind of merchandise which is the subject of the investigation over a relatively short period.

We reviewed past antidumping findings of the Department of Treasury as well as past Department of Commerce antidumping orders to determine whether there is a history of dumping of carbon steel wire rod from Trinidad and Tobago in the United States or elsewhere. There have been no past United States antidumping determinations on carbon steel wire rod from Trinidad and Tobago. We also reviewed the antidumping actions of other countries made available to us through the Antidumping Code Committee established by the Agreement on Implementation of Article VI of the General Agreement of Tariffs and Trade. We found no history of dumping of this product from Trinidad and Tobago.

We then considered whether the persons by whom, or for whose account, this product was imported knew or should have known that it was being sold at less than its fair value. We have no evidence that importers had such knowledge. Nor is the margin sufficiently large in and of itself to warrant that importers should have known that this product was being sold at less than fair value—particularly where, as here, importers and exporters are unrelated companies.

Therefore, for the reasons described above, we determine that critical circumstances do not exist with respect to carbon steel wire rod from Trinidad and Tobago.

Final Determination

Based on our investigation and in accordance with section 735(a) of the Act, we have reached a final determination that carbon steel wire rod from Trinidad and Tobago is being sold in the United States at less than fair value within the meaning of section 731 of the Act.

Continuation of Suspension of Liquidation

Liquidation will continue to be suspended on all entries of carbon steel wire rod that are entered into the United States, or withdrawn from warehouse, for consumption. The United States Customs Service will continue to require the posting of a cash deposit or bond in amounts based on the weighted-average margin of 9.79 for carbon steel wire rod from Trinidad and Tobago. The security amounts established in our preliminary determination of May 4, 1983, are no longer in effect.

ITC Notification

In accordance with section 735(d) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all nonprivileged and nonconfidential information relating to this determination. We will allow the ITC access to all privileged and confidential information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order, without the written consent of the Deputy Assistant Secretary for Import Administration.

If the ITC determines that material injury or the threat of material injury does not exist, this proceeding will be terminated and all securities posted as a result of the suspension of liquidation will be refunded or cancelled. If, however, the ITC determines that such injury does exist, we will issue an antidumping order directing Customs officers to assess an antidumping duty on carbon steel wire rod from Trinidad and Tobago, entered, or withdrawn from the warehouse, for consumption after the suspension of liquidation, equal to the amount by which the foreign market value of the merchandise exceeds the United States price. This determination is being published pursuant to section 735(d) of the Act (19 U.S.C. 1673(d)).

Dated: September 16, 1983.

Lawrence J. Brady,

Assistant Secretary for Trade Administration.

[FR Doc. 83-25881 Filed 9-21-83; 8:45 am]

BILLING CODE 3510-25-M

[A-588-029]

Fish Netting of Man-Made Fibers From Japan; Final Results of Administrative Review of Antidumping Finding

AGENCY: International Trade Administration, Commerce.

ACTION: Notice of Final Results of Administrative Review of Antidumping Finding.

SUMMARY: On December 27, 1982, the Department of Commerce published the revised preliminary results of its administrative review of the antidumping finding on fish netting of man-made fibers from Japan. The review covers 74 of the 81 known manufacturers, exporters, and third-country resellers of this merchandise to the United States and various time periods through May 31, 1980.

Interested parties were given an opportunity to submit oral or written comments on the revised preliminary results. At the request of certain importers and exporters, we held a public hearing on January 28, 1983.

As a result of our analysis of the comments received and because of mathematical errors, the Department has changed the weighted-average margins for 51 firms. The margins remain the same as those presented in the revised preliminary results for all other exporters.

EFFECTIVE DATE: September 21, 1983.

FOR FURTHER INFORMATION CONTACT: Laurie Lucksinger or Susan M. Crawford, Office of Compliance, International Trade Administration, U.S. Department of Commerce, Washington, D.C. 20230, telephone: (202) 377-1130.

SUPPLEMENTARY INFORMATION:

Background

On May 5, 1981, the Department of Commerce ("the department") published in the Federal Register (46 FR 25118-20) the preliminary results of its administrative review of the antidumping finding on fish netting of man-made fibers from Japan (37 FR 11560, June 6, 1972). On December 27, 1982, we published our revised preliminary results in the Federal Register (47 FR 57546). The Department has now completed that administrative review.

Scope of the Review

Imports covered by the review are shipments of fish netting of man-made fibers, currently classifiable under items 355.4520 and 355.4530 of the Tariff Schedules of the United States Annotated.

The review covers 74 of 81 known manufacturers, exporters, and third-country resellers of Japanese fish netting of man-made fibers to the United States for various periods through May 31, 1980.

Analysis of Comments Received

We invited interested parties to submit written comments or request a hearing on our revised preliminary results. At the request of certain importers and exporters, we held a public hearing on January 28, 1983. Several other companies submitted written comments.

Comment 1: Morishita Fishing Net Mfg. Co., Ltd., Mitsui & Co., Ltd., Trans-Pacific Trading Co., Ltd., Seattle Marine & Fishing supply Co., Nordby Supply Co., Lummi Supply Co., Redden Net Co., Fisheries Supply Co., Nets, Inc., Tacoma Marine Supply Co., Astoria Marine, Englund Marine Supply Co., and Nichimen Corp., argue that the petitioner's submission of "Cost of Production Differences in fish Netting", submitted in January 1983 after the hearing, is untimely and, further, the cost differences submitted, lack any evidentiary support.

Department's Position: The Department agrees that the study lacked evidentiary support. Therefore, we have not used the data in completing our analysis.

Comment 2: Momoi Fishing Net Mfg. Co., Ltd. argues that its dumping margin percentage for the period April 1978 through May 1980, which the Department based on the best information available because the Department considered Momoi's submission untimely, should be adjusted downward. Momoi contends that the Department's rejection of Momoi's response as untimely is contrary to the principles of the Trade Agreements Act of 1979 and the General Agreement on Tariffs and Trade.

Department's Position: We notified all parties on July 28, 1981, that companies that failed to respond or provided inadequate responses to questionnaires prepared prior to 1980 by the Customs Service would be allowed to supplement those responses. Companies that failed to respond to questionnaires prepared by the Department were considered untimely and would not be allowed to respond further. Momoi's response for the period April 1978 through May 1980, submitted in October 1981, was in response to a questionnaire prepared by the Department. Therefore, we consider that response unitimely and will not use it.

Comment 3: Momoi argues that in some instances we included sales with contract dates outside our review period and that in some others we made incorrect comparisons. Additionally, it argues that we should use a weighted-average home market price when comparing purchase prices of a certain group of U.S. sales to foreign market values.

Department's Position: For Momoi, there were 89 sales with sale dates prior to September 1, 1976. These fall outside the 1976-78 review period and we have now excluded them. Several U.S. sales were not compared to the home market sales closest to the date of the U.S. sales. We have corrected that error and made new comparisons. However, there were no margins on the original comparisons, so our results did not change. We were unable to use a weighted-average price for one group of home market sales, as requested, because Momoi submitted no data on the quantities sold. We used the sale with the highest price in that group of sales as the best information available. We could not agree to Momoi's request that four U.S. sales be compared with home market sales closer in date to the U.S. sale date than the home market sales chosen by us. The comparison merchandise Momoi wanted us to use does not fall within the specification range of such or similar merchandise.

Comment 4: Momoi claims that its sales of braided netting were to a related purchaser and therefore the sales should be considered exporter's sales price sales. In addition, the firm claims that we should use a home market sale more contemporaneous than our choice for one of the U.S. related party transactions.

Department's Position: The Department agrees with the use of the suggested more contemporaneous home market sale for the transaction in question. Its use for comparison results in no margin on that sale. However, due to a clerical error, we excluded the original margin calculated but included its sales values in the w

APPENDIX C

CALENDAR OF WITNESSES AT THE COMMISSION'S PUBLIC HEARING

TENTATIVE CALENDAR OF PUBLIC HEARING

Those listed below appeared as witnesses at the United States International Trade Commission's hearing:

Subject : Carbon Steel Wire Rod from Brazil and Trinidad and Tobago

Inv. Nos. : 731-TA-113 and 114 (Final)

Date and time : September 20, 1983 - 10:00 a.m.

Sessions were held in the Hearing Room of the United States International Trade Commission, 701 E Street, N.W., in Washington.

In support of the imposition of antidumping duties:

Patton, Boggs & Blow--Counsel
Washington, D.C.
on behalf of

Continental Steel Company, Inc., Georgetown Steel Corporation, North Star Steel Co., Texas, and Raritan River Steel Company

Thomas N. Tyrrell, Raritan River Steel Company

Richard C. Holzworth, Georgetown Steel Corporation

John Pisarkiewicz, Pisarkiewicz Economic Consulting Services, Inc.

Charles Owen Verrill, Jr.--OF COUNSEL

Fried, Frank, Harris, Shriver & Kampelman--Counsel
Washington, D.C.
on behalf of

Atlantic Steel Company

David Birenbaum--OF COUNSEL

- more -

In opposition to the imposition of antidumping duties:

Steptoe & Johnson--Counsel
Washington, D.C.
on behalf of

The Iron and Steel Company of Trinidad and Tobago ("ISCOTT")

Samuel A. Martin, Executive Vice-President, ISCOTT

Franklin A. Wyke, Director of Marketing, ISCOTT

Godfrey Cumberbatch, Marketing Manager, ISCOTT

John Nelson, Jr., Director of Quality Control, ISCOTT

John S. Mueller, Chairman, Chief Executive Office, Laidlaw Corporation

Ralph King, Partner In Charge, Commercial Consulting Division, Ernst & Whinney

Alison Lipson, Supervisor, Commercial Consulting Division, Ernst & Whinney

Michael Sandler)
Melinda P. Chandler)--OF COUNSEL

APPENDIX D

SUPPLEMENTARY STATISTICAL TABLES

Tables D-1 through D-6.

*   *   *   *   *   *   *

Table D-7.--Carbon steel wire rod: Ratio of U.S. producers' captive shipments to total U.S. producers' shipments, 1/ by types of producers and by firms, 2/ 1980-82, January-August 1982, and January-August 1983

(In percent)

Item	1980	1981	1982	January-August-- 1982	January-August-- 1983
Nonintegrated producers:					
Petitioners:					
* * *	*	*	*	*	
Average, nonintegrated producers	37.1	30.2	24.8	21.7	24.0
Integrated producers:					
* * *	*	*	*	*	
Average, integrated producers	5/ 31.0	5/ 39.1	28.7	30.6	22.7
Average, all producers	5/ 33.7	5/ 34.5	26.3	25.2	23.5

1/ Total U.S. producers' shipments includes captive and noncaptive shipments, and domestic and export shipments.
2/ ***.
3/ ***.
4/ ***.
5/ ***.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Tables D-8 through D-14.

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Table D-15.--Carbon steel wire rod: U.S. imports for consumption, from subject LTFV countries, from all sources subject to other recent dumping or countervailing-duty investigations or actions, and from all other principal sources 1978-82, January-August 1982, and January-August 1983

(In short tons)

Source	1978	1979	1980	1981	1982	January-August-- 1982	January-August-- 1983
LTFV or subsidized sources:							
Subject countries:							
Brazil	50,819	33	0	32,579	111,025	81,323	70,049
Trinidad	0	0	0	6,010	56,338	26,294	44,250
Subtotal, subject: countries	50,819	33	0	38,589	167,363	107,617	114,299
Other LTFV or subsidized sources:							
France	184,587	98,267	93,138	101,921	105,068	68,747	41,671
Belgium	36,657	30,697	20,012	21,547	27,567	8,865	7,185
Argentina	8,605	0	0	21,167	12,238	12,238	43,277
South Africa	51,683	13,503	17,642	17,991	1,470	1,470	7,788
Venezuela	0	0	4,461	25,443	0	0	0
Subtotal, other LTFV or subsidized sources	281,532	142,467	135,253	188,069	146,343	91,320	99,921
Subtotal, all LTFV or subsidized sources	332,351	142,500	135,253	226,658	313,706	198,937	214,220
All other sources:							
Canada	269,213	310,572	355,583	314,599	279,987	164,147	174,602
Japan	309,209	264,103	198,055	167,390	141,930	90,292	103,857
Mexico	2,133	498	0	0	30,401	3,788	56,678
Spain	13,443	135	3,746	1,657	6,689	4,063	52,866
All others	224,455	100,990	37,264	50,430	57,091	1/ 24,805	1/ 91,803
Subtotal, all other sources	818,453	676,298	594,648	534,076	516,098	287,095	479,806
Total, all sources	1,150,804	818,798	729,901	760,734	829,804	486,032	694,026

1/ Most of the increase in imports from all other countries between January-August 1982 and January-August 1983 were accounted for by Australia (with an increase of 15,303 short tons); Sweden (13,183 short tons); Czechoslovakia (10,639 short tons); Poland (10,249 short tons); and West Germany (8,540 short tons).

Source: Compiled from offical statistics of the U.S. Department of Commerce.

Tables D-16 through D-18.

*   *   *   *   *   *   *