OIL COUNTRY TUBULAR GOODS FROM ARGENTINA, BRAZIL, KOREA, MEXICO, AND SPAIN

Determinations of the Commission in Investigations Nos. 701-TA-215 through 217 (Preliminary) Under the Tariff Act of 1930, Together With the Information Obtained in the Investigations

Determinations of the Commission in Investigation Nos. 731-TA-191 through 195 (Preliminary) Under the Tariff Act of 1930, Together With the Information Obtained in the Investigations

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Note.--Data which would disclose confidential operations of individual concerns may not be published and therefore have been deleted from this report.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

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

Investigations Nos. 701-TA-215 through 217 (Preliminary)
and 731-TA-191 through 195 (Preliminary)

OIL COUNTRY TUBULAR GOODS FROM ARGENTINA, BRAZIL, KOREA, MEXICO, AND SPAIN

Determinations

On the basis of the record 1/ developed in investigations Nos. 701-TA-215 through 217 (Preliminary), the Commission unanimously determines, pursuant to section 703(a) of the Tariff Act of 1930 (19 U.S.C. § 1671b(a)), that there is a reasonable indication that an industry in the United States is materially injured 2/ by reason of imports from Brazil, Korea, and Spain of oil well tubing, casing, and drill pipes provided for in items 610.32, 610.37, 610.39, 610.40, 610.42, 610.43, 610.49, and 610.52 of the Tariff Schedules of the United States, upon which bounties or grants are alleged to be paid.

In addition, on the basis of the record 1/ developed in investigations Nos. 731-TA-191 through 195 (Preliminary), the Commission unanimously determines, pursuant to section 733(a) of the Tariff Act of 1930 (19 U.S.C. 1673b(a)), that there is a reasonable indication that an industry in the United States is materially injured 2/ by reason of imports from Argentina, Brazil, Korea, Mexico, and Spain, of oil well tubing, casing, and drill pipes provided for in items 610.32, 610.37, 610.39, 610.40, 610.42, 610.43, 610.49, and 610.52 of the Tariff Schedules of the United States, which are alleged to be sold in the United States at less than fair value (LTFV).

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

2/ Chairwoman Stern finds that there is a reasonable indication that an industry in the United States is materially injured or is threatened with material injury by reason of imports of oil country tubular goods from Brazil, Korea, and Spain upon which bounties or grants are alleged to be paid, and by reason of imports of oil country tubular goods from Agrentina, Brazil, Korea, Mexico, and Spain which are alleged to be sold at LTFV.

Background

On June 13, 1984, Lone Star Steel Co., and CF&I Steel Corp., U.S. producers of oil country tubular goods, filed petitions with the U.S. International Trade Commission and the U.S. Department of Commerce alleging that an industry in the United States is being materially injured or threatened with material injury by reason of subsidized oil country tubular goods from Brazil, Korea, and Spain, and LTFV imports of oil country tubular goods from Argentina, Brazil, Korea, Mexico, and Spain. Accordingly, effective June 13, 1984, the Commission instituted preliminary investigations under the provision of the Tariff Act of 1930. Notice of the institution of the Commission's investigations and of a public conference to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, D.C., and by publishing the notice in the Federal Register on June 25, 1984 (49 F.R. 25907). A public conference was held in Washington, D.C. on July 6, 1984, and all persons who requested the opportunity were permitted to appear in person or by counsel.

VIEWS OF THE COMMISSION

We determine there is a reasonable indication that an industry in the United States is materially injured 1/ by reason of oil country tubular goods (OCTG) from Argentina, Brazil, Korea, Mexico, and Spain which are allegedly subsidized or sold at less than fair value ("LTFV"). 2/ This determination is based upon data indicating substantial decreases in domestic production, employment, sales, profitability, and other indicators of industry health during the period of investigation. In addition, we have found that imports from these countries generally undersold comparable domestic OCTG products.

Definition of the domestic industry

The term "industry" is defined in section 771(4)(A) of the Act as "[t]he domestic producers as a whole of a like product or those producers whose collective output of the like product constitutes a major proportion of the total domestic production of that product." 3/ The term "like product," in turn, is defined in section 771(10) as being "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation." 4/

The imports under investigation are OCTG which are used in drilling oil and gas wells and for conducting oil and gas to the surface. OCTG

1/ Chairwoman Stern notes that there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of oil country tubular goods from Argentina, Brazil, Korea, Mexico, and Spain.

2/ Material retardation of an industry is not an issue in these investigations and will not be discussed further. Since Argentina and Mexico are not entitled to injury determinations in countervailing duty cases, we make no finding regarding allegedly subsidized imports of OCTG from Argentina and Mexico.

3/ 19 U.S.C. § 1677(4)(A).

4/ 19 U.S.C. § 1677(10).

specifically include oil well casing, 5/ tubing, 6/ and drill pipe 7/ of carbon or alloy steel, whether welded or seamless, produced to either American Petroleum Institute (API) or non-API (e.g., proprietary) specifications. The imports under investigation include OCTG in all these categories, either finished or unfinished. OCTG of these different types are all produced in the United States.

The Commission considered whether certain types of OCTG should be classified as separate like products, by dividing OCTG into casing, tubing, and drill pipe or into seamless and welded OCTG. We also considered whether "green tubes" are a separate like product. 8/

5/ Imported and domestically produced casing is used to provide a firm foundation for the drill string by supporting the walls of the hole to prevent caving both during drilling and after the well is completed and to prevent contamination of the oil or gas at the surface by water, sand, or other matter. Casing must be sufficiently strong to resist both external pressure and internal pressure within the well.

6/ Oil well tubing is used to conduct the oil or gas from the subsurface strata to the surface. It must be strong enough to support its own weight, that of the oil or gas, and any pumping equipment suspended on the drill string.

7/ Drill pipes are used to transmit power from ground level to below the surface in order to rotate the bit and are also used to conduct drilling fluid down to flush drill cuttings to the surface, where they can be removed. Drill pipe is made from only seamless pipe.

8/ Tubular Corporation of America, Inc. (TCA), a processor of OCTG, has argued that the Commission should exclude "green tubes" as not covered by the scope of the countervailing/antidumping petitions. Under sections 701 and 731 of the Tariff Act of 1930, however, the Commerce Department defines the class or kind of merchandise imported into the United States that is subsidized or sold at LTFV, and the Commission defines the like product and in turn, the domestic industry. See Sprague Electric Co. v. United States, 488 F. Supp. 910, modified on rehearing, 84 Cust. Ct. 260 (Cust. Ct. 1980). Since the Commerce Department has the authority to define the imported products and the scope of the investigation, the Commission has no authority to define the class or kind of merchandise subject to the investigation so as to exclude "green tubes" from the investigation. It is within the Commission's discretion, however, to determine which domestic products are like or directly competitive with the imported product.

The domestic producers have argued that casing can be, and often is, substituted for tubing in high volume oil wells, such as on the North Slope of Alaska. 9/ The record in the preliminary investigation indicates that casing is substitutable for tubing in certain situations. Although it appears that casing and tubing cannot be substituted for drill pipe, neither petitioners nor respondents have argued for separate casing, tubing, or drill pipe industries. 10/ The record suggests that OCTG are often considered one drilling unit. Therefore, we conclude that, for purposes of this preliminary investigation, casing, tubing, and drill pipe are not separate like products.

The Commission also considered whether seamless and welded OCTG are separate like products. 11/ Although seamless and welded pipes and tubes are produced by different manufacturing processes, that is by different machines, the characteristics and uses of most seamless and welded OCTG appear to be the same. 12/ Respondents have argued that welded pipes and tubes are used for shallow oil wells, where less strength is required, and seamless pipes and tubes are used for deep oil wells. However, certain welded pipes and tubes, especially Lone Star's products, appear to be substitutable for the seamless

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9/ See GC Memorandum, GC-H-206 at 5.

10/ In the event of a final investigation, however, the Commission will investigate further the issue of whether there is a separate drill pipe industry.

11/ Respondents have argued that in past cases involving pipes and tubes, the Commission has separated welded from seamless pipes and tubes. However, in all of those past cases, OCTG were considered separate products that were not like the specific pipes and tubes under investigation. See Certain Seamless Steel Pipes and Tubes from Japan, Inv. No. 731-TA-87 (Final), USITC Pub. 1347 at 4 (1983); Certain Carbon Welded Steel Pipes and Tubes from the Republic of Korea, Inv. No. 701-TA-168 (Final), USITC Pub. 1345 (1983); Certain Welded Carbon Steel Pipes and Tubes from the Republic of Korea and Taiwan, Invs. Nos. 731-TA-131 and 132, USITC Pub. 1389 (1983).

12/ The metallurgical qualities of welded OCTG are different at the weld along the pipe, whereas in seamless OCTG, the metallurgical qualities are uniform throughout the pipe. Lone Star, the petitioner, however, makes its welded OCTG by a process in which the entire tube is heated, thereby also making the metallurgical qualities uniform throughout the pipe.

pipes and tubes in deep well drilling and will be substituted if the price is cheaper. 13/

Finally, the Commission considered whether "green tubes" are a separate like product and their production a separate domestic industry. In a prior investigation, the Commission defined semifinished products as separate like products because the semifinished and finished parts were not interchangeable. 14/ In this case, however, it is not clear whether "green tubes" are interchangeable with OCTG. The domestic petitioners have argued that a "green tube" is nothing more than plain end, non-API OCTG. 15/ On the other hand, TCA has argued that "green tubes are . . . suitable only for further processing" and cannot be used as OCTG. 16/

13/ Although only seamless pipe is suitable for drill pipes, API specifications for many grades of casing and tubing specify that either seamless or welded pipe is acceptable. However, the prices of seamless OCTG pipes appear to be much higher than the prices for the comparable welded products. This price difference indicates that welded and seamless may not be entirely substitutable, and this issue will be pursued further in any final investigation.

For extremely deep wells with a highly acidic environment welded pipes and tubes apparently cannot be substituted for seamless pipes and tubes. Furthermore, although API specifications for casing, tubing, and drill pipe provide for both seamless and welded OCTG, API specifications for high-strength casing, tubing and drill pipe provide that only seamless pipe will meet these specifications. According to domestic producers, seamless pipes for these situations account for less than one percent of domestically produced pipes and tubes. In a final investigation the Commission will examine this issue further.

14/ See Certain Forged Undercarriage Components from Italy, Inv. No. 701-TA-201 (Preliminary), USITC Pub. 1394 (1983).

15/ Petitioner's post hearing brief at 10.

16/ TCA post hearing brief at 6. TCA argued that its imported "green tubes" do not meet API specifications because they have not been heat treated and that the non-API, low grade, OCTG market represents only about five percent of the entire OCTG market. Further, TCA argued that the "green tubes" that are being imported have no guarantees for strength. Therefore, no oil producer would put "green tubes" down a well because if the "green tubes" were to burst, the oil producer would be at considerable risk and could not recoup his losses from the steel producer. TCA also argued that substantial value is added to the imported product. See, GC Memorandum GC-H-206. Lone Star has replied that non-API, low grade, OCTG represent 10-15 percent of the OCTG market. It also argued that heat treating the pipe does not substantially change it.

If "green tubes" can be used as OCTG with a minimal amount of value added and they represent a significant share of OCTG market, then unprocessed, "green tubes" may be considered like finished OCTG. If "green tubes" are not interchangeable with finished OCTG, they could be considered separate like products. Based on the record in this preliminary investigation, we find that there is a reasonable indication that "green tubes" are like finished OCTG. In a final investigation, however, we will examine this issue more closely. 17/

For purposes of this preliminary investigation, the Commission finds one like product--all OCTG--including seamless and welded oil well casing, tubing, and drill pipe of carbon or alloy steel--and one domestic industry composed of the producers of all OCTG. 18/

Condition of the domestic industry

The domestic OCTG industry is clearly unhealthy. Almost all of the indicators of material injury have declined sharply during the period of investigation. Domestic production of OCTG declined 87 percent from 4.3 million short tons in 1981 to 553,000 short tons in 1983. 19/ Capacity utilization fell dramatically from 95 percent in 1981 to 11 percent in 1983, although capacity increased slightly during the period. During 1983, most of the OCTG productive facilities in the United States were closed for a portion of the year. 20/

17/ We note that even if "green tubes" are defined as a separate like product, it is unclear whether the Commission can obtain separate data on domestic "green tube" production since "green tubes" are produced during a stage in the production process.

18/ Although it can generally be said that carbon is used in situations involving less stress to the metal such as shallow wells and alloy pipes are generally used in deeper wells, there is no distinct dividing line between the carbon and alloy pipes and tubes. Furthermore, carbon pipes and tubes can often be processed so as to be substitutable for alloy pipes and tubes.

19/ Report of the Commission ("Report") at A-15.

20/ Id. at A-16.

U.S. producers shipments of OCTG, including exports, followed the same trend as production, declining from 4.7 million short tons in 1981 to 807,000 short tons in 1983. During this period, the ratio of inventories to shipments increased from 6 percent in 1981 to 25 percent in 1983.

During the period of investigation, employment declined sharply by 85 percent from 25,859 workers in 1981 to 3,934 workers in 1983. As a result of wage concessions by the employees, total compensation per hour decreased by 10 percent from $19.59 per hour in 1981 to $17.56 per hour in January-March 1984. 21/

During the reporting period, net sales plunged by 89 percent from $5.4 billion in 1981 to $618 million in 1983. 22/ Operating income decreased from $1.5 billion in 1981 to an operating loss of $253 million in 1983. Out of 18 reporting firms, no firm sustained losses in 1981, but 13 firms sustained losses in 1983. 23/

We note, however, that domestic industry indicators improved in the first quarter of 1984 as compared to the same quarter of 1983. Production increased substantially, capacity utilization improved, shipments increased, inventories were reduced, and employment levels rose. However, all indicators still were at much lower levels than at the beginning of the investigative period.

Reasonable indication of material injury or threat of material injury 24/

In making its determination, the Commission is instructed by the statute to consider, among other factors: (1) the volume of imports of the

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21/ Id. at A-17-18.
22/ Id. at A-18-19.
23/ Id.
24/ We note that the largest exporters of OCTG to the United States are producers in Japan, Italy, and West Germany. In the event of a final investigation, we will examine this situation in our analysis of causation.

merchandise under investigation; (2) the effect of such imports on domestic prices; and (3) the consequent impact of the imports on the domestic industry. With respect to increases in the volume of imports, the statute instructs the Commission to examine increases either absolutely or relatively to domestic production. During the investigative period, domestic consumption declined by approximately 80 percent while domestic production declined 87 percent. Although imports from each country also declined during this period, in general they increased as a percentage of domestic consumption and production. 25/ 26/

Imports from Argentina

Imports of OCTG from Argentina decreased during the reporting period by 30 percent from 23,000 short tons in 1981 to 16,000 short tons in 1983. In January-March 1984, imports increased to 6,000 short tons as compared with 5,000 short tons in January-March 1983. 27/ As a share of U.S. consumption, however, such imports increased from 0.3 percent on 1981 to 0.4 percent in 1982, and then to 1.1 percent in 1983. In January-March 1984, this ratio declined to 0.9 percent as compared with 1.7 for the same period in 1983.

25/ Respondents Argentina and Korea argued that the Commission should evaluate import penetration on the basis of actual versus apparent consumption because domestic inventories were disproportionately high after OCTG demand fell abruptly in 1982. The Commission will further consider the effects of such inventories in a final investigation.

26/ Chairwoman Stern and Commissioner Rohr note that for purposes of the preliminary investigation, their affirmative determination in the antidumping case was based in part on the combined increase in market share of Argentina, Brazil, Korea, Mexico and Spain. Import penetration from these five countries increased from 4.1 percent in 1981 to 10.4 percent in the first quarter of 1984. Domestic market share dropped from 59 percent to 48 percent. In the case of allegations concerning subsidies on the part of Brazil, Korea and Spain, the combined import penetration also rose from 3.8 percent in 1981 to 7.6 percent in the first quarter of 1984.

27/ Report at A-21-23.

In four price comparisons, imports from Argentina undersold the domestic products with margins ranging from 40-42 percent. 28/ Staff contacts with purchasers indicated that customers recently bought OCTG from Argentina because of their lower prices. 29/

Imports from Brazil

During the reporting period, imports from Brazil increased from 53,000 short tons in 1981 to 56,000 short tons in 1982, or by 6 percent, and then decreased 73 percent to 15,000 short tons in 1983. Imports then increased from 2,000 short tons in January-March 1983 to 12,000 short tons in the corresponding period in 1984. 30/ As a share of consumption, such imports increased from 0.7 percent in 1981 to 1.3 percent in 1982, and then declined to 1.0 percent in 1983. This was followed by an increase in January-March 1984 to 1.7 percent, compared to 0.7 percent for the same period in 1983.

In four price comparisons, seamless pipe from Brazil undersold the U.S. price by margins ranging from 28 to 59 percent. 31/ More importantly, prices of seamless pipe from Brazil were so low that seamless products from Brazil undersold domestic welded products.

Imports from Korea 32/

Korean producers are the fourth largest exporters of OCTG to the United States. 33/ During the period 1981-83, Korean imports decreased by 60 percent

28/ Id. at A-28-29.
29/ Id. at A-34.
30/ Id. at A-21-23.
31/ Id. at A-28.
32/ Chairwoman Stern states that the steadily increasing share of U.S. consumption held by imports from Korea coupled with the sharp increase in imports during January-March also indicate that imports from Korea threaten material injury to the domestic industry.
33/ Id. at A-20.

from 122,000 short tons in 1981 to 49,000 short tons in 1983. In January-March 1984, however, imports from Korea increased to 31,000 short tons as compared with 5,000 short tons in January-March 1983. 34/ As a share of domestic consumption, imports from Korea steadily increased from 1.6 percent in 1981 to 2.7 percent in 1982, and then to 3.3 percent in 1983. In January-March 1984, this share increased again to 4.5 percent as compared with 1.7 percent in January-March 1983. 35/

During the period investigated, Korean imports of welded OCTG generally undersold comparable domestic products by margins ranging from 2 percent to 16 percent. Welded OCTG is also substitutable for seamless OCTG. 36/ The Korean welded product was found to be priced as low as one half the price of the domestic seamless product. Staff contacts with purchasers indicate that customers had recently bought OCTG from Korea because of the lower prices. 37/

Imports from Mexico 38/

Imports from Mexico decreased from 5,000 short tons in 1981 to 2,000 short tons in 1982, and then increased to 12,000 short tons in 1983. In January-March 1984, imports increased to 13,000 short tons as compared with 2,000 short tons in January-March 1983. 39/ As a share of domestic consumption, imports from Mexico increased from less than 0.1 in 1981 and 1982

34/ Id. at A-21-23.
35/ Id. at A-22-23.
36/ Id. at A-28-29.
37/ Id. at A-34, A-36-38.
38/ Chairwoman Stern notes that information gathered in this preliminary phase of this investigation indicates that imports from Mexico will increase substantially in 1984. Id. at A-23. This information suggests that imports from Mexico threaten material injury to the domestic industry.
39/ Id. at A-21-23.

to 0.8 percent in 1983. In January-March 1984, imports from Mexico increased to 1.9 percent as compared with 0.7 percent in January-March 1983. 40/

In 1983 and 1984, seamless pipes from Mexico undersold domestic seamless pipes by margins ranging from 42-63 percent and also undersold domestic welded pipes by significant margins. 41/

Imports from Spain

During the period under investigation, imports from Spain decreased 80 percent from 114,000 short tons in 1981 to 23,000 short tons in 1983. In January-March 1984, imports increased to 10,000 short tons as compared with 3,000 short tons for the same period in 1983. As a share of consumption imports from Spain showed a slight increase during the 1981-83 period from 1.5 percent in 1981 to 1.6 percent in 1983. In January-March 1984 the share was also up from the same period in 1983. 42/ During this period, OCTG from Spain undersold comparable domestic products with margins ranging from 20-29 percent. 43/

40/ Id. at A-22-23.
41/ Id. at A-28-29.
42/ Id. at A-21-23.
43/ Id. at A-28-29.

INFORMATION OBTAINED IN THE INVESTIGATIONS

Introduction

On June 13, 1984, counsel for Lone Star Steel Co., and CF&I Steel Corp., filed antidumping and countervailing duty petitions with the U.S. International Trade Commission and the U.S. Department of Commerce. The petitions allege that an industry in the United States is materially injured and is threatened with material injury by reason of imports of oil country tubular goods from Brazil, Korea, and Spain provided for in items 610.32, 610.37, 610.39, 610.40, 610.42, 610.43, 610.49, and 610.52 of the Tariff Schedules of the United States (TSUS), upon which bounties or grants are alleged to be paid, and imports of oil country tubular goods from Argentina, Brazil, Korea, Mexico, and Spain which are allegedly sold at less than fair value (LTFV). Accordingly, the Commission instituted preliminary investigations under the provisions of the Tariff Act of 1930 to determine whether there is a reasonable indication that 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 into the United States. The statute directs that the Commission make its determinations within 45 days after its receipt of the petitions, or in these cases, by July 30, 1984.

Notice of the institution of the Commission's investigations and of a conference to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, D.C., and by publishing the notice in the Federal Register of June 25, 1984 (49 F.R. 25907). 1/ The conference was held in Washington, D.C., on July 6, 1984. 2/ The briefing and vote will be held on Monday, July 23, 1984.

Other Investigations Concerning Oil Country Tubular Goods

On June 12, 1984, the Commission determined in investigation No. TA-201-51, carbon and certain alloy steel products, under section 201 of the Trade Act of 1974, that imports of certain steel pipes and tubes were not being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or threat thereof, to the domestic industry producing articles like or directly competitive with the imported article. All of the carbon and alloy steel oil country tubular goods which are the subject of the instant investigation were also the subject of the section 201 investigation.

1/ Copies of the Commission's and Commerce's notices are presented in app. A.
2/ A list of witnesses appearing at the conference is presented in app. B.

The Commission has conducted several investigations under Title VII of the Tariff Act of 1930 concerning steel pipes and tubes. None of these previous countervailing duty or antidumping investigations, however, covered imports of oil country tubular goods.

On June 13, 1984, at the same time the petitions for the instant investigations were filed, counsel for the petitioners filed countervailing duty petitions with Commerce concerning imports of oil country tubular goods from Argentina and Mexico. Since these countries are not signatories to the General Agreement on Tariffs and Trade, the Commission is not required to make injury determinations concerning imports from these countries.

Description and Uses

The term "oil country tubular goods" refers to casing, tubing, and drill pipe for use in drilling oil and gas wells and for transporting oil and gas to the surface.

Casing is used in the drill hole to provide a firm foundation for the drill string by supporting the walls of the hole to prevent caving, both during drilling and after the well is completed. After the casing is set, concrete is pumped between the outside of the casing and the wall of the hole to provide a secure anchor. Casing also serves as a surface pipe to prevent contamination of the recoverable oil and gas from surface water, gas, sand, or limestone. Casing must be sufficiently strong to resist both external pressure and pressure within the well. Because the amount of open hole that can be drilled at any one time is limited, a string of concentric layers of casing is used for larger wells.

Tubing is used within the casing to conduct the oil or gas from the subsurface strata to the surface either through natural flow or through pumping. Casing is often substituted for tubing in high-volume wells. Tubing must be strong enough to support its own weight, that of the oil or gas, and any pumping equipment suspended on the drill string.

Drill pipe is used to transmit power from ground level to below the surface in order to rotate the bit, and it is also used to conduct drilling fluid (mud) down to the bit to flush drill cuttings to the surface, where they can be removed. Drill pipe must have sufficient tensile strength to support its own weight and that of drill collars and the drill bit. 1/

Oil country tubular goods are generally produced according to standards and specifications established by the American Petroleum Institute (API). The American Petroleum Institute is a trade organization involved in writing basic minimum design standards for materials used in the oil and gas industries to ensure safety, reliability, and interchangeability of parts. The API has been

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1/ Imports of drill pipe enter the United States from four of the countries under investigation, Argentina, Brazil, Mexico, and Spain. Six U.S. firms produce drill pipes. Available information is not sufficient, however, to calculate levels of import penetration.

instrumental in standardizing dimensions and properties in oil country tubulargoods specifications for casing, tubing, and drill pipe (API STD 5A), high-strength casing, tubing, and drill pipe (API STD 5AX), and casing and tubing with restricted yield strengths (API STD 5AC). These standards, which are sometimes used by the Government as Federal standards, are adopted by API only after careful research and industry consensus and offer oil countrytubular goods purchasers a guide for selecting equipment with proper outside diameters, wall thicknesses, and steel grades to perform under nearly every combination of stresses. The vast majority of oil country tubular goods in use today meets API ratings for such items. However, there are items for use in specialized applications which do not carry an API rating only because these oil country tubular goods have not been sufficiently used or tested for API to write standards for this equipment. Firms also produce products to their own proprietary specifications, and these products compete with products made to API specifications. Other nonAPI and nonproprietary material may be used in shallow wells and under drilling conditions where high-strength and high-quality pipe are not required. Oil country tubular goods are inspected and tested at various stages in the production process to ensure strict conformity to API or proprietary specifications. Oil country tubular goods are either of seamless or welded construction and can be produced from various grades of steel. Almost half of all casing and tubing and virtually all drill pipe produced in the United States are of seamless construction.

Seamless oil country tubular goods are produced by forming a central cavity in solid steel stock. The central cavity may be formed either through the rotary piercing and rolling process or through extrusion. Most seamless oil country tubular goods are produced through the rotary piercing method, the more traditional method for producing such material. Rotary piercing is described by AISI in its publication, Steel Products Manual: Steel Specialty Tubular Products, as follows:

> Rotary Piercing and Rolling operations produce the great bulk of seamless steel tubular products. A conditioned steel round of proper grade, diameter and weight is heated to a suitable forging temperature and rotary pierced in one of several available types of mills which work the steel and cause it to flow helically over and around a so-called piercer-point yielding a seamless hollow billet. This billet is then roller elongated either in a succession of plug mills or in one of several mandrel mills. Finally the elongated steel is sized by further rolling without internal support in one or more of the sizing mills. . . the tension mill stretches the material between stands and actually makes wall reduction possible; the rotary sizing mill frequently is used in conjunction with one of the other mills to make final precision sizing of the outside diameter.

The extrusion process is described in the same AISI publication as follows:

> Extrusion process also starts with a conditioned steel round of desired grade, diameter and weight. This billet may be cold drilled and hot expanded, or hot punched-pierced either separately or in the extrusion process. The drilled or punched billets are hot extruded by axially forcing the material through a die and over a mandrel.

Welded oil country tubular goods are formed by passing flat-rolled products through a series of forming rollers which form the products into cylindrical shapes to be seam welded. The most commonly used process for welding oil country tubular goods is electric resistance welding in which the cylinder edges are heated to a very high temperature with an electric resistance welder and are forced together under pressure exerted by rolls. After welding, the tube is then treated to make the molecular structure of the weld identical to that of the rest of the tube. Although most of the welded oil country tubular goods are electric resistance welded, some large-diameter (over 24 inches) material which is used in offshore drilling is submerged arc welded. Under this process the cylinder edges are connected using molten metal from a welding rod. Regardless of welding process, the wall thicknesses of all welded oil country tubular goods are uniform, whereas the wall thicknesses of seamless oil country tubular goods are less uniform.

Seamless and welded oil country tubular goods are used interchangeably in most applications. API specifications for most grades of casing and tubing specify that either seamless or welded pipe is acceptable. Exceptions include drill pipe and extremely thick casings, which API specifies must be seamless.

The ends of almost all oil country tubing are often processed through an operation known as upset ending. Upset ending is a forging process under which the end of the tubing is flared and thickened by heating and forcing it through a die, and over a mandrel. This process adds tensile strength to the tubing walls, thereby compensating for the tensile strength which is lost when the material is threaded. Other finishing operations for oil country tubular goods may include quenching and tempering (heat treating) to raise minimum yield strength and hardness (typically for high-strength casing), threading, and application of a rust-preventative coating.

U.S. Tariff Treatment

The imported oil country tubular goods which are the subject of these investigations are classified under items 610.32, 610.37, 610.39, 610.40, 610.42, 610.43, 610.49, and 610.52 of the TSUS. The rates of duty for imports of oil country tubular goods from most-favored-nations (MFN's) (col.1), 1/ and designated Communist countries (col.2), 2/ are presented in table 1. Imports of oil country tubular goods are not entitled to duty-free treatment under the Generalized System of Preferences. Imports of articles under TSUS items 610.40, 610.42, 610.43, 610.49, and 610.52 from least developed developing countries (LDDC's) are granted preferential rates. 3/

Nature and Extent of Alleged Subsidies and Alleged LTFV Sales

The petitioners allege that the manufacturers, producers, and exporters of oil country tubular goods in Brazil, Korea, and Spain receive benefits from several Government programs which constitute bounties or grants. The petitions identify these programs; however, they do not provide estimates of the magnitude of the bounties or grants. These programs are summarized by Commerce in its Federal Register notices instituting the investigations (app. A).

1/ Col. 1 rates of duty are applicable to imported products from all countries except those Communist countries and areas enumerated in general headnote 3(f) of the TSUS. However, such rates do not apply to products of developing countries where such articles are eligible for preferential tariff treatment provided under the Generalized System of Preferences (GSP) or under the "LDDC" column.

2/ Col. 2 rates of duty apply to imported products from those Communist countries and areas enumerated in general headnote 3(f) of the TSUS.

3/ The preferential rates of duty in the "LDDC" column of the TSUS reflect the full U.S. Multilateral Trade Negotiations concession rates for particular items without staging of duty reductions, and are applicable to products of LDDC's enumerated in general headnote 3(d) of the TSUS.

Table 1 - Oil country tubular goods: U.S. rates of duty as of January 1, 1981, January 1, 1984, and January 1, 1987

(Cents per pound; percent ad valorem)

TSUS item No.	Oil country tubular goods covered	Rate of duty: Col. 1: Jan. 1, 1981	Col. 1: Jan. 1, 1984	Col. 1: Jan. 1, 1987	Col. 2
	Pipes and tubes and blanks therefor of iron (except cast iron) or steel:				
	Welded, jointed or seamed, with walls not thinner than 0.065 inch and of circular cross section:				
610.32	0.375 inch or more in outside diameter, other than alloy steel	0.3¢	1.9%	1.9%	5.5%
610.37	0.375 inch or more in outside diameter, of alloy iron or steel	4.9% 1/	4.9% 1/	4.9% 1/	10% 1/
	Other:				
	Steel pipe conforming to A.P.I. specifications for oil well casing whether welded or seamless having a wall thickness not less than 0.156 inch:				
	Not threaded and not otherwise advanced:				
610.39	Other than alloy steel	0.1¢	0.5%	0.5%	1%
610.40	Alloy steel	0.1¢ +4% 1/	3.8% 1/	3.3% 1/	8.5% 1/
	Threaded or otherwise advanced:				
610.42	Other than alloy steel	7.5%	6.8%	6%	20%
610.43	Alloy steel	11% 1/	8.6% 1/	6.2% 1/	28% 1/
	Other:				
	Not suitable for use in the manufacture of ball or roller bearings:				
610.49	Other than alloy iron or steel, except hollow bars	10.5%	9.3%	8%	25%
610.52	Alloy iron or steel, except hollow bars	13% 1/	10.3% 1/	7.5% 1/	35% 1/

1/ Additional duties are assessed on imports under this item depending on the content of chromium, molybdenum, tungsten, and vanadium, as provided for in headnote 4, schedule 6, part 2, subpart B of the TSUS.

The petitioners' allegations concerning LTFV sales of the product from Argentina, Brazil, Korea, Mexico, and Spain are summarized in table 2.

Table 2.—Oil country tubular goods: Allegations as to LTFV sales margins, by countries, October 1983–March 1984

(In percent)

Country	Carbon steel		Alloy steel	
	Casing	Tubing	Casing	Tubing
Argentina	179	156	111	229
Brazil	282	311	216	39
Korea	186	226	1/	1/
Mexico	162	247	248	280
Spain	169	215	2/	40

1/ Petitioners have not calculated LTFV margins for alloy steel casing and tubing from Korea. They assert, however, that the margins for the carbon steel casing and tubing are reflective of the margins for the alloy steel products.

2/ Petitioners have not calculated LTFV margins for alloy steel casing from Spain. They assert, however, that the margins for carbon steel casing and tubing and alloy steel tubing are reflective of the margins for alloy steel casing.

U.S. Market

The United States accounts for an estimated 65 percent of worldwide consumption of oil country tubular goods. Apparent U.S. consumption plummeted from a record 7.8 million short tons in 1981 to 1.5 million short tons in 1983, representing a decrease of 81 percent. Apparent consumption subsequently increased by 149 percent in January–March 1984 compared with the level of consumption in the corresponding period of 1983. However, this level of consumption, if annualized, is below the levels in 1981 and 1982. Apparent U.S consumption is presented in the following tabulation (in thousands of short tons):

	Apparent consumption
1981	7,819
1982	4,344
1983	1,455
January-March—	
1983	275
1984	689

Throughout 1981, market analysts were projecting higher and higher levels of oil and gas well drilling and distributors of oil country tubular goods bought all the product they could in order to be able to supply this anticipated demand. A large portion of U.S. producers' shipments and imports of oil country tubular goods were not actually used in oil and well drilling in 1981. Instead, these shipments and imports were held in inventory by the distributors. By yearend 1981, the level of inventories held by distributors was 70 percent higher than the level held at the beginning of the year (table 3).

Table 3.—Oil country tubular goods: Inventories, 1/ imports, U.S. producers' domestic shipments, and estimated actual consumption, 1981-83

(In thousands of short tons)

Item	1981	1982	1983
Beginning inventory	2,664	4,569	5,850
Imports from—			
Argentina	23	17	16
Brazil	53	56	15
Korea	122	115	49
Mexico	5	2	12
Spain	114	54	23
Subtotal	317	245	114
All other countries	2,873	2,272	547
Total imports	3,190	2,517	661
U.S. producers' domestic shipments	4,629	1,827	794
Ending inventory	4,569	5,850	3,975
Estimated actual consumption	5,914	3,063	3,330

1/ Inventories held primarily by distributors and end users.

Source: Inventories, Lone Star Steel Yard Survey; imports, compiled from official statistics of the U.S. Department of Commerce; U.S. producers' domestic shipments, compiled from data submitted in reponse to questionnaires of the U.S. International Trade Commission.

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

By late 1981, however, it became apparent that demand for oil and gas was not going to increase as anticipated and, as a consequence, exploration for oil and gas dropped sharply. The level of drilling dropped to such an extent that inventories of oil country tubular goods continued to increase in 1982. In 1983, distributors of oil country tubular goods began to draw down this large inventory overhang and inventories decreased. Thus, in 1983, although actual drilling activity was higher than in 1982, U.S. producers' shipments and imports decreased as distributors supplied more than 50 percent of actual consumption from inventory.

Estimated actual consumption of oil country tubular goods (distributors' beginning inventory, plus imports, plus U.S. producers' domestic shipments, less distributors' ending inventories) decreased from 5.9 million short tons in 1981 to 3.1 million short tons in 1982, or by 48 percent. Estimated actual consumption then increased by 9 percent to 3.3 million short tons in 1983. The trend in estimated actual consumption followed the trend in the level of U.S. oil and gas drilling fairly closely.

The level of U.S. oil and gas well drilling, as measured by the number of active rigs in the United States, increased from 2,659 rigs in March 1980 to 3,656 rigs in March 1981, representing an increase of 37 percent (table 4). The number of active rigs then decreased to 3,629 in March 1982 and 1,957 in March 1983, representing a decrease of 46 percent in 2 years. The number of rigs subsequently increased 13 percent to 2,206 in March 1984, which is 17 percent fewer than the number of rigs in March 1980.

Table 4.—Active oil and gas drilling rigs in the United States, selected dates 1980–84

Date	Active rigs	Change from previous year
		Percent
Mar 31, 1980	2,659	–
Mar 30, 1981	3,656	37
Mar 29, 1982	3,629	(1)
Mar 28, 1983	1,957	(46)
Mar 26, 1984	2,206	13

Source: Hughes rig count as published in the Oil & Gas Journal.

U.S. oil drillings, and hence, U.S. consumption of oil country tubular goods, is concentrated in Texas, Oklahoma, and Louisiana. According to Hughes Tool Co., a producer of oil drilling equipment and supplies which gathers information on the number of oil drilling rigs worldwide, these three States accounted for 64 percent of the total active rigs in the United States, in March 1984, as shown in the following tabulation (in percent):

	Share of active rigs nationwide
Texas	36
Oklahoma	14
Louisiana	14
Subtotal	64
Kansas	5
Wyoming	5
California	4
New Mexico	3
All other	19
Total	100

Oil country tubular goods are sold by domestic mills either directly to the end users in the oil drilling industry or to distributors which in turn sell the pipes to the end users. Distributors are middlemen which buy large quantities of oil country tubular goods, typically at discount prices, warehouse the product, and sell smaller quantities to end users. The distributor typically buys either unfinished or finished oil country tubular goods from the mill and finishes the product, if necessary, before selling it. The finishing operations performed by distributors include threading, upsetting, testing, and cutting the material to length.

Another type of middleman, the processor, has emerged in recent years. The processor may buy unfinished material (some of which is referred to as "green tubes") from the mill, finish the material on its own equipment, and sell the material either directly to end users or to distributors; or, the processor may perform operations on material owned by the mill or by the end user. The operations performed by processors include heat treating, quenching, coupling, and tempering, as well as upsetting, threading, testing, and cutting to length.

The U.S. Industry

There are 22 firms which are known to produce oil country tubular goods in the United States. The largest producers are Lone Star Steel Co., LTV Steel Corp., and U.S. Steel Corp., as shown in the following tabulation (in percent):

Firm	Share of U.S. producers' shipments, 1981
Lone Star Steel Co	***
LTV Steel Corp:	
Jones & Laughlin Steel Inc	***
Republic Steel Corp	***
Total LTV Steel Corp	***
U.S. Steel Corp	***
Subtotal	***
Other firms	***
Total	100

Two firms, National Pipe & Tube Co. and Bethleham Steel Corp., ceased producing oil country tubular goods in December 1982 and March 1983, respectively. These firms together accounted for * * * percent of U.S. producers' shipments in 1981. Two other firms, Maverick Tube Corp. and Central Steel Tube Co., which accounted for * * * percent of U.S. producers' shipments in 1981, have filed for reorganization under the provisions of the bankruptcy laws.

The Foreign Industries

Argentina

One Argentine firm, Dalmine Siderca, accounted for * * * percent of Argentina's exports of oil country tubular goods to the United States during 1981-83. The firm operates a seamless oil country tubular goods mill which, according to counsel, has been operating at * * * percent of its capacity during 1981-83. Dalmine's exports to the United States, according to data presented by counsel, decreased from * * * short tons in 1981 to * * * short tons in 1983 (table 5). The firm projects that it will ship * * * short tons to the United States in 1984. The U.S. market accounted for approximately * * * percent of Argentina's total exports of oil country tubular goods during 1981-83.

Table 5. Oil country tubular goods: Dalmine Siderca's exports to principal markets, 1981-83, and projected 1984

* * * * * * *

Brazil

Three firms produce oil country tubular goods in Brazil. Persico Pizzamiglio, S.A. and Confab Industrial, S.A., produce and export low-grade welded oil country tubular goods which are used in shallow wells. The third firm, Mannesmann, S.A., a subsidiary of a German firm, produces seamless oil country tubular goods. It accounted for about * * * of Brazil's exports of oil country tubular goods's to the United States in 1983, the first year it sold the product to the United States (table 6). The home market accounted for * * * of the firm's shipments during January-March 1984, and the U.S. market accounted for * * * percent of shipments in January-March 1984.

Table 6.—Oil country tubular goods: Production, capacity, and shipments by Mannesmann, S.A., 1981-83, January-March 1983, January-March 1984, and projected 1984

* * * * * * *

Korea

Five firms produce oil country tubular goods in Korea—Dong Jin Steel Co., Ltd.; Hyundai Pipe Co., Ltd.; Korea Steel Pipe Co., Ltd.; Pusan Steel Pipe Industry Co., Ltd.; and Union Steel Manufacturing Co., Ltd. These firms produce and export welded carbon steel pipes and tubes which meet the lowest grade of the API oil country tubular good specifications. There was no home market for oil country tubular goods in Korea during 1981-83. Virtually all of Korea's shipments of oil country tubular goods are exported to the United States, as shown in table 7.

Table 7. Oil country tubular goods: Korean production and shipments, 1981-83, January-March 1983, and January-March 1984

Item	1981	1982	1983	January-March—	
				1983	1984
Production------1,000 short tons---	120	47	95	3	73
Shipments to—					
Home market---1,000 short tons---	0	0	0	0	0
United States------------do-----	112	43	88	11	59
All other--------------do-----	0	1/	0	0	3
Total----------------do-----	112	43	88	11	62
Shipments to the United States as a share of total shipments-----------percent---	100	100	100	100	95

1/ Less than 500 short tons.

Source: Compiled from data submitted by counsel for the producers in Korea.

Mexico

According to the petition, four Mexican firms produce and export oil country tubular goods to the United States. One firm, Tubos de Acero de Mexico, S.A., began exporting seamless oil country tubular goods (including "green tubes") to the United States in 1983. According to counsel for this firm, it entered the U.S. market in order to demonstrate to its customers worldwide that it can produce a superior product on its new push piercing mandrel rolling mill which meets the high standards of the sophisticated U.S. market.

The company accounted for approximately * * * percent of Mexico's total exports of oil country tubular goods in 1983. It utilized about * * * percent of its productive capacity during 1981-83. Utilization * * * during January-March 1984. The firm's exports of oil country tubular goods to the United States increased from none in 1981 and 1982, to * * * percent of its total shipments in 1983 and are projected to account for * * * percent of shipments in 1984 (table 8).

Another Mexican producer, Hylsa, S.A., produces unfinished welded carbon steel casing. According to counsel for Hylsa, in May 1984, before these proceedings were initiated, Hylsa terminated its exports of this product to the United States. The firm has no plans to resume such exports or to export any other type of oil country tubular goods to the United States. No information is available on the other two Mexican producers cited in the petition, Tubacero, S.A., and Productos Tubulares Monclava, S.A.

Table 8.—Oil country tubular goods: Production, capacity, and shipments of Tubos de Acero de Mexico, S.A., 1981-83, January-March 1983, January-March 1984, and projected 1984

* * * * * * *

Spain

According to the petition, there are six Spanish mills which produce oil country tubular goods. Data on the production, capacity and exports of these mills are presented in table 9. The United States is Spain's single largest market for oil country tubular goods.

Table 9.—Oil country tubular goods: Spanish production, capacity and exports, 1981-83

Item	1981	1982	1983
Production—1,000 short tons	106	47	55
Capacity—do	128	58	61
Capacity utilization—percent	83	81	90
Exports:			
United States—do	116	63	22
All other markets—do	3	13	12
Total—do	119	76	34
Shipments to the United States as a share of total exports—percent	97	83	65

Source: Compiled from data submitted by counsel for the Spanish producers.

According to counsel for the Spanish exporters, 60 percent to 70 percent of Spain's exports of oil country tubular goods are seamless. The remainder is welded. All of the exports are unfinished, comprising the so called "green tubes" and plain-ended tubing and casing.

Drilling rigs abroad

Home-market demand for oil country tubular goods is dependent upon the level of oil and gas drilling. Information on the level of drilling in Argentina, Brazil, Korea, Mexico, and Spain, as measured by the number of active rigs, is presented in table 10. These five countries operated a total of 347 rigs in March 1984 which is only a fraction of the 2,206 rigs operated in the United States during the same period.

Table 10.—Active oil and gas drilling rigs in Argentina, Brazil, Korea, Mexico, and Spain, in March of 1982, 1983, and 1984

Country	1982	1983	1984
Argentina	73	63	82
Brazil	93	98	65
Korea	0	0	1
Mexico	211	187	194
Spain	14	9	5
Total	391	357	347

Source: Hughes Tool Co. as published in the Oil & Gas Journal.

U.S. Importers

There are dozens of firms which import oil country tubular goods into the United States. In general, two types of concerns—independent trading companies and U.S. subsidiaries of foreign producers—import the product. Importers frequently act as distributors, warehousing the product and filling orders from inventory.

The Commission received usable information concerning inventories held by importers of oil country tubular goods from Korea. Information on inventories of the product from Argentina, Brazil, Mexico, and Spain are not available.

Yearend inventories of the Korean product held by the reporting firms increased from * * * short tons in 1981 to 18,765 short tons in 1982; inventories then decreased irregularly to 8,161 short tons, as of March 31, 1984 (table 11). The ratio of inventories to shipments of the reporting firms increased from * * * percent in 1981 to 70 percent in 1982. Inventories of Korean oil country tubular goods then decreased steadily to 5 percent of annualized shipments by March 31, 1984.

Table 11.—Oil country tubular goods: Importers' end-of-period inventories and shipments of the product imported from Korea, 1981-83, January-March 1983, and January-March 1984

Item	1981	1982	1983	January-March— 1983	January-March— 1984
Inventories——short tons—	***	18,765	7,601	13,388	8,161
Shipments——do——	***	26,801	46,455	9,027	37,752
Ratio of inventories to shipments——percent—	***	70.0	16.4	37.1 1/	5.4 1/

1/ Based on annualized shipments.

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

Consideration of Material Injury

The information presented in this section of the report was obtained from responses to questionnaires of the Commission. All known U.S. producers responded to the Commission's questionnaires. Data in this section are for all oil country tubular goods. Information concerning welded and seamless oil country tubular goods is separately presented in appendix C.

U.S. producers' capacity and production

U.S. producers' capacity to produce oil country tubular goods increased from 4.6 million short tons in 1981 to 5.0 million short tons in 1983, resulting in an increase of 9 percent in 2 years (table 12). It increased further (by 11 percent) in January-March 1984 compared with the level of capacity in the corresponding period of 1983.

Table 12.—Oil country tubular goods: U.S. production, capacity, and capacity utilization, 1981-83, January-March 1983, and January-March 1984

Period	Production	Capacity	Capacity utilization
	1,000 short tons		Percent
1981	4,327	4,569	95
1982	1,876	4,973	38
1983	553	5,001	11
January-March—			
1983	103	1,245	8
1984	327	1,379	24

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

In 1981, several firms initiated programs to expand their capacity to produce oil country tubular goods. Many firms either abandoned or delayed their planned expansion in 1982 and 1983, when their production of oil country tubular goods plummeted.

U.S. production of oil country tubular goods decreased dramatically from 4.3 million short tons in 1981 to 553,000 short tons in 1983, or by 87 percent in 2 years. Production increased in January-March 1984, compared with the level of production in the corresponding period of 1983. However, the level of production in January-March 1984, if annualized, is below production levels in 1981 and 1982.

With the decrease in production, utilization of productive capacity devoted to the production of oil country tubular goods fell from 95 percent in 1981, to 38 percent in 1982, and 11 percent in 1983. In 1983, most of the U.S. oil country tubular goods productive facilities were closed for a portion of the year. U.S. producers utilized 24 percent of their productive capacity in January-March 1984.

U.S. producers' shipments

U.S. producers' shipments of oil country tubular goods followed the same trend as production (table 13). Total shipments decreased by 83 percent from 1981 to 1983 and then increased in January-March 1984. Exports accounted for 2 percent of total shipments during January 1981-March 1984.

Table 13.--Oil country tubular goods: U.S. producers' shipments, 1981-83, January-March 1983, and January-March 1984

(In thousands of short tons)

Period	Domestic shipments	Export shipments	Total
1981	4,629	72	4,702
1982	1,827	66	1,893
1983	794	13	807
January-March--			
1983	141	4	144
1984	329	3	332

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.

U.S. producers' inventories

U.S. producers' yearend inventories of oil country tubular goods were equivalent to 6 percent of total annual shipments in 1981 (table 14). Inventories then increased to 22 percent and 25 percent of shipments in 1982 and 1983, respectively. Inventories have decreased slightly to 18 percent of annualized shipments, as of March 31, 1984.

Table 14.—Oil country tubular goods: U.S. producers' inventories and shipments, 1981-83, January-March 1983, and January-March 1984

Period	Inventories	Shipments 1/	Ratio of inventories to shipments
	1,000 short tons		Percent
1981	260	4,300	6
1982	389	1,755	22
1983	184	747	25
January-March—			
1983	320	140	2/ 57
1984	223	312	2/ 18

1/ Shipments of firms which reported data on inventories.
2/ Based on annualized shipments.

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

Employment

The number of workers engaged in the production of oil country tubular goods decreased from 25,859 in 1981 to 3,934 in 1983, or by 85 percent (table 15). Most of these workers belong to the United Steel Workers of America. Their total compensation decreased by 10 percent from $19.59 per hour in 1981 to $17.56 per hour in January-March 1984. This decrease can be attributed to wage concessions negotiated between the unions and the employers.

Table 15.—Average number of production and related workers engaged in the manufacture of oil country tubular goods, hours worked by such workers, wages paid, and total compensation, 1981-83, January-March 1983, and January-March 1984

Period	Number of workers	Hours worked	Wages paid	Total compensation
		Thousands	Per hour	
1981	25,859	53,268	$13.29	$19.59
1982	12,821	24,228	13.60	20.02
1983	3,934	7,183	12.84	20.12
January-March—				
1983	3,020	1,424	13.28	22.30
1984	5,660	2,895	12.07	17.56

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

Income-and-loss experience of U.S. producers

Eighteen firms supplied usable income-and-loss data relative to their operations producing oil country tubular goods. These 18 firms accounted for about 90 percent of U.S. shipments of such goods in 1981. The 1981-83 period was one in which sales of oil country tubular goods plunged dramatically and profits turned to losses.

The income-and-loss experience of 18 U.S. firms on their operations producing all oil country tubular goods is presented in table 16 for 1981-83. Net sales plunged annually from $5.4 billion to $618 million, or by 89 percent, during the reporting period. Operating income-or-loss decreased from an income of $1.5 billion, or 28 percent of net sales, in 1981 to an operating loss of $253 million, or 41 percent of net sales, in 1983. No firm sustained losses in 1981 and 13 firms sustained losses in 1983.

Table 16.—Income-and-loss experience of 18 U.S. producers on their operations producing all oil country tubular goods, accounting years 1981-83

Item	1981	1982	1983
Net Sales—1,000 dollars—	5,404,769	2,729,815	618,070
Cost of goods sold—do—	3,785,191	2,059,450	798,720
Gross income or (loss)—do—	1,619,578	670,365	(180,650)
General, selling, and administrative expenses—do—	94,721	128,113	72,131
Operating income or (loss)—do—	1,524,857	542,252	(252,781)
Depreciation and amortization expense 1/ do—	51,792	63,049	54,881
Cash flow from operations—do—	1,576,649	605,301	(197,900)
Ratio to net sales—			
Gross income or (loss)—percent—	30.0	24.6	(29.2)
Operating income or (loss)—do—	28.2	19.9	(40.9)
Cost of goods sold—do—	70.0	75.4	129.2
General, selling, and administrative expenses—percent—	1.8	4.7	11.7
Number of firms sustaining—			
Gross losses—	0	5	10
Operating losses—	0	8	13

1/ Data are for 17 firms.

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

The Question of Threat of Material Injury

In its examination of the question of a reasonable indication of the threat of material injury to an industry in the United States, the Commission may take into consideration such factors as the rate of increase of the alleged subsidized and LTFV imports, the rate of increase of U.S. market penetration by such imports, the quantities of such imports held in inventory in the United States, and the capacity of the foreign producers to generate exports (including the availability of export markets other than the United States)

Trends in imports and U.S. market penetration are discussed in the section of this report that addresses the causal relationship between the alleged injury and the imports which are allegedly subsidized or sold at LTFV. Available information regarding the capacity of the foreign producers to generate exports and importers' inventories are presented in the sections on the foreign industries and the U.S. importers.

Consideration of the Causal Relationship Between Imports Allegedly Subsidized or Sold at LTFV and the Alleged Injury

Imports

Imports of the oil country tubular goods under investigation (including both those meeting and those not meeting API specifications) as well as tubular goods not under investigation frequently entered the United States under the same TSUSA item numbers during January 1981–March 1984. In order to obtain import figures for only the pipes and tubes subject to the investigations, the Commission sent questionnaires to a statistical sample of all importers listed in the net import file under the appropriate TSUSA item numbers. 1/ Since the import data submitted in response to the Commission's questionnaires are limited, the import data presented here are compiled from official import statistics based on a concordance for pipes and tubes developed by the U.S. Department of Commerce. 2/

U.S. imports of oil country tubular goods from all countries decreased from 3.2 million short tons in 1981 to 661,000 short tons in 1983, or by 79 percent (table 17). Imports increased from 134,000 short tons in January–March 1983 to 360,000 short tons in January–March 1984, or by 169 percent. The principal sources of these imports in 1983 were Japan, Italy, West Germany, and Korea, as shown in the following tabulation:

Source	Percentage distribution of imports
Japan	40.4
Italy	21.2
West Germany	7.7
Korea	7.3
Canada	4.4
Spain	3.5
France	3.2
Argentina	2.4
Brazil	2.3
Mexico	1.8
All other	5.7
Total	100.0

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

As a share of U.S. consumption, U.S. imports from all countries increased from 41 percent in 1981 to 58 percent in 1982, and then declined to 45 percent in 1983 (table 18). This share was 49 percent in January–March 1983 and 52 percent in January–March 1984.

1/ Selection of the appropriate TSUSA items numbers was based on a concordance developed by the U.S. Department of Commerce (see app. D).

2/ See app. D.

Table 17.—Oil country tubular goods: U.S. imports, by principal sources, 1981-83, January-March 1983, and January-March 1984

Source	1981	1982	1983	January-March— 1983	January-March— 1984
	Quantity (1,000 short tons)				
Argentina	23	17	16	5	1/ 6
Brazil	53	56	15	2	12
Korea	122	115	49	5	31
Mexico	5	2	12	2	13
Spain	114	54	23	3	10
Total	317	245	114	16	72
Japan	1,469	1,257	267	49	121
Italy	289	302	140	43	54
West Germany	592	289	51	3	47
Other countries	524	424	88	22	66
Total	3,190	2,517	661	134	360
	Value (million dollars)				
Argentina	15	15	8	2	1/ 3
Brazil	36	44	6	1	5
Korea	59	58	16	2	11
Mexico	3	2	5	1	5
Spain	71	38	12	2	4
Total	184	157	47	8	28
Japan	1,268	1,309	156	39	61
Italy	204	262	86	30	20
West Germany	419	279	26	3	21
Other countries	453	404	56	16	31
Total	2,528	2,411	371	95	161

1/ Data revised to reflect imports from Venezuela of 4,189 short tons ($1,274,993) entered under TSUSA item 610.3925 and incorrectly listed in official statistics as imports from Argentina.

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 18.--Oil country tubular goods: U.S. imports for consumption, domestic shipments, and apparent consumption, by specified sources, 1981-83, January-March 1983, and January-March 1984

Period	Argentina	Brazil	Korea	Mexico	Spain	Sub-total	All other imports	All imports	U.S. producers' domestic shipments	Apparent consumption
	Quantity (1,000 short tons)									
1981	23	53	122	5	114	317	2,873	3,190	4,629	7,819
1982	17	56	115	2	54	245	2,272	2,517	1,827	4,344
1983	16	15	49	12	23	114	547	661	794	1,455
January-March--										
1983	5	2	5	2	3	16	118	134	141	275
1984	1/ 6	12	31	13	10	72	288	360	329	689
	Ratio to consumption (Percent) 2/									
1981	0.3	0.7	1.6	0.1	1.5	4.1	36.7	40.8	59.2	100.0
1982	.4	1.3	2.7	3/	1.2	5.6	52.3	57.9	42.1	100.0
1983	1.1	1.0	3.3	.8	1.6	7.9	37.6	45.4	54.6	100.0
January-March--										
1983	1.7	.7	1.7	.7	1.1	5.9	42.9	48.8	51.3	100.0
1984	1/ .9	1.7	4.5	1.9	1.4	10.4	41.8	52.3	47.8	100.0

1/ Data revised to reflect imports from Venezuela of 4,189 short tons ($1,274,993) entered under TSUSA item 610.3925 and incorrectly listed in official statistics as imports from Argentina.
2/ Unrounded import data used to calculate ratios.
3/ Less than 0.05 percent.

Source: Data for imports, compiled from official statistics of the U.S. Department of Commerce, except as noted. Data for U.S. producers' domestic shipments, 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.

Argentina.—Imports of oil country tubular goods from Argentina decreased from 23,000 short tons in 1981 to 16,000 short tons in 1983, or by 30 percent. Imports then increased 20 percent from 5,000 short tons in January-March 1983 to 6,000 short tons in the corresponding period of 1984. As a share of U.S. consumption, such imports increased from 0.3 percent in 1981 to 1.1 percent in 1983. This share was 1.7 percent in January-March 1983 and 0.9 percent in January-March 1984. Counsel for the Argentine producer projects that imports in 1984 will total * * * short tons.

Brazil.—Imports from Brazil increased from 53,000 short tons in 1981 to 56,000 short tons in 1982, or by 6 percent, and then decreased 73 percent to 15,000 short tons in 1983. Imports increased from 2,000 short tons in January-March 1983 to 12,000 short tons in the corresponding period of 1984. As a share of consumption, such imports increased from 0.7 percent in 1981 to 1.3 percent in 1982 and then declined to 1.0 percent in 1983. In January-March 1984, this share was 1.7 percent.

Korea.—Imports from Korea decreased 60 percent from 122,000 short tons, or 1.6 percent of consumption, in 1981 to 49,000 short tons, or 3.3 percent of consumption, in 1983. They increased from 5,000 short tons in January-March 1983 to 31,000 short tons, or 4.5 percent of consumption, in January-March 1984.

Mexico.—Imports from Mexico decreased from 5,000 short tons in 1981 to 2,000 short tons in 1982 and then increased to 12,000 short tons in 1983; such imports amounted to 13,000 short tons in January-March 1984. Imports from Mexico accounted for 0.8 percent of U.S. consumption in 1983 and 1.9 percent in January-March 1984. Counsel for one Mexican producer projects that the company will export * * * short tons of oil country tubular goods to the United States in 1984.

Spain.—Imports from Spain decreased 80 percent from 114,000 short tons, or 1.5 percent of consumption, in 1981 to 23,000 short tons, or 1.6 percent of consumption, in 1983. Such imports increased to 10,000 short tons, or 1.4 percent of consumption, in January-March 1984.

Cumulated imports.—Cumulated imports of oil country tubular goods from Argentina, Brazil, Korea, Mexico, and Spain decreased 64 percent from 317,000 short tons in 1981 to 114,000 short tons in 1983, the share of consumption represented by such imports, however, increased from 4.1 percent in 1981 to 7.9 percent in 1983. The volume of such imports increased in January-March 1984, as the share of consumption expanded to 10.4 percent. The U.S. producers' share of the market declined from 59 percent in 1981 to 55 percent in 1983 and 48 percent in January-March 1984.

Green tubes.—The only known U.S. importer of "green tubes," the Tubular Corp. of America, Inc., and the Mexican and Spanish producers of these products assert that "green tubes" are not oil country tubular goods, and, hence, should be excluded from the scope of the Commission's investigations. Imports of these products by the Tubular Corp. of America are presented in table 19.

Table 19. -Imports of "green tubes" by the Tubular Corp. of America, Inc., by sources, 1983, January-March 1983, and January-March 1984

*   *   *   *   *   *   *

Prices

Oil country tubular goods are sold either to service centers/distributors or directly to end users. For the range of standard products for which price data was requested, sales were predominantly to service centers/distributors. U.S. producers generally quote prices on an f.o.b. mill basis. Importers generally quote prices as f.o.b. importer's warehouse. The price of a given item normally depends on a combination of pipe and tube specifications including method of production (seamless or welded), wall thickness, outside diameter, steel grade, and type and extent of end finishing, and other processing applications. 1/

U.S. producers maintain list prices, but they commonly offer substantial discounts from these prices. For example, as of October 28, 1983, Lone Star Steel reported it formally offered a 15-percent discount from Feburary 1, 1983, list prices on grades H40, J55, K55, and S80 materials. In March 1984, Lone Star formally reduced discounting to 7.5 percent from the same list prices on those grades.

The Commission requested price data for sales of six representative standard products to service centers/distributors or end users. Prices were requested from importers and U.S. producers on an f.o.b. and a delivered basis to their largest customer in each quarter in 1982 and 1983, and in the first quarter of 1984. Reporting firms also indicated if sales reported in each product category were for goods of seamless or welded construction (for products 1-5) and if sales were of grade J or K tubular goods. This further breakdown allowed examination of exact product specification matches as well as comparisons on a broader product definition. The six product categories are:

1 - API oilfield tubing, 2-3/8 inch diameter by 4.43 pounds per foot, welded or seamless, non upset end, J55, plain end.

2 - API oilfield casing, 5-1/2 inch diameter by 13.7 pounds per foot, J55 or K55, welded or seamless, plain end.

3 - API oilfield casing, 5-1/2 inch diameter by 14 pounds per foot, J55 or K55, welded or seamless, threaded and coupled.

4 - API oilfield casing, 4-1/2 inch diameter by 10.23 pounds per foot, J55 or K55, welded or seamless, plain end.

1/ Oil country tubular goods are sold with either unfinished ends (plain ended) or finished ends. Finished ends are threaded and coupled in a variety of fashions including long, short, upset, and non-upset.

5.—API oilfield casing, 4-1/2 inch diameter by 10.5 pounds per foot, J55 or K55, welded or seamless, threaded and coupled.

6.—API oilfield drill pipe, 4-1/2 inch diameter by 16.60 pounds per foot, internal-external upset, grade E, seamless, plain end.

Most importing firms reported sales in tubing (product 1) and plain-ended casing (products 2 and 4). Producers most commonly reported sales in threaded and coupled casing (products 3 and 5) and the larger diameter (5-1/2 inch) plain-ended casing (product 4). Sales of drill pipe (product 6) were not reported by any importing firms. Only 3 producers reported prices for drill pipe. Producer and importer reporting matched best on products 1 and 4.

In the price analysis which follows, broad product categories are used as a basis for calculation of price trends. Weighted-average prices, price ranges, and margins of underselling/overselling are also provided for these product categories in order to gain an overall view of import competition. At the same time, however, calculation of weighted-average prices and margins of underselling/overselling, broken down by specifications within product categories, is provided in order to show price comparisons for exact product matches.

Price trends.—Downward movement of prices of oil country tubular goods from 1981 up to the second half of 1983 occurred while several factors were at play. Following the period of peak demand in early 1981, oil country tubular goods inventories rose steadily as the number of drilling rigs in operation declined. Lone Star Steel's yard survey reports that beginning 1981 inventories held by steel yards were 2.7 million short tons and beginning 1983 inventories were 5.8 million short tons, representing a 120-percent increase in 2 years. The number of active drilling rigs decreased 46 percent between March 1981 and March 1983, from 3,656 to 1,957 rigs over the 2 years.

Figures for late 1983 and early 1984 show inventories beginning to decline and active drilling rigs on the increase. As of the beginning of 1984, inventories held by steel yards fell to 4.0 million short tons, representing a 32-percent decrease compared with that of inventories in 1983, but remaining above the 1981 figure Drilling rigs in operation in March 1984 increased 13 percent to 2,206 rigs, compared with the number in operation in March 1983. Both imported and domestic prices of oil country tubular goods follow similar trends with prices decreasing from 1981 through mid-1983 and then increasing slightly in most products beginning in the third or fourth quarters of 1983.

Indices in table 20 show relative changes in weighted-average prices by product and country of origin using first quarter 1982 as a base period. Countries of origin for which a base period figure was not available are not presented.

Table 20.—Indexes of weighted-average net selling prices for sale of imports from selected countries and for domestic oil country tubular goods to service center/distributor customers, by country of origin, by types of products, and by quarters, January 1982–March 1984

Period	Product 1			Product 2	
	United States	Brazil	Korea	United States	Korea
1982:					
January-March	***	***	***	–	***
April-June	–	–	***	–	–
July-September	–	–	***	–	***
October-December	–	***	***	–	***
1983:					
January-March	***	–	***	–	***
April-June	***	–	***	–	***
July-September	***	***	***	–	***
October-December	***	***	***	–	***
1984: January-March	***	***	***	–	***

Period	Product 3	Product 4		Product 5	Product 6
	United States	United States	Korea	United States	United States
1982:					
January-March	100	100	***	100	***
April-June	87	80	***	93	***
July-September	76	77	***	73	–
October-December	73	72	***	70	–
1983:					
January-March	66	67	***	68	–
April-June	57	66	***	68	–
July-September	62	65	***	61	–
October-December	66	70	***	63	–
1984: January-March	74	70	***	66	***

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

Producer price trends.—Products for which indices are available (products 3, 4, and 5) show average producer prices falling between 26 and 34 percent from the beginning of 1982 to the beginning of 1984. Prices decreased up to mid-to-late 1983, and then began to increase slightly. Producer prices of product 3 decreased by 43 percent up to the second quarter of 1983, down to $512 per ton from a base price of $902 per ton. Prices improved thereafter to $670 per ton in 1984, or 26 percent below the base price. Producer prices for product 4 fell by 35 percent from $637 per ton in the base period to $416 per ton in the third quarter of 1983. By the first quarter of 1984 prices reached $449 per ton, dropping by 30 percent from that of the base period. Prices for product 5 followed a similar pattern.

Importer price trends.—Average import prices also declined through mid-1983, and as seen in the case of producer prices, slight increases in average prices were evident by mid-to-late 1983 and into 1984. Average prices of products imported from Korea fell by between 29 and 34 percent over the full period. Prices of product 1 imported from Korea decreased by * * * percent from * * * per ton in the base period to * * * in the third quarter of 1983. For example, prices fell by * * * percent in the overall period as they firmed up to * * * per ton in the first quarter of 1984. Following a similar pattern, the price of product 1 from Brazil decreased by * * * percent, from * * * per ton in the first quarter 1982 to * * * per ton in the first quarter of 1984.

Margins of underselling.—For purposes of calculating margins of underselling or overselling product categories were broken down into specific grade (J or K) and processing (seamless or welded) for those specifications where direct comparison is possible (table 21). Average margins and percentages of underselling or overselling by country of origin according to the five basic product categories are presented in table 22. Product 6 (drill pipe) does not appear in either table since no prices for this product were reported. Price ranges are shown in table 23 by product category and source.

Korea.—Korean imports of grade J55 welded products generally undersold domestically produced goods by margins ranging from 2 percent to 16 percent (table 21). In the first quarter of 1984, the average Korean price of $456 per ton for product 1 undersold the U.S. price of $505 by 10 percent. Incidences of overselling by Korean imports are observed in the first quarter of 1983 by * * * percent, or * * * per ton, for product 1 (J55 welded) and by * * * percent, or * * * per ton, for product 4 (J55 welded). Overselling by * * * percent, or * * * per ton, is observed in the third quarter of 1982 for product 2 (J55 welded). Margins of underselling range from 7 to 13 percent for product 1.

Average margins of underselling were highest in product 2, ranging from 3 to 16 percent and lowest in product 4, ranging from 2 to 7 percent. In the first quarter of 1984 the average Korean price of $430 per ton for product 2 was * * * percent below the U.S. price of * * *. In the same quarter, the Korean price of $426 per ton for product 4 undersold the U.S. price of $449 by 5 percent.

Table 21.—The average prices and percentage margins (per ton) by which imports undersold or (oversold) domestic products to service center/ distributor customers, by country of origin, product specifications, and quarters, January 1982–March 1984

Product and period	Product 1 J55 welded					Product 1 J55 seamless				
	U.S.	Brazil		Korea		U.S.	Brazil		Spain	
	price	Price	percent	Price	percent	Price	Price	percent	Price	percent
1982:										
January-March	$755	***	***	***	***	***	–	–		–
April-June	–	–	–	***	–	–	–	–	–	–
July-September	–	–	–	619	–	–	–	–	***	–
October-December	–	–	–	573	–	–	***	–	***	–
1983:										
January-March	***	–	–	***	***	–	–	–	***	–
April-June	***	–	–	411	***	–	–	–	***	–
July-September	–	–	–	405	–	***	***	***	–	–
October-December	488	–	–	***	***	***	***	***	–	–
1984:										
January-March	505	–	–	456	10	***	***	***	–	–

Product and period	Product 2 J55 welded					Procut 3 K55 seamless		
	U.S.	Spain		Korea		U.S.	Argentina	
	Price	Price	percent	Price	percent	Price	Price	percent
1982:								
January-March	–	–	–	651	–	–	–	–
April-June	***	–	–	–	–	–	–	–
July-September	***	–	–	***	***	***	–	–
October-December	***	–	–	***	***	***	–	–
1983								
January-March	***	–	–	***	***	***	–	–
April-June	***	***	***	***	***	***	–	–
July-September	***	***	***	***	***	***	***	***
October-December	–	***	***	***	***	***	***	***
1984 Jan.-March	***	***	***	***	***	***	***	***

See footnotes at end of table.

Table 21.—The average prices and percentage margins (per ton) by which imports undersold or (oversold) domestic products to service center/distributor customers, by country of origin, product specifications, and quarters, January 1982–March 1984—Continued.

Product and period	Product 4 J55 welded					Product 5 K55 seamless				
	U.S.	Korea		Spain		U.S.	Argentina		Mexico	
	Price	Price	Percent	Price	Percent	Price	Price	Percent	Price	Percent
1982:										
January–March	633	597	6	–	–	***	–	–		–
April–June	508	***	***	–	–	***	–	–	–	–
July–September	488	***	***	–	–	***	–	–	–	–
October–December	460	***	***	–	–	***	–	–	–	–
1983:										
January–March	428	***	***	–	–	***	–	–	***	***
April–June	423	***	***	–	–	–	–	–	***	***
July–September	416	***	***	***	***	***	–	–	***	***
October–December	443	***	***	***	***	–	***	–	***	***
1984:										
January–March	449	426	5	***	***	***	***	***	***	***

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

<u>Brazil</u>.—Brazilian imports of product 1 were both seamless and welded. The one reported sale of welded tubing (product 1) at a price of * * * per ton undersold the average U.S. price of $755 per ton for product 1 in first quarter 1982 by * * * percent. Brazilian seamless tubing at * * * per ton in the third quarter of 1983 undersold the average U.S. seamless tubing price of * * * by * * * percent. In the first quarter of 1984, the average Brazilian price of seamless tubing at * * * per ton undersold the U.S. price of * * * by * * * percent.

<u>Spain</u>.- Three incidences of underselling the domestic prices by Spanish imports is observed in product 2 (grade J55, welded) on table 21. For the third quarter of 1983, Spanish imports of product 2 sold for an average of * * * per ton, * * * percent below the U.S. price of * * * per ton. One instance of overselling occurred in product 4 (J55 welded) in the first quarter of 1984 when Spanish imports sold for * * * per short ton, or * * * percent above the U.S. price of $449 per ton.

Table 22.—The average margins (per ton) by which imports undersold or (oversold) domestic products to service center/distributor customers, by country of origin, types of products, and quarters, January 1982–March 1984

Product and period	Brazil		Argentina		Mexico		Spain		Korea	
	Margin	Percent	Margin	Percent	Margin	Percent	Margin	Percent	Margin	Percent
Product 1										
1982:										
January–March	***	***	–	–	–	–	–	–	***	***
1983:										
January–March	–	–	–	–	–	–	***	***	***	***
April–June	–	–	–	–	–	–	***	***	39	9
July–September	***	***	–	–	–	–	–	–	460	53
October–December	***	***	–	–	–	–	–	–	***	***
1984:										
January–March	***	***	–	–	–	–	–	–	52	10
Product 2										
1982:										
July–September	–	–	–	–	–	–	–	–	(18)	(4)
October–December	–	–	–	–	–	–	–	–	***	***
1983:										
January–March	–	–	–	–	–	–	–	–	***	***
April–June	–	–	–	–	–	–	***	***	***	***
July–September	–	–	–	–	–	–	***	***	***	***
1984:										
January–March	–	–	–	–	–	–	***	***	***	***
Product 3										
1983:										
July–September	***	***	***	***	–	–	–	–	–	–
October–December	–	–	***	***	–	–	–	–	–	–
1984:										
January–March	–	–	***	***	–	–	–	–	–	–
Product 4										
1982:										
January–March	–	–	–	–	–	–	–	–	40	6
April–June	–	–	–	–	–	–	–	–	***	***
July–September	–	–	–	–	–	–	–	–	***	***
October–December	–	–	–	–	–	–	–	–	***	***
1983:										
January–March	–	–	–	–	–	–	–	–	***	***
April–June	–	–	–	–	–	–	–	–	***	***
July–September	–	–	–	–	***	***	***	***	***	***
October–December	***	***	–	–	–	–	***	***	***	***
1984:										
January–March	***	***	–	–	–	–	***	***	23	5
Product 5										
1983:										
January–March	–	–	–	–	***	***	–	–	–	
April–June	–	–	–	–	***	***	–	–	–	–
July–September	–	–	–	–	***	***	–	–	–	–
October–December	–	–	***	***	***	***	–	–	–	–
1984: Jan.–Mar	–	–	***	***	***	***	–	–	–	–

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

Table 23.--Ranges and weighted average net selling prices for sales of imports from selected countries and for sales of domestic products to service center/distributor customers, by country of origin, by types of products, and by quarters, January 1982-March 1984

Product and Period	Prices to service centers/distributors																	
	Domestic			Brazil			Argentina			Mexico			Spain			Korea		
	High	Low	Ave.	High	Low	Ave.	High	Low	Ave.	High	Low	Ave.	High	Low	Ave.	High	Low	Ave.
Product 1																		
1982:																		
January-March---	***	***	***	***	***	***	-	-	-	-	-	-	-	-	-	***	***	***
April-June------	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	***	***	***
July-September--	-	-	-	-	-	-	-	-	-	-	-	-	***	***	***	767	545	619
October-December	-	-	-	***	***	***	-	-	-	-	-	-	***	***	***	767	500	573
1983:																		
January-March---	***	***	***	-	-	-	-	-	-	-	-	-	***	***	***	***	***	***
April-June------	***	***	***	-	-	-	-	-	-	-	-	-	***	***	***	520	400	411
July-September--	***	***	***	***	***	***	-	-	-	-	-	-	-	-	-	440	400	405
October-December	865	397	527	***	***	***	-	-	-	-	-	-	-	-	-	460	435	453
1984:																		
January-March---	636	485	507	***	***	***	-	-	-	-	-	-	-	-	-	463	450	456
Product 2																		
1982:																		
January-March---	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	665	640	651
April-June------	***	***	***	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
July-September--	***	***	***	-	-	-	-	-	-	-	-	-	-	-	-	575	427	478
October-December	***	***	***	-	-	-	-	-	-	-	-	-	-	-	-	***	***	***
1983:																		
January-March---	***	***	***	-	-	-	-	-	-	-	-	-	-	-	-	***	***	***
April-June------	***	***	***	-	-	-	-	-	-	-	-	-	***	***	***	***	***	***
July-September--	***	***	***	-	-	-	-	-	-	-	-	-	***	***	***	***	***	***
October-December	-	-	-	-	-	-	-	-	-	-	-	-	***	***	***	***	***	***
1984:																		
January-March---	***	***	***	-	-	-	-	-	-	-	-	-	***	***	***	432	428	430
Product 3																		
1982:																		
January-March---	1,010	819	903	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
April-June------	1,010	518	789	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
July-September--	1,031	587	684	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
October-December	1,031	509	659	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1983:																		
January-March---	987	508	595	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
April-June------	844	481	512	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
July-September--	975	489	559	***	***	***	***	***	***	-	-	-	-	-	-	-	-	-
October-December	827	509	592	-	-	-	***	***	***	-	-	-	-	-	-	-	-	-
1984:																		
January-March---	1,048	509	670	-	-	-	***	***	***	-	-	-	-	-	-	-	-	-

Table 25.--Ranges and weighted average net selling prices for sales of imports from selected countries and for sales of domestic products to service center/distributor customers, by country of origin, by types of products, and by quarters, January 1982-March 1984--Continued

Product and Period	Prices to service centers/distributors																	
	Domestic			Brazil			Argentina			Mexico			Spain			Korea		
	High	Low	Ave.	High	Low	Ave.	High	Low	Ave.	High	Low	Ave.	High	Low	Ave.	High	Low	Ave.
Product 4																		
1982:																		
January-March---	1,032	557	637	-	-	-	-	-	-	-	-	-	-	-	-	647	513	597
April-June------	1,032	489	509	-	-	-	-	-	-	-	-	-	-	-	-	568	492	498
July-September--	563	470	490	-	-	-	-	-	-	-	-	-	-	-	-	575	426	476
October-December	1,032	451	462	-	-	-	-	-	-	-	-	-	-	-	-	471	440	444
1983:																		
January-March---	440	420	428	-	-	-	-	-	-	-	-	-	-	-	-	520	390	444
April-June------	468	415	423	-	-	-	-	-	-	-	-	-	-	-	-	390	390	390
July-September--	447	415	416	-	-	-	-	-	-	***	***	***	***	***	***	410	392	397
October-December	829	400	447	***	***	***	-	-	-	-	-	-	***	***	***	427	410	420
1984:																		
January-March---	461	367	449	***	***	***	-	-	-	-	-	-	***	***	***	446	420	426
Product 5																		
1982:																		
January-March---	1,176	554	842	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
April-June------	1,071	451	777	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
July-September--	1,080	451	618	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
October-December	1,058	478	593	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1983:																		
January-March---	1,033	442	571	-	-	-	-	-	-	***	***	***	-	-	-	-	-	-
April-June------	1,012	476	570	-	-	-	-	-	-	***	***	***	-	-	-	-	-	-
July-September--	1,033	476	514	-	-	-	-	-	-	***	***	***	-	-	-	-	-	-
October-December	824	476	531	-	-	-	***	***	***	***	***	***	-	-	-	-	-	-
1984:																		
January-March---	1,016	444	555	-	-	-	***	***	***	***	***	***	-	-	-	-	-	-
Product 6																		
1982:																		
January-March---	***	***	***	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
April-June------	***	***	***	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1984:																		
January-March---	***	***	***	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

Argentina.--Imports from Argentina were reported in the higher strength grade K55 (seamless) for products 3 and 5. The average Argentine price of * * * per ton for product 3 (K55 seamless) in the first quarter of 1984 undersold the price of the U.S. produced product of * * * per ton by * * * percent. In the first quarter of 1984, average Argentine prices of * * * per ton for product 5 undersold the U.S. price of * * * per ton by * * * percent.

Mexico.--Three incidences of imports of product 5 (grade K55, seamless) from Mexico overselling the U.S. product are presented. This product from Mexico sold at * * * per ton in the first quarter of 1984, undercutting the average U.S. prices of * * * by * * * percent.

Transportation Costs

Domestic producers of oil country tubular goods are spread out geographically throughout the United States. Of the seven major U.S. producers of oil country tubular goods one is located in Texas (Lone Star), one is in Colorado (CF&I), three are in Pennsylvania (US Steel, J & L, and Wheeling), and two are located in Ohio (Armco and Republic-LTV). Smaller producers are located in Kentucky, Iowa, California, Misouri, Ohio, Oklahoma, Texas, and Pennsylvania. Some producers reported shipping costs and delivered prices from which representative transportation cost estimates could be drawn. Just as the bulk of oil country tubular goods imports enter through Houston ports, the bulk of domestically produced oil country tubular goods is shipped to the Texas/Oklahoma region.

Since most imports enter the United States through Houston, inland shipping costs of imported oil country tubular goods to Texas could be estimated as comparable to those of Texas-based producers at * * * percent or less of delivered price per ton. Importers did not report data on shipping costs so figures comparable to those shown for producers are not available.

Out of 16 domestic producers which provided pricing information, 11 indicated that shipping costs were paid by the customer. Two of these producers are located in * * * and three are in * * * and the remaining six are located in various other States. Only one producer located in * * * indicated full payment of shipping costs for customers on a regular basis. This producer (* * *) reported only sales to * * * customers and reported shipping costs representing 5 to 6 percent of delivered price per ton. Payment, at times, of some portion of shipping costs was reported by four producers. These incidences, however, occurred almost exclusively in 1982.

Reported shipping costs as a percentage of delivered price per ton ranged from a low of 3 percent to a high of 11 percent for producers outside Texas. According to figures reported by certain producers, shipping costs as a percentage of delivered price per ton listed for Texas-based customers averaged 3-4 percent for a firm in * * *; 4-11 percent for one in * * *; 6-8 percent for those in * * * , and 7 percent for one in * * *. Costs reported by one * * * producer averaged around 2-4 percent of delivered price per ton. Two producers, among those listing no shipping costs figures, indicated pickups were made by customers' trucks.

Exchange rates

Nominal depreciation.—Currencies of the five countries covered in this investigation all depreciated, in nominal terms, relative to the dollar from the first quarter of 1981 to the first quarter of 1984 (table 24). Nominal depreciation ranged from 16 percent for the Korean won to over 99 percent for the Argentine peso. Other currencies also depreciated substantially — about 94 percent for the Brazilian cruzeiro, 84 percent for the Mexican peso, and nearly 45 percent for the Spanish peseta.

Real depreciation— When indexed to reflect the effects of wholesale inflation rates in each country, actual depreciation of the currencies vis-a-vis the dollar was less severe though still substantial. Indexes of real dollar exchange rates of the currencies show the real values of these currencies depreciating by: about 14 percent for the Korean won from first quarter 1982 up to first quarter 1984; about 27 percent up to the fourth quarter of 1983 for the Spanish peseta; almost 21 percent for the Brazilian cruzeiro up to first quarter 1984; nearly 31 percent for the Mexican peso to 1984; and 46 percent up to third quarter 1983 for the Argentine peso.

Lost sales

Four U.S. producers, * * *, provided the Commission with information concerning instances in which they allegedly lost sales to low- priced imports of oil country tubular goods from Argentina, Brazil, Korea, and Spain. Twelve other U.S. producers stated that they too had lost sales to low-priced imports, but were unable to provide any details concerning their lost business. The alleged lost sales involved 31 transactions with 21 customers. The staff contacted 13 of these customers. These customers' purchases of oil country tubular goods are discussed below.

Customer one * * *.—* * * stated that in * * * it was unable to sell * * * short tons of oil country tubular goods for * * * to * * * because it purchased * * * material for * * * instead. A spokesman for this customer stated that he purchased both U.S.-produced and imported oil country tubular goods. He would not discuss any details of his purchases over the telephone, however.

Customer two * * *.—* * * asserted that in * * *, * * * rejected its offer of * * * for * * * short tons of * * * and bought the product from * * * instead. A spokesman for * * * stated that he has not purchased an imported oil country tubular goods since 1982, and is not familiar with oil country tubular goods imported from any of the five countries which are the subject of these investigations.

Customer three * * *.—* * * stated that in * * * , * * *, * * *, bought * * * short tons of oil well casing from * * * for * * * , which was * * * less than * * * offer. A spokesman for the company stated that the price of oil country tubular goods is the lowest it has been in 15 years. The company has bought pipe from Argentina, Korea, and Japan as well as from U.S. mills. The spokesman reported that as long as the pipe has API certification, that price

Table 24.--Nominal and real exchange rate indexes between the U.S. dollar and the Argentine peso, Brazilian cruzeiro, Korean won, Mexican peso, and the Spanish peseta, by quarters, January 1981-March 1984

Period	Argentine peso		Brazilian cruzeiro		Korean won	
	Nominal	Real	Nominal	Real	Nominal	Real
1981						
January-March	100.0	100.0	100.0	100.0	100.0	100.0
April-June	58.4	75.3	84.5	98.6	98.1	101.1
July-September	42.8	33.3	71.0	95.0	97.4	102.8
October-December	33.7	26.2	60.0	93.2	96.7	101.5
1982:						
January-March	21.4	64.1	51.3	92.9	94.1	99.3
April-June	16.1	60.0	44.2	96.4	91.7	97.0
July-September	5.8	36.7	37.4	95.8	90.1	95.1
October-December	5.2	48.0	30.7	91.1	89.7	95.0
1983:						
January-March	3.8	50.4	21.6	80.2	88.6	94.2
April-June	2.8	49.2	14.8	72.5	86.8	91.2
July-September	2.1	55.0	11.0	76.7	85.0	90.3
October-December	1.2	53.9	8.2	78.5	83.9	86.8
1984: January-March	.8	-	6.2	78.5	83.8	86.0

Period	Mexican peso		Spanish peseta	
	Nominal	Real	Nominal	Real
1981				
January-March	100.0	100.0	100.0	100.0
April-June	97.5	101.1	92.2	94.9
July-September	94.7	102.4	85.8	89.9
October-December	91.4	105.0	87.5	94.1
1982				
January-March	68.4	87.0	83.0	92.0
April-June	50.3	73.7	79.3	89.9
July-September	35.8	62.3	75.0	85.9
October-December	32.0	65.4	70.0	82.0
1983				
January-March	23.0	60.8	64.7	80.4
April-June	20.5	65.7	60.5	77.0
July-September	18.6	65.7	56.0	72.3
October-December	17.0	67.1	54.4	72.5
1984: January-March	15.7	69.4	54.5	-

Source: International Monetary Fund.

is the most important criteria used in selecting a supplier. Although the spokesman could not provide information on specific transactions, he did state that the prices of oil country tubular goods from Argentina and Korea were 10 percent to 20 percent lower than U.S. producers' prices.

Customer four * * *.—* * * stated that in * * * it lost business to low-priced imports when this customer bought * * * short tons of * * * oil country tubular goods for * * * and turned down * * * bid of * * *. A spokesman for * * * stated that it purchases about * * * of oil country tubular goods per year from Romania, Spain, Japan, Mexico, Germany, Japan, and U.S. mills. He stated that the quality of the pipes produced by * * * in * * * is not as good as the quality of U.S.-produced pipes. This quality difference, according to * * *, would justify a discount of 5 percent below the price of U.S.-produced pipes. The price of the * * * product, however, is 20 percent below the price of U.S. material. The spokesman said that he certainly has declined U.S. offers and bought * * * pipes because they were cheaper than the U.S. pipes. He said that his last purchase of * * * pipes was about 5 months ago and that he could not give details about the tonnages or competitive offers involved.

* * * bought only imported oil country tubular goods until 1983 when it began to buy U.S.-produced pipes. U.S. pipes now account for 25 percent of * * * purchases. * * * stated that it is buying the more expensive U.S. product as a "hedge" in case there are tariff or quota restrictions imposed on imports.

Customer five * * *.—* * * asserted that it was unable to sell * * * short tons of oil country tubular goods to * * * in * * * because of low-priced * * * imports. * * *. When contacted by the Commission staff, a spokesman for * * * said that his firm has never bought oil country tubular goods imported from any of the five countries which are subject to these investigations. He said that his customers will not purchase pipe from these countries because of its preceived lower quality.

Customer six * * *.— * * * said that in * * *, * * * spent * * * for * * * short tons of * * * oil country tubular goods. * * * rejected bid was * * *. The spokesman for * * * would not discuss his purchases of oil country tubular goods over the phone.

Customer seven * * *.— * * * stated that in * * *, * * * bought * * * short tons of * * * oil country tubular goods for * * *. * * * offer was * * *. * * * is a distributor of oil country tubular goods, which * * *. It purchased about * * * worth of oil country tubular goods during January-June 1984. A spokesman for * * * said that until * * *, *** bought pipe from * * * and from Brazil and Korea. In * * *, * * * raised its prices and, as a consequence, * * * now purchases only imported pipe. * * * said that the prices of U.S.-produced oil country tubular goods are so high that * * * cannot resell them profitably to * * * customers. The company selects its suppliers of pipe solely on the basis of price, as long as the pipe has API certification. The price of imported oil country tubular goods, delivered to * * * warehouse, is cheaper than the delivered price of U.S.-produced pipe. The spokesman was not able to discuss specific transactions in which * * * purchased lower priced imported oil country tubular goods instead of U.S.-produced pipes.

Customer eight * * *.--* * * reported that in * * * bought * * * short tons of * * * oil country tubular goods for * * *. * * * offer was * * *. * * * was not willing to discuss its purchases over the phone.

Customer nine * * *.--* * * stated that in * * *, it was unable to sell * * * short tons of welded tubing to * * * for * * * because the company purchased the * * * product for * * * instead. A spokesman for * * * said that they very seldom purchase foreign oil country tubular goods. He said the company had not to his knowledge purchased foreign goods in 1983 or 1984 but that he often did not know the source of the material. The spokesman said the company buys frequently from * * * . He said imported products would have to be at least 7 percent lower in price than domestic products before purchasing imports would be considered Price, quality, and availability were the factors that he said determine their purchases.

Customer ten * * *.- * * * alleged that it was unable to sell * * * short tons of * * * to * * *, for * * * since that company purchased the * * * product for * * * in * * *. A spokesman for * * * said that he has purchased no oil country tubular goods for the past 8 months as inventory was being drawn down. Although he did not discuss specific transactions, he said the imported product was cheaper than the U.S. product, however, he prefers U.S. products. He said if prices of imported and U.S. produced oil country tubular goods were comparable, he would buy the U.S. product. If the foreign prices were more than 10 percent cheaper than U.S. prices, however, he would buy the imported product.

Customer eleven * * *.- * * * stated that in * * *, it was unable to sell * * * short tons of welded casing to * * * for * * * since the * * * product was purchased for * * * A spokesman for * * * said that the only foreign material they had purchased was Japanese because its quality was found to be as good as domestic He said the smaller sized (3-1/2" and 4-1/2") Japanese pipe was selling at about 15 percent lower than domestic. An offer in the same price range for * * * material had not been accepted due to quality concerns.

Customer twelve * * *.- * * * alleged that it was unable to sell * * * short tons of * * * for close to * * * in * * * as a result of * * * purchasing the material of * * * origin for * * *. A spokesman for * * * said that he does not have a distributor relationship with a domestic producer though they have tried unsuccessfully to become a domestic distributor for * * * and * * *. He said they have not bought from * * * since that company has other regular distributors, but that they do buy from * * *, * * *, and * * * He said * * * buys both domestic and foreign material and does buy Korean material regularly He said they purchase about 70 percent foreign material and 30 percent domestic material. Of the 70 percent imported, he said about 20 percent comes from Korea. He said the Korean product quality was good, delivery was dependable, and the prices were competitive. He said the price of the Korean product today is about 10 percent less than the domestic product but that a year and a half ago the difference was probably 20 percent. Asked to cite specific instances in which he bought Koren oil country tubular goods in spite of a competing offer from a U.S. producer, the spokesman said purchasing did not operate this way. He said they regularly import an average of * * * short tons per month from Korea and that no U.S. producer had shown an interest in supplying this quantity. After Korea, he said the next greatest supplier is * * * in Houston.

<u>Customer thirteen * * *</u>.—* * * said that it lost sales of oil company tubular goods to * * *, * * * , because it purchased * * * short tons from * * * and * * * short tons from * * * at prices substantially below prices of the * * * products. A spokesman for * * * said they buy Japanese, Italian, and German material due to their competive prices and good quality. He said they haven't bought any * * * material and he could not think of any specific purchases of material from * * *. He cited an example of a recent purchase of Japanese 8-5/8 inch casing for which * * * paid * * * per foot. He said the closest domestic price available was * * * per foot from a minimill, while large integrated producers were charging * * * to * * * per foot for the same product.

APPENDIX A

THE _FEDERAL_ _REGISTER_ NOTICES

Federal Register / Vol. 49, No. 123 / Monday, June 25, 1984 / Notices 259

INTERNATIONAL TRADE COMMISSION

[Investigations Nos. 701-TA-215 through 217 (Preliminary) and 731-TA-191 throug 195 (Preliminary)]

Oil Country Tubular Goods From Argentina, Brazil, Korea, Mexico, anc Spain

AGENCY: International Trade Commission.

ACTION: Institution of preliminary antidumping and countervailing duty investigations and scheduling of a conference to be held in connection w the investigations.

EFFECTIVE DATE: June 13, 1984.

SUMMARY: The Commission gives noti of the institution of preliminary countervailing duty investigations 701-TA-215 through 217 (Preliminary), unc section 703(a) of the Tariff Act of 1930 (19 U.S.C. 1671b(a)) to determine whether there is a reasonable indicati that an industry in the United States is materially injured, or is threatened wi material injury, or the establishment o an industry is materially retarded, by reason of imports from Brazil, Korea, and Spain of oil country tubular goods as provided for in items 610.32, 610.37, 610.39, 610.40, 610.42, 610.43, 610.49, an 610.52 of the Tariff Schedules of the United States (TSUS),[1] upon which bounties or grants are alleged to be pa

The Commission also gives notice o the institution of preliminary antidumping investigations 731-TA-19 through 195 (Preliminary) under sectio 733(a) of the Tariff Act of 1930 (19 U.S 1673b(a)) to determine whether there i a reasonable indication that an indust 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 Argentina, Brazil, Korea, Mexico, and Spain of oil country tubu goods provided for in items 610.32, 610.37, 610.39, 610.40, 601.42, 610.43, 610.49, and 610.52 of the TSUS,[1] which are alleged to be sold at less than fair value.

FOR FURTHER INFORMATION CONTACT: Abigail Eltzroth, U.S. International

[1] In particular, API and nonAPI oil well tubing, casing, or drill pipes, which are identified in item 610.3216, 610.3219, 610.3233, 610.3234, 610.3249, 610.3252, 610.3256, 610.3258, 610.3264, 610.3721, 610.3722, 610.3741, 610.3742, 610.3751, 610.3925, 610.3935, 610.4025, 610.4035, 610.4225, 610.4235, 610.4325, 610.4335, 610.4942, 610.4944, 610.4946, 610.4964, 610.4967, 610.4968, 610.4969, 610.5221, 610.5222, 610.5226, 610.5240, 610.5242, 610.5243, 610.5244 of the TSUSA.

Trade Commission, 701 E Street, NW., Washington, D.C. 20436, telephone 202-523-0289.

SUPPLEMENTARY INFORMATION:

Background

These investigations are being instituted in response to petitions filed on June 13, 1984, by counsel for Lone Star Steel Co., and CF&I Steel Corp., U.S. producers of oil country tubular goods [1]. The Commission must make its determination in these investigations within 45 days after the date of the filing of the petitions, or by July 30, 1984 (19 CFR 207.17).

Participation

Persons wishing to participate in these investigations as parties must file an entry of appearance with the Secretary to the Commission, as provided in section 201.11 of the Commission's Rules of Practice and Procedure (19 CFR 201.11), not later than seven (7) 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.

Service of Documents

The Secretary will compile a service list from the entries of appearance filed in these investigations. Any party submitting a document in connection with the investigations shall, in addition to complying with § 201.8 of the Commission's rules (19 CFR 201.8), serve a copy of each such document on all other parties to the investigations. Such service shall conform with the requirements set forth in § 201.16(b) of the rules (19 CFR 201.16(b)), as amended by 47 FR 33682, August 4, 1982).

Written Submissions

Any person may submit to the Commission on or before July 10, 1984, a written statement of information pertinent to the subject matter of these investigations (19 CFR 207.15). A signed original and fourteen (14) copies of such statements must be submitted (19 CFR 201.8).

Any business information which a submitter desires the Commission to treat as confidential shall be submitted separately, and each sheet must be clearly marked at the top "Confidential Business Data." Confidential submissions must conform with the requirements of § 201.6 of the Commission's rules (19 CFR 201.6). All written submissions, except for confidential business data, will be [illegible]

Conference

The Director of Operations of the Commission has scheduled a conference in connection with these investigations for 9:30 a.m. on July 6, 1984, at the U.S. International Trade Commission Building, 701 E Street, NW., Washington, D.C. Parties wishing to participate in the conference should contact Abigail Eltzroth (202-523-0289), not later than 12:00 noon, July 5, 1984, to arrange for their appearance. Parties in support of the imposition of antidumping and countervailing duties in these investigations and parties in opposition to the imposition of such duties will each be collectively allocated one hour within which to make an oral presentation at the conference.

Public Inspection

A copy of the petitions and all written submissions, except for confidential business data, will be available for public inspection during regular hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 710 E Street, NW., Washington, D.C.

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

This notice is published pursuant to § 207.12 of the Commission's rules (19 CFR 207.12).

Issued: June 20, 1984.

Kenneth R. Mason,

Secretary

[FR Doc. 84-16791 Filed 6-22-84; 8:45 am]
BILLING CODE 7020-02-M

[A-469-405]

Oil Country Tubular Goods From Spain: Initiation of Antidumping Investigation

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

ACTION: Notice.

SUMMARY: On the basis of a petition filed in proper form with the United States Department of Commerce, we are initiating an antidumping duty investigation to determine whether oil country tubular goods (OCTG) from Spain are being, or are likely to be, sold in the United States at less than fair value. The allegation of sales at less than fair value includes an allegation that home market and third country sales are being made at less than the cost of production. We are notifying the United States International Trade Commission (ITC) of this action so that it may determine whether imports of this product materially injure, or threaten material injury to, a United States industry. If this investigation proceeds normally, the ITC will make its preliminary determination on or before July 30, 1984, and we will make ours on or before November 20, 1984.

EFFECTIVE DATE: July 10, 1984.

FOR FURTHER INFORMATION CONTACT: Mary S. Clapp or Raymond Busen, Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230, telephone: (202) 377-2438 or 377-1278.

SUPPLEMENTARY INFORMATION:

The Petition

On June 13, 1984, we received a petition in proper form filed on behalf of Lone Star Steel Company and CF&I Steel Corporation. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petitioners alleged that the imports of the subject merchandise from Spain 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 (19 U.S.C. 1673) (the Act), and that these imports materially injure, or threaten material injury to, a United States industry. The petition also alleges that sales of the subject merchandise are being made at less than the cost of production. Petitioners were unable to obtain price information for U.S. sales. Therefore, they calculated United States price based on the customs value for Spanish imports of the merchandise during the fourth quarter of 1983 and the first quarter of 1984, with deductions for estimated inland freight costs in Spain. Since petitioners were unable to secure home market or third country prices for the merchandise subject to this investigation, foreign market value was based on Lone Star Steel's costs for the merchandise adjusted for certain input cost differences in Spain. Using this comparison, there is an apparent dumping margin ranging from 40 to 215 percent.

Initiation of Investigation

Under section 732(c) of the Act, we must determine, within 20 days after a petition is filed, whether it sets forth the allegations necessary for the initiation of an antidumping duty investigation and whether it contains information reasonably available to the petitioners supporting the allegations. We have examined the petition on OCTG, and we have found that it meets the requirements of section 732(b) of the Act. Therefore, in accordance with section 732 of the Act, we are initiating an antidumping investigation to determine whether OCTG from Spain are being, or are likely to be, sold in the United States at less than fair value. Although the petitioners alleged that home market and third country sales are being made at less than the cost of production of the subject merchandise in Spain, they did not provide adequate home market or third country prices on which to base their allegations. Therefore, we will not undertake to determine whether there are sales at less than the cost of production at this time. If our investigation proceeds normally, we will make our preliminary determination by November 20, 1984.

Scope of Investigation

The term *"Oil Country Tublar Goods (OCTG)"* covers hollow steel products of circular cross section intended for use in the drilling of oil or gas. It includes oil well casing, tubing and drill pipe of carbon or alloy steel, whether welded or seamless, manufactured to either American Petroleum Institute (API) or non-API (e.g., proprietary), specifications as currently provided for in the Tariff Schedules of the United States Annotated (TSUSA) items 610.3216, 610.3219, 610.3233, 610.3249, 610.3252, 610.3256, 610.3258, 610.3264, 610.3721, 610.3722, 610.3751, 610.3925, 610.3935, 610.4025, 610.4035, 610.4225, 610.4235, 610.4325, 610.4335, 610.4942, 610.4944, 610.4946, 610.4954, 610.4957, 610.4968, 610.4969, 610.4970, 610.5221, 610.5222, 610.5226, 610.5234, 610.5240, 610.5242, 610.5243, and 610.5244.

This investigation includes OCTG that are finished and unfinished.

Notification to ITC

Section 732(d) of the Act requires us to notify the ITC of this action and to provide it with the information we used to arrive at this determination. We will notify the ITC and make available to it all nonprivileged and nonconfidential information. We will also 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 consent of the Deputy Assistant Secretary for Import Administration.

Preliminary Determination by ITC

The ITC will determine by July 30, 1984, whether there is a reasonable indication that imports of OCTG from Spain materially injure, or threaten material injury to, a United States industry. If its determination is negative, the investigation will terminate; otherwise, it will proceed according to the statutory procedures.

Dated: July 2, 1984.

Alan F. Holmer,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 84-18187 Filed 7-9-84; 8:45 am]

BILLING CODE 3510-DS-M

[A-351-402]

Oil Country Tubular Goods From Brazil; Initiation of Antidumping Investigation

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

ACTION: Notice.

SUMMARY: On the basis of a petition filed in proper form with the United States Department of Commerce, we are initiating an antidumping duty investigation to determine whether oil country tubular goods (OCTG) from Brazil are being, or are likely to be, sold in the United States at less than fair value. The allegation of sales at less than fair value includes an allegation that home market and third country sales are being made at less than the cost of production. We are notifying the United States International Trade Commission (ITC) of this action so that it may determine whether imports of this product materially injure, or threaten material injury to, a United States industry. If this investigation proceeds normally, the ITC will make its preliminary determination on or before July 30, 1984, and we will make ours on or before November 20, 1984.

EFFECTIVE DATE: July 10, 1984.

FOR FURTHER INFORMATION CONTACT: Andrew Debicki, 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) 377-3962.

SUPPLEMENTARY INFORMATION:

The Petition

On June 13, 1984, we received a petition in proper form filed on behalf of Lone Star Steel Company and CF&I Steel Corporation. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petitioners alleged that the imports of the subject merchandise from Brazil 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 (19 U.S.C. 1673) (the Act), and that these imports materially injure, or threaten material injury to, a United States industry. The petition also alleges that sales of the subject merchandise are being made at less than the cost of production. Petitioners were unable to obtain price information for U.S. sales. Therefore, they calculated United States price based on the customs value for Brazilian imports of the merchandise during the fourth quarter 1983 and first quarter 1984, with deductions for estimated inland freight costs in Brazil. Since petitioners were unable to secure home market or third country prices for the merchandise subject to this investigation, foreign market value was based on Lone Star Steel's costs for the merchandise adjusted for imput cost differences in Brazil. Using this comparison, there is an apparent dumping margin ranging from 39 to 311 percent.

Initiation of Investigation

Under section 732(c) of the Act, we must determine, within 20 days after a petition is filed, whether it sets forth the allegations necessary for the initiation of an antidumping duty investigation and whether it contains information reasonably available to the petitioners supporting the allegations. We have examined the petition on OCTG, and we have found that it meets the requirements of section 732(b) of the Act. Therefore, in accordance with section 732 of the Act, we are initiating an antidumping investigation to determine whether OCTG from Brazil are being, or are likely to be, sold in the United States at less than fair value. Although the petitioners alleged that home market and third country sales are being made at less than the cost of production of the subject merchandise in Brazil, they did not provide adequate home market or third country prices on which to base their allegations. Therefore, we will not undertake to determine whether there are sales at less than the cost of production at this time. If our investigation proceeds normally, we will make our preliminary determination by November 20, 1984.

Scope of Investigation

The term *"Oil Country Tubular Goods (OCTG)"* covers hollow steel products of circular cross section intended for use in the drilling of oil or gas. It includes oil well casing, tubing and drill pipe of carbon or alloy steel, whether welded or seamless, to either American Petroleum Institute (API) or non-API (e.g., proprietary), specifications as currently provided for in the Tariff Schedules of the United States Annotated (TSUSA) items 610.3216, 610.3219, 610.3233, 610.3249, 610.3252, 610.3256, 610.3258, 610.3264, 610.3721, 610.3722, 610.3751, 610.3925, 610.3935, 610.4025, 610.4035, 610.4225, 610.4235, 610.4325, 610.4335, 610.4942, 610.4944, 610.4946, 610.4954, 610.4957, 610.4968, 610.4969, 610.4970, 610.5221, 610.5222, 610.5226, 610.5234, 610.5240, 610.5242, 610.5243, and 610.5244.

This investigation includes OCTG that are finished and unfinished.

Notification to ICT

Section 732(d) of the Act requires us to notify the ITC of this action and to provide it with the information we used to arrive at this determination. We will notify the ITC and make available to it all nonprivileged and nonconfidential information. We will also 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 consent of the Deputy Assistant Secretary for Import Administration.

Preliminary Determination by ITC

The ITC will determine by July 30, 1984, whether there is a reasonable indication that imports of OCTG from Brazil materially injure, or threaten to material injury to, a United States industry. If its determination is negative, the investigation will terminate; otherwise, it will proceed according to the statutory procedures.

Dated: July 2, 1984.

Alan F. Holmer,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 84-18188 Filed 7-9-84; 8:45 am]

BILLING CODE 3510-DS-M

[A-201-403]

Oil Country Tubular Goods From Mexico: Initiation of Antidumping Investigation

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

ACTION: Notice.

SUMMARY: On the basis of a petition filed in proper form with the United States Department of Commerce, we are initiating an antidumping duty investigation to determine whether OCTG from Mexico are being, or are likely to be, sold in the United States at less than fair value. The allegation of sales at less than fair value includes an allegation that home market and third country sales are being made at less than the cost of production. We are notifying the United States International Trade Commission (ITC) of this action so that it may determine whether imports of this product materially injure, or threaten material injury to, a United States industry. If this investigation proceeds normally, the ITC will make its preliminary determination on or before July 30, 1984, and we will make ours on or before November 20, 1984.

EFFECTIVE DATE: July 10, 1984.

FOR FURTHER INFORMATION CONTACT: William Kane, 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) 377-1766.

SUPPLEMENTARY INFORMATION:

The Petition

On June 13, 1984, we received a petition in proper form filed on behalf of Lone Star Steel Company and CF&I Steel Corporation. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petitioners alleged that the imports of the subject merchandise from Mexico 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 (19 U.S.C. 1673) (the Act), and that these imports materially injure, or threaten material injury to, a United States industry. The petition alleges that there are insufficient sales of the subject merchandise at prices above the cost of production to determine fair value. Petitioners were unable to obtain price information for U.S. sales. Therefore, they calculated United States price based on the customs value for Mexican imports of the merchandise during the fourth quarter of 1983 and first quarter of 1984, with deductions for estimated inland freight costs in Mexico. Since petitioners also were unable to secure home market or third country prices fo the merchandise subject to this investigation, foreign market value wa based on Lone Star Steel's costs for th merchandise adjusted for cost differences of certain production input in Mexico. Using this comparison, ther is an apparent dumping margin ranging from 162 to 380 percent.

Initiation of Investigation

Under section 732(c) of the Act, we must determine, within 20 days after a petition is filed, whether it sets forth th allegations necessary for the initiation of an antidumping duty investigation and whether it contains information reasonably available to the petitioners supporting the allegations. We have examined the petition on OCTG, and w have found that it meets the requirements of section 732(b) of the Act. Therefore, in accordance with section 732 of the Act, we are initiating an antidumping investigation to determine whether OCTG from Mexico are being, or are likely to be, sold in the United States at less than fair value. Although the petitioners alleged that home market and third country sales ar being made at less than the cost of production of the subject merchandise i Mexico, they did not provide adequate home market or third country prices on which to base their allegations. Therefore, we will not undertake to determine whether there are sales at less than the cost of production at this time. If our investigation proceeds normally, we will make our preliminary determination by November 20, 1984.

Scope of Investigation

The term *"Oil Country Tubular Good (OCTG)"* covers hollow steel products of circular cross section intended for us in the drilling of oil or gas. It includes o well casing, tubing and drill pipe of carbon or alloy steel, whether welded o seamless, manufactured to either American Petroleum Institute (API) or non-API (e.g., proprietary), specifications as currently provided for in the Tariff Schedules of the United States Annotated (TSUSA) items 610.3216, 610.3219, 610.3233, 610.3249, 610.3252, 610.3256, 610.3258, 610.3264, 610.3721, 610.3722, 610.3751, 610.3925, 610.3935, 610.4025, 610.4035, 610.4225, 610.4235, 610.4325, 610.4335, 610.4942, 610.4944, 610.4946, 610.4954, 610.4957, 610.4968, 610.4969, 610.4970, 610.5221, 610.5222, 610.5226, 610.5234, 610.5240, 610.5242, 610.5243, 610., and 610.5244.

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This investigation includes OCTG that are finished and unfinished.

Notification to ITC

Section 732(d) of the Act requires us to notify the ITC of this action and to provide it with the information we used to arrive at this determination. We will notify the ITC and make available to it all nonprivileged and nonconfidential information. We will also 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 consent of the Deputy Assistant Secretary for Import Administration.

Preliminary Determination by ITC

The ITC will determine by July 30, 1984, whether there is a reasonable indication that imports of OCTG from Mexico materially injure, or threaten material injury to, a United States industry. If its determination is negative, the investigation will terminate; otherwise, it will proceed according to the statutory procedures.

Dated: July 2, 1984.

Alan F. Holmer,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 84-18188 Filed 7-9-84; 8:45 am]

BILLING CODE 3510-DS-M

[A-357-402]

Oil Country Tubular Goods From Argentina; Initiation of Antidumping Investigation

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

ACTION: Notice.

SUMMARY: On basis of a petition filed in proper form with the United States Department of Commerce, we are initiating an antidumping investigation to determine whether oil country tubular goods (OCTG) from Argentina are being, or are likely to be, sold in the United States at less than fair value. The allegation of sales at less than fair value includes an allegation that home market and third country sales are being made at less than the cost of production. We are notifying the United States International Trade Commission (ITC) of this action so that it may determine whether imports of this product materially injure, or threaten material injury to, a United States industry. If this investigation proceeds normally, the ITC will make its preliminary determination on or before July 30, 1984, and we will make ours on or before November 20, 1984.

EFFECTIVE DATE: July 10, 1984.

FOR FURTHER INFORMATION CONTACT: John J. Kenkel, Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, D.C. 20230; telephone: (202) 377-3464.

SUPPLEMENTARY INFORMATION:

The Petition

On June 13, 1984, we received a petition in proper form filed on behalf of Lone Star Steel Company and CF&I Steel Corporation. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petitioners alleged that the imports of the subject merchandise from Argentina 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 (19 U.S.C. 1673) (the Act), and that these imports materially injure, or threaten material injury to, a United States industry. The petition also alleges that sales of the subject merchandise are being made at less than the cost of production. Petitioners were unable to obtain price information for U.S. sales. Therefore, they calculated United States price based on the customs value for Argentine imports of the merchandise during the fourth quarter 1983 and first quarter 1984, with deductions for estimated inland freight costs in Argentina. Since petitioners also were unable to secure home market or third country prices for the merchandise subject to this investigation, foreign market value was based on Lone Star Steel's costs for the merchandise adjusted for cost differences in certain production inputs in Argentina. Using this comparison, there is an apparent dumping margin ranging from 111 to 229 percent.

Initiation of Investigation

Under section 732(c) of the Act, we must determine, within 20 days after a petition is filed, whether it sets forth the allegations necessary for the initiation of an antidumping duty investigation and whether it contains information reasonably available to the petitioners supporting the allegations. We have examined the petition on OCTG, and we have found that it meets the requirements of section 732(b) of the Act. Therefore, in accordance with section 732 of the Act, we are initiating an antidumping investigation to determine whether OCTG from Argentina are being, or are likely to be, sold in the United States at less than fair value. Although the petitioners alleged that home market and third country sales are being made at less than the cost of production of the subject merchandise in Argentina, they did not provide adequate home market or third country prices on which to base their allegations. Therefore, we will not undertake to determine whether there are sales at less than the cost of production at this time. If our investigation proceeds normally, we will make our preliminary determination by November 20, 1984.

Scope of Investigation

The term *"Oil Country Tubular Goods (OCTG)"* covers hollow steel products of circular cross section intended for use in the drilling of oil or gas. It includes oil well casing, tubing and drill pipe of carbon or alloy steel, whether welded or seamless, to either American Petroleum Institute (API) or non-API specifications (such as proprietary), as currently provided for in the Tariff Schedules of the United States Annotated (TSUSA) items 610.3216, 610.3219, 610.3233, 610.3249, 610.3252, 610.3256, 610.3258, 610.3264, 610.3721, 610.3722, 710.3751, 610.3925, 610.3935, 610.4025, 610.4035, 610.4225, 610.4235, 610.4325, 610.4335, 610.4942, 610.4944, 610.4946, 610.4954, 610.4957, 610.4966, 610.4969, 610.4970, 610.5221, 610.5222, 610.5226, 610.5234, 610.5240, 610.5242, 610.5243, and 610.5244.

This investigation includes OCTG that are finished and unfinished.

Notification to ITC

Section 732(d) of the Act requires us to notify the ITC of this action and to provide it with the information we used to arrive at this determination. We will notify the ITC and make available to it all nonprivileged and nonconfidential information. We will also 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 consent of the Deputy Assistant Secretary for Import Administration.

Preliminary Determiniation by ITC

The ITC will determine by July 30, 1984, whether there is a reasonable indication that imports of OCTG from Argentina materially injure, or threaten to material injury to, a United States industry. If its determiniation is negative, the investigation will terminate; otherwise, it will proceed according to the statutory procedures.

Dated: July 2, 1984.

Alan F. Holmer,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 84-18190 Filed 7-9-84; 8:45 am]

BILLING CODE 3510-DS-M

[A-580-401]

Oil Country Tubular Goods From the Republic of Korea: Initiation of Antidumping Investigation

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

ACTION: Notice.

SUMMARY: On the basis of a petition filed in proper form with the United States Department of Commerce, we are initiating an antidumping duty investigation to determine whether oil country tubulur goods (OCTG) from the Republic of Korea are being, or are likely to be, sold in the United States at less than fair value. The allegation of sales at less than fair value includes an allegation that home market and third country sales are being made at less than the cost of production. We are notifying the United States International Trade Commission (ITC) of this action so that it may determine whether imports of this product materially injure, or threaten material injury to, a United States industry. If this investigation proceeds normally, the ITC will make its preliminary determination on or before July 30, 1984, and we will make ours on or before November 20, 1984.

EFFECTIVE DATE: July 10, 1984.

FOR FURTHER INFORMATION CONTACT: Terry Link, Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, D.C. 20230, telephone: (202) 377-0189.

SUPPLEMENTARY INFORMATION:

The Petition

On June 13, 1984, we received a petition in proper form filed on behalf of Lone Star Steel Company and CF&I Steel Corporation. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petitioners alleged that the imports of the subject merchandise from Korea 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 (19 U.S.C. 1673) (the Act), and that these imports materially injure, or threaten material injury to, a United States industry. The petition alleges that there are insufficient sales of the subject merchandise at prices above the cost of production to determine fair value. Petitioners were unable to obtain price information for U.S. sales. Therefore, they calculated United States price based on the customs value for Korean imports of the merchandise during the fourth quarter of 1983 and the first quarter of 1984, with deductions for estimated inland freight costs in Korea. Since petitioners were also unable to secure home market or third country prices for the merchandise subject to this investigation, foreign market value was based on Lone Star Steel's costs for the merchandise adjusted for cost differences of certain production inputs in Korea. Using this comparison, the apparent dumping margin ranges from 186 to 228 percent.

Initiation of Investigation

Under section 732(c) of the Act, we must determine, within 20 days after a petition is filed, whether it sets forth the allegations necessary for the initiation of an antidumping duty investigation and whether it contains information reasonably available to the petitioners supporting the allegations. We have examined the petition on OCTG, and we have found that it meets the requirements of section 732(b) of the Act. Therefore, in accordance with section 732 of the Act, we are initiating an antidumping investigation to determine whether OCTG from Korea are being, or are likely to be, sold in the United States at less than fair value. Although the petitioners alleged that home market and third country sales are being made at less than the cost of production of the subject merchandise in Korea, they did not provide adequate home market or third country prices on which to base their allegation. Therefore, we will not undertake to determine whether there are sales at less than the cost of production at this time. If our investigation proceeds normally, we will make our preliminary determination by November 20, 1984.

Scope of Investigation

The term *"Oil Country Tubular Goods (OCTG)"* covers hollow steel products of circular cross section intended for use in the drilling of oil or gas. It includes oil well casing, tubing and drill pipe of carbon or alloy steel, whether welded or seamless, manufactured to either American Petroleum Institute (API) or non-API (e.g., proprietary), specifications as currently provided for in the Tariff Schedules of the United States Annotated (TSUSA) items 610.3216, 610.3219, 610.3233, 610.3249, 610.3252, 610.3256, 610.3258, 610.3264, 610.3721, 610.3722, 610.3751, 610.3925, 610.3935, 610.4025, 610.4035, 610.4225, 610.4235, 610.4325, 610.4335, 610.4942, 610.4944, 610.4946, 610.4954, 610.4957, 610.4968, 610.4969, 610.4970, 610.5221, 610.5222, 610.5226, 610.5234, 610.5240, 610.5242, 610.5243, and 610.5244.

This investigation includes OCTG that are finished and unfinished.

Notification to ITC

Section 732(d) of the Act requires us to notify the ITC of this action and to provide it with the information we used to arrive at this determination. We will notify the ITC and make available to it all nonprivileged and nonconfidential information. We will also 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 consent of the Deputy Assistant Secretary for Import Administration.

Preliminary Determination by ITC

The ITC will determine by July 30, 1984, whether there is a reasonable indication that imports of OCTG from Korea materially injure, or threaten material injury to, a United States industry. If its determination is negative, the investigation will terminate; otherwise, it will proceed according to the statutory procedures.

Dated: July 2, 1984.

Alan F. Holmer,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 84-18191 Filed 7-9-84; 8:45 am]

BILLING CODE 3510-DS-M

[C-201-404]

Initiation of a Countervailing Duty Investigation; Oil Country Tubular Goods from Argentina

AGENCY: Import Administration, International Trade Administration, Commerce.

ACTION: Notice.

SUMMARY: On the basis of a petition filed with the U.S. Department of Commerce, we are initiating a countervailing duty investigation to determine whether manufacturers, producers, or exporters in Argentina of oil country tubular goods as described in the "Scope of the Investigation" section below, receive benefits which constitute bounties or grants within the meaning of the countervailing duty law. If our investigation proceeds normally, we will make our preliminary determination on or before September 6, 1984.

EFFECTIVE DATE: July 11, 1984.

FOR FURTHER INFORMATION CONTACT: Vincent Kane, Office of Investigations, Import Administration, International Trade Administration, United States Department of Commerce, 14th Street & Constitution Avenue, NW., Washington, D.C. 20230: telephone (202) 377-5414.

SUPPLEMENTARY INFORMATION:

Petition

On June 13, 1984, we received a petition from the Lone Star Steel Company of Dallas, Texas, and the CF&I Steel Corporation, of Pueblo, Colorado, on behalf of the oil country tubular goods industry. In compliance with the filing requirements of § 355.26 of the Commerce Regulations (19 CFR 355.26), the petition alleges that manufacturers, producers, or exporters in Argentina of oil country tubular goods receive, directly or indirectly, benefits which constitute bounties or grants within the meaning of section 303 of the Tariff Act of 1930, as amended (the Act).

Argentina is not a "country under the Agreement" within the meaning of section 701(b) of the Act, and the merchandise under investigation is dutiable. Therefore, section 303 of the Act applies to this investigation. Under this section, the domestic industry is not required to allege that, and the U.S. International Trade Commission is not required to determine whether, imports of this product cause or threaten material injury to a U.S. industry.

Initiation of the Investigation

Under section 702(c) of the Act, we must determine, within 20 days after a petition is filed, whether the petition sets forth the allegations necessary for the initiation of a countervailing duty investigation and whether it contains information reasonably available to the petitioner supporting the allegations. We have examined the petition on oil country tubular goods, and we have found that the petition meets those requirements. Therefore, we are initiating a countervailing duty investigation to determine whether the manufacturers, producers, or exporters in Argentina of oil country tubular goods, as described in the "Scope of the Investigation" section of this notice, receive benefits which constitute bounties or grants. If our investigation proceeds normally, we will make our preliminary determination by September 6, 1984.

Scope of the Investigation

The products covered by this investigation are *"oil country tubular goods"* (OCTG), which are hollow steel products of circular cross-section intended for use in the drilling of oil or gas. These include oil well casing, tubing, and drill pipe or carbon or alloy steel, whether welded or seamless, to either American Petroleum Institute (API) or non-API specifications (such as proprietary), as currently provided for in the *Tariff Schedules of the United States, Annotated (TSUSA)* under items 610.3216, 610.3219, 610.3233, 610.3249, 610.3252, 610.3256, 610.3258, 610.3264, 610.3721, 610.3722, 610.3751, 610.3925, 610.3935, 610.4025, 610.4035, 610.4225, 610.4235, 610.4325, 610.4335, 610.4942, 610.4944, 610.4946, 610.4954, 610.4957, 610.4966, 610.4969, 610.4970, 610.5221, 610.5222, 610.5226, 610.5234, 610.5240, 610.5242, 610.5243, and 610.5244. This investigation includes OCTG that are in both finished or unfinished condition.

Allegations of Bounties or Grants

The petition lists a number of practices by the government of Argentina which allegedly confer bounties or grants on manufacturers, producers, or exporters in Argentina of oil country tubular goods. We will initiate a countervailing duty investigation on the following allegations.

- Post-Financing of Exports Under Circular OPRAC 1-9.
- Government Loan Guarantees.
- Preferential Medium- and Long-Term Loans Under Law 22.510 and Under Decrees 989/81 and 189/83.
- Capital Tax Exemptions Under Decrees 5038/61 and 548/81.
- Preferential Exemptions from Import Duties on Raw Materials.
- Subsidized Raw Material Inputs Under Decree 619.
- Government Trade Promotion Programs.
- Pre-Financing of Exports Under Circular OPRAC 1-1.
- Excessive Tax Rebates on Exports Under the Reembolso Program.
- Additional Reembolso for Exports from Southern Argentine Ports.
- Exemption from Stamp Tax Under Decree 186/78.
- Preferential Exchange Rates for Steel Industry Imports.
- Benefits Under the "Argentine Steel Industry Development Contribution Fund".
- Price Premiums on Argentine Government Purchases of Argentine-Produced Steel.

We will not initiate a countervailing duty investigation on the following allegations at this time.

- Government Equity Infusions.

Petitioners allege that the Argentine OCTG industry receives government equity infusions which are inconsistent with commercial considerations; however, petitioners have provided no evidence that the government of Argentina has made equity infusions in any of the Argentine OCTG companies identified in the petition.

- Preferential Exemptions from Import Duties on Capital Goods.

Petitioners allege tha the Argentine OCTG industry receives preferential exemptions from import duties on capital goods. In our final affirmative countervailing duty determination on cold-rolled carbon steel flat-rolled products from Argentina, published on April 26, 1984 (49 FR 18006), we found that import duty exemptions on capital goods were not countervailable because such exemptions were not limited to a specific industry or group of industries.

• Financial Grants from the Government of Argentina.

Petitioners allege tha the Argentine OCTG industry benefits from cash grants given by the government of Argentina; however, petitioners have not provided any evidence that the Argentine OCTG industry has received such grants.

• Subsidized Steel Inputs.

Petitioners allege that the Argentine OCTG industry uses carbon steel and alloy steel inputs, such as hot-rolled coil, blooms, and billets, that the Department has previously found to be subsidized. Petitioners claim that these subsidies are, directly or indirectly, passed on to Argentine OCTG producers.

With respect to subsidized steel inputs, the Department has stated on several occasions that benefits bestowed upon the manufacturer of an input do not necessarily flow down to the purchaser of that input. When sales transactions are made at arm's length, the Department takes economic considerations into account to determine whether a benefit received by a seller is passed on to the purchaser [see, *e.g., Welded Carbon Steel Pipes and Tubes from Brazil*, 47 FR 44814 (1982); 47 FR 57551 (1982)].

The petition does not allege, nor does it provide any evidence, that the Argentine manufacturers of oil-country tubular goods are related to Argentine producers of hot-rolled coil, blooms, and billets, or that transactions between these parties are conducted on other than an arm's-length basis.

Dated: July 3, 1984.

Alan F. Holmer,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 84-18329 Filed 7-10-84; 8:45 am]

BILLING CODE 3510-DS-M

[C-351-403]

Initiation of a Countervailing Duty Investigation: Oil Country Tubular Goods From Brazil

AGENCY: Import Administration, International Trade Administration, Commerce.

ACTION: Notice.

SUMMARY: On the basis of a petition filed with the U.S. Department of Commerce, we are initiating a countervailing duty investigation to determine whether manufacturers, producers, or exporters in Brazil of oil country tubular goods as described in the "Scope of the Investigation" section below, receive benefits which constitute subsidies within the meaning of the countervailing duty law. We are notifying the U.S. International Trade Commission (ITC) of this action so that it may determine whether imports of the merchandise materially injure, or threaten material injury to, a U.S. Industry. If our investigation proceeds normally, the ITC will make its preliminary determination on or before July 30, 1984, and we will make ours on or before September 6, 1984.

EFFECTIVE DATE: July 11, 1984.

FOR FURTHER INFORMATION CONTACT: Alain Letort, Office of Investigations, Import Administration, International Trade Administration, United States Department of Commerce, 14th Street & Constitution Avenue, NW., Washington, D.C. 20230; telephone (202) 377-5050.

SUPPLEMENTARY INFORMATION:

Petition

On June 13, 1984, we received a petition from the Lone Star Steel Company of Dallas, Texas, and the CF&I Steel Corporation, of Pueblo, Colorado, on behalf of the oil country tubular goods industry. In compliance with the filing requirements of § 355.26 of the Commerce Regulations (19 CFR 355.26), the petition alleges that manufacturers, producers, or exporters in Brazil of oil country tubular goods receive, directly or indirectly, benefits which constitute subsidies within the meaning of section 701 of the Tariff Act of 1930, as amended (the Act), and that these imports materially injure, or threaten material injury to, a U.S. industry. Brazil is a "country under the Agreement" within the meaning of section 701(b) of the Act; therefore, Title VII of the Act applies to these investigations and injury determinations are required.

Initiation of the Investigation

Under section 702(c) of the Act, we must determine, within 20 days after a petition is filed, whether the petition sets forth the allegations necessary for the initiation of a countervailing duty investigation and whether it contains information reasonably available to the petitioner supporting the allegations. We have examined the petition on oil country tubular goods, and we have found that the petition meets those requirements. Therefore, we are initiating a countervailing duty investigation to determine whether the manufacturers, producers, or exporters in Brazil of oil country tubular goods, as described in the "Scope of the Investigation" section of this notice, receive benefits which constitute subsidies. If our investigation proceeds normally, we will make our preliminary determination by September 6, 1984.

Scope of the Investigation

The products covered by this investigation are "*oil country tubular goods*" (OCTG), which are hollow steel products of circular cross-section intended for use in the drilling of oil or gas. These include oil well casing, tubing, and drill pipe of carbon or allow steel, whether welded or seamless, to either American Petroleum Institute (API) or non-API sepcifications (such as proprietary), as currently provided for in the *Tariff Schedules of the United States, Annotated (TSUSA)* under items 610.3216, 610.3219, 610.3233, 610.3249, 610.3252, 610.3256, 610.3258, 610.3264, 610.3721, 610.3722, 610.3751, 610.3925, 610.3935, 610.4025, 610.4035, 610.4225, 610.4235, 610.4325, 610.4335, 610.4942, 610.4944, 610.4946, 610.4954, 610.4957, 610.4968, 610.4969, 610.4970, 610.5221, 610.5222, 610.5226, 610.5234, 610.5240, 610.5242, 610.5243, and 610.5244. This investigation includes OCTG that are in both finished or unfinished condition.

Allegations of Subsidies

The petition alleges that manufacturers, producers, or exporters in Brazil of oil country tubular goods receive benefits which constitute subsidies. We are initiating on the following allegations:

• Industrialized Products Tax (IPI) Export Credit Premium.

• Preferential Working Capital Financing for Exports (Resolutions 674 & 882).

• Government Guarantees on Long-term Loans.

• Exemption of IPI Tax and Customs Duties on Imported Equipment.

• Export Financing Under the CIC-CREGE 14-11 Circular.

• Funding for Expansion Through IPI Tax Rebates.

• Export Profits Exemption from Corporate Income Tax.

• Accelerated Depreciation for Equipment.

• Resolution 330 of the Banco Central do Brasil.

• The BEFIEX Program.

• Resolution 68 (FINEX) Financing.

• The CIEX Program.

• Local Tax Incentives.

• Apôio à Exportaçao (PROEX).

• Incentives for Trading Companies.

• Construction of a Port for the Steel Industry.

We have determined not to be initiate on the following allegations:

• In our final determinations on certain carbon steel products from Brazil, dated April 26, 1984 (49 FR 17988), we determined that BNDES financing did not confer subsidies on the companies investigated during the 1982 period of review, because such financing was generally available. Because we have no evidence that the steel industry was specifically targeted for the provision of BNDES financing, and the petition presents no new evidence or changed circumstances with respect to this program, we will not examine it again at this time.

• With respect to government provision of equity capital, the petition provides no evidence that the government of Brazil has made equity infusions into producers of oil country tubular goods. Moreover, nothing on the record of previous countervailing duty investigations against various Brazilian steel products indicates that the three Brazilian OCTG exporters to the United States have received government equity infusions. Indeed, two of these companies, Confab Industrial S.A. and Persico-Pizzamiglio S.A., are private, closely held companies the majority of whose stock is owned by a single family, with the balance of the stock being publicly traded on Brazilian securities markets. The third, Mannesmann S.A., is a wholly owned subsidiary of a large West German multinational company. Neither the annual reports of SIDERBRAS nor those of these three producers make any mention of government equity infusions into the Brazilian OCTG industry. Therefore, we will not examine government equity infusions into the Brazilian OCTG industry at this time.

• With respect to subsidized steel inputs, the Department has stated on several occasions that benefits bestowed upon the manufacture of an input do not necessarily flow down to the purchaser of that input. When sales transactions are made at arm's length, the Department takes economic considerations into account to determine whether a benefit received by a seller is passed on to the purchaser (see, e.g., *Welded Carbon Steel Pipes and Tubes from Brazil*, 47 FR 44814 (1982); 47 FR 57551 (1982)). The petition does not allege, nor does it provide any evidence, that the three Brazilian manufacturers of oil country tubular goods are related to Brazilian producers of steel plate in coil, blooms, and billets, or that transactions between these parties are conducted on other than an arm's-length basis. There is nothing in the record of previous countervailing duty investigations against various Brazilian steel products that suggests otherwise. Moreover, petitioners have not alleged that the relevant inputs are not available at comparable prices from other sources, or that Brazilian producers of inputs undercut prices available from other suppliers. Accordingly, we will not examine subsidized steel inputs into the Brazilian OCTG industry at this time.

• Petitioners allege that the Brazilian OCTG industry benefits from other subsidized inputs such as oil, natural gas, and electricity; petitioners, however, provide no evidence supporting this allegation. The reasoning outlined in the preceding paragraph also applies here. Moreover, in our final determinations on certain carbon steel products from Brazil, *supra*, we determined that Brazilian steel producers did not receive electricity at preferential rates. Therefore, we will not investigate other subsidized inputs at this time.

Notification of ITC

Section 702(d) of the Act requires us to notify the U.S. International Trade Commission (ITC) of these actions, and to provide it with the information we used to arrive at this determination. We will notify the ITC and make available to it all nonprivileged and nonconfidential information. We will also 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.

Preliminary Determination by ITC

The ITC will determine by July 30, 1984, whether there is a reasonable indication that imports of oil country tubular goods from Brazil materially injure, or threaten material injury to, a U.S. industry. If its determination is negative, the investigation will terminate; otherwise, the investigation will proceed to conclusion.

Dated: July 3, 1984.

Alan F. Holmer,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 84-18330 Filed 7-10-84; 8:45 am]

BILLING CODE 3510-DS-M

[C-580-402]

Initiation of a Countervailing Duty Investigation; Oil Country Tubular Goods From the Republic of Korea

AGENCY: Import Administration, International Trade Administration, Commerce.

ACTION: Notice.

SUMMARY: On the basis of a petition filed with the U.S. Department of Commerce, we are initiating a countervailing duty investigation to determine whether manufacturers, producers, or exporters in the Republic of Korea of oil country tubular goods as described in the "Scope of the Investigation" section below, receive benefits which constitute subsidies within the meaning of the countervailing duty law. We are notifying the U.S. International Trade Commission (ITC) of this action so that it may determine whether imports of the merchandise materially injure, or theaten material injury to, a U.S. industry. If our investigation proceeds normally, the ITC will make its preliminary determination on or before July 30, 1984, and we will make ours on or before September 6, 1984.

EFFECTIVE DATE: July 11, 1984.

FOR FURTHER INFORMATION CONTACT: Barbara Tillman or Rick Herring, Office of Investigations, Import Administration, International Trade Administration, United States Department of Commerce, 14th Street & Constitution Avenue, NW., Washington, D.C. 20230; telephone (202) 377-1785 or 377-0187.

SUPPLEMENTARY INFORMATION:

Petition

On June 13, 1984, we received a petition from the Lone Star Steel Company of Dallas, Texas, and the CF&I Steel Corporation, of Pueblo, Colorado, on behalf of the oil country tubular goods industry. In compliance with the filing requirements of § 355.26 of the Commerce Regulations (19 CFR 355.26), the petition alleges that manufacturers, producers, or exporters in the Republic of Korea of oil country tubular goods receive, directly or indirectly, benefits which constitute subsidies within the meaning of section 701 of the Tariff Act of 1930, as amended (the Act), and that these imports materially injure, or threaten material injury to, a U.S. industry. The Republic of Korea is a "country under the Agreement" within the meaning of section 701(b) of the Act; therefore, Title VII of the Act applies to this investigation and an injury determination is required.

Initiation of the Investigation

Under section 702(c) of the Act, we must determine, within 20 days after a petition is filed, whether the petition sets forth the allegations necessary for the initiation of a countervailing duty investigation and whether it contains information reasonably available to the petitioner, supporting the allegations.

We have examined the petition on oil country tubular goods, and we have found that the petition meets those requirements. Therefore, we are initiating a countervailing duty investigation to determine whether manufacturers, producers, or exporters in the Republic of Korea of oil country tubular goods, as described in the "Scope of the Investigation" section of this notice, receive benefits which constitute subsidies. If our investigation proceeds normally, we will make our preliminary determination by September 6, 1984.

Scope of the Investigation

The products covered by this investigation are "*oil country tubular goods*" (OCTG), which are hollow steel products of circular cross-section intended for use in the drilling of oil or gas. These include oil well casing, tubing, and drill pipe of carbon or alloy steel, whether welded or seamless, to either American Petroleum Institute (API) or non-API specification (such as proprietary), as currently provide for in the *Tariff Schedules of the United States, Annotated (TSUSA)* under items 610.3216, 610.3219, 610.3233, 610.3249, 610.3252, 610.3256, 610.3258, 610.3264, 610.3721, 610.3722, 610.3751, 610.3925, 610.3935, 610.4025, 610.4035, 610.4225, 610.4235, 610.4325, 610.4335, 610.4942, 610.4944, 610.4946, 610.4954, 610.4957, 610.4966, 610.4969, 610.4970, 610.5221, 610.5222, 610.5226, 610.5234, 610.5240, 610.5242, 610.5243, and 610.5244. This investigation includes OCTG that are in both finished or unfinished condition.

Allegations of Subsidies

The petition alleges that manufacturers, producers, or exporters in the Republic of Korea of oil country tubular goods receive benefits which constitute subsidies. We are initiating on the following allegations:

- Preferential Export Financing.
- Preferential Government Financing Including Interest Rate Subsidies.
- Preferential Exchange Rates for Export Loans.
- Preferential Financing From the Export-Import Bank of Korea.
- Accelerated Depreciation.
- Preferential Tax Incentives for Exporters.
- Special Tax Incentives for Steel Producers.
- Preferential Utility Rates and Port Charges.
- Duty Deferrals.
- The Free Export Zone Program.
- The Foreign Capital Inducement Law.
- Subsidized Steel Inputs.
- Export Insurance.
- Subsidies to Trading Companies.

We have determined not to investigate the following allegations:

- Petitioners alleged that preferential financing is provided to the Korean steel Industry from the war reparations fund. We have determined in past investigations that loans from this fund are not countervailable *see, Final Affirmative Countervailing Duty Determinations: Certain Steel Products From the Republic of Korea* (47 FR 57535). Petitioners have presented no new evidence or changed circumstances with respect to this program to cause us to reexamine it at this time.
- Petitioners allege that government-owned firms and their subsidiaries receive special tax exemptions. Dongjin Steel Corporation, an OCTG producer, is a wholly-owned subsidiary of Pohang Iron and Steel Corporation, Ltd. (POSCO), a Korean Steel Company with government ownership. Petitioners alleged that Dongjin may have benefitted from special tax exemptions granted to POSCO. We have found in other investigations that these special tax exemptions granted to POSCO expired on December 31, 1981 (see *Final Affirmative Countervailing Duty Determinations: Certain Steel Products From the Republic of Korea* (47 FR 57535)). Petitioners have presented no new evidence or changed circumstances with respect to this program to cause us to examine this allegation.
- Petitioners allege that the Korean government may have provided equity infusions into the OCTG steel industry on terms inconsistent with commercial considerations. Petitioners have presented no evidence to support their claim except that POSCO has received government equity. In Certain Steel Products From Korea, we found that the only steel company investigated that received government equity was POSCO. We also determined that the government's equity participation in POSCO was on terms consistent with commercial consideration.

Notification of ITC

Section 702(d) of the Act requires us to notify the U.S. International Trade Commission (ITC) of this action, and to provide it with the information we used to arrive at this determination. We will notify the ITC and make available to it all nonprivileged and nonconfidential information. We will also 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.

Preliminary Determination by ITC

The ITC will determine by July 30, 1983, whether there is a reasonable indication that imports of oil country tubular goods from the Republic of Korea materially injure, or threaten material injury to, a U.S. industry. If its determination is negative, the investigation will terminate; otherwise the investigation will proceed to conclusion.

Dated: July 3, 1984.

Alan F. Holmer,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 84-18331 Filed 7-10-84; 8:45 am]

BILLING CODE 3510-DS-M

[C-201-404]

Initiation of a Countervailing Duty Investigation; Oil Country Tubular Goods From Mexico

AGENCY: International Trade Administration, Import Administration, Commerce.

ACTION: Notice.

SUMMARY: On the basis of a petition filed with the U.S. Department of Commerce, we are initiating a countervailing duty investigation to determine whether manufacturers, producers, or exporters in Mexico of oil country tubular goods as described in the "Scope of the Investigation" section below, receive benefits which constitute bounties or grants within the meaning of the countervailing duty law. If our investigation proceeds normally, we will make our preliminary determinaton or or before September 6, 1984.

EFFECTIVE DATE: July 11, 1984.

FOR FURTHER INFORMATION CONTACT: Melissa G. Skinner, Office of Investigations, Import Administration, International Trade Administration, United States Department of Commerce, 14th Street & Constitution Avenue, NW., Washington, DC. 20230; telephone (202) 377-3530.

SUPPLEMENTARY INFORMATION:

Petition

On June 13, 1984, we received a petition from the Lone Star Steel Company of Dallas, Texas, and the CF&I Steel Corporation, of Pueblo, Colorado, on behalf of the oil country tubular goods industry. In compliance with the filing requirements of § 355.26 of the Commerce Regulations (19 CFR 355.26), the petition alleges that manufacturers, producers, or exporters in Mexico of oil country tubular goods (OCTG) receive, directly or indirectly, benefits which constitute bounties or grants within the meaning of section 303 of the Tariff Act of 1930, as amended (the Act). Mexico is not a "country under the Agreement" within the meaning of section 701(b) of the Act and the merchandise being investigated is dutiable. Therefore, section 303 of the Act applies to this investigation. Accordingly, the domestic industry is not required to allege that, and the United States International Trade Commission is not required to determine whether, imports of these products cause or threaten material injury to a U.S. industry.

Initiation of the Investigation

Under section 702(c) of the Act, we must determine, within 20 days after a petition is filed, whether the petition sets forth the allegations necessary for the initiation of a countervailing duty investigation and whether it contains information reasonably available to the petitioner supporting the allegations. We have examined the petition on OCTG, and we have found that the petition meets those requirements. Therefore, we are intitiating a countervailing duty investigation to determine whether the manufacturers, producers, or exporters in Mexico of OCTG, as described in the "Scope of the Investigation" section of this notice, receive benefits which constitute bounties or grants. If our investigation proceeds normally, we will make our preliminary determination by September 6, 1984.

Scope of the Investigation

The products covered by this investigation are "oil country tubular goods", which are hollow steel products of circular cross-section intended for use in the drilling of oil or gas. These include oil well casing, tubing, and drill pipe or carbon or alloy steel, whether welded or seamless, to either American Petroleum Institute (API) or properietary specifications, as currently provided for in the *Tariff Schedules of the United States, Annotated (TSUSA) under* under items 610.3216, 610.3219, 610.3233, 610.3249, 610.3252, 610.3256, 610.4358, 610.3264, 610.3721, 610.3722, 610.3751, 610.3925, 610.3935, 610.4025, 610.4035, 610.4225, 610.4235, 610.4325, 610.4335, 610.4942, 610.4944, 610.4946, 610.4954, 610.4957, 610.4968, 610.4969, 610.4970, 610.5221, 610.5222, 610.5226, 610.5234, 610.5240, 610.5242, 610.5243, and 610.5244. This investigation includes OCTG that are in both finished or unfinished condition.

Allegations of Bounties or Grants

We are initiating with respect to the following benefits which the petition alleges that manufacturers, producers, or exporters in Mexico of OCTG receive and which constitute bounties or grants:

• Preferential Financing Programs.

Fund for the Promotion of Exportation of Mexican Manufactured Products (FOMEX)
Loans to producers
Loans to importers
Nacional Financiera, S.A (NAFINSA) loans
Fund for Industrial Development (FONEI) loans
Article 94 loans
Guarantee and Development Fund for Medium and Small Businesses (FOGAIN) loans
National Preinvestment Fund for Studies and Projects (FONEP)
National Fund for the Development of Industry (FOMIN)
In addition, benefits provided due to the uncreditworthiness of Protumsa, Tubacero and Hylsa

• Preferential Federal Tax Credits called Certificados de Promotion Fiscal (CEPROFI).

• Accelerated Depreciation.

• Input Subsidies.

Energy Discounts
Subsidized Steel Inputs

• Preferential Use of Mexican Port Facilities.

• Preferential Vessel, Freight, Terminal, and Insurance Benefits.

• Trust for Industrial Parks, Cities, and Commercial Centers (FIDEIN).

• Government Financed Technology Development.

We have determined not to investigate the following allegations:

• Petitioners allege that the Mexican Government is likely to have provided equity infusions into the OCTG component of their steel industry because past Department investigations of steel products from Mexico show that the government has invested massive amounts into the industry on terms inconsistent with commercial considerations *(Certain Carbon Steel Products from Mexico;* 49 FR 5142). The Department initiated that investigation on the allegation that AHMSA and Fundidora were receiving equity infusions from the government of Mexico; however, neither of those companies are alleged to be producers of OCTG. This petition does not provide any evidence that the producers of OCTG have received equity infusions on terms inconsistent with commercial considerations.

• Petitioners allege that the Certificado de Devolution de Impuesto (CEDI) program, which provides credits used against the payment of federal taxes, provides a benefit to OCTG producers. In other cases we have verified that this program was suspended on August 25, 1982, and that no exports from Mexico have received CEDIs after that date. We have also verified that companies in Mexico use CEDIs on a current basis. The period of this investigation is 1983. There is no basis to believe that OCTG producers had outstanding CEDIs as of December 31, 1983. Petitioners also state that we should treat CEDIs as grants because CEDIs undoubtedly induced the Mexican OCTG producers to invest in new machinery and equipment and, therefore, the benefits from CEDIs should be spread over the useful life of machinery and equipment. Petitioners have provided no economic reasons why a program that can be used against payment of payroll taxes and import duties necessarily induces a Mexican OCTG producer to make capital investments. We continue to maintain that our present method of calculating CEDI benefits in the year of receipt is proper. Applying this method, there is no basis to believe that OCTG producers are receiving benefits under the CEDI program.

• Petitioners allege that the OCTG producers were supplied with iron ore and coal at preferential prices or on preferential terms because state-owned (and possibly privately-owned) steel operations receive ore and coal from mines that are operated by the government on a non-profit basis, therefore on preferential terms. To the extent that state-owned (and possibly privately-owned) steel operations, which are related to the OCTG producers, receive iron ore and coal on preferential terms, this allegation will be considered in the investigation of subsidized steel inputs. Petitioners provided no information to indicate that the OCTG producers receive iron ore and coal directly on preferential terms. Therefore, we will not investigate this allegation.

Dated: July 3, 1984.

Alan F. Holmer,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 84-18328 Filed 7-10-84; 8:45 am]

BILLING CODE 3510-DS-M

[C-469-406]

Initiation of a Countervailing Duty Investigation; Oil Country Tubular Goods From Spain

AGENCY: Import Administration, International Trade Administration, Commerce.

ACTION: Notice.

SUMMARY: On the basis of a petition filed with the U.S. Department of Commerce, we are initiating a countervailing duty investigation to determine whether manufacturers, producers, or exporters in Spain of oil country tubular goods as described in the "Scope of the Investigation" section below, receive benefits which constitute subsidies within the meaning of the countervailing duty law. We are notifying the U.S. International Trade Commission (ITC) of this action so that it may determine whether imports of oil country tubular goods from Spain materially injure, or threaten material injury to, a U.S. industry. If our investigation proceeds normally, the ITC will make its preliminary determination on or before July 30, 1984, and we will make ours on or before September 6, 1984.

EFFECTIVE DATE: July 12, 1984.

FOR FURTHER INFORMATION CONTACT: Loc Nguyen, Office of Investigations, Import Administration, International Trade Administration, United States Department of Commerce, 14th Street and Constitution Avenue NW., Washington, D.C. 20230; telephone (202) 377-1785.

SUPPLEMENTARY INFORMATION:

Petition

On June 13, 1984, we received a petition from the Lone Star Steel Company of Dallas, Texas, and the CF&I Steel Corporation, of Pueblo, Colorado, on behalf of the oil country tubular goods industry. In compliance with the filing requirements of § 355.26 of the Commerce Regulations (19 CFR 355.26), the petition alleges that manufacturers, producers, or exporters in Spain of oil country tubular goods receive, directly or indirectly, benefits which constitute subsidies within the meaning of section 701 of the Tariff Act of 1930, as amended (the Act), and that these imports materially injure, or threaten material injury to, a U.S. industry. Spain is a "country under the Agreement" within the meaning of section 701(b) of the Act; therefore, Title VII of the Act applies to this investigation and an injury determination is required.

Initiation of the Investigation

Under section 702(c) of the Act, we must determine, within 20 days after a petition is filed, whether the petition sets forth the allegations necessary for the initiation of a countervailing duty investigation and whether it contains information reasonably available to the petitioner supporting the allegations. We have examined the petition on oil country tubular goods, and we have found that the petition meets those requirements. Therefore, we are initiating a countervailing duty investigation to determine whether the manufacturers, producers, or exporters in Spain of oil country tubular goods, as described in the "Scope of the Investigation" section of this notice, receive benefits which constitute subsidies. If our investigation proceeds normally, we will make our preliminary determination by September 6, 1984.

Scope of the Investigation

The products covered by this investigation are "*oil country tubular goods*" (OCTG), which are hollow steel products of circular cross-section intended for use in the drilling of oil or gas. These include oil well casing, tubing, and drill pipe of carbon or alloy steel, whether welded or seamless, to either American Petroleum Institute (API) or non-API specifications (such as proprietary), as currently provided for in the *Tariff Schedules of the United States, Annotated (TSUSA)* under items 610.3216, 610.3219, 610.3233, 610.3249, 610.3252, 610.3256, 610.3258, 610.3264, 610.3721, 610.3722, 610.3751, 610.3925, 610.3935, 610.4025, 610.4035, 610.4225, 610.4235, 610.4325, 610.4335, 610.4942, 610.4944, 610.4946, 610.4954, 610.4957, 610.4968, 610.4969, 610.4970, 610.5221, 610.5222, 610.5226, 610.5234, 610.5240, 610.5242, 610.5243, and 610.5244. This investigation includes OCTG that are in both finished or unfinished condition.

Allegations of Subsidies

The petition lists a number of practices by the government of Spain which allegedly confer subsidies on manufacturers, procedures, or exporters in Spain of oil country tubular goods. We will initiate a countervailing duty investigation on the following allegations.

- Benefits Under Decree 699/74 and Order of May 22, 1980.
- Preferential Loans and Equity Infusions Under Law 60/1978.
- Economic Assistance Under Royal Decree 878/1981.
- Benefits Under the Privileged Circuit Exporter Credits Programs.
- Government Grants Under Acериales.
- Warehouse Construction Loans.
- Regional Investment Incentive Programs.
- Excessive Rebate of Indirect Taxes on Exports Under the Desgravacion Fiscal a la Exportacion (DFE).
- Subsidized Steel Inputs.
- Other Subsidized Inputs.

In our final affirmative countervailing duty determination on certain carbon steel products from Spain, published on November 15, 1982 (47 FR 51438), we determined that certain programs did not confer subsidies to the companies investigated during the period calendar year 1981. Allegations concerning some of these programs are included in the current petition. Because the petition presents not new evidence or changed circumstances with respect to these programs, we will not initiate a countervailing duty investigation on the following allegations.

- Defferal of Tax and Social Security Debt Under Royal Decree 878/1981.

As stated in our November 1982 final determination, defferals of tax and social security debt are authorized in general legislation and are available on equal terms to all firms in Spain. Royal Decree 878/1981 discourages the integrated steel producers from using this general legislation.

- Exemption from Social Security Payments Resulting from Reduction of Labor Force Under Royal Decree 878/1981.

As stated in our November 1982 final determination, Royal Decree 878/1981 gives workers between the ages of 60 and 65 the option of working or of retiring with equivalent salary. For these retired workers, the company must pay the difference between their pension and working salary and must continue to pay the usual social security for these workers. The social security contribution normally paid by working employees is instead paid by the government for the retired workers. Thus, any benefit under this arrangement passes to the retiree, not to the intergrated steel company.

• Research and Development Incentives.

Petitioners allege that firms located in Spain may receive government loans covering up to 50 percent of the cost of research and development projects. Up to 90 percent of the government loan may be forgiven, with the remaining 10 percent being treated as an interest free loan. As stated in our November 1982 final determination, funding for such research and development loans is not awarded on a regional or industry-specific basis but is generally available on equal terms.

Notification of ITC

Section 702(d) of the Act requires us to notify the ITC of these actions, and to provide it with the information we used to arrive at this determination. We will notify the ITC and make available to it all nonprivileged and nonconfidential information. We will also 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.

Preliminary Determination by ITC

The ITC will determine by July 30, 1983, whether there is a reasonable indication that imports of oil country tubular goods from Spain materially injure, or threaten material injury, to, a U.S. industry. If its determination is negative, the investigation will terminate; otherwise, the investigation will proceed to conclusion.

Dated: July 3, 1984.

Alan F. Holmer,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 84-18477 Filed 7-11-84; 8:45 am]

BILLING CODE 3510-DS-M

APPENDIX B

WITNESSES AT THE COMMISSION'S CONFERENCE

CALENDAR OF PUBLIC CONFERENCE

Investigations Nos. 701-TA-215 through 217 (Preliminary)
and 731-TA-191 through 195 (Preliminary)

Those listed below appeared at the United States International Trade Commission conference held in connection with the subject investigations on Friday, July 6, 1984, in the Hearing Room of the USITC Building, 701 E Street, N.W., Washington, D.C.

<u>In support of the imposition of additional duties</u>

Akin, Gump, Strauss, Hauer & Feld—Counsel
Washington, D.C.
<u>on behalf of</u>

Lone Star Steel Co.
CF&I Steel Corp.

James Chenault, President and Chief Executive Officer
Lone Star Steel Co.

James Chenoweth
Lone Star Sttel Co.

Frank Yaklich, Jr., President
CF&I Steel Corp.

Richard R. Rivers)
Warren E. Connelly) —OF COUNSEL

LTV Steel Co.

Robert E. Morrow, Vice President
LTV Steel Co.

U.S. Steel Corp.
Pittsburgh, Pa.

Leslie Ranney, Attorney
U.S. Steel Corp.

<u>In opposition to the imposition of additional duties</u>

Daniels, Houlihan & Palmeter—Counsel
Washington, D.C.
<u>on behalf of</u>

Dalmine Siderca

David Houlihan)
Jeffrey Neeley)—OF COUNSEL

Wald, Harkrader & Ross—Counsel
Washington, D.C.
<u>on behalf of</u>

Persico Pizzamiglio, S.A. (PERSICO)
Confab Industrial, S.A. (CONFAB)

Walter J. Spak)
Pam Krop)—OF COUNSEL

Coudert Brothers—Counsel
Washington, D.C.
<u>on behalf of</u>

Mannesmann, S.A.

Milo G. Coerper)
Mark D. Herlach)—OF COUNSEL

Daniels, Houlihan & Palmeter—Counsel
Washington, D.C.
<u>on behalf of</u>

The Korea Iron & Steel Association

Donald B. Cameron—OF COUNSEL

Arent, Fox, Kintner, Plotkins & Kahn
Washington, D.C.
on behalf of

Tubular Corp. of America, Inc. (TCA)

Robert Alpert, Chief Executive Officer
Tubular Corp. of America, Inc.

Stephen L. Gibson—OF COUNSEL

Paul Hasting Jansfsky & Walker
Washington, D.C.
on behalf of

Tubos de Acero de Mexico, S.A. (TAMSA)

Hamilton Loeb—OF COUNSEL

Arnold & Porter
Washington, D.C.
on behalf of

Hylsa, S.A.

Lawrence A. Schneider)
James Dannis)—OF COUNSEL

George V. Egge, Jr.—Counsel
Washington, D.C.
on behalf of

Union de Empresas Siderurgicas (UNESID)

George V. Egge, Jr.—Counsel

APPENDIX C

STATISTICAL TABLES

Table C-1.—Welded oil country tubular goods: U.S. production, capacity, and capacity utilization, 1981-83, January-March 1983, and January-March 1984

Period	Production	Capacity	Capacity utilization
	1,000 short tons		Percent
1981	1,843	2,281	81
1982	984	2,658	37
1983	456	2,747	17
January-March—			
1983	88	680	13
1984	228	708	32

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

Table C-2.—Seamless oil country tubular goods: U.S. production, capacity, and capacity utilization, 1981-83, January-March 1983, and January-March 1984

Period	Production	Capacity	Capacity utilization
	1,000 short tons		Percent
1981	2,484	2,288	109
1982	891	2,319	38
1983	97	2,254	4
January-March—			
1983	15	565	3
1984	99	671	15

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

Table C-3.—Welded oil country tubular goods: U.S. producers' shipments, 1981-83, January-March 1983, and January-March 1984

(In thousands of short tons)

Period	Domestic shipments	Export shipments	Total
1981	1,763	19	1,782
1982	852	7	859
1983	583	8	590
January-March—			
1983	107	2	109
1984	222	2	223

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.

Table C-4.—Seamless oil country tubular goods: U.S. producers' shipments, 1981-83, January-March 1983, and January-March 1984

(In thousands of short tons)

Period	Domestic shipments	Export shipments	Total
1981	2,465	53	2,519
1982	837	59	896
1983	151	5	157
January-March—			
1983	29	2	31
1984	88	1	89

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.

Table C-5.—Welded oil country tubular goods: U.S. producers' inventories and shipments, 1981-83, January-March 1983, and January-March 1984

Period	Inventories	Shipments 1/	Ratio of inventories to shipments
	1,000 short tons		Percent
1981	133	1,782	7
1982	256	859	30
1983	110	590	19
January-March—			
1983	220	109	2/ 50
1984	127	223	2/ 14

1/ Shipments of firms which reported data on inventories.
2/ Based on annualized shipments.

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

Table C-6.—Seamless oil country tubular goods: U.S. producers' inventories and shipments, 1981-83, January-March 1983, and January-March 1984

Period	Inventories	Shipments 1/	Ratio of inventories to shipments
	1,000 short tons		Percent
1981	127	2,519	5
1982	133	896	15
1983	174	157	111
January-March—			
1983	100	31	2/ 81
1984	96	89	2/ 27

1/ Shipments of firms which reported data on inventories.
2/ Based on annualized shipments.

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

Table C-7.—Average number of production and related workers engaged in the manufacture of welded oil country tubular goods, hours worked by such workers, wages paid, and total compensation, 1981-83, January-March 1983, and January-March 1984

Period	Number of workers	Hours worked	Wages paid	Total compensation 1/
		Thousands	Per hour	
1981	7,868	15,796	$12.27	$15.86
1982	5,410	9,962	13.30	17.83
1983	2,621	4,648	12.90	19.28
January-March—				
1983	2,002	880	13.72	21.92
1984	3,816	1,827	11.50	16.46

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

Table C-8.—Average number of production and related workers engaged in the manufacture of seamless oil country tubular goods, hours worked by such workers, wages paid, and total compensation, 1981-83, January-March 1983, and January-March 1984

Period	Number of workers	Hours worked	Wages paid	Total compensation 1/
		Thousands	Per hour	
1981	17,991	37,472	$13.71	$21.06
1982	7,411	14,366	13.72	21.32
1983	1,313	2,535	12.74	21.49
January-March—				
1983	1,118	544	12.57	22.83
1984	1,844	1,068	13.04	19.24

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

Table C-9.—Income-and-loss experience of 16 U.S. producers on their operations producing welded oil country tubular goods, accounting years 1981-83

Item	1981	1982	1983
Net Sales—1,000 dollars—	1,954,814	1,063,389	423,840
Cost of goods sold—do—	1,324,508	834,210	554,481
Gross income or (loss)—do—	630,306	228,179	(130,641)
General, selling, and administrative expenses—do—	33,886	52,845	44,703
Operating income or (loss)—do—	596,420	176,334	(175,344)
Depreciation and amortization expense 1/ do—	31,850	39,694	43,506
Cash flow from operations—do—	628,270	216,028	(131,838)
Ratio to net sales:			
Gross income or (loss)—percent—	32.2	21.6	(30.8)
Operating income or (loss)—do—	30.5	16.6	(41.4)
Cost of goods sold—do—	67.8	78.5	130.8
General, selling, and administrative expenses—do—	1.7	5.0	10.6
Number of firms sustaining—			
Gross losses—	0	7	9
Operating losses—	0	9	12

1/ Data are for 14 firms.

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

Table C-10.--Income-and-loss experience of 6 U.S. producers on their operations producing seamless oil country tubular goods, accounting years 1981-83

Item	1981	1982	1983
Net Sales------1,000 dollars--:	3,449,955	1,666,426	194,230
Cost of goods sold------do------:	2,460,683	1,225,239	244,239
Gross income or (loss)------do------:	989,272	441,187	(50,009)
General, selling, and administrative expenses------do------:	60,835	75,268	27,427
Operating income or (loss)------do------:	928,437	365,919	(77,436)
Depreciation and amortization expense 1/ do------:	19,942	23,355	11,375
Cash flow from operations------do------:	948,379	389,274	(66,061)
Ratio to net sales:			
Gross income or (loss)------percent--:	28.7	26.5	(25.8)
Operating income or (loss)------do------:	26.9	22.0	(39.9)
Cost of goods sold------do------:	71.3	73.5	125.8
General, selling, and administrative expenses------do------:	1.8	4.5	14.1
Number of firms sustaining--			
Gross losses------:	0	0	5
Operating losses------:	0	2	5

1/ Data are for 5 firms.

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

Table C-11.—Welded oil country tubular goods: U.S. imports, by principal sources, 1983, January-March 1983, and January-March 1984

Item	1983	January-March 1983	January-March 1984
	Quantity (Short tons)		
Argentina	23	23	33
Brazil	10,000	170	2,870
Korea	47,614	4,618	31,060
Mexico	2,454	302	3,273
Spain	9,754	1,477	995
Total	69,845	6,590	38,231
Japan	92,008	18,537	42,937
Italy	25,145	10,300	15,880
West Germany	12,855	1,197	19,149
Other countries	20,917	2,200	28,797
Total	220,770	38,824	144,994
	Value (1,000 dollars)		
Argentina	15	15	10
Brazil	3,287	56	904
Korea	15,762	1,622	11,055
Mexico	1,444	232	1,241
Spain	2,972	442	284
Total	23,480	2,367	13,494
Japan	37,290	9,106	17,121
Italy	8,951	4,006	5,942
West Germany	5,447	651	7,510
Other countries	9,740	1,485	11,380
Total	84,908	17,615	55,447

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

Table C-12.—Seamless oil country tubular goods: U.S. imports, by principal sources, 1983, January-March 1983, and January-March 1984

Item	1983	January-March 1983	January-March 1984
	Quantity (Short tons)		
Argentina	15,775	4,519	1/ 6,020
Brazil	5,136	1,731	8,658
Korea	974	0	106
Mexico	9,387	1,680	9,832
Spain	13,266	1,684	8,900
Total	44,538	9,614	33,516
Japan	174,937	30,819	77,749
Italy	114,993	33,052	38,413
West Germany	38,286	2,121	27,921
Other countries	67,566	19,776	37,471
Total	440,320	95,382	215,070
	Value (1,000 dollars)		
Argentina	7,965	2,237	1/ 2,600
Brazil	2,996	1,133	4,476
Korea	297	-	39
Mexico	3,619	739	3,499
Spain	8,558	1,273	3,667
Total	23,435	5,382	14,281
Japan	118,951	29,416	43,812
Italy	77,011	26,193	14,233
West Germany	20,789	1,994	13,813
Other countries	45,844	14,151	19,377
Total	286,030	77,136	105,516

1/ Data revised to reflect imports from Venezuela of 4,189 short tons ($1,274,993) entered under TSUSA item 610.3925 and incorrectly listed in official statistics as imports from Argentina.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted.

Table C-13.--Welded oil country tubular goods: U.S. imports for consumption , domestic shipments, and apparent consumption, by specified sources, 1983, January-March 1983, and January-March 1984

Period	Argentina	Brazil	Korea	Mexico	Spain	Sub-total	All other imports	All imports	U.S. producers' domestic shipments	Apparent consumption
	Quantity (1,000 short tons)									
1983------------	1/	10	48	2	10	70	151	221	583	804
January-March--										
1983----------	1/	1/	5	1/	1	7	32	39	107	146
1984----------	1/	3	31	3	1	38	107	145	222	367
	Ratios to consumption (Percent)									
1983------------	3/	1.2	5.9	0.3	1.2	8.7	18.8	27.5	72.5	100.0
January-March--										
1983----------	3/	.1	3.2	.2	1.0	4.5	22.1	26.6	73.3	100.0
1984----------	3/	.8	8.5	.9	.3	10.4	29.1	39.5	60.5	100.0

1/ Less than 500 short tons.
2/ Unrounded import data used to calculate ratios.
3/ Less than 0.05 percent.

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

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

Table C-14.--Seamless oil country tubular goods: U.S. imports for consumption , domestic shipments, and apparent consumption, by specified sources, 1983, January-March 1983, and January-March 1984

Period	Argentina	Brazil	Korea	Mexico	Spain	Sub-total	All other imports	All imports	U.S. producers' domestic shipments	Consumption
	Quantity (1,000 short tons)									
1983	16	5	1	9	13	45	396	440	151	591
January-March--										
1983	5	2	0	2	2	10	86	95	29	124
1984	1/ 6	9	2/	10	9	34	182	215	88	303
	Ratio to consumption (Percent) 3/									
1983	2.7	0.9	0.2	1.6	2.2	7.5	67.0	74.5	25.5	100.0
January-March--										
1983	3.6	1.4	-	1.4	1.4	7.8	69.2	76.6	23.4	100.0
1984	2.0	2.9	4/	3.2	2.9	11.1	59.9	71.0	29.0	100.0

1/ Data revised to reflect imports from Venezuela of 4,189 short tons ($1,274,993) entered under TSUSA item 610.3925 and incorrectly listed in official statistics as imports from Argentina.
2/ Less that 500 short tons.
3/ Unrounded import data used to calculate ratios.
4/ Less than 0.05 percent.

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

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

APPENDIX D

COMMERCE'S CONCORDANCE BETWEEN SHIPMENTS, IMPORTS, AND EXPORTS FOR CATEGORIES OF STEEL PIPE AND TUBING

CONCORDANCE 1

CONCORDANCE BETWEEN SHIPMENTS, IMPORTS AND EXPORTS

CATEGORIES OF STEEL PIPE & TUBING

	Products	1965-Date Shipments (AIS-10)	1978-1981 Imports (TSUSAs)	1982-Date Imports (TSUSAs)	1983-Date Imports (TSUSAs)	1978-Date Exports (Sch. B)
1.	Standard Pipe	Cat. 18	610.3216(89%)	610.3231	610.3231	610.3010
			610.3218(66%)	610.3232	610.3232	610.3070
			610.3226(92%)	610.3241(90%)	610.3241(90%)	610.3910
			610.3228(52%)	610.3244(85%)	610.3244(85%)	610.3970
			610.3246(55%)	610.3247(55%)	610.3247(55%)	610.4620
			610.3248(55%)	610.3251(5%)	610.3251(5%)	610.4660
			610.3255(55%)	610.3751(5%)	610.3751(5%)	
			610.3265(1%)	610.4948(15%)	610.4948(15%)	
			610.3725(5%)	610.4951	610.4951	
			610.3755(5%)	610.4961(40%)	610.4961(40%)	
			610.3775(1%)	610.4965(35%)	610.4965(35%)	
			610.4925(24%)	610.4970(30%)	610.4970(30%)	
			610.4930(20%)			
2.	Structural Pipe	Cat. 22	610.3218(3%)	610.3227(20%)	610.3227(20%)	610.3060
			610.3228(2%)	610.3241(10%)	610.3241(10%)	610.3060
			610.3246(25%)	610.3247(25%)	610.3247(25%)	610.3490
	and Tubing		610.3248(25%)	610.3251(15%)	610.3251(15%)	610.3960
			610.3255(25%)	610.3945	610.3945	610.4570
			610.3265(2%)	610.3955	610.3955	
			610.3945	610.4045	610.4045	
			610.3955	610.4055	610.4055	
			610.4045	610.4245(0%)	610.4245(100%)**	
			610.4055	610.4255	610.4255	
			610.4255	610.4345(0%)	610.4345(100%)**	
			610.4355	610.4355	610.4355	
			610.4930(5%)	610.4961(15%)	610.4961(15%)	
			610.4934(100%)	610.4952	610.4952	
			610.4938(95%)	610.4975(95%)	610.4975(95%)	

**Percent Change from 1982

	Products	1965-Date Shipments (AIS-10)	1978-1981 Imports (TSUSAs)	1982-Date Imports (TSUSAs)	1983-Date Imports (TSUSAs)	1978-Date Exports (Sch. B)
3.	Line Pipe	Cat. 20	610.3216(6%) 610.3218(9%) 610.3228(21%) 610.3235 610.3246(10%) 610.3248(10%) 610.3250 610.3255(10%) 610.3265(97%) 610.3725(55%) 610.3735(6%) 610.3755(74%) 610.3775(96%) 610.4925(18%) 610.4930(25%) 610.5275(1%)	610.3208 610.3209 610.3211 610.3247(10%) 610.3251(80%) 610.3711 610.3712 610.3713 610.3751(75%) 610.4931 610.4933 610.4936 610.4961(10%) 610.4965(20%) 610.5211 610.5214 610.5216	610.3208 610.3209 610.3211 610.3247(10%) 610.3251(80%) 610.3711 610.3712 610.3713 610.3751(75%) 610.4931 610.4933 610.4936 610.4961(10%) 610.4965(20%) 610.5211 610.5214 610.5216	610.3020 610.3460 610.3920
4.	Oil Country Tubular Goods	Cat. 19	610.3216(5%) 610.3218(14%) 610.3226(8%) 610.3228(18%) 610.3246(10%) 610.3248(9%) 610.3255(10%) 610.3725(40%) 610.3735(88%) 610.3755(5%) 610.3775(1%) 610.3920 610.3925 610.3935 610.4020 610.4025 610.4035 610.4220 610.4225 610.4235 610.4245 610.4320 610.4325 610.4335 610.4345 610.4925(57%) 610.4930(37%) 610.5270(75%) 610.5275(76%)	610.3216 610.3219 610.3247(10%) 610.3721 610.3722 610.3751(5%) 610.3920 610.4020 610.4220 610.4245(100%) 610.4320 610.4345(100%) 610.4942 610.4944 610.4946 610.4960(95%) 610.4965(45%) 610.4970(65%) 610.5221 610.5222 610.5226 610.5234(20%) 610.5241(85%) 610.5246(65%) 610.5247(30%)	610.3216 610.3219 610.3247(10%) 610.3721 610.3722 610.3751(5%) 610.3925* 610.3935* 610.4025* 610.4035* 610.4225* 610.4235* 610.4245(0%)** 610.4325* 610.4335* 610.4345(0%)** 610.4942 610.4944 610.4946 610.4960(95%) 610.4965(45%) 610.4970(65%) 610.5221 610.5222 610.5226 610.5234(20%) 610.5241(85%) 610.5246(65%) 610.5247(30%)	610.3030 610.3035 610.3470 610.3930 610.3935 610.3935 610.3940 610.4542 610.4545 610.4548

*1983 TSUSAs
**Percent chanoe from 1982

	Products	1965-Date Shipments (AIS-10)	1978-1981 Imports (TSUSAs)	1982-Date Imports (TSUSAs)	1983-Date Imports (TSUSAs)	1978-Date Exports (Sch. B)
5.	Mechanical Tubing	Cat. 21A	610.3218(8%) 610.3228(7%) 610.3248(1%) 610.3736(4%) 610.4500 610.4600 610.4930(11%) 610.4938(5%) 610.5275(10%) 610.5286(10%)	610.3221 610.3227(80%) 610.3244(15%) 610.3728 610.3732 610.4500 610.4600 610.4948(85%) 610.4961(30%) 610.4965(10%) 610.4975(5%) 610.5229(25%) 610.5246(15%) 610.5247(60%)	610.3221 610.3227(80%) 610.3244(15%) 610.3728 610.3732 610.4500 610.4600 610.4948(85%) 619.4961(30%) 610.4965(10%) 610.4975(5%) 610.5229(25%) 610.5246(15%) 610.5247(60%)	610.3050 610.3485 610.3950 610.4560
6.	Pressure Tubing	Cat. 21B	610.3000 610.3100 610.3205 610.3500 610.3600 610.3735(2%) 610.3756(16%) 610.3775(2%) 610.4920 610.4925(1%) 610.4930(2%) 610.5270(25%) 610.5275(13%) 610.5285(90%)	610.3000 610.3100 610.3205 610.3500 610.3600 610.3704 610.3751(15%) 610.4920 610.4960(5%) 610.4961(5%) 610.4970(5%) 610.5209 610.5229(25%) 610.5241(15%) 610.5246(20%) 610.5247(10%)	610.3000 610.3100 610.3205 610.3500 610.3600 610.3704 610.3751(15%) 610.4920 610.4960(5%) 610.4961(5%) 610.4970(5%) 610.5206* 610.5208* 610.5229(25%) 610.5241(15%) 610.5246(20%) 610.5247(10%)	610.3040 610.3480 610.3945 610.4550
7.	Stainless Pipe and Tubing	Cat. 21D	610.3705 610.3715 610.3745 610.3765 610.5210 610.5215 610.5225 610.5235	610.3701 610.3727 610.3731 610.3741 610.3742 610.5205 610.5229(50%) 610.5230 610.5231 610.5234(80%) 610.5236	610.3701 610.3727 610.3731 610.3741 610.3742 610.5205 610.5229(50%) 610.5230 610.5231 610.5234(80%) 610.5236	610.3420 610.3430 610.4505 610.4510 610.4520 610.4640
8.	Other Pipe & Tubing		610.4800 610.5130 610.5160	610.4800 610.5130 610.5160	610.4800 610.5130 610.5160	

*1983 TSUSAs