CARBON STEEL WIRE ROD FROM ARGENTINA AND SPAIN

Determinations of the Commission in Investigations Nos. 731-TA-157 and 160 (Final) Under the Tariff Act of 1930, Together With the Information Obtained in the Investigations

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Note.--Information which would reveal the confidential operations of individual concerns may not be published and therefore has been deleted from this report.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

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC

Investigations Nos. 731-TA-157 and 160 (Final)

CARBON STEEL WIRE ROD FROM ARGENTINA AND SPAIN

Determinations

On the basis of the record 1/ developed in the subject investigations, the Commission determines, 2/ pursuant to section 735(b)(1) of the Tariff Act of 1930 (19 U.S.C. § 1673d(b)(1)), that an industry in the United States is materially injured by reason of imports from Argentina and Spain of carbon steel wire rod, provided for in item 607.17 of the Tariff Schedules of the United States, which have been found by the Department of Commerce to be sold in the United States at less than fair value (LTFV).

The Commission also determines, 3/ pursuant to section 735(b)(4)(A) of the Tariff Act of 1930, that there is not material injury by reason of massive imports of this product to an extent that it is necessary to impose the duties retroactively.

Background

The Commission instituted these investigations effective May 8, 1984, following preliminary determinations by the Department of Commerce that imports of carbon steel wire rod from Argentina and Spain were being sold in the United States at LTFV.

Notice of the institution of the Commission's investigations and of a hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the Federal Register on May 31, 1984 (49 F.R. 22722), and on June 20, 1984 (49 F.R. 25317). The Commission's hearing was held in Washington, DC, on September 25, 1984, and all persons who requested the opportunity were permitted to appear in person or by counsel.

1/ The record is defined in sec. 207.2(i) of the Commission's Rules of Practice and Procedure (19 CFR § 207.2(i)).
2/ Vice Chairman Liebeler dissenting.
3/ Commissioner Eckes dissenting.

VIEWS OF CHAIRWOMAN STERN, COMMISSIONER ECKES
COMMISSIONER LODWICK, AND COMMISSIONER ROHR

We determine that an industry in the United States is materially injured by reason of imports of carbon steel wire rod from Argentina, which have been found by the Department of Commerce to be sold at less than fair value (LTFV). We further determine that there is no material injury by reason of imports from Argentina determined by the Department of Commerce to be "massive", to an extent that it is necessary to impose the duties retroactively. 1/ We determine that an industry in the United States is materially injured by reason of imports of carbon steel wire rod from Spain, which have been found by the Department of Commerce to be sold at LTFV. We further determine that there is no material injury by reason of imports from Spain determined by the Department of Commerce to be "massive", to an extent that it is necessary to impose the duties retroactively. 2/ We have based our determinations primarily upon the significant increases in volume of the subject imports and the significant margins of underselling during the period under investigation. 3/

Domestic industry

Section 771(4)(A) of the Tariff Act of 1930 defines the term "industry" as "the domestic producers as a whole of a like product, or those producers whose collective output of the like product constitutes a major proportion of

1/ Commissioner Eckes dissents from this finding. See his Additional Views, which follow.

2/ Commissioner Eckes also dissents from this finding. See his Additional Views, which follow.

3/ Commissioners Eckes, Lodwick, and Rohr have made their determinations based on a country-by-country analysis of the subject imports. Chairwoman Stern has based her determinations upon a cumulative analysis of imports from Argentina and Spain.

the total domestic production of that product." 4/ Section 771(10) in turn defines "like product" as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation. . . ." 5/

Both the imported and the domestic products covered by these investigations are carbon steel wire rod, a hot-rolled, semi-finished, coiled product of solid, approximately round, cross section, not under 0.20 inch nor over 0.74 inch in diameter, which has not been tempered, treated, or partly manufactured. Carbon steel wire rod is produced in a variety of different grades, sizes, and qualities. It can be differentiated on the basis of carbon content, i.e., low, medium-high, and high carbon steel wire rod, as well as by the process of manufacturing. "Rimmed" wire rod is produced by the more traditional ingot method, whereas "cast" wire rod is produced by the continuous casting method.

The product imported from Argentina is cast carbon steel wire rod, approximately 85 percent low carbon and 15 percent high carbon. 6/ The product imported from Spain is carbon steel wire rod, about 75 percent cast and 25 percent rimmed, and approximately half low-carbon and half high-carbon. 7/

We have determined in previous investigations concerning the same product that low, medium-high and high carbon steel wire rod have separate and distinct characteristics and uses, and therefore are separate like

4/ 19 U.S.C. § 1677(4)(A).
5/ 19 U.S.C. § 1677(10).
6/ Report to the Commission (Report) at A-11.
7/ Id.

products. 8/ We therefore conclude that the like products in these investigations are low and high carbon steel wire rod. 9/

Although low and high carbon steel wire rod are separate like products, domestic producers were not generally able to break out their data concerning these products. 10/ Since available data do not permit analysis of domestic production of low and high carbon steel wire rod individually, the effect of the imports under investigation is assessed under section 771(4)(D) of the Act, 11/ by examination of the domestic production of the narrowest group of

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8/ Carbon Steel Wire Rod from Poland, Investigation No. 731-TA-159 (Final), USITC Pub. 1574 (1984); Carbon Steel Wire Rod from Spain, Investigation No. 701-TA-209 (Final), USITC Pub. 1544 (1984); Carbon Steel Wire Rod from Brazil and Trinidad and Tobago, Investigations Nos. 731-TA-113, 114 (Final), USITC Pub. 1444 (1983); Carbon Steel Wire Rod from Venezuela, Investigation No. 731-TA-88 (Final), USITC Pub. 1338 (1983).

9/ The Spanish respondents also argue that the Commission should conclude that AISI 1100 and 1200 series wire rod are separate like products, and determine that imports of these products are not within the scope of the investigation. Petitioners did not include these specifically in their petition. Wire rod in these two categories constitutes a very small percentage of both domestic production and imports from Spain. However, the Commission does not have adequate data concerning how much of domestic production or imports of wire rod falls into these two categories to exclude them from consideration in this investigation. We therefore decline to make the distinction requested by the Spanish respondents, and continue to define the domestic industries in terms of carbon content.

10/ Report at A-13. The only data available for each like product are for production and shipments. Id. See also the discussion of this issue in Carbon Steel Wire Rod from Brazil and Trinidad and Tobago, supra note 8, at 8 n.10. The Spanish respondents argued that it is inconceivable that the domestic producers do not maintain adequate information to allow the Commission to conduct an analysis of two separate industries. They further argued that since the necessary information is solely within the control of the domestic producers, the Commission should draw the most unfavorable conclusion from their failure to produce it, and determine that there is no material injury to the domestic industries. The domestic producers have consistently stated that they do not maintain information, other than production and shipments, for the different carbon content categories. We have therefore based our determinations on the best information available, and decline to draw any adverse inferences from the inability of the domestic producers to provide further information regarding the separate like products.

11/ 19 U.S.C. § 1677(4)(D).

products which includes the like product for which the necessary information can be provided. The narrowest group of products which includes the like product is all carbon steel wire rod. Thus, the domestic industry consists of the producers of all carbon steel wire rod. 12/

Condition of the domestic industry

We have recently concluded that, despite its improved performance in 1983 and the interim period January-June 1984, the domestic carbon steel wire rod industry as a whole was experiencing problems, particularly in terms of financial performance, during most of the period under investigation, and is continuing to exhibit signs of material injury. 13/ Since the data developed during these investigations cover the same time period as that most recently examined, we have reached the same conclusion here.

U.S. open-market consumption of wire rod decreased by 14.9 percent from 1981 to 1982. Concurrently, U.S. producers' share of this market fell from 78.1 percent to 71.8 percent. Subsequently, consumption increased by 25.8 percent from 1982 to 1983. However, U.S. producers' share of the market declined slightly to 71.4 percent in 1983. In January-June 1984, consumption increased by 23.7 percent as compared with the corresponding period during

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12/ Respondents argue that the integrated producers should be analyzed separately from the non-integrated producers of carbon steel wire rod, and that this analysis will show that only the integrated producers of wire rod are materially injured, and that such injury is attributable to competition from the non-integrated producers (the mini-mills). As in previous investigations, we believe it inappropriate to separate out the domestic producers in this fashion. Carbon Steel Wire Rod from Spain, supra note 8, at 6 n.11; Carbon Steel Wire Rod from Poland, supra note 8, at 5 n.11. In a Title VII investigation we are required to determine whether imports are causing material injury, not whether they are a primary or even major cause of such injury.

13/ Carbon Steel Wire Rod from Poland, supra note 8, at 5 & n.13.

1983. However, U.S. producers' share of the market decreased by approximately one percent.

Aggregate production of carbon steel wire rod declined from 4.2 million tons in 1981 to 3 million tons in 1982, then increased to 3.5 million tons in 1983. Production for the most recent period, January-June 1984, increased to 2 million tons, as compared with 1.8 million tons in the corresponding period of 1983. 14/ Commercial (open-market) shipments fell from 2.7 million tons in 1981 to 2.1 million tons in 1982, then increased to 2.6 million tons in 1983. During January-June 1984, commercial shipments increased to 1.5 million tons, as compared with 1.2 million tons during the corresponding period of 1983. 15/ Capacity utilization declined from 69.8 percent in 1981 to 52.3 percent in 1982, and then increased to 61.2 percent in 1983. Capacity utilization during January-June 1984 increased to 72.4 percent, as compared with 58.4 percent during the corresponding period of 1983. 16/

Both employment and hours worked declined substantially from 1981 to 1982, then increased slightly during 1983. Average employment dropped from 6,863 workers in 1981 to 4,148 workers in 1982, then increased to 4,479 workers in 1983, and hours worked fell from 13,593 in 1981 to 8,650 in 1982, then increased to 9,035 in 1983. 17/ Data for January-June 1984 show a continued improvement over the corresponding period of 1983. Average employment in January-June 1984 increased to 4,585 workers, as compared with 4,255 workers during the corresponding period in 1983, while hours worked

14/ Report at A-14.
15/ Report at A-16.
16/ Report at A-14.
17/ Report at A-19.

increased to 4,700 in January-June 1984 as compared with 4,394 during the corresponding period in 1983. 18/

Although the domestic industry experienced operating losses during the entire period 1981-1983, those losses were substantially greater in 1982 than in 1983. 19/ The financial data for the domestic industry reflect continued improvement - the industry has experienced operating profits of $11.7 million during the period January-June 1984 as compared with operating losses of $34.8 million during the corresponding period of 1983. 20/ The ratio of these operating profits to net sales during the interim 1984 period was 2.0 percent. 21/

Material injury by reason of LTFV imports

Under section 735(b) of the Tariff Act of 1930, as amended, the Commission is required to determine whether an industry in the United States is materially injured or threatened with material injury by reason of imports of merchandise which have been found to be sold at less than fair value by the Department of Commerce. 22/ The statute defines "material injury" as "harm which is not inconsequential, immaterial, or unimportant." 23/ In making its determination as to whether material injury is by reason of the imports under investigation, the Commission must consider, among other factors, the volume of imports, the effect of imports on prices in the United States for the like product, and the impact of such imports on the relevant domestic

18/ Id.
19/ The industry experienced operating losses of $25.3 million in 1981, $94.5 million in 1982, and $62.9 million in 1983. Report at A-21.
20/ Id.
21/ Id.
22/ 19 U.S.C. § 1673d(b).
23/ 19 U.S.C. § 1677(7)(A).

industry. 24/ On the basis of the data developed in this investigation, we conclude that LTFV imports from Argentina and Spain have caused material injury to the domestic carbon steel wire rod industry. 25/ Our decision is based primarily on the significant increases in imports from both Argentina and Spain, and on the significant margins of underselling. 26/

Volume of imports

Imports from Argentina have increased steadily, both in volume and as a percentage of U.S. open-market consumption. Imports from Argentina increased from 21,167 tons in 1981 to 68,335 tons in 1983. As a share of U.S. open-market consumption, imports from Argentina were 0.6 percent in 1981, and increased to 1.8 percent in 1983. In January-June 1984, imports from Argentina were 61,990 tons, as compared with 30,378 tons during the comparable period of 1983. As a share of U.S. open-market consumption, imports from Argentina increased to 2.9 percent during January-June 1984, as compared with 1.7 percent during the comparable period of 1983. 27/

24/ 19 U.S.C. 1677(7).

25/ Commissioners Eckes, Lodwick, and Rohr have made their determinations based on a country-by-country analysis of the subject imports.

Chairwoman Stern finds that a cumulative analysis of the LTFV imports from Argentina and Spain is appropriate, based on the factors which the Commission has traditionally considered in determining whether to cumulate. The imports from both Argentina and Spain are of low and high carbon steel wire rod. The products are fungible. The trends of import volume from both countries are similar and coincident in time. Imports from both countries have access to broad, overlapping areas of the U.S. market. End users and channels of distribution are similar.

26/ Respondents have argued that the Commission should disregard imports consumed in the Western States area in analyzing whether imports from Argentina and Spain are causing material injury to the domestic industry. We have concluded that their arguments do not warrant a negative determination. See discussion of this issue in Carbon Steel Wire Rod from Spain, supra note 8, at 11-12.

27/ Report at A-29.

Imports from Spain have shown a similar pattern of steady increases, both in volume and as a share of U.S. open-market consumption. Imports from Spain increased from 6,689 tons in 1982 to 82,385 tons in 1983. 28/ As a share of U.S. open-market consumption, imports from Spain increased from 0.2 percent in 1982 to 2.2 percent in 1983. In January-June 1984, imports from Spain were 74,285 tons, as compared with 41,228 tons during the comparable period of 1983. As a share of U.S. open-market consumption, imports from Spain increased to 3.4 percent during January-June 1984, as compared with 2.3 percent during the comparable period during 1983. 29/

Effect of imports on prices

Certain conditions of trade in the carbon steel wire rod market are important in establishing the framework for our analysis of the impact of the imports under investigation on U.S. prices. One fundamental characteristic of carbon steel wire rod is its basic fungibility and price sensitivity within each of the three carbon categories. Although quality may be a factor in some purchasers' decisions to purchase a particular carbon content steel wire rod, once certain minimum quality requirements are satisfied, price becomes a major factor in the purchasing decision. 30/

Domestic prices of carbon steel wire rod declined steadily during much of the period under investigation, and have only shown improvement since the fourth quarter of 1983. Average f.o.b. prices paid by purchasers of carbon steel wire rod from integrated producers fell by 18.5 percent from $346 per

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28/ Imports from Spain during 1981 were only 1,657 tons, representing less the 0.05 percent of U.S. open-market consumption. Report at A-29.
29/ Report at A-29.
30/ See Carbon Steel Wire Rod from Spain, supra note 8, at 10 n.24; Carbon Steel Wire Rod from Poland, supra note 8, at 12.

short ton in April-June 1981 to a low of $282 per short ton in July-September 1983, and have since then recovered to $335 per short ton in April-June 1984. Non-integrated producers' prices, while generally lower than the integrated producers', have followed the same trend, decreasing from $315 per short ton in April-June 1981 to a low of $254 per short ton in July-September 1983, then recovering to $294 per short ton in April-June 1984. 31/

Prices of carbon steel wire rod imported from Argentina followed a similar declining trend during the periods for which information is available. For all quarters for which information is available, imports from Argentina undersold the integrated producers' product. Although imports from Argentina undersold the non-integrated producers' product in only two quarters for which information is available, this is somewhat misleading, as the Argentine price information represents, for the most part, landed, duty paid purchase prices to importers on the West Coast, where there are no domestic producers. When inland freight charges are added to U.S. producers' f.o.b. prices to enable a more direct price comparison, imports from Argentina were lower priced in the Los Angeles market during two additional quarters of 1983. 32/

Prices of carbon steel wire rod imported from Spain also fell irregularly during the period under investigation, from $277 per short ton in October-December 1982 to a low of $215 in July-September 1983, before recovering to reach a high of $319 in April-June 1984. 33/ For all but two of

31/ Report at A-37.
32/ Report at A-37. Price comparisons for imports from Argentina were only possible for the last two quarters of 1982 and all of 1983. Report at A-36.
33/ Id. Suspension of liquidation was ordered by the Department of Commerce on imports of carbon steel wire rod from Spain on February 24, 1984, following an affirmative preliminary countervailing duty determination. 49 Fed. Reg. 6962 (February 24, 1984). Imports from Spain have been subject to a bonding requirement since that time.

the quarters for which data are available, the Spanish product undersold that of both integrated and non-integrated producers by significant margins. 34/

The price of imports from both Argentina and Spain declined most sharply between the last quarter of 1982 and the first quarter of 1983, when the sharp increases in import volumes commenced. In addition, purchasers have confirmed that imports from Argentina and Spain compete with the domestic product, and at prices lower than that of the domestic product. 35/

Critical circumstances

The Department of Commerce has made final affirmative determinations that critical circumstances exist with respect to imports of carbon steel wire rod from both Argentina and Spain. Therefore, we must make a determination as to whether

> the material injury is by reason of massive imports . . . . to an extent that, in order to prevent such material injury from recurring, it is necessary to impose [antidumping duties] retroactively. 36/

We have determined that no material injury by reason of massive imports from either Argentina or Spain exists to an extent that it is necessary to impose antidumping duties retroactively. 37/

34/ Report at A-36. During both October-December 1982 and April-June 1984, imports from Spain undersold the integrated producers' product, but was priced higher than the non-integrated producers' product.

35/ Purchasers 3, 5, 6, 10, 12, 13 (Argentina) and 3, 7, 10, 13, 14 (Spain). Report at A-39 - A-40.

36/ 19 U.S.C. § 1673d(b)(4)(A).

37/ Commissioner Lodwick bases his determinations on an examination of the effects of the volumes of imports entering the U.S. market during the time period between the institution of the investigations effective November 23, 1983 and Commerce's preliminary determinations on May 8, 1984. Though the volumes of imports from Argentina and Spain both increased significantly, when viewed in context, these volumes and patterns of importation do not justify the retroactive assessment of duties. The volumes of imports from both countries were steadily rising over a longer period. During the period

Footnote continued on next page

In order to make a determination as to whether an affirmative critical circumstances determination is justified, we have considered the nature of the injury necessary to warrant such a determination, and whether such injury has been caused by the imports the Department of Commerce has determined to be "massive." We believe that our role is to investigate and determine whether these massive imports will prolong in some manner the material injury already felt by the domestic industry. This determination can be based on a consideration of importer's inventories, price trends in the industry, and the trend of domestic consumption. In addition, we have considered the purposes of the critical circumstances provision of the antidumping law in making our determinations.

The material injury required by the critical circumstances provision differs somewhat from that necessary in other aspects of an antidumping investigation. Increasing import volumes and import penetration levels during the relevant time period (between institution of the investigation and the Department of Commerce's preliminary determination) can give rise to an

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Footnote continued from previous page
December 1983-May 1984, imports of carbon steel wire rod from Argentina grew to 76.5 thousand short tons, roughly 2.5 times the amount imported in the comparable year earlier period. But, during the eleven months of 1983 prior to institution of the investigations, imports from Argentina were up more than four fold from the year earlier period. Similarly, imports from Spain totalled 68.7 thousand short tons during December 1983-May 1984, nearly double the prior year result, whereas during the first eleven months of 1983 imports from Spain showed more than a ten fold increase. Moreover, the record does not suggest that imports have created a situation in the domestic market in which injury will recur in the absence of the retroactive imposition of antidumping duties. In particular, apparent consumption was rising over the period, prices of both domestic and imported carbon steel wire rod were increasing, and though inventories of importers of Spanish material rose from essentially nil in March 1983 to small quantities by March 1984, overall levels of inventory on the domestic market were down during the first half of 1984.

inference that there has been an attempt to circumvent the intent of the antidumping duty law, i.e. if it indicates a surge in imports. However, this inference alone is not sufficient to justify an affirmative critical circumstances determination.

To the extent that the massive imports have increased the supply of the product, there must be some indication that the injury from these massive imports will continue despite imposition of antidumping duties. One indicator that such injury may occur is increases in inventories, either those of the importers or of customers who have purchased the product at unusually low prices. Such a buildup of inventories suggests that customers may not be reentering the market as soon as they otherwise would. Ordinarily, one would expect that LTFV imports will no longer cause material injury once an antidumping duty order is in place, and estimated duties are being collected. However, if massive imports have resulted in higher inventories, until those inventories are worked off, the effect of an antidumping duty order on prices and on future demand will be blunted.

This reading of the statutory provision interprets recurring injury to be injury from massive imports that would continue after the antidumping duty order is in place. A retroactive application of antidumping duties without such injury would merely have a punitive effect on the country and importers concerned. We do not believe the statute has such a punitive intent. In our opinion, this is a rational interpretation, since any antidumping duty order will prevent future LTFV sales and thus any material injury suffered by the domestic industry by reason of those imports. However, if massive imports that are imported into the United States prior to the imposition of an antidumping duty order enter the marketplace at some time subsequent to the imposition of the duty, the domestic industry may continue to suffer injury; this injury would not be remedied by a prospective application of an antidumping duty. The retroactive application of an antidumping duty order would remedy this kind of continuing injury.

Although the domestic carbon steel wire rod industry is still suffering from injury, its condition has improved over the past 12 months, particularly during the interim January-June 1984 period. Prices and domestic consumption are on an upward trend. Although both Argentine and Spanish imports have increased significantly in quantity, this increase in imports appears to be related, at least in part, to the increase in demand in the market brought about by the general recovery and other factors. More importantly, we do not see significant increases in importers' inventories, which we would expect if importers were stockpiling supplies in an attempt to avoid the application of antidumping duties, and which would prolong the injury suffered by the domestic industry. 38/ Domestic producers' inventories have decreased as of June 30, 1984, as compared with the corresponding level for 1983. 39/ This, when considered together with the fact that the period of "massive" imports,

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38/ Although inventories of Spanish imports have increased as of March 1984 as compared with the levels of March 1983, those inventories only represent approximately 5 percent of Spanish imports. We do not have information concerning levels of inventories of Argentine imports. However, the Argentine respondents have indicated that deliveries during the spring of 1984 were the result of orders placed prior to the relevant time period, which would suggest that a buildup of inventories of Argentine imports is unlikely. Further, no Argentine imports have entered the United States since May 1984, suggesting that any buildup is likely to have dissipated. It is thus reasonable to assume that there is little or no inventory of Argentine imports remaining which could enter the marketplace and continue to cause injury to the domestic industry.

39/ Report at A-18.

as determined by the Department of Commerce, occurred during a period of improvement in the economic indicators of the domestic industry, leads us to conclude that the imports from Argentina and Spain were absorbed by the increase in domestic demand without causing injury of a type which necessitates the retroactive imposition of antidumping duties.

Views of Vice Chairman Liebeler

I determine that an industry in the United States is not materially injured or threatened with material injury by reason of imports of carbon steel wire rod from Argentina or Spain.[1] I concur with my colleagues in their definition of the domestic industry[2] and in their finding that the domestic industry is materially injured but I am unable to concur in their determination that this condition is by reason of imports from Spain or Argentina.

There have been several occasions[3] to consider the plight of the domestic carbon steel wire rod industry since I joined the Commission in April. As is evident from this and the earlier

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1. Material retardation is not an issue in this investigation and will not be discussed.

2. I do find some aspects of the definition troublesome. The Spanish respondents argue that AISI 1100 and 1200 series wire rod should be treated as separate like products. According to the Report, " The 1100 series refers to resulfurized carbon steel grades, and the 1200 series includes both rephosphorized and resulfurized carbon steel grades. Prices for 1100 and 1200 series wire rod are generally 50 percent to 75 percent higher than prices for 1000 series." Report at A-4. The 1100 and 1200 series rod are made differently and sell at a premium. Moreover, petitioners did not specifically include these series in their petition. There is a strong argument in favor of excluding these products from the scope of the determination. In view of my negative determination, I find it unnecessary to reach this issue.

3. Carbon Steel Wire Rod from Spain, Investigation No. 701-TA-209 (Final), USITC Pub. 1544 (1984)[hereinafter referred to as Spain CVD]; Carbon Steel Wire Rod from Poland, Investigation No. 731-TA-159 (Final), USITC Pub. 1574 (1984)[hereinafter referred to as Poland LTFV].

investigations, the condition of the domestic industry has improved markedly since 1981. For example, in 1982 the capacity utilization ratio was 52.3%. For the period January-March 1984, this ratio was 72.5%.[4] The capacity utilization ratio has remained constant at this level during the past few months.[5] A financial indicator often used by the Commission, the ratio of operating profit to net sales, followed a similar trend.[6]

As the majority's views have made clear, imports from Argentina and Spain have increased over the same period.[7] In terms of absolute volume, Spanish imports increased from 6,689 short tons in 1982 to 82,385 short tons in 1983. In terms of import penetration, the ratio of imports to apparent consumption increased from 0.2 per cent in 1982 to 1.8 per cent in 1983. The figures for January-June 1984 indicate that both the quantity and penetration ratio increased by approximately 50% compared with

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4. Spain CVD, at A-14.

5. Report at A-14.

6. In 1982, the ratio was a negative 9.6. For January-March 1984, the ratio climbed to 0.4. Spain CVD, at A-24. This ratio has reached 2.0 according to the latest figures. Report at A-21.

7. I have decided not to cumulate the imports of Spain and Argentina together or with any other imports. Until such time as the provisions of the Trade and Tariff Act of 1984 ("1984 Act") relating to cumulation become effective, I shall continue to require a showing of coordinated activity by the importers as a necessary but not sufficient condition for cumulation. There has been no such showing on the record. Cold-Rolled Carbon Steel Sheet from Brazil, 731-TA-154, USITC Pub. No. 1579, at n.24 (1984).

the corresponding period in 1983.[8] Although the story is not quite as dramatic with respect to Argentina, the trend is the same.[9]

Causation

The legislative history of the Tariff Act of 1930, as amended, requires the Commission to satisfy itself that "in light of all the information presented, there is a sufficient causal link between the LTFV imports and the requisite injury."[10]

As demonstrated above, there appears to be a negative correlation between imports from Argentina and Spain and the financial health of the domestic industry. Both are on the up-swing.A negative correlation by itself is not proof that there is no causal nexus between the imports and the material injury. However, the presence of a negative correlation does raise a presumption in my mind that the cause of the financial distress in the domestic industry is located elsewhere.[11] In my opinion, this presumption has not been rebutted in these investigations.

Moreover, there is evidence that the difference in price between the foreign and domestic product is due to differences in

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8. Report at A-39, Table 17.

9. Id.

10. S. Rep. No. 249, 96th Cong., 1st Sess. 75 (1979); H.R. Rep. No. 317, 96th Cong., 1st Sess. 47 (1979).

11. See, e.g., Poland LTFV, at A-9.

quality and services associated with wire rod. The petitioners have indicated that they receive a premium for the carbon steel wire rod they produce.[12] This premium is received because of greater dependability, faster service, flexibility of order changes and availability and expertise of service personnel.[13] In other words, Spain and Argentina are charging the most they can for their product and not engaging in "unfair price discrimination."] Because the foreign producers offer less in the way of services, they must charge a lower price than the domestic industry in order to "make the product competitive in the domestic market."[14]

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12. Transcript at 69.

13. Mr. Thomas Tryell, Vice President of Marketing for River Steel Company testified,

> All they [the importers] can really offer is a check on whether or not there is material available. They will tell a customer, we have something. The other thing they cannot offer at all is any technological expertise. They can only simply offer product. In may cases they don't understand how a product even functions in the customer's finisher application. In our case, it is a total service group where we would go in not only with the sale, but also prepare them to draw the product more accurately, and any problems that would occur or anything they would need on the end of it, we have the people there as well.

Transcript at 43.

14. This is not dumping. S. Rep. No. 1298, 93rd Cong., 2nd Sess. 179 (1974).

Threat of material injury

In order to conclude that LTFV imports constitute a threat of material injury to the domestic industry, the Commission must find that the threat is real and imminent, and not merely speculative.[15]

The respondents raised the question whether imports from Spain and Argentina into the Western States[16] should be excluded from the determination because of inadequate domestic supply into the region. This question was addressed in the earlier subsidies investigation of Spanish wire rod, but deserves renewed attention.

According to consumers of wire rod on the West Coast, there are inadequate supplies of wire rod available.[17] According to the staff report, there are no large U.S. producers of wire rod on the West Coast.[18] Moreover, West Coast consumers indicate

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15. Alberta Gas Chemicals, Inc. v. United States, 515 F. Supp. 780 (Ct. Int'l Trade 1981). Section 612(a)(2)(B) of the 1984 Act codifies this standard by adding a new subparagraph 771(7)(F)(effective for all petitions filed after date of enactment).

16. The Western States under consideration are Arizona, California, Colorado, Idaho, Montana, Nevada, Oregon, Utah, Washington, and Wyoming.

17. Pre-Hearing Brief submitted on behalf of West Coast Ad Hoc Steel Wire Producers Committee (May 2, 1984)("Committee"), at 15.

18. Report at A-35.

that it is difficult to obtain rimmed wire rod from domestic sources.[19] Consumers must rely on imports to supply their demand. Staff investigation into the lost sales allegations on the West Coast confirm the supply problems.[20]

The figures on imports from Spain and Argentina also confirm that the West Coast has received most of the increase in imports from these two countries. For example, from 1982 to 1983, imports from Argentina into the U.S. increased by 56,000 short tons. Over the same period, imports from Argentina into the West Coast increased from 0 to 35,000 short tons. This increase accounted for over 60% of the increased imports into the U.S.[21]

Likewise, in the case of Spain, West Coast imports accounted for nearly 100% of the increase when comparing January-June 1983 with the corresponding period in 1984.[22] Availability of wire rod is not a problem elsewhere in the United States. Consumers in areas other than the West purchase imports mainly as an alternative secondary source.[23] It is therefore inappropriate to impute a real and imminent threat to the domestic industry based on isolated circumstances in the West.

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19. Committee, at 31.

20. Report at A-38-A-40.

21. Report at A-29, Table 17 & A-34, Table 21.

22. Id.

23. Report at A-38-A-40

Additional Views of Commissioner Eckes

Unlike my colleagues, I make affirmative determinations regarding critical circumstances. Massive imports of wire rod from Argentina and Spain over a relatively short period require imposing retroactive duties on these imports. 1/ Had the Commission made affirmative determinations on these questions, the Commerce Department would have applied antidumping duties retroactively from May 8, 1984, the effective date of its suspension of liquidation, to the date 90 days prior to the suspension of liquidation, (February 8, 1984).

The Commission's responsibility in determining critical circumstances is set forth in sec. 735(b)(4)(A) of the Act, 2/ which provides:

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

According to the legislative history, in situations involving massive imports, there are two separate reasons for retroactive duties. One is "to provide prompt relief to domestic industries suffering from large volumes of, or a surge over a short period of, imports." The other is "to deter exporters whose merchandise is subject to an investigation from circumventing the intent

1/ My determinations have been made on a case-by-case basis; thus, I did not reach the further question of cumulation of imports subject to an affirmative critical circumstances determination by the Department of Commerce.
2/ 19 U.S.C. 1673(b)(4)(A).

of the law by increasing their exports to the United States during the period between initiation of an investigation and a preliminary determination by the Authority." 3/ 4/

Nothing in the statute or legislative history authorizes the Commission to look beyond the volume of imports during the relevant period, and instead devise a separate causation analysis in critical circumstance situations. The Commission has already determined that these imports are a cause of material injury to the domestic industry. To read into the statute an additional injury analysis for a critical circumstances determination is wrong. Such an approach conflicts with Congressional intent. The legislative history is explicit. The Commission must focus on "large volumes of, or a surge over a short period of, imports" and on "increasing . . . exports . . . during the period."

Further the majority's negative determinations on these issues raise some question as to the character of their underlying affirmative material injury determinations. If imports (during the five-month period from December 1983 to May 1984) which the Department of Commerce has determined are massive did not cause material injury to the industry, one might ask: Which imports during what period were the cause of the material injury which the Commission has found?

Let me explain more carefully the bases for my own affirmative determinations on critical circumstances. I examined the five-month period, December 1983 through April 1984. 5/ During this period, 58,752 tons of rod

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

4/ The Commission's inquiry may resemble in some respects the Commerce Department's findings regarding "massive imports," but it is not a review or reconsideration of the Commerce findings.

5/ The Commerce Department initiated its preliminary LTFV investigation on December 13, 1983, and issued its preliminary LTFV determination on May 1, 1984.

from Argentina entered the United States, nearly six times the import levels for the period one year earlier. Further, imports during the relevant period were two and one-half times greater than import levels during the immediately preceding five-month period, July through November 1983. Further, during the period under consideration, Argentina imports increased their share of apparent U.S. open-market consumption.

With regard to imports from Spain, 6/ imports during the relevant period were 62,867 tons, more than two and one-half times the level during the corresponding period of December 1982 through April 1983. Spanish imports were nearly twice as great as imports during the preceding five-month period July through November 1983. During this period, imports from Spain also captured an increasing share of growing U.S. apparent open-market consumption.

This concentration of imports from each country in the period before the Commerce Department's preliminary ruling represents a significant increase over historical import levels. In my judgment, the import trends clearly warrant the imposition of retroactive duties to provide "prompt relief to domestic industries suffering from large volumes of, or a surge over a short period of imports . . . ." Moreover, from these trends, it is evident that foreign suppliers or imports anticipated the administering authority's preliminary affirmative determination and attempted to circumvent the imposition of duties on a significant quantity of merchandise. Specifically, the estimated amount of duties which would have been collected retroactively on imports from Argentina would have been in excess of $5.5 million. On imports from Spain, the same figure would have exceeded $3.0 million. To

6/ These same imports, in part, were considered by the Commission in an earlier critical circumstances determination under the countervailing duty statute. See Carbon Steel Wire Rod from Spain, Inv. No. 701-TA-209(Final) USITC Pub. No. 1544 (June 1984), "Views of the Commission" at pp. 12-13; and my "Additional Views" at pp. 14-16.

quote one of my colleagues in another "critical circumstances" decision: "Not invoking this provision sends an inappropriate signal to foreign producers that circumvention of the U.S. law by increasing dumped exports to the United States is permissible--so long as exports are stopped just prior to the Commerce Department's preliminary determination." 7/

7/ See "Views of Commissioner Stern on Critical Circumstances," Carbon Steel Wire Rod from Brazil and Trinidad and Tobago, Inv. Nos. 731-TA-113 and 114 (Final) USITC Pub. No. 1444 (October 1983), p. 29.

INFORMATION OBTAINED IN THE INVESTIGATIONS

Introduction

On November 23, 1983, a petition was filed with the United States International Trade Commission and the Department of Commerce by counsel on behalf of Atlantic Steel Co., Continental Steel Co., Georgetown Steel Corp., North Star Steel Co.-Texas, and Raritan River Steel Co., alleging that imports of carbon steel wire rod from Argentina and Spain are being, or are likely to be, sold in the United States at less than fair value (LTFV) and that these imports are materially injuring, or threatening to materially injure, a U.S. industry. Accordingly, effective November 23, 1983, the Commission instituted antidumping investigations Nos. 731-TA-157 and 160 (Preliminary) under section 733(a) of the Tariff Act of 1930 (19 U.S.C. 1673b(a)) 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 from Argentina and Spain of carbon steel wire rod, provided for in item 607.17 of the Tariff Schedules of the United States (TSUS), which are allegedly being sold at LTFV.

On January 9, 1984, the Commission determined that there was a reasonable indication that an industry in the United States is materially injured by reason of alleged LTFV imports of carbon steel wire rod from Argentina and Spain. Commerce, therefore, continued its investigation into the question of alleged LTFV imports and published its preliminary determinations in the Federal Register of May 8, 1984 (49 F.R. 19542 and 19547). Commerce preliminarily determined that carbon steel wire rod from Argentina and Spain is being sold, or is likely to be sold, in the United States at LTFV. Commerce also preliminarily determined that critical circumstances did not exist with respect to imports of carbon steel wire rod from Argentina and Spain. On the basis of Commerce's preliminary determinations, the Commission instituted final antidumping investigations on May 8, 1984. On September 27, 1984, Commerce issued affirmative final determinations with respect to dumping and critical circumstances for both countries. 1/

Notice of the institution of the Commission's investigations and of the public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, D.C., and by publishing the notice in the Federal Register on May 31, 1984 (49 F.R. 22722). On May 25, 1984, and June 5, 1984, Commerce published notices in the Federal Register postponing its final antidumping determinations. Accordingly, the Commission published a notice in the Federal Register on June 20, 1984 (49 F.R. 25317) revising its schedule for the conduct of the investigations. 2/ The public hearing was held on September 25, 1984, 3/ and the briefing and votes were held on October 29, 1984. The Commission is scheduled to notify Commerce of its final determinations by November 5, 1984.

1/ Copies of Commerce's notices of its final determinations are shown in app. A.
2/ Copies of the Commission's notices of institution of final investigations and revision of schedule are shown in app. A.
3/ A calendar of the public hearing is shown in app. B.

Previous Investigations

On February 8, 1982, following the filing of a petition by domestic producers of carbon steel wire rod, the Commission instituted three preliminary countervailing duty investigations on carbon steel wire rod from Belgium (No. 701-TA-148 (Preliminary)), Brazil (No. 701-TA-149 (Preliminary)), and France (No. 701-TA-150 (Preliminary)). 1/ The Commission made affirmative determinations that there was a reasonable indication of injury or the threat of injury in all three cases. Final investigations were instituted by the Commission in all three cases following preliminary affirmative subsidy determinations by Commerce. On October 1, 1982, the Commission suspended investigation No. 701-TA-149 (Final) (Brazil) following an agreement with Brazil to offset the amount of the subsidy with an export tax. Investigations Nos. 701-TA-148 (Final) (Belgium), and 701-TA-150 (Final) (France) were terminated on October 21, 1982, when the U.S. producers withdrew their petitions in response to an arrangement whereby the European Coal and Steel Community (ECSC) agreed to limit its exports of certain steel products (47 F.R. 49059, October 29, 1982). Under the arrangement, ECSC exports of wire rod to the United States are limited annually to 4.29 percent of apparent U.S. consumption, which is projected on a quarterly basis. The arrangement is effective through December 31, 1985.

On February 8, 1982, following the filing of a petition by domestic producers, the Commission instituted a preliminary antidumping investigation on carbon steel wire rod from Venezuela (investigation No. 731-TA-88 (Preliminary)). The Commission made an affirmative determination on March 25, 1982, that there was a reasonable indication that an industry in the United States was being materially injured or threatened with material injury by reason of the subject imports. Following an affirmative LTFV determination by Commerce, the Commission made a final negative injury determination on February 14, 1983 (Carbon Steel Wire Rod from Venezuela . . ., USITC Publication 1338) (48 F.R. 7821; February 24, 1983).

On May 16, 1982, the U.S. Department of Commerce initiated a countervailing duty investigation concerning carbon steel wire rod imports from Trinidad and Tobago upon receipt of a petition from domestic producers. Since Trinidad and Tobago is not a "country under the Agreement," the Commission was not required to make an injury determination. Commerce, on

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1/ Imports from Argentina and the Republic of South Africa were also included in these petitions. Because Argentina and the Republic of South Africa are not signatories to the GATT Subsidies Code, they are not entitled to injury findings by the Commission. The Department of Commerce issued affirmative preliminary determinations for Argentina and the Republic of South Africa on July 8, 1982 (47 F.R. 30539). A suspension agreement was entered into by Argentina, premised on the elimination of the subsidies found to be bestowed on the production, manufacture, and export of wire rod (47 F.R. 42393, Sept. 27, 1982). Commerce issued a final affirmative determination for South Africa on Sept. 27, 1982 (47 F.R. 42396).

December 27, 1983, determined that subsidies equivalent to 6.74 percent had been granted on exports of carbon steel wire rod from Trinidad; Commerce's notice of its final determination of countervailable subsidies was published in the Federal Register of January 4, 1984 (49 F.R. 480).

On October 1, 1982, following the filing of a petition by domestic producers, the Commission instituted two preliminary antidumping investigations on carbon steel wire rod from Brazil (investigation No. 731-TA-113 (Preliminary)), and Trinidad and Tobago (investigation No. 731-TA-114 (Preliminary)). The Commission determined that there was a reasonable indication that an industry in the United States was materially injured by reason of such imports. Following affirmative LTFV determinations by Commerce, the Commission made final affirmative injury determinations (Carbon Steel Wire Rod from Brazil and Trinidad and Tobago . . . , USITC Publication 1444, October 1983) (48 F.R. 51178; November 7, 1983).

In conjunction with their antidumping petitions for Argentina and Spain, the petitioners in the instant investigations filed antidumping petitions for Mexico and Poland and also countervailing duty petitions for Spain, Czechoslovakia, and Poland. The Commission instituted and conducted preliminary antidumping investigations for Argentina, Mexico, Poland, and Spain (Nos. 731-TA-157 through 160) concurrently with a countervailing duty investigation for Spain (No. 701-TA-209) and issued affirmative preliminary determinations on January 9, 1984. (Czechoslovakia and Poland are not entitled to an injury determination by the Commission for countervailing duty purposes because they are not signatories to the Subsidies Code of the General Agreement on Tariffs and Trade (GATT)). Following an affirmative final countervailing duty determination by Commerce for Spain on May 1, 1984, the Commission made an affirmative final injury determination on June 12, 1984 (Carbon Steel Wire Rod from Spain, USITC Publication 1544, June 1984) (49 F.R. 27640; July 5, 1984). On May 1, 1984, Commerce issued negative final countervailing duty determinations for Czechoslovakia and Poland, affirmative preliminary LTFV determinations for Argentina, Poland, and Spain, and a negative preliminary determination for Mexico. Subsequently, on June 14, 1984, the petition for Mexico was withdrawn. The Commission made a negative final injury determination for Poland on August 28, 1984 (49 F.R. 35870; September 12, 1984).

On September 26, 1984, the Commission instituted a preliminary antidumping investigation on the subject product from the German Democratic Republic. The briefing and vote on that investigation is scheduled for the week of November 4, 1984.

The Product

Description and uses

The product which is the subject of the petitioners' complaint is carbon steel wire rod, a hot-rolled, semifinished, coiled product of solid, approximately round, cross section, not under 0.20 inch nor over 0.74 inch in diameter, which has not been tempered, treated, or partly manufactured. Carbon steel wire rod can be differentiated by its chemistry, diameter, and the process by which it is manufactured. The American Iron & Steel Institute (AISI) categorizes carbon steel wire rod into 3 series: 1000, 1100, and 1200. The 1000 series, which includes most carbon steel wire rod consumed in the United States, can be further subdivided according to carbon content. Low-carbon rod, which encompasses grades 1006 through 1022, has a maximum carbon content of 0.23 percent; medium-high carbon rod, which encompasses grades 1023 through 1040, has a carbon content of 0.24 to 0.44 percent; and high-carbon rod, which encompasses grades 1041 through 1095, has a carbon content which exceeds 0.44 percent. The 1100 series refers to resulfurized carbon steel grades, and the 1200 series includes both rephosphorized and resulfurized carbon steel grades. Prices for 1100 and 1200 series wire rod are generally 50 percent to 75 percent higher than prices for 1000 series.

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

Continuous casting is a newer method of converting raw steel into billets. Continuous casting is more efficient than the ingot method of billet making, as it forms the billet directly from molten steel, bypassing the need to form, reheat, and reduce ingots. Molten steel is transferred in preheated ladles to the continuous-casting facilities by overhead cranes. Here the molten steel is poured into a receiving basin (known as a tundish), which channels the molten steel into spigots. Wire rod produced from the continuous-casting process is referred to as cast wire rod.

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

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

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

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

The two methods of billet making produce different types of steel, which may be preferred, or even specified, by consumers of wire rod, depending on the wire rod's intended end use and the wire fabricators' wire-drawing facilities. Wire rod produced by the ingot process may be either killed to stop the evolution of gases and segregation of residuals, or "rimmed," in which gas evolution and residual segregation are allowed to occur; cast steel is, of necessity, always killed. 1/

Since the amount of oxygen dissolved in molten steel varies inversely with its carbon content, ingot or cast steel intended for use in the production of high-carbon wire rod can be readily killed or semikilled (in the case of ingots) by the introduction of deoxidation agents, principally silicon or aluminum. Besides increasing the cost of the steel, the presence of the deoxidizing agents results in a product higher in nonmetallic inclusions (residuals), which make the resultant billet less ductile. Since the killing process also prevents segregation of these residuals, a killed steel will be inherently less ductile than a rimmed steel of the same carbon content, and conversely, will possess a higher tensile strength. 2/ Thus, wire rod produced from continuous-cast billets, although more economical to produce, is sometimes not preferred by customers for end uses where ductility is required or desired. Rimmed wire rod, although it may sell for a premium over cast rod, 3/ can provide a greater yield and normally results in less die wear for the wire drawer. 4/

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

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

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

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

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

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

Low-carbon steel wire rod is used where malleability is required. The low-carbon steel wire rod is typically drawn into wire for wire mesh, home appliance shelving, shopping carts, nails, screws and bolts, baling wire, and chain link fences. Standard industrial quality rod and fine wire quality rod are low-carbon wire rod. Some cold-heading quality, welding-quality, and cold-finishing-quality rod may also be low-carbon rod. Low-carbon steel wire rod accounts for about 70 percent of the U.S. market for carbon steel wire rod, with standard industrial quality rod as the industry's mainstay. Standard industrial quality steel wire rod is used primarily in the production of wire mesh, clothes hangers, and chain link fences, where the tolerances required of the product are relatively low. Thus, because product differentiation is less significant, standard industrial-quality rod is a fungible product, and the market for this product is highly competitive.

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

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

U.S.-produced carbon steel wire rod (both ingot and cast) is available in all grades and qualities. Data received from U.S. producers show that 1000 series wire rod accounted for more than 99 percent of U.S. production of carbon steel wire rod and consisted of about 73 percent low carbon, 3 percent medium-high carbon, and 24 percent high carbon in 1983. Domestic production of cast and rimmed rod was approximately equivalent. Imports of wire rod from Argentina have been 1,000 series, approximately 85 percent low carbon and 15 percent high carbon, and cast. Imports from Spain have been at least 98 percent 1,000 series, approximately one-half low-carbon and the other half high-carbon, and about 75 percent cast and 25 percent rimmed.

U.S. tariff treatment

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

Nature and Extent of Sales at LTFV

Argentina

The Department of Commerce's final LTFV determination was based on an examination of carbon steel wire rod manufactured by Acindar Industria Argentina de Aceros, S.A. (Acindar) from June 1 through November 30, 1983. Acindar accounts for all exports of carbon steel wire rod to the United States from Argentina.

For the purpose of determining whether these exports were, or were likely to be, sold at LTFV, Commerce compared the purchase price to U.S. customers with a fair market value based on home-market sales. The purchase price was used since the U.S. customers are unrelated to the Argentine manufacturer, and the home-market price was used since carbon steel wire rod is sold in Argentina in sufficient quantities to provide a basis for comparison. Using the above criteria, Commerce found dumping margins which ranged from 24.85 percent to 151.66 percent on 100 percent of the sales compared. The weighted-average margin was 119.11 percent.

Spain

The Department of Commerce's final LTFV determination was based on an examination of carbon steel wire rod manufactured by Nueva Montana Quijano, S.A. (Nueva Montana), Empresa Nacional Siderurgica, S.A. (ENSIDESA), and

Forjas Alavesas, S.A. (Forjas) from June 1 through November 30, 1983. These firms account for virtually all exports of carbon steel wire rod to the United States from Spain.

For the purpose of determining whether these exports were, or were likely to be, sold at LTFV, Commerce compared the purchase price to U.S. customers with a fair market value based on home-market sales. The purchase price was used since the U.S. customers are unrelated to the Spanish manufacturers, and the home-market price was used since carbon steel wire rod is sold in Spain in sufficient quantities to provide a basis for comparison. Using the above criteria, Commerce found dumping margins which ranged from 1.0 1/ percent to 83.16 1/ percent on over 96 percent of the sales compared. The weighted-average margins were 41.25 1/ percent for Nueva Montana, 34.62 percent for ENSIDESA, and de minimis 1/ for Forjas. The overall weighted-average margin was 36.43 1/ percent.

Channels of Distribution 2/

Most carbon steel wire rod manufactured by U.S. producers is sold to wire drawers, i.e., firms which draw the rod into wire. Wire drawers either use the wire in the manufacture of wire products or sell it for such a purpose to other firms. What U.S. producers do not sell to wire drawers, they convert into wire themselves for use in the production of their own wire products. Thus, wire rod producers which own wire fabricating facilities frequently compete with wire drawers for sales of wire products to customers. In 1983 U.S. producers captively consumed approximately 27 percent of their wire rod production in this fashion; however, captive consumption has declined as a share of production since 1981.

Most carbon steel wire rod manufactured by Spanish and Argentine producers is sold to unrelated importers in the United States, which in turn sell it to wire drawers.

U.S. Producers

There are currently 14 firms operating a total of 15 U.S. plants in which carbon steel wire rod is produced. Another U.S. producer--Jones & Laughlin Steel Corp--closed its wire rod production facility in October 1981. The U.S. producers' wire rod plants are located throughout the United States but are concentrated in the Great Lakes area and in the State of Pennsylvania. Of the 14 firms, four are fully integrated. The integrated producers, which manufacture raw steel and produce a wide variety of steel products, include U.S. Steel Corp., Armco Steel Corp., Bethlehem Steel Corp., and CF&I Corp. The remaining producers, which produce a narrower range of products, include the petitioners. Table 1 lists all known U.S. carbon steel wire rod producers

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1/ This figure is a revision to that which appeared in Commerce's notice of final LTFV determination. Commerce published its revised figures in the Federal Register of October 25, 1984, (49 F.R. 42969), a copy of which is shown in app. A.

2/ A more detailed description of marketing practices is presented in the pricing section of this report.

by types of producers, their plant locations, each firm's carbon steel wire rod production capacity in 1983, and whether the firms produce rimmed wire rod (R) or cast wire rod (C). All of the firms produce several types of steel products in addition to carbon steel wire rod.

Table 1.--Carbon steel wire rod: U.S. producers, plant locations, capacity, and types of wire rod produced, 1983

Item	Location(s)	Capacity	Share of total	Type of wire rod produced 1/
		1,000 short tons	Percent	
Nonintegrated producers:				
Petitioners:				
North Star Steel Corp.-Texas 2/	Beaumont, Tex.	***	***	C
Georgetown Steel Corp	Georgetown, S.C.	***	***	C
Raritan River Steel Co	Perth Amboy, N.J.	***	***	RC 3/
Continental Steel 4/	Kokomo, Ind.	***	***	R
Atlantic Steel Co	Atlanta, Ga.	***	***	C
Subtotal, petitioners	-	***	***	-
Others:				
Northwestern Steel & Wire 5/	Sterling, Ill.	***	***	C
Ameron Steel 6/	Etiwanda, Calif.	***	***	C
Keystone Consolidated Industries, Inc.	Peoria, Ill.	***	***	C
Laclede Steel Co.	Alton, Ill.	***	***	R
Charter Rolling	Saukville, Wis.	***	***	RC 7/
Subtotal, others	-	***	***	-
Total, nonintegrated producers	-	***	***	-
Integrated producers:				
U.S. Steel Corp 8/	Cuyahoga, Ohio Fairless Hills, Pa. Joliet, Ill.	***	***	R
Armco Steel Corp	Kansas City, Mo.	***	***	RC 9/
Bethlehem Steel Corp	Johnstown, Pa. Sparrows Point, Md.	***	***	R

See footnotes at end of table.

Table 1.--Carbon steel wire rod: U.S. producers, plant locations, capacity, and types of wire rod produced, 1983--Continued

Item	Location(s)	Capacity	Share of total	Type of wire rod produced 1/
		1,000 short tons	Percent	
Integrated producers:				
CF&I Corp	Pueblo, Colo.	***	***	C
Subtotal, integrated producers 10/	-	***	***	-
Grand total	-	***	***	-

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

2/ Formerly Georgetown Texas Steel Corp. On Aug. 25, 1983, Cargill, Inc., Minn., purchased this firm from Korf Industries, which owns Georgetown Steel Corp., and renamed it North Star Steel Corp.-Texas.

3/ Raritan River's production in 1983 was estimated to be *** percent cast and *** percent rimmed rod.

4/ Continental installed an additional mill in April 1984 which increased its capacity by *** tons.

5/ Northwestern's plant ceased production on June 3, 1983. The capacity shown is for the entire year. Northwestern opened a new plant at the same location in April 1984 with an annual capacity of *** tons.

6/ On Feb. 28, 1983, Ameron sold a 50-percent interest in its rod rolling mill to Tamco. Ameron had joined with Mitsui Ltd. and Tokyo Steel in 1977 to form Tamco, which produced billets.

7/ Charter Rolling reported its 1983 production to be *** percent cast and *** percent rimmed wire rod.

8/ On Apr. 1, 1984, U.S. Steel closed its rod mills at Cuyahoga and Fairless Hills.

9/ Armco's sales in 1983 were estimated to be *** percent cast and *** percent rimmed.

10/ Jones & Laughlin Steel Corp. ceased production of carbon steel wire rod in October 1981. Prior to its shutdown, Jones & Laughlin had an annual steel production capacity of 300,000 short tons at its Aliquippa, Pa., plant. Republic Steel Corp., with a capacity of *** short tons, produces small quantities of wire rod for captive consumption.

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

U.S. Importers

According to the U.S. Customs Service's net import file, at least 7 firms in the United States imported carbon steel wire rod from Argentina from January 1983 through June 1984. In the same period at least 17 firms imported this product from Spain. * * *.

All of the major importers are steel trading companies and are unrelated to the foreign producers. The importers add no value to the imported product.

U.S. Imports

Canada and Japan have been the dominant sources of imports of carbon steel wire rod in recent periods, together accounting for more than 40 percent of imports in 1983 (table 2). Argentina, which accounted for over 6 percent of U.S. imports in 1983, was the seventh largest exporter to the United States in that year. Imports from Argentina increased by 222.8 percent from 21,167 short tons, valued at $7.1 million, in 1981 to 68,335 short tons, valued at $13.8 million, in 1983. From January-June 1983 to January-June 1984, imports from Argentina increased by 104.1 percent. Spain, which accounted for nearly 8 percent of U.S. imports in 1983, was the fourth largest exporter to the United States in that year. Imports from Spain increased nearly forty-eight fold from 1,657 short tons, valued at $834,000, in 1981 to 82,385 short tons, valued at $21.8 million, in 1983. From January-June 1983 to January-June 1984, imports from Spain increased by 80.2 percent.

Imports from Argentina and Spain by month are shown in table 3. From November 1983, the month in which Commerce initiated its preliminary antidumping investigations, to May 1984, the month in which Commerce issued its preliminary determinations, 81,121 tons of Argentine-produced rod and 71,092 tons of Spanish-produced rod were imported into the United States, or 167.0 percent and 95.0 percent more, respectively, than were imported during the corresponding period of the previous year.

Consideration of Alleged Material Injury

The data in the following sections do not include the operations of * * *. The reported data account for about 95 percent of U.S. production of carbon steel wire rod.

U.S. production, capacity, and capacity utilization

In the aggregate, U.S. production of carbon steel wire rod declined by 27.5 percent from 1981 to 1982 and then increased by 16.3 percent from 1982 to 1983, but still remained 15.6 percent below its level in 1981 (table 4). The trends for nonintegrated and integrated producers differ considerably. While production by nonintegrated producers increased by 3.1 percent in this period, production by integrated producers fell by 35.5 percent. From January-June 1983 to January-June 1984, nonintegrated and integrated producers' production increased by 14.2 percent and 7.1 percent, respectively. With two exceptions, U.S. producers reported no unusual circumstances, such as employment-related problems, temporary equipment-related problems, sourcing problems, power shortages, or transitions, which resulted in a loss of production * * *. None of the U.S. producers' declines reflects a reallocation of resources to any foreign subsidiaries.

Table 2.--Carbon steel wire rod: U.S. imports for consumption, by principal sources, 1981-83, January-June 1983, and January-June 1984

Source	1981	1982	1983	January-June-- 1983	January-June-- 1984
	Quantity (short tons)				
Canada	314,599	279,987	272,653	128,333	168,508
Japan	167,390	141,930	175,279	72,760	118,816
Mexico	0	30,401	102,635	35,503	79,128
Spain	1,657	6,689	82,385	41,228	74,285
Brazil	32,579	111,025	76,649	70,049	1,227
France	101,921	105,068	68,868	35,687	50,267
Argentina	21,167	12,238	68,335	30,378	1/ 61,990
Trinidad and Tobago	6,010	56,338	63,961	32,166	31,863
Poland	0	7,987	25,843	14,485	0
All other	115,411	78,141	124,035	74,659	95,647
Total	760,734	829,804	1,060,643	535,248	681,731
	Percent of total quantity 2/				
Canada	41.4	33.7	25.7	24.0	24.7
Japan	22.0	17.1	16.5	13.6	17.4
Mexico	0	3.7	9.7	6.6	11.6
Spain	0.2	0.8	7.8	7.7	10.9
Brazil	4.3	13.4	7.2	13.1	0.2
France	13.4	12.7	6.5	6.7	7.4
Argentina	2.8	1.5	6.4	5.7	9.1
Trinidad and Tobago	0.8	6.8	6.0	6.0	4.7
Poland	0	1.0	2.4	2.7	-
All other	15.2	9.4	11.7	13.9	14.0
Total	100.0	100.0	100.0	100.0	100.0
	Value (1,000 dollars)				
Canada	102,351	91,192	84,332	40,274	55,544
Japan	67,668	55,237	62,371	26,018	42,960
Mexico	0	7,050	21,411	7,388	16,916
Spain	834	2,899	21,765	10,784	18,079
Brazil	10,553	32,151	16,353	14,896	256
France	33,357	32,886	21,064	10,708	15,365
Argentina	7,063	2,931	13,847	6,542	13,378
Trinidad and Tobago	1,806	14,824	15,015	7,828	7,402
Poland	0	1,484	4,758	2,652	-
All other	39,932	24,953	31,167	18,483	25,592
Total	263,564	265,608	292,083	145,573	195,492

1/ According to the U.S. Census Bureau, 13,423 tons of carbon steel wire rod reported in official statistics as having been imported from Venezuela in May 1984 were actually imported from Argentina. The figure shown is the corrected figure.

2/ Figures may not add to 100.0 percent because of rounding.

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

Table 3.--Carbon steel wire rod: U.S. imports for consumption from Argentina and Spain, by months, January 1982-June 1984

(short tons)

Month	Argentina			Spain		
	1982	1983	1984	1982	1983	1984
January	1,136	5,609	22,263	0	4,780	15,739
February	5,625	0	4,478	110	13,339	31,497
March	0	2,941	17,512	1,800	3,345	7,416
April	0	3,817	0	48	2,037	0
May	0	18,010	17,738	33	11,858	5,802
June	0	0	0	1,140	5,868	13,831
July	0	4,769	0	827	8,791	9,525
August	5,477	8,130	0	107	2,846	3,045
September	0	3,923	1/	491	8,055	1/
October	0	2,005	1/	1,043	10,826	1/
November	0	4,631	1/	965	2,423	1/
December	0	14,499	1/	127	8,215	1/

1/ Not available.

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

U.S. producers' production of low, medium-high, and high carbon steel wire rod as a share of their total production is shown in table 5. The data represent over 83 percent of U.S. production. For other than production and shipments, U.S. producers do not maintain separate data by grade. Because U.S. producers consider low, medium-high, and high carbon steel wire rod to be interdependent products, they do not treat them as separate profit centers. Resource allocation and marketing decisions which affect one will affect the others. They are produced with the same labor and equipment, and their relative shares of production are frequently adjusted in response to the market so that their total contribution to the income of the firm is maximized.

For both nonintegrated and integrated producers, the capacity to produce carbon steel wire rod remained relatively constant throughout the period. The 9.7 percent drop in integrated producers' capacity from 1981 to 1982 reflects the closing of Jones & Laughlin's 300,000 ton capacity mill in October 1981. The closing of U.S. Steel's mills at Cuyahoga, Ohio, and Fairless Hills, Pa., resulted in a 15.5 percent drop in integrated producers' capacity from January-June 1983 to January-June 1984. The 3.8 percent drop in nonintegrated producers' capacity from January-June 1983 to January-June 1984 reflects the closing of Northwestern's 400,000 ton capacity mill in June 1983. Northwestern opened a new mill at the same site with a * * * ton annual capacity in April 1984. At the same time, Continental opened new facilities which increased its wire rod capacity by * * * tons.

After falling from 69.8 percent in 1981 to 52.3 percent in 1982, capacity utilization for the production of carbon steel wire rod increased to 61.2 percent in 1983. Integrated producers, as shown in table 4, accounted for most of the decline. From January-June 1983 to January-June 1984, capacity utilization increased from 58.4 percent to 72.4 percent.

Table 4.--Carbon steel wire rod: U.S. production, practical capacity, and capacity utilization, by types of producers, 1981-83, January-June 1983, and January-June 1984 1/

Item and producer	1981	1982	1983	January-June-- 1983	January-June-- 1984
Production:					
Nonintegrated---short tons--:	2,164,347	1,929,602	2,231,747	1,112,099	1,281,477
Integrated-------------do----:	2,041,052	1,120,233	1,316,097	639,676	685,361
Total----------------do----:	4,205,399	3,049,835	3,547,844	1,751,775	1,966,838
Practical capacity:					
Nonintegrated---short tons--:	2,885,000	2,996,000	2,966,000	1,583,460	1,522,500
Integrated-------------do----:	3,137,000	2,832,000	2,832,000	1,416,000	1,196,000
Total----------------do----:	6,022,000	5,828,000	5,798,000	2,999,460	2,718,500
Ratio of production to capacity:					
Nonintegrated------percent--:	75.0	64.4	75.2	70.2	84.2
Integrated-------------do----:	65.1	39.6	46.5	45.2	57.3
Average--------------do----:	69.8	52.3	61.2	58.4	72.4

1/ The data do not include * * *.

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

Table 5.--Carbon steel wire rod: U.S. production of low, medium-high, and high carbon grades as a share of total U.S. production, by types of producers, 1981-83, January-June 1983, and January-June 1984 1/

(percent)

Producer and Item	1981	1982	1983	January-June-- 1983	January-June-- 1984
Nonintegrated: 2/					
Low carbon	77.8	77.6	79.7	78.8	81.1
Medium-high carbon	2.7	2.2	2.4	2.2	2.2
High carbon	19.6	20.2	17.9	19.1	16.6
Total	100.0	100.0	100.0	100.0	100.0
Integrated: 3/					
Low carbon	56.3	54.2	54.8	55.7	57.4
Medium-high carbon	2.6	2.5	2.7	2.8	2.9
High carbon	41.1	43.3	42.5	41.6	39.8
Total	100.0	100.0	100.0	100.0	100.0
Average:					
Low carbon	71.3	71.8	73.1	73.0	74.6
Medium-high carbon	2.6	2.3	2.5	2.3	2.4
High carbon	26.0	26.0	24.4	24.7	23.0
Total	100.0	100.0	100.0	100.0	100.0

1/ Figures may not add to 100.0 percent because of rounding.
2/ Does not include * * *.
3/ Does not include * * *.

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

U.S. producers' shipments and exports

The trend for U.S. producers' shipments, including captive shipments, parallels that for production (table 6). Total U.S. producers' shipments declined by 26.4 percent from 1981 to 1982, and then increased by 16.9 percent from 1982 to 1983. Shipments in 1983, however, remained 14.0 percent lower than in 1981. Captive shipments, which declined by 33.7 percent from 1981 to 1983, accounted for most of the decline in total shipments. As a share of total shipments, captive shipments declined from 34.7 percent in 1981 to 26.7 percent in 1983. From January-June 1983 to January-June 1984, U.S. producers' shipments increased by 18.0 percent.

Table 6.--Carbon steel wire rod: U.S. producers' U.S. open-market shipments, captive shipments, and exports of U.S. production, by types of producers, 1981-83, January-June 1983, and January-June 1984 1/

Item and producer	1981	1982	1983	January-June-- 1983	January-June-- 1984
	Quantity (short tons)				
U.S. open-market shipments:					
Nonintegrated	1,417,604	1,415,337	1,732,102	795,235	1,001,441
Integrated	1,280,926	697,962	909,991	426,788	491,098
Total	2,698,530	2,113,299	2,642,093	1,222,023	1,492,539
Captive shipments:					
Nonintegrated	703,426	502,294	565,316	292,811	298,173
Integrated	750,720	432,311	398,856	149,210	172,332
Total	1,454,146	934,605	964,172	442,021	470,505
Exports:					
Nonintegrated	27,263	36,986	63	0	0
Integrated	14,308	1,054	48	47	6
Total	41,571	38,040	111	47	6
Total:					
Nonintegrated	2,148,293	1,954,617	2,297,481	1,088,046	1,299,614
Integrated	2,045,954	1,131,327	1,308,895	576,045	663,436
Total	4,194,247	3,085,944	3,606,376	1,664,091	1,963,050
	Value (1,000 dollars)				
U.S. open-market shipments:					
Nonintegrated	439,225	398,107	467,670	210,411	293,633
Integrated	468,440	295,582	339,072	163,940	191,075
Total	907,665	693,689	806,742	374,351	484,708
Exports:					
Nonintegrated	8,451	7,112	13	-	-
Integrated	6,025	376	28	27	3
Total	14,476	7,488	41	27	3
Total:					
Nonintegrated	447,676	405,219	467,683	210,411	293,633
Integrated	474,465	295,958	339,100	163,967	191,078
Total	922,141	701,177	806,783	374,378	484,711

1/ The data do not include * * *.

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

Nonintegrated producers did not share the overall decline in total shipments with integrated producers between 1981 and 1983. Despite a 19.6 percent decrease in captive shipments, nonintegrated producers' total shipments increased by 6.9 percent from 1981 to 1983. Whereas U.S. open-market shipments for integrated producers declined by 29.0 percent between 1981 and 1983, that for nonintegrated producers increased by 22.2 percent. Nonintegrated producers' share of U.S. open-market shipments increased from 52.5 percent to 65.6 percent in the same period. Nonintegrated producers' share of total shipments increased similarly. U.S. producers' domestic shipments of low, medium-high, and high carbon steel wire rod as a share of total domestic shipments are shown in table 7. The data represent over 85 percent of U.S. producers' domestic shipments.

Table 7.--Carbon steel wire rod: Domestic shipments of low, medium-high, and high carbon grades as a share of total domestic shipments, by types of producers, 1981-83, January-June 1983, and January-June 1984 1/

(percent)

Producer and item	1981	1982	1983	January-June-- 1983	January-June-- 1984
Nonintegrated: 2/					
Low carbon	79.3	76.4	80.6	79.1	83.4
Medium-high carbon	3.1	2.6	2.6	2.4	2.2
High carbon	17.7	21.0	16.9	18.4	14.3
Total	100.0	100.0	100.0	100.0	100.0
Integrated: 3/					
Low carbon	64.7	63.5	65.3	61.6	70.2
Medium-high carbon	4.0	3.5	3.2	4.2	3.0
High carbon	31.3	33.0	31.5	34.2	26.8
Total	100.0	100.0	100.0	100.0	100.0
Average:					
Low carbon	75.3	73.6	76.9	75.2	80.1
Medium high carbon	3.3	2.8	2.7	2.8	2.4
High carbon	21.4	23.6	20.4	22.0	17.5
Total	100.0	100.0	100.0	100.0	100.0

1/ Figures may not add to 100.0 percent because of rounding.
2/ Does not include * * *.
3/ Does not include * * *.

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

Exports remained at less than 1.5 percent of total shipments throughout the period. There were virtually no exports in January-June 1984.

Inventories

U.S. producers' end-of-period inventories of carbon steel wire rod declined by 21.3 percent from 1981 to 1982, but increased by 31.2 percent from 1982 to 1983 to a level exceeding that in 1981 (table 8). The level of inventory was 15.2 percent lower at the end of June 1984 than at the end of June 1983. As a percent of total shipments during the preceding period, inventories increased from 3.5 percent in 1981 to 4.2 percent in 1983, but declined from 4.0 percent as of June 30, 1983, to 3.0 percent as of June 30, 1984.

Table 8.--Carbon steel wire rod: U.S. producers' inventories of U.S. production, by types of producers, as of December 31, 1981-83, and June 30, 1983 and 1984 1/

Item and producer	As of December 31--			As of June 30--	
	1981	1982	1983	1983	1984
Inventories:					
Nonintegrated------short tons--	93,190	73,292	101,940	82,600	75,138
Integrated---------------do----	52,929	41,634	48,836	50,220	37,546
Total------------------do--	146,119	114,926	150,776	132,820	112,684
Ratio of inventories to total shipments during the preceding period:					
Nonintegrated----------percent--	4.3	3.8	4.4	2/ 3.8	2/ 3.0
Integrated---------------do----	2.6	3.7	3.7	2/ 4.4	2/ 2.8
Average----------------do----	3.5	3.7	4.2	2/ 4.0	2/ 3.0

1/ The data do not include * * *.
2/ Annualized.

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

Employment

After falling by 39.6 percent from 1981 to 1982, the average number of production and related workers producing carbon steel wire rod increased by 8.0 percent from 1982 to 1983, and by 7.8 percent from January-June 1983 to January-June 1984 (table 9). The level of employment, however, especially for integrated producers, remained below that for 1981. The trend for hours worked by production and related workers is similar to that for average employment, as shown in table 9. The hours worked per worker, however, steadily increased during the period, as did production after 1982. The result was an increase in output from 0.31 ton per hour in 1981 to 0.39 ton per hour in 1983, and from 0.40 ton per hour in January-June 1983 to 0.42 ton per hour in January-June 1984.

Table 9.--Average number of production and related workers producing carbon steel wire rod in U.S. establishments, hours worked by such workers, and output, by types of producers, 1981-83, January-June 1983, and January-June 1984 1/

Item and producer	1981	1982	1983	January-June-- 1983	January-June-- 1984
Average number of production and related workers producing carbon steel wire rod in U.S. establishments:					
Nonintegrated--------number--:	2,358	2,192	2,180	2,102	2,132
Integrated-----------do----:	4,505	1,956	2,299	2,153	2,453
Total-----------------do----:	6,863	4,148	4,479	4,255	4,585
Hours worked by production and related workers producing carbon steel wire rod in U.S. establishments:					
Nonintegrated--1,000 hours--:	5,014	4,563	4,432	2,233	2,364
Integrated-------------do----:	8,579	4,087	4,603	2,161	2,336
Total--------------do----:	13,593	8,650	9,035	4,394	4,700
Output:					
Nonintegrated--short tons per hour--:	0.43	0.42	0.50	0.50	0.54
Integrated-------------do----:	.24	.27	.29	.30	.29
Average--------------do----:	.31	.35	.39	.40	.42

1/ The data do not include * * *.

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

Total compensation paid to production and related workers declined by 34.8 percent from 1981 to 1982, but increased by 11.8 percent from 1982 to 1983, and by 6.1 percent from January-June 1983 to January-June 1984 (table 10). The average hourly compensation paid to these workers increased by 9.7 percent from 1981 to 1983, but declined by 0.8 percent from January-June 1983 to January-June 1984. Unit labor costs declined throughout the period. The average unit labor cost per short ton of carbon steel wire rod produced declined from $59.36 per short ton in 1981 to $51.31 per short ton in 1983, or by 13.6 percent, and continued to decline by 5.5 percent from January-June 1983 to the corresponding period in 1984. Unit labor costs for nonintegrated producers were about half of that for integrated producers throughout the period.

Table 10.--Total compensation paid to production and related workers producing carbon steel wire rod in U.S. establishments, hourly compensation, and unit labor costs, by types of producers, 1981-83, January-June 1983, and January-June 1984 1/

Item and producer	1981	1982	1983	January-June-- 1983	January-June-- 1984
Total compensation paid to production and related workers producing carbon steel wire rod:					
Nonintegrated-1,000 dollars--	85,437	76,038	81,747	41,456	45,073
Integrated-------------do----	164,215	86,821	100,283	48,011	49,808
Total----------------do----	249,652	162,859	182,030	89,467	94,881
Hourly compensation paid to production and related workers producing carbon steel wire rod:					
Nonintegrated-per hour per worker--	$17.04	$16.66	$18.44	$18.57	$19.07
Integrated-------------do----	19.14	21.24	21.79	22.22	21.32
Average---------------do----	18.37	18.83	20.15	20.36	20.19
Unit labor cost:					
Nonintegrated-per short ton--	$39.47	$39.41	$36.63	$37.28	$35.17
Integrated-------------do----	80.46	77.50	76.20	75.06	72.67
Average---------------do----	59.36	53.40	51.31	51.07	48.24

1/ The data do not include * * *.

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

Workers in all carbon steel wire rod facilities, except those of Raritan, are members of the United Steel Workers of America. Raritan's workers are not unionized.

Financial experience of U.S. producers

Operations on carbon steel wire rod.--The 12 firms that furnished profit-and-loss data together accounted for 95 percent of total U.S. production capacity of carbon steel wire rod in 1983. Their net sales of carbon steel wire rod dropped by 23.7 percent, from $1.3 billion in 1981 to $1.0 billion in 1982, but rose by 7.7 percent to $1.1 billion in 1983 (table 11). During January-June 1984, total net sales increased by 22.5 percent to $583.7 million, compared with $476.4 million in the corresponding period of 1983.

Table 11.--Profit-and-loss experience of 12 U.S. producers on their operations producing carbon steel wire rod, by types of producers, accounting years 1981-83, January-June 1983, and January-June 1984 1/

Period and type of producer	Net sales	Cost of goods sold	Gross profit or (loss)	General, selling, and administrative expenses	Operating profit or (loss)	Ratio of operating profit or (loss) to net sales	Ratio of cost of goods sold to net sales
	Million dollars					Percent	
1981:							
Nonintegrated	642.2	605.5	36.7	23.3	13.4	2.1	94.3
Integrated	646.2	665.0	(18.8)	19.9	(38.7)	(6.0)	102.9
Total or average	1,288.4	1,270.5	17.9	43.2	(25.3)	(2.0)	98.6
1982:							
Nonintegrated	558.8	545.9	13.0	25.1	(12.1)	(2.2)	97.7
Integrated	424.3	489.7	(65.4)	17.0	(82.4)	(19.4)	115.4
Total or average	983.2	1,035.6	(52.4)	42.1	(94.5)	(9.6)	105.3
1983:							
Nonintegrated	604.6	572.3	32.3	23.4	8.9	1.5	94.7
Integrated	454.0	503.9	(50.0)	21.9	(71.8)	(15.8)	111.0
Total or average	1,058.6	1,076.2	(17.7)	45.3	(62.9)	(5.9)	101.7
January-June 1983 2/:							
Nonintegrated	245.0	233.4	11.6	10.3	1.3	0.5	95.3
Integrated	231.4	257.7	(26.3)	9.8	(36.1)	(15.6)	111.4
Total or average	476.4	491.1	(14.7)	20.1	(34.8)	(7.3)	103.1
January-June 1984 2/:							
Nonintegrated	326.2	293.8	32.4	11.8	20.6	6.3	90.1
Integrated	257.5	255.1	2.4	11.3	(8.9)	(3.5)	99.1
Total or average	583.7	548.9	34.8	23.1	11.7	2.0	94.0

1/ Profit-and-loss data for U.S. Steel include sales of alloy wire rod accounting for *** percent of U.S. Steel's net sales of wire rod.

2/ One producer, Northwestern Steel, ceased production of wire rod on June 3, 1983. Hence it had no activities during the first half of 1984. Further, it did not provide data for January-June 1983.

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

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

The 12 firms' aggregate operations on carbon steel wire rod were not profitable during 1981-83. The integrated producers sustained significant operating losses in every period, losing as much as $82.4 million in 1982. In contrast, nonintegrated producers showed an operating profit during all periods except for 1982, when they posted an aggregate $12.1 million operating loss. Because of profitable operations of nonintegrated producers and a reduction of over 75 percent in the operating losses of integrated producers, the carbon steel wire rod industry recorded an operating profit of $11.7 million, or 2.0 percent of its net sales, in January-June 1984, compared with an operating loss of $34.8 million, or 7.3 percent of its net sales, in the same period of 1983.

The ratio of the cost of goods sold to net sales of integrated producers rose irregularly from 102.9 percent in 1981 to 111.0 percent in 1983, and then fell to 99.1 percent in January-June 1984, indicating that the integrated firms sold carbon steel wire rod at less than their costs during all but the last period under examination. Such ratios of nonintegrated producers fluctuated between a high of 97.7 percent in 1982 to a low of 90.1 percent in January-June 1984.

As not all producers were able to provide interest expenses relating to their wire rod operations, data on interest expenses and, hence, net profit before taxes are not presented in table 11. Generally, interest expenses are treated as financing costs rather than operating costs. Further, interest expenses will vary from company to company according to the financing strategy chosen by management and the degree of risk under which the firm operates. Accordingly, only data on operating profit or loss are discussed.

Cash flow from operations.--Cash flow generated by integrated producers and nonintegrated producers from their operations producing carbon steel wire rod are shown in table 12. Cash flow from overall wire rod operations ranged from a low of a negative $16.9 million in 1982 to a high of a positive $35 million in 1981. Integrated producers generated negative cash flow throughout the periods under investigation, while nonintegrated producers reported positive cash flow during 1981 to June 1984.

Value of plant, property, and equipment (investment in productive facilities).--Nine firms supplied data relative to the value of their plant, property, and equipment (investment in productive facilities) during 1981-83. The value of the nine firms' productive facilities used in the production of carbon steel wire rod, at cost, increased by 5.7 percent, from $391.5 million in 1981 to $414.0 million in 1983 (table 13). The book value of such facilities increased by 5.8 percent, from $250.3 million in 1981 to $264.8 million in 1983. The relationship of operating profit or loss to the value of productive facilities, whether at original cost or book value, generally followed the same trend as did the ratio of such profits to net sales; the ratios were negative in each instance, with 1982 being the weakest year of the period.

Table 12.--Cash flow for 9 U.S. producers' operations producing carbon steel wire rod, by types of producers, accounting years 1981-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Item	1981	1982	1983	January-June-- 1983	January-June-- 1984
Nonintegrated producers:					
Operating profit or (loss)	14,361	(8,140)	10,840	1,253	20,677
Depreciation and amortization	25,905	28,864	27,297	12,863	12,215
Cash flow	40,266	20,724	38,137	14,116	32,892
Integrated producers:					
Operating profit or (loss)	(17,552)	(52,287)	(43,237)	(36,044)	(8,852)
Depreciation and amortization	12,287	14,656	12,681	8,520	8,267
Cash flow or (deficit) 1/	(5,265)	(37,631)	(30,556)	(27,524)	(585)
Total cash flow or (deficit)	35,001	(16,907)	7,581	(13,408)	32,307

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

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

Table 13.--Value of plant, property, and equipment (investment in productive facilities) by 9 U.S. producers of carbon steel wire rod, as of the end of accounting years 1981-83

Item	1981	1982	1983
Original cost--1,000 dollars	391,527	390,250	414,037
Book value--do	250,345	254,987	264,815
Operating profit or (loss)--do	(22,198)	(76,490)	(39,607)
Ratio of operating profit or (loss) to--			
Net sales--percent	(2.8)	(12.3)	(5.6)
Original cost--do	(5.7)	(19.6)	(9.6)
Book value--do	(8.9)	(30.0)	(15.0)

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

Capital expenditures.--Nine firms supplied data relative to their expenditures for land, buildings, machinery, and equipment used in the production of carbon steel wire rod. As shown in the following tabulation, their aggregate annual capital expenditures fell by 35.7 percent, from $40.1 million in 1981 to $25.7 million in 1983. Such expenditures increased by 200 percent during January-June 1984, compared with the level of January-June 1983. * * *.

	Capital expenditures (1,000 dollars)
1981	40,067
1982	25,961
1983	25,749
January-June--	
1983	7,855
1984	23,527

Research and development expenses.--Of the 12 firms which reported profit and loss data, only 3--* * *--reportedly incurred research and development expenses with respect to their carbon steel wire rod operations during January 1981-June 1984. Data for * * * the only integrated producers providing data, are shown in the following tabulation:

	Research and development expenses (1,000 dollars)
1981	***
1982	***
1983	***
January-June--	
1983	***
1984	***

* * *.

Consideration of Alleged Threat of Material Injury

In the examination of the question of 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 LTFV imports, the capacity of producers in the exporting country to generate exports, the availability of export markets other than the United States, and other factors, such as U.S. importers' inventories. Import trends for carbon steel wire rod are addressed in an earlier section. A discussion of importers' inventories and foreign capacity and exports, to the extent such information is available, is presented in the following sections:

Argentina

Carbon steel wire rod is produced by several firms in Argentina, but the principal producer and only known exporter to the United States is Acindar. Data regarding Acindar's capacity, production, and exports of carbon steel wire rod are shown in table 14. Since 1981, Acindar's practical capacity to produce carbon steel wire rod has remained at about *** tons annually. Several steel products are produced in the same facilities. According to counsel for Acindar, there are no plans to increase capacity. Acindar's production increased by *** percent from 1981 to 1983, or from *** percent of capacity to *** percent. As a share of its total production, Acindar's exports increased from *** percent to *** percent in the same period. The United States' share of these exports during this period increased from *** percent to *** percent. In January-June 1984 Acindar's exports were ***

Table 14.--Carbon steel wire rod: Acindar's production and exports, 1981-83, and January-June 1984

Item	1981	1982	1983	Jan.-June-- 1984
Capacity---------------short tons--:	***	***	***	1/ ***
Production-------------------do----:	***	***	***	***
Capacity utilization-----percent--:	***	***	***	2/ ***
Exports to:				
United States--------short tons--:	21,167	12,238	68,335	61,990
All other------------------do----:	***	***	***	***
Total--------------------do----:	***	***	***	***
Percent of production exported-----------------------:	***	***	***	***
Percent of total exports to:				
United States--------------------:	***	***	***	***
All other------------------------:	**	***	***	***
Total--------------------------:	100.0	100.0	100.0	100.0

1/ * * *.

2/ The capacity figures shown for carbon steel wire rod assume a normal product mix. Several other steel products are produced in Acindar's wire rod-producing facilities. In January-June 1984, * * *.

Source: Exports to the United States compiled from official statistics of the U.S. Department of Commerce; Acindar's production and exports to all other countries provided by counsel for Acindar.

percent of its total production and the United States' share of these exports was * * * percent. In addition to the United States, Acindar exports * * *. Data on U.S. importers' inventories of Argentine-produced wire rod are not available.

Spain

Data received from U.S. importers, which account for 98 percent of the imports from Spain, show that end-of-period inventories of Spanish-produced wire rod increased from nil in 1981 to 4,105 tons in 1983, and from 105 tons in March 1983 to 3,335 tons in March 1984.

ENSIDESA, Nueva Montana, and Forjas, the three known firms in Spain which produce and export carbon steel wire rod, accounted for virtually all exports of carbon steel wire rod to the United States in recent periods. Data regarding Spanish capacity, production, and exports of carbon steel wire rod are shown in table 15. From 1981 to 1983, Spanish capacity to produce carbon steel wire rod declined by 15.4 percent, reflecting the shutdown of a plant (Altos Hornos (AHV)) in mid-1982. The capacity figures shown in table 15 are estimates of practical capacity. Spanish producers manufacture concrete reinforcing bars and wire rod with the same equipment. According to counsel for the Spanish producers, Spanish capacity is expected to remain at about * * * short tons, annually, for at least the next two years. Under a

Table 15.--Carbon steel wire rod: Spanish production and exports, 1981-83, and January-February 1984

Item	1981	1982	1983	Jan.-Feb.-- 1984
Capacity---------------short tons--:	***	***	***	***
Production------------------do----:	***	***	***	***
Capacity utilization-----percent--:	***	***	***	***
Exports to:				
United States-------short tons--:	2,000	7,000	82,000	47,000
All other-----------------do----:	***	***	***	***
Total-------------------do----:	***	***	***	***
Percent of production exported------------------------:	***	***	***	***
Percent of total exports to:				
United States--------------------:	***	***	***	***
All other------------------------:	***	***	***	***
Total-------------------------:	100.0	100.0	100.0	100.0

Source: Exports to the United States compiled from official statistics of the U.S. Department of Commerce; Spanish production and exports to all other countries provided by counsel for the Spanish producers.

government restructuring program, commitments were made by Spanish wire rod producers in 1983 to reduce melting capacity through 1985. The reduction in melting capacity will reduce by * * * percent the Spanish industry's ability to manufacture billets for wire rod production. Spanish rolling capacity will * * *. Contrary to capacity, Spanish production increased by * * * percent from 1981 to 1983, or from * * * percent of capacity to * * * percent. As a share of its total production, Spain's exports increased from * * * percent to * * * percent in the same period. The United States' share of these imports during this period increased from * * * percent to * * * percent. In January-February 1984 Spain's exports were * * * percent of its total production and the United States' share of these exports was * * * percent.

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

U.S. consumption and market penetration of imports

U.S. consumption of carbon steel wire rod declined by 21.1 percent from 1981 to 1982 (table 16). Although consumption increased by 20.4 percent from 1982 to 1983, it remained 5.0 percent below the level in 1981. The decline was consistent with trends in many sectors of the U.S. economy in this period; it did not reflect a market shift from wire and wire products. U.S. consumption increased by 20.3 percent from January-June 1983 to January-June 1984. As a share of consumption, imports from Argentina increased from 0.4 percent in 1981 to 1.5 percent in 1983, and from 1.4 percent in January-June 1983 to 2.3 percent in January-June 1984. Correspondingly, imports from Spain increased from a negligible amount of consumption in 1981 to 1.8 percent in 1983, and from 1.9 percent in January-June 1983 to 2.8 percent in January-June 1984.

U.S. open-market consumption increased by 7.0 percent from 1981 to 1983, after falling by 14.9 percent from 1981 to 1982, and increased by 23.7 percent from January-June 1983 to January-June 1984 (table 17). As a share of open-market consumption, imports from Argentina increased from 0.6 percent in 1981 to 1.8 percent in 1983, and from 1.7 percent in January-June 1983 to 2.9 percent in January-June 1984. Imports from Spain increased from a negligible amount of open-market consumption in 1981 to 2.2 percent in 1983 and from 2.3 percent in January-June 1983 to 3.4 percent in January-June 1984. Table 18 shows imports and the ratio of imports to consumption for all countries which have been the subject of antidumping or countervailing duty investigations since 1981. Tables 19 and 20 summarize outstanding countervailing duty and antidumping orders, by countries and by companies.

Table 16.--Carbon steel wire rod: U.S. producers' shipments and captive consumption, 1/ imports for consumption, exports of domestic merchandise, and apparent consumption, 1981-83, January-June 1983, and January-June 1984

Period	Producers' shipments and captive consumption	Imports: From Argentina	Imports: From Spain	Imports: From other countries	Imports: Total
	Short tons				
1981	4,194,247	21,167	1,657	737,910	760,734
1982	3,085,944	12,238	6,689	810,877	829,804
1983	3,606,376	68,335	82,385	909,923	1,060,643
January-June--					
1983	1,664,091	30,378	41,228	463,642	535,248
1984	1,963,050	61,990	74,285	545,456	681,731

Period	Producers' exports	Apparent consumption	Ratio of imports to consumption--: From Argentina	From Spain	From other countries	Total
	Short tons		Percent			
1981	41,571	4,913,410	0.4	2/	15.1	15.5
1982	38,040	3,877,708	.3	0.2	20.9	21.4
1983	111	4,666,908	1.5	1.8	19.5	22.8
January-June--						
1983	47	2,199,292	1.4	1.9	21.0	24.3
1984	6	2,644,775	2.3	2.8	20.6	25.8

1/ The data do not include * * *.
2/ Less than 0.05 percent.

Source: Imports compiled from official statistics of the U.S. Department of Commerce. All other data compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 17.--Carbon steel wire rod: U.S. producers' commercial shipments, 1/ imports for consumption, exports of domestic merchandise, and apparent open-market consumption, 1981-83, January-June 1983, and January-June 1984

Period	Producers' commercial shipments 2/	Imports			
		From Argentina	From Spain	From other countries	Total
	Short tons				
1981	2,740,101	21,167	1,657	737,910	760,734
1982	2,151,339	12,238	6,689	810,877	829,804
1983	2,642,204	68,335	82,385	909,923	1,060,643
January-June--					
1983	1,222,070	30,378	41,228	463,642	535,248
1984	1,492,545	61,990	74,285	545,456	681,731

Period	Producers' exports	Apparent consumption	Ratio of imports to consumption--			
			From Argentina	From Spain	From other countries	Total
	Short tons		Percent			
1981	41,571	3,459,264	0.6	3/	21.3	21.9
1982	38,040	2,943,103	.4	0.2	27.6	28.2
1983	111	3,702,736	1.8	2.2	24.6	28.6
January-June--						
1983	47	1,757,271	1.7	2.3	26.4	30.5
1984	6	2,174,270	2.9	3.4	25.1	31.4

1/ The data do not include * * *.

2/ Domestic shipments and exports.

3/ Less than 0.05 percent.

Source: Imports compiled from official statistics of the U.S. Department of Commerce. All other data compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 18.--Carbon steel wire rod: Imports, by sources, which have been the subject of antidumping or countervailing duty investigations since 1981, 1981-83, January-June 1983, and January-June 1984

Source	1981	1982	1983	January-June-- 1983	January-June-- 1984
	Quantity (short tons)				
Mexico 1/	0	30,401	102,635	35,503	79,128
Spain 2/	1,657	6,689	82,385	41,228	74,285
Brazil 3/	32,579	111,025	76,649	70,049	1,227
France 4/	101,921	105,068	68,868	35,687	50,267
Argentina 5/	21,167	12,238	68,335	30,378	61,990
Trinidad and Tobago 6/	6,010	56,338	63,961	32,166	31,863
Poland 7/	0	7,987	25,843	14,485	0
Belgium 8/	21,547	27,567	8,199	6,792	9,740
Venezuela 9/	25,443	0	0	0	3,214
Czechoslovakia 10/	331	2,245	18,992	8,016	8,523
South Africa 11/	17,991	1,470	9,754	7,788	3,759
Total	228,646	361,028	525,621	282,092	323,996
	Ratio of imports to apparent consumption (percent)				
Mexico	-	0.8	2.2	1.6	3.0
Spain	12/	.2	1.8	1.9	2.8
Brazil	0.7	2.9	1.6	3.2	12/
France	2.1	2.8	1.5	1.6	1.9
Argentina	.4	.3	1.5	1.4	2.3
Trinidad and Tobago	.1	1.5	1.4	1.5	1.2
Poland	-	.2	.6	.7	-
Belgium	.4	.7	.2	.3	.4
Venezuela	.5	-	-	-	.1
Czechoslovakia	12/	.1	.4	.4	.3
South Africa	.4	12/	.2	.4	.1
Total	4.7	9.3	11.3	12.8	12.3

1/ Affirmative preliminary determination by the Commission (Jan. 9, 1984) and negative preliminary LTFV determination by Commerce (May 1, 1984); petition withdrawn on June 14, 1984.

2/ Affirmative final subsidy determinations by Commerce and the Commission (June 1984) and countervailing duty order in effect. Affirmative preliminary LTFV determination by the Commission (Jan. 9, 1984) and affirmative final LTFV determination by Commerce (September 27, 1984).

3/ Countervailing duty investigation suspended on Oct. 1, 1982, following an agreement with Brazil to offset amount of subsidy with an export tax. Affirmative final LTFV determinations by Commerce and the Commission (October 1983) and antidumping duty order in effect.

4/ Countervailing duty investigation terminated on Oct. 21, 1982, following the withdrawal of petitions in response to an export-limiting arrangement.

Footnotes for table 18--Continued

5/ Countervailing duty investigation suspended in September 1982 following an agreement to eliminate the countervailable subsidies. Affirmative preliminary LTFV determination by the Commission (Jan. 9, 1984) and affirmative final LTFV determination by Commerce (September 27, 1984).
6/ Affirmative final subsidy determinations by Commerce and the Commission (Dec. 1983), and countervailing duty order in effect. Affirmative final LTFV determinations by Commerce and the Commission (Oct. 1983) and antidumping duty order in effect.
7/ Negative final subsidy determination by Commerce on May 1, 1984. Negative final LTFV determination by the Commission on August 28, 1984.
8/ Countervailing duty investigation terminated on Oct. 21, 1982, following the withdrawal of petitions in response to an export-limiting arrangement.
9/ Negative final LTFV determination by the Commission on Feb. 14, 1983.
10/ Negative final subsidy determination by Commerce on May 1, 1984.
11/ Affirmative final subsidy determination by Commerce on Sept. 27, 1982; countervailing duty order in effect.
12/ Less than 0.05 percent.

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

Those in opposition to the petition have argued that, because the U.S. producers did not adequately serve certain Western States of the United States, 1/ the Commission should exclude imports from Spain and Argentina into these States from its determination. 2/ Since 1981 approximately one-quarter of all imports from Argentina and one-half of all imports from Spain entered into this area. Table 21 shows U.S. producers' shipments into these States, imports, 3/ and apparent consumption for recent periods. From 1981 to 1983, U.S. producers' shipments to these States declined by 76.1 percent, or from * * * percent of consumption to * * * percent of consumption, while imports increased by 137.2 percent, or from * * * percent of consumption to * * * percent of consumption. From January-June 1983 to January-June 1984, U.S. producers' shipments to these States increased by 63.9 percent, but remained at about * * * percent of the area's consumption. Imports from Argentina into these States increased by 67.8 percent, but remained at * * * percent of the area's consumption; imports from Spain increased by 219.1 percent and increased from * * * percent of the area's consumption to * * * percent.

1/ Arizona, California, Colorado, Idaho, Montana, Nevada, Oregon, Utah, Washington, and Wyoming.
2/ See transcript of the hearing, Inv. No. 701-TA-209 pp. 68-70; prehearing brief of counsel for Acindar, pp. 33-35; and prehearing brief of counsel for the Spanish producers, p. 12.
3/ Includes only imports entered directly into the States identified above, i.e., through ports of the West Coast.

Table 19.--Carbon steel wire rod: Outstanding antidumping orders and pending antidumping investigations, with dumping margins, as of Oct. 22, 1984, by countries and by companies, for selected periods, 1981-83, January-June 1983, and January-June 1984.

Country and item	Effective date	Weighted-average margin	Date of bond	Ratio of imports to consumption: 1981	1982	1983	January-June-- 1983	January-June-- 1984
		Percent		Percent				
Dumping order issued:								
Brazil-------	Nov. 8, 1983	Cosigua-49.61 Belgo-Mineria-76.49 All other producers/importers/manufacturers-63.51	May 4, 1983	0.7	2.9	1.6	3.2	1/
Trinidad and Tobago-----	Nov. 8, 1983	9.79	May 4, 1983	.1	1.5	1.4	1.5	1.2
Pending before Commission:								
Spain--------	May 8, 1984	Empresa Nacional Siderugica, S.A-17.4 Nueva Montana Quijano, S.A.-13.7 Forjas Alavesas-0 All other producers/exporters/manufacturers-12.3 2/	May 8, 1984	1/	.2	1.8	1.2	2.9
Argentina----	May 8, 1984	Acindar-176.1	May 8, 1984	.4	.3	1.5	1.4	1.9

1/ Less than 0.05 percent.
2/ In order to prevent double collection of duties, as a result of both countervailing and antidumping decisions, actual duties collected are 0.71 percent from Ensidesa only.

Source: U.S. Department of Commerce.

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Table 20.--Carbon steel wire rod: Outstanding countervailing duty orders, with countervailing margins, as of Oct. 22, 1984, by countries and by companies, for selected periods, 1981-83, January- June 1983, and January-June 1984.

Country and item	Effective date	Weighted-average margin	Date of bond	Ratio of imports to consumption				
				1981	1982	1983	January-June-- 1983	January-June-- 1984
		Percent		-----Percent-----				
CVD order issued:								
Spain----------	July 10, 1984	Empresa Nacional Siderugica, S.A.-29.94 Nueva Montana Quijano, S.A.-17.13 Forjas Alavesas, S.A.-16.03 All other producers/exporters/manufacturers-16.95	Feb. 24, 1984	1/	0.2	1.8	1.2	2.9
Trinidad and Tobago-------	Jan. 4, 1984	6.738	Oct. 20, 1983	0.1	1.5	1.4	1.5	1.2
South Africa--	Sept. 27, 1982	Before Apr. 1, 1982-11.1 After Apr. 1, 1982-0.35 2/	July 14, 1982 Sept. 27, 1982	.4	1/	.2	.4	.1

1/ Less than 0.05 percent.
2/ Presently, after preliminary first review the rate is 7.57. Customs is not collecting duties yet.

Source: U.S. Department of Commerce.

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Table 21.--Carbon steel wire rod: U.S. producers' shipments to certain Western States, 1/ imports into these States, and apparent consumption, 1981-83, January-June 1983, and January-June 1984

Item	1981	1982	1983	January-June-- 1983	January-June-- 1984
U.S. producers' shipments to certain Western States--------short tons--:	***	***	***	***	***
Imports into these States: 2/					
From Argentina---do-----:	0	0	34,518	6,602	11,080
From Spain--------do-----:	0	0	38,970	14,973	47,782
From all other countries------do----:	128,981	99,053	232,422	105,295	154,363
Total---------do-----:	128,981	99,053	305,910	126,870	213,225
Apparent consumption-do-----:	***	***	***	***	***
Ratio of imports to consumption--					
From Argentina--percent--:	***	***	***	***	***
From Spain-------percent--:	***	***	***	***	***
From all other------------:					
countries---------do----:	***	***	***	***	***
Total-----------do-----:	***	***	***	***	***

1/ Arizona, California, Colorado, Idaho, Montana, Nevada, Oregon, Utah, Washington, and Wyoming.

2/ Includes only imports entered directly into these States, i.e., through the ports of the West Coast.

Source: U.S. producers' shipments provided by the American Iron and Steel Institute; all other data compiled from official statistics of the U.S. Department of Commerce.

Prices

Prices of carbon steel wire rod depend on demand and supply conditions for wire and wire products. Such products include fencing, wire reinforcing mesh, welding rod, nails, bolts, springs, and a wide variety of articles used in construction and manufacturing. A decline in demand for these and many other products from mid-1981 through 1982 put downward pressures on sales and prices of these articles and, hence, on carbon steel wire rod sales and prices. Because declining demand increased competition among suppliers in the wire rod market, domestic producers reportedly sold their products far below list prices at all levels of distribution. Producers also reportedly sold wire rod that fell within wide ranges of specifications for essentially the same price. Freight equalization allowances--guarantees that the buyer will not pay higher shipping costs for goods from a more distant supplier than it would pay for goods from its closest supplier--also occurred.

Invoices received by the Commission in a prior wire rod investigation 1/ confirmed the freight equalization allowances and other discounts. These invoices show that, for purchasers of low-carbon steel wire rod, some domestic producers granted competitive price adjustments ranging from 14 to 36 percent of the total invoice value and competitive freight allowances ranging from * * * percent. In some instances, freight was absorbed, but no competitive allowances were granted. Invoices did not indicate the reason for these price adjustments.

Price trends.--The Commission requested f.o.b. mill price data from domestic producers and f.o.b. port-of-entry price data from importers. Usable data were received from 5 importers of Spanish-produced material, 3 importers of Argentine-produced material, and 11 U.S. producers. Price data for low-carbon steel wire rod, AISI grade 1008, 7/32 inch to 27/64 inch in diameter, are shown in table 22. Importers' prices are for Argentine-produced and Spanish-produced material only. Most carbon steel wire rod is shipped by commercial truck. That that is shipped to the West Coast, however, is generally by rail. Although rail rates are often cheaper than truck rates, trucking is usually the preferred method of transportation because wire rod so shipped is less subject to damage and many customers do not have rail unloading facilities. Inland transportation costs to purchasers via truck can range up to $75 per ton.

Because there are U.S. producers in most regional markets, f.o.b. price comparisons generally reflect actual price competition. 2/ One exception is the West Coast, where large quantities of Argentine- and Spanish-produced material is imported, and where there are no large U.S. producers. * * *. Rail is the primary method of transportation used by U.S. producers to the West Coast. According to one of the largest importers in this region, rail freight from Texas and Missouri is $50 per ton and $47 per ton, respectively. 3/ Georgetown Steel reported that it could ship wire rod to Los Angeles by ocean freight at a cost of $44 per ton. * * *.

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

2/ F.o.b. price comparisons between Argentine wire rod and nonintegrated producers are biased to the extent that the Argentine prices represent proportionately more sales to * * *.

3/ * * *.

Table 22.-Carbon steel wire rod: U.S. producers' and importers' weighted-average prices for low-carbon steel wire rod, AISI grade 1008, 7/32 inch to 27/64 inch in diameter, by quarters, January 1981-June 1984

(Per short ton)

Period	Domestic producers 1/		Importers	
	Integrated	Non-integrated	Argentina	Spain 2/
1981:				
Jan.-Mar	$338	$311	3/	3/
Apr.-June	346	315	3/	3/
July-Sept	343	313	3/	3/
Oct.-Dec	338	299	3/	3/
1982:				
Jan.-Mar	330	293	3/	3/
Apr.-June	285	284	3/	3/
July-Sept	314	277	4/ ***	3/
Oct.-Dec	327	274	5/ ***	277
1983:				
Jan.-Mar	290	271	4/ ***	230
Apr.-June	285	255	4/ ***	249
July-Sept	282	254	5/ ***	215
Oct.-Dec	283	255	5/ ***	227
1984:				
Jan.-Mar	314	271	3/	240
Apr.-June	335	294	3/	319

1/ Domestic producers' prices are f.o.b. mill.
2/ Spanish prices are f.o.b. port-of-entry (ex-dock).
3/ Not available.
4/ This price is the landed, duty-paid purchase price of Argentine wire rod purchased by * * *.
5/ This price is the landed, duty-paid purchase price of Argentine wire rod purchased by * * *.

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

Integrated domestic producers' f.o.b. prices rose from $338 per short ton in January-March 1981 to $346 per short ton in April-June 1981, and then fell irregularly to a low of $282 per short ton in July-September 1983, or by 18.5 percent. Integrated producers' prices increased to $335 per short ton in April-June 1984, or by 18.8 percent from July-September 1983.

Although nonintegrated domestic producers' f.o.b. prices were consistently lower than integrated producers' prices, they followed a similar declining trend. Nonintegrated domestic producers' prices increased by 1.3 percent from January-March 1981 to April-June 1981, but then decreased by 19.4 percent from April-June 1981 to July-September 1983. Prices decreased in every quarter from April-June 1981 to July-September 1983, before rising 0.4

percent in October-December 1983, 6.3 percent in January-March 1984, and 8.5 percent in April-June 1984.

As table 22 indicates, the price for imports from Argentina declined by 13.2 percent from July-September 1982 to January-March 1983, but then increased by 8.0 percent in October-December 1983. Similarly, the price for imports from Spain declined by 22.4 percent from October-December 1982 to July-September 1983, before increasing by 5.6 percent in October-December 1983, 5.7 percent in January-March 1984, and 32.9 percent in April-June 1984.

Margins of underselling.--In every quarter for which data were received, importers' weighted-average prices were lower than integrated producers' prices. Margins of underselling ranged from * * * to * * * percent for Argentine wire rod, and from 1.4 to 23.8 percent for Spanish wire rod.

For Argentine wire rod, importers' prices were higher than those of nonintegrated producers in the last half of 1982 and the last half of 1983. As previously noted, price comparisons in table 22 between the Argentine and nonintegrated producers' wire rod is somewhat biased because of * * *. Comparisons in the West Coast market would necessitate adding inland freight charges to U.S. producers' f.o.b. prices. When this adjustment is made, Argentine wire rod was about * * * per ton, or * * * percent, lower priced in the Los Angeles market in the last half of 1983. 1/ This price differential is consistent with price differentials reported by some wire purchasers in Los Angeles.

With the exception of October-December 1982 and April-June 1984, Spanish wire rod was lowerpriced than nonintegrated producer wire rod, with margins of underselling ranging from 2.4 percent to 15.1 percent. In April-June 1984, Spanish wire rod was 8.5 percent higher than the U.S.-produced product.

Exchange rates.--Table 23 shows nominal and real exchange rates for the U.S. dollar relative to the Spanish and Argentine pesos from January 1981 to June 1984.

In nominal terms, the dollar appreciated relative to the Spanish peso by 45.6 percent from January 1981 to December 1983, and then depreciated slightly in 1984. In real terms, the dollar appreciated relative to the Spanish peso by 27.3 percent from January 1981 to December 1983.

Because of the high inflation rate in Argentina, nominal exchange rates are of little use in explaining the relative competitiveness of Argentine steel in the U.S. market. In real terms, the dollar appreciated relative to the Argentine peso by 62.5 percent from January 1981 to September 1982. The dollar then depreciated relative to the peso by 55.7 percent through March 1984.

1/ These margins were computed by adding the inland freight charge of $50 per ton to * * * f.o.b. price, and comparing this price with * * * landed, duty-paid price in Los Angeles.

Table 23.--Indexes of nominal and real exchange rates in dollars per foreign currency for Spain and Argentina, by quarters, January 1981-June 1984

(January-March 1981=100)

Period	Spain		Argentina	
	Nominal	Real	Nominal	Real
1981:				
January-March	100.0	100.0	100.0	100.0
April-June	92.4	95.0	58.5	75.3
July-September	85.7	90.1	42.9	76.9
October-December	86.6	93.4	33.6	76.8
1982:				
January-March	83.2	92.6	21.3	64.0
April-June	79.4	90.1	16.0	59.7
July-September	74.8	86.0	5.9	37.5
October-December	69.7	81.8	5.3	48.5
1983:				
January-March	64.7	81.0	3.7	49.3
April-June	60.0	77.7	2.9	50.0
July-September	56.0	72.7	2.0	52.3
October-December	54.4	72.7	1.3	57.7
1984:				
January-March	54.5	75.2	0.9	58.4
April-June	55.0	1/	0.1	1/

1/ Because wholesale price indexes were not available for these periods, real exchange rates were not calculated.

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

Lost sales

Argentina.- Lost sales allegations involving imports from Argentina were received from 7 wire rod producers. The lost sales allegations involved 154,000 tons of Argentine steel wire rod imported between 1981 and 1984, although most of the allegations related to imports during 1983-84. Total imports of Argentine wire rod during this period were about 163,000 tons. Most purchasers contacted reported that they had bought Argentine wire rod and that it was lower priced by * * * per ton, or by * * * percent, than the U.S.-produced product. In addition to price, many purchasers cited other reasons for purchasing, including having an alternative source of supply and availability problems with U.S. suppliers. Availability problems were often related to the closing of U.S. wire rod establishments and were especially relevant on the West Coast, where two purchasers cited the absence of CF&I from the market as a reason for buying the Argentine product. A summary of the lost sales inquiries follows:

Purchaser 1.--* * *.

Purchaser 2.--* * *.

Purchaser 3.--* * *.

Purchaser 4.- * * *.

Purchaser 5.--* * *.

Purchaser 6.- * * *.

Purchaser 7.--* * *.

Purchaser 8.- * * *.

Purchaser 9.--* * *.

Purchaser 10.--* * *.

Purchaser 11.--* * *.

Purchaser 12.--* * *.

Purchaser 13.--* * *.

Purchaser 14.--* * *.

Purchaser 15.--* * *.

Purchaser 16.--* * *.

Purchaser 17.-- * * *.

Spain.--Domestic producers received questionnaires from the Commission in the final countervailing duty investigation requesting specific allegations of sales lost to imports from Spain. Usable responses were received from 4 producers. The lost sales allegations involved 469,000 tons of Spanish steel wire rod imported between January 1981 and March 1984. Total imports of Spanish wire rod in this period were 145,383 tons. Thus, alleged lost sales exceeded actual imports by a factor of 3. Most West Coast purchasers of Spanish wire rod cited the lack of available domestic wire rod on the West Coast as a major reason why they purchased Spanish wire rod. Most purchasers also said that the price of Spanish wire rod was below the domestic price. A summary of the lost sales inquiries follows:

Purchaser 1.--* * *.

Purchaser 2.--* * *.

Purchaser 3.--* * *.

Purchaser 4.--* * *.

Purchaser 5.--* * *.

Purchaser 6.--* * *.

Purchaser 7.--* * *.

Purchaser 8.--* * *.

Purchaser 9.--* * *.

Purchaser 10.--* * *.

Purchaser 11.--* * *.

Purchaser 12.--* * *.

Purchaser 13.--* * *.

Purchaser 14.--* * *.

Purchaser 15.--* * *.

Purchaser 16.--* * *.

Purchaser 17.--* * *.

APPENDIX A

COMMERCE'S AND COMMISSION'S FEDERAL REGISTER NOTICES

Notices

Federal Register
Vol. 49, No. 189
Thursday, September 27, 1984

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Forest Service

Pacific Crest National Scenic Trail Advisory Council, Northern California Sub-Committee; Meeting

The Southern California Sub-Committee of the Pacific Crest National Scenic Trail Advisory Council will meet on November 29, 1984, at the Angeles National Forest Headquarters, 150 Lost Robles Street, Pasadena, California. The meeting will begin at 9:30 a.m. in the 2nd floor conference room.

The purpose of the meeting is to discuss and develop recommendations for the Advisory Council and Secretary of Agriculture on broad questions policy, programs, and procedures affecting the northern California portion of the Pacific Crest Trail. The Sub-Committee will discuss rights-of-way acquisition status and needs to complete the trail as well as other matters relating to completion of the trail.

The meeting will be open to the public. Persons who wish additional information, should contact Dick Benjamin, Recreation Staff Director, Pacific Southwest Region, Forest Service, 630 Sansome Street, San Franciso, California 94111, phone (415) 556-6986.

Dated: September 20, 1984.

Zane G. Smith, Jr.,

Chairman, Pacific Crest National Scenic Trail Advisory Council.

[FR Doc. 84-25660 Filed 9-26-84; 8:45 am]

BILLING CODE 3410-11-M

DEPARTMENT OF COMMERCE

International Trade Administration

[A-357-007]

Carbon Steel Wire Rod From Argentina: Final Determination of Sales at Less Than Fair Value

AGENCY: International Trade Administration/Import Administration, Commerce.

ACTION: Notice.

SUMMARY: We have determined that carbon steel wire rod from Argentina is being, or is likely to be, sold in the United States at less than fair value, and that "critical circumstances" exist with respect to the merchandise under investigation. We have notified the U.S. International Trade Commission (ITC) of our determinations, and the ITC will determine, within 45 days of publication of this notice, whether a U.S. industry is materially injured, or is threatened with material injury, by imports of this mechandise. We have directed the U.S. Customs Service to continue to suspend liquidation on all entries of the subject merchandise as described in the "Suspension of Liquidation" section of this notice.

EFFECTIVE DATE: September 27, 1984.

FOR FURTHER INFORMATION CONTACT: Gary Taverman, 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) 377-0161.

SUPPLEMENTARY INFORMATION:

Final Determination

We have determined that carbon steel wire rod from Argentina is being, or is likely to be, sold in the United States at less than fair value, as provided in section 735 of the Tariff Act of 1930, as amended (19 U.S.C. 1673d) (the Act) and that "critical circumstances" exist with respect to exports of carbon steel wire rod from Argentina.

We have found that the foreign market value of carbon steel wire rod exceeded the United States price on all sales compared. These margins ranged from 24.85 percent to 151.66 percent. The overall weighted-average margin on all carbon steel wire rod sales compared is 119.11 percent.

Case History

On November 23, 1983, we received a petition from counsel for Atlantic Steel Company, Continental Steel Company, Georgetown Steel Corporation, North Star Steel Co.—Texas, and Raritan River Steel Company on behalf of the domestic producers of carbon steel wire rod. In accordance with the filing requirements of § 353.36 of our regulations (19 CFR 353.36), the petition alleged that imports of carbon steel wire rod 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 Act and that these imports are materially injuring, or are threatening material injury to, a United States industry. Petitioners also alleged that "critical circumstances" exist, as defined in section 733(e) of the Act.

After reviewing the petition, we determined that it contained sufficient grounds upon which to initiate an antidumping duty investigation. We notified the ITC of our action and initiated the investigation on December 13, 1983 (48 FR 57578). On January 3, 1984, the ITC found that there is a reasonable indication that imports of carbon steel wire rod are materially injuring, or are threatening material injury to, a United States industry.

We presented a questionnaire to Acindar Industria Argentina de Aceros S.A. (Acindar) on January 13, 1984. In accordance with our normal practice, we requested a response within 30 days. Due to the large number of sales transactions, we instructed Acindar to report its home market sales transactions in hard copy and on computer tape in the format outlined in our questionnaire. At respondent's request, we agreed to extend the response period until March 5, 1984. On April 2, 1984, in a letter to counsel for Acindar, we outlined several deficiencies in the response, and requested that the company submit an amended response in proper format no later than April 10, 1984. We received Acindar's amended response, including a new computer tape, on April 12, 1984. We determined that Acindar's new computer tape was in an incorrect format and therefore was unusable. In view of the respondent's failure to compy with our request for a computerized response in proper format, and the lack of time available to obtain and analyze a new computer tape, we used the best information available for purposes of our preliminary determination, in accordance with section 776(b) of the Act (19 U.S.C. 1677e(b)). In this case, the best information available was certain information submitted by respondent. On May 1, 1984, we preliminarily determined that carbon steel wire rod from Argentina was being sold at less than fair value (49 FR 19542). We also preliminarily determined that "critical circumstances" did not exist.

On March 13, 1984, counsel for the respondent requested an extension of our final determination date of July 10, 1984. We granted an extension until September 20, 1984 (49 FR 22121). Also at the request of counsel for the respondent, we held a hearing on August 1, 1984, to allow the parties an opportunity to address the issues arising in this investigation.

Scope of Investigation

The merchandise covered by this investigation is carbon steel wire rod. Carbon steel wire rod is classified under item number 607.17 of the *Tariff Schedules of the United States* (TSUS), which covers wire rods of iron or steel; other than alloy iron or steel, not tempered, not treated, and not partly manufactured; valued over 4 cents per pound.

This investigation covers the period from June 1 to November 30, 1983.

Fair Value Comparisons

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

United States Price

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

We calculated the purchase price on the basis of the F.O.B. or C&F packed price to unrelated U.S. customers. We made deductions, where appropriate, for ocean freight and stowing costs. We made an addition to purchase price for import duties assessed upon the importation of raw materials used in the manufacture of carbon steel wire rod, and for indirect taxes, which were later rebated by reason of exportation of the merchandise under investigation to the United States, pursuant to sections 772(d)(1) (B) and (C) of the Act.

Foreign Market Value

We based foreign market value on the delivered packed prices of Acindar's home market sales. Since we found that the Argentine home market prices were constantly adjusted upward to reflect the high rate of inflation in Argentina during the period of investigation, we calculated foreign market values for each month within the period of investigation. We then made our fair value comparisons using the appropriate foreign market value.

We made comparisons of "such or similar" merchandise based on AISI grade categories selected by Commerce Department industry experts, in accordance with section 771(16)(B) of the Act. In calculating foreign market value, we made currency conversions from Argentine pesos to U.S. dollars in accordance with § 353.56(a)(1) of our regulations using the revised certified daily exchange rates. We made deductions, where appropriate, for foreign inland freight, standard and supplemental discounts, and stowing costs. Since wire rod sold in both the United States and the home market was sold in the identical packed conditions, no adjustments were made for packing.

The following adjustments claimed by Acindar were disallowed. The company claimed an adjustment to foreign market value for commissions paid on home market sales. While we allowed the adjustment in our preliminary determination, information obtained subsequently indicates that the commissions were paid to company employees, and as such are considered intra-company transfers of funds which do not qualify as the basis for a circumstance of sale adjustment. Acindar also claimed a level of trade adjustment to compensate for differences in levels of trade existing between the United States market and the home market for sales of wire rod. Pursuant to § 353.19 of our regulations, we disallowed this adjustment because Acindar did not establish that the pricing differentials are due to differences in selling costs associated with sales at different levels of trade in the home market. In addition, Acindar claimed an adjustment for bad debt expenses. This adjustment was disallowed because we consider bad debt expenses to be indirect in nature, not bearing a direct relationship to the sales under investigation, as required by § 353.15 of our regulations. Finally, we disallowed Acindar's claimed cash discount adjustment because there was insufficient information on the record establishing the basis for the claim.

Final Affirmative Determination of Critical Circumstances

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

In determining whether there is a history of dumping of carbon steel wire rod from Argentina in the United States or elsewhere, we reviewed past antidumping findings of the Department of the Treasury as well as past Department of Commerce antidumping duty orders. We also reviewed the antidumping actions of other countries, and found no past antidumping determinations on carbon steel wire rod from Argentina.

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

We generally consider the following concerning massive imports: (1) Recent trends in import penetration levels, (2) whether imports have surged recently, (3) whether the recent imports are significantly above the average calculated over the last three years; and (4) whether the pattern of imports over that three year period may be explained by seasonal swings.

In considering this question, we analyzed recent trade statistics on imports from Argentina, and all countries combined for the periods immediately preceding and subsequent to the petition filing. The analysis indicates that while imports from all countries increased 5.55 percent, imports from Argentina increased 110.08 percent. In addition, import penetration (calculated as the ratio of imports to total U.S. shipments) increased 104.05 percent for Argentina, but only 2.72 percent for all countries combined.

Normally, we would also analyze imports from prior years in order to determine whether increased imports over a short period could be attributable to factors such as seasonal flows and, therefore, may not constitute massive imports over a short period of time for the purposes of section 735(a)(3) of the Act. In this case, we have not done so because Argentina is a comparatively new entrant in the U.S. market with consequently low levels of exports of carbon steel wire rod to the United States in 1981 and 1982.

Based on our comparison of the data for the periods set forth above, we find that there have been massive imports of carbon steel wire rod from Argentina over a relatively short period of time.

Therefore, for the reasons described above, we determine that critical circumstances exist with respect to carbon steel wire rod from Argentina.

Petitioners' Comments

Comment 1: Acindar's terms of sale to its U.S. customers are F.O.B. stowed. Accordingly, counsel for petitioners contend that deductions should be made to purchase price for costs incurred by Acindar in: (a) moving the wire rod from the factory to the dock, and (b) in stowing the wire rod on ship. If information on these costs is not provided in a timely manner, they submit the Department should use information developed in the antidumping investigation of *Carbon Steel Wire Rod from Trinidad and Tobago* (48 FR 43206), where they claim a comparable situation exists.

In reply, counsel for Acindar states that what petitioners are suggesting is for the Department to calculate Acindar's internal costs for handling the product between the time it comes off the production line and the time it is taken off the dock. That, counsel claims, would be contrary to the Department's normal practice of not requiring internal cost calculations. If the Department does consider these costs, however, Acindar's counsel asserts that we must compare the handling costs on both export and domestic sales, and then adjust for differences.

DOC Position: When determining United States price, we deduct the amounts included in those prices attributable to any costs, charges and expenses incident to bringing the merchandise from the place of shipment to the place of delivery in order to arrive at the ex-factory price.

(a) With respect to the costs incurred in moving wire rod from the mill to the dock, the factual situations in the Trinidad and Tobago case and the instant case are not comparable. In the Trinidad and Tobago case, ISCOTT (the wire rod producer) transported the wire rod from its production facility to a dock it did not own, and therefore, making deductions from purchase price for those inland freight costs was warranted. In this case, Acindar's dock is part of the mill and constitutes the place of shipment. Therefore, we do not consider the cost of moving the merchandise within the mill to be a cost, charge or expense incident to bringing the merchandise from the place of shipment to the place of delivery.

(b) Acindar submitted data on labor costs incurred in stowing wire rod onto ships for export, and onto trucks for domestic sales. These charges were deducted from both purchase price and foreign market value, in accordance with the Commerce Regulations.

Comment 2: Using the criteria established by the Department in its final affirmative determination of critical circumstances in *Certain Carbon Steel Products From Brazil* (49 FR 17988), imports of wire rod from Argentina have been massive over a relatively short period of time. In addition, the level of dumping margins of 176.10 percent found in the preliminary determination indicates knowledge on the part of the importers that the wire rod was being sold at less than fair value. As such, the Department should find that critical circumstances exist in this case.

DOC Position: We agree. See the section of this notice entitled "Final Affirmative Determination of Critical Circumstances".

Comment 3: Counsel for petitioners assert that the upward adjustment to U.S. price on sales of high carbon wire rod for the reembolso rebate be limited to that amount of the rebate which covers taxes directly imposed on inputs which are physically incorporated in the exported product. Specifically, the Department should not allow the 10 percent adjustment claimed by Acindar, but should only allow an adjustment of 7.6 percent, the non-countervailable amount established in *Carbon Steel Wire Rod from Argentina, Suspension of Investigation* (47 FR 42393). To support their assertion, counsel references section 772(d)(1)(C) of the Act, which allows an addition to the U.S. price for "the amount of any taxes imposed in the country of exportation direclty upon the exported merchandise or components thereof, which have been rebated, or which have not been collected, by reason of exportation of the merchandise to the United States". This section of the Act, they claim, is merely the "flip side" of section 771(5)(A) and paragraph (h) in Annex A to the Subsidies Code, which allows as non-counter-vailable the rebates of indirect taxes imposed on components physically incorporated in the exported product.

In its post-hearing brief, counsel for respondent rebuts petitoners' argument by referencing *Senate Report No. 96–249 96th Cong., 1st Sess. 94 (1979)*, which states that "the principle behind adjustments to U.S. price and FMV is to achieve comparability between the prices which are being compared." In this case, the price that Acindar receives on export sales to the U.S. includes an addition of 10 percent for the high carbon wire rod reembolso rebate, which the home market price does not. Accordingly, to achieve price comparability, the Department should allow the full 10 percent rebate as an addition to U.S. price.

DOC Position: In deciding this issue, the Department was guided by the legislative history of this provision. In *House Report No. 93–571 93rd Cong., 1st Sess. 69 (1973)*, The House Ways and Means Committee recomended an amendment dealing with the treatment of certain types of tax rebates in computing purchase price which would "conform the standard in the Antidumping Act to the standard under the countervailing duty law, thereby harmonizing tax treatment under the two statutes." In *Senate Report No. 93–1298 93rd Cong., 2nd Sess. 172 (1974)*, the Senate Finance Committee addressed the same issue and recommended an amendment, the standard of which "parallels that standard employed by the Treasury Department under the countervailing duty law in determining whether tax rebates and remissions constitute bounties or grants."

It is our determination that the intent of Congress generally was to provide comparable treatment of indirect tax rebates in both antidumping and countervailing duty investigations. Therefore, for purposes of this case, we have limited the addition to purchase price on sales of high carbon wire rod to 7.6 percent, the amount established in the countervailing duty investigation as representing the tax incidence on components physically incorporated in the exported product.

Respondent's Comments

Comment 1: The Department should use the revised currency rates certified by the Federal Reserve Bank when converting Argentine pesos to U.S. dollars.

DOC Position: We agree and have used the revised rates.

Comment 2: The Department's methodology used for the preliminary determination did not result in the calculation of foreign market values (FMV) which were sufficiently correlated in product type and time with the U.S. sales to afford proper price to price comparisons. Counsel for respondent suggests that FMV be calculated based upon sales of identical merchandise in the home market which are close in time to the sale made in the U.S., and that the Department adjust for the differential in the value of the Argentine peso between the day of the home market sale and the day of the U.S. sale.

DOC Position: At the time of preliminary determination, Acindar's computer tape listing home market sales transactions was found to be in an improper format, and unusable. As a result, we were unable to perform discrete price to price comparisons. Subsequent to the preliminary determination, a tape in proper format was submitted. For the final determination, whenever possible, we compared U.S. sales with sales in the home market of wire rod having identical steel grade. If there were no sales of such merchandise, we used sales of the next most similar merchandise to determine foreign market value. In those instances, no adjustments for differences in merchandise were made because: (a) Our analysis reveals no differences in price between the such and next most similar steel grade used for comparison, and (b) there is know information on the record to support differences in merchandise adjustments based on differences in costs. We made currency conversions from Argentine pesos to U.S. dollars using the revised exchange rate in effect on the date of the U.S. sale, in accordance with Commerce Regulations.

Comment 3: Counsel for respondent contends that supplemental data provided by Acindar now supports the basis for its claimed cash discount adjustment. Accordingly, the Department should make an adjustment to foreign market value to reflect the discount.

DOC Position: At verification, company officials were asked to compile information on the amount of the cash discount and the number of days payment was outstanding for each home market sale. Based on the data subsequently provided by Acindar, we were unable to link the information to specific home market sales of the products under investigation. While we understand the mechanism of Acindar's cash discount system, information on the record does not support the claimed adjustment, and therefore the adjustment was not made.

Verification

In accordance with section 776(a) of the Act, we verified all data used in reaching this determination by using standard verification procedures, including on-site inspection of the manufacturer's operations and examination of accounting records and selected documents containing relevent information.

Suspension of Liquidation

In accordance with section 733(d) of the Act, on May 1, 1984, we directed the U.S. Customs Service to suspend liquidation of all entries of carbon steel wire rod from Argentina. As of the date of publication of this notice in the **Federal Register**, the liquidation of all entries, or withdrawals from warehouse, for consumption will continue to be suspended, and is ordered retroactively to February 8, 1984. The U.S. Customs Service will continue to require a cash deposit or the posting of a bond equal to the estimated weighted-average margin of 119.11 percent. The security amount established in our preliminary determination of May 1, 1984 is no longer in effect. The suspension of liquidation will remain in effect until further notice.

ITC Notification

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

The ITC will make its determination whether these imports are materially injuring or threaten material injury to a U.S. industry, within 45 days of the publication of this notice. If the ITC determines that material injury or the threat of material injury does not exist, this proceeding will be terminated and all securities posted as a result of the suspension of liquidation will be refunded or cancelled. If, however, the ITC determines that such injury does exist, we will issue an antidumping order, directing Customs officers to assess an antidumping duty on carbon steel wire rod from Argentina equal to the amount by which the foreign market value of the merchandise exceeds the U.S. prices.

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

William T. Archey,

Acting Assistant Secretary for Trade Administration.

[FR Doc. 84-25715 Filed 9-26-84; 8:45 am]

BILLING CODE 3510-DS-M

[A-469-008]

Carbon Steel Wire Rod From Spain; Final Determination of Sales at Less Than Fair Value

AGENCY: Import Administration, International Trade Administration, Commerce.

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

SUMMARY: We have determined that carbon steel wire rod from Spain is being, or is likely to be, sold in the United States at less than fair value, and that "critical circumstances" exist with respect to the merchandise under investigation. We have notified the U.S. International Trade Commission (ITC) of our determinations, and the ITC will determine, within 45 days of publication of this notice, whether a U.S. industry is materially injured, or is threatened with material injury, by imports of this merchandise. We have directed the U.S. Customs Service to continue to suspend liquidation on all entries of the subject merchandise as described in the "Suspension of Liquidation" section of this notice.

EFFECTIVE DATE: September 27, 1984.

FOR FURTHER INFORMATION CONTACT: Raymond Busen, 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) 377-2830.

SUPPLEMENTARY INFORMATION:

Final Determination

We have determined that wire rod from Spain is being, or is likely to be, sold in the United States at less than fair value, as provided in section 735 of the Tariff Act of 1930, as amended (19 U.S.C. 1673d) (the Act). The concerned firms are indicated in the "Suspension of Liquidation" section of this notice.

We have found that the foreign market value of wire rod exceeded the United States price on 96.28 percent of the sales compared. These margins ranged from 4.59 percent to 69.68 percent. The overall weighted-average margin on all sales compared is 34.05 percent. The weighted-average margins for individual companies investigated are listed in the "Suspension of Liquidation" section of this notice. We also found that critical circumstances exist with respect to exports of wire rod from Spain.

Case History

On November 23, 1983, we received a petition from Atlantic Steel Company, Continental Steel Co., Georgetown Steel Corp., North Star Steel Co.—Texas, and Raritan River Steel Company, on behalf of the domestic producers of wire rod. In compliance with the filing requirements of § 353.36 of our regulations (19 CFR 353.360), the petition alleged that imports of wire rod 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 Act, and that these imports are causing material injury, or threaten material injury, to a United States industry. Petitioners also alleged that critical circumstances exist, as defined in section 735(a)(3) of the Act.

After reviewing the petition, we determined that it contained sufficient grounds upon which to initiate an antidumping duty investigation. We notified the ITC of our action and initiated such an investigation on December 13, 1983 (48 FR 57580). On January 9, 1984, the ITC determined that there is a reasonable indication that imports of wire rod are materially injuring a U.S. industry.

On February 11, 1984, questionnaires were received by NMQ, ENSIDESA, and FASA. On March 21, 26, and 28, 1984, we received NMQ's response. ENSIDESA's response was received on March 23, 26, and 28, 1984, and FASA's response was received on March 23 and 30, 1984.

On May 1, 1984, we preliminarily determined that wire rod from Spain is being sold in the United States at less than fair value (49 FR 19547).

On May 10, 1984, we received a letter from respondents requesting that our final determination be extended until not later than September 20, 1984. In accordance with section 735(a)(2) of the Act, we extended our final determination until that date (49 FR 23208).

On June 5–12, 1984, we verified the responses of NMQ, ENSIDESA, and FASA at the offices of the Spanish Iron and Steel Federation in Madrid, Spain. On August 13, 1984, we held a hearing to address the issues arising in the investigation.

Scope of Investigation

The merchandise covered by this investigation is carbon steel wire rod. The term "carbon steel wire rod" covers wire rods of iron or steel other than alloy iron or steel, not tempered, not treated and not partly manufactured, and valued over 4 cents per pound, as currently provided for in item 607.17 of the *Tariff Schedules of the United States*.

Because NMQ, ENSIDESA, and FASA accounted for virtually all exports of this merchandise to the United States, we limited our investigation to these firms. We investigated all sales of wire rod by the three firms during the period June 1 through November 30, 1983.

Fair Value Comparisons

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

United States Price

As provided in section 772 of the Act, we used the purchase price of wire rod to represent the United States price for sales by NMQ, ENSIDESA, and FASA because the merchandise was sold to unrelated purchasers prior to its importation into the United States. We calculated the purchase price based on the c.&f., c.i.f., or f.o.b. packed price to unrelated purchasers. We made deductions, where appropriate, for foreign inland freight, foreign inland insurance, customs brokerage, ocean freight, and marine insurance.

Foreign Market Value

In accordance with section 773 of the Act, we calculated foreign market value based on home market sales. We compared identical merchandise where possible. Where no identical merchandise was sold in the home market, in accordance with section 771(16) of the Act, we made comparisons based on quality and dimensional categories selected by a Commerce Department industry expert.

We calculated the home market prices on the basis of delivered, packed prices to unrelated purchasers. Where appropriate, we made deductions for inland freight, discounts and rebates. We made adjustments for differences between United States and home market credit costs, and where appropriate, for commissions. We disallowed NMQ's claim for an adjustment for bad debt because we consider bad debt expenses to be indirect in nature, not bearing a direct relationship to the sales under consideration, as required by § 353.15 of our regulations.

We disallowed FASA's claimed circumstance of sale adjustments for interest costs related to warehousing inventory and their claimed adjustments to United States and home market prices for indirect selling expenses because they are not directly related to the sales under consideration as required by § 353.15 of our regulations.

Final Affirmative Determination of Critical Circumstances

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

In determining whether there is a history of dumping of carbon steel wire rod from Spain in the United States or elsewhere, we reviewed past antidumping findings of the Department of the Treasury as well as past Department of Commerce antidumping duty orders. We also reviewed the antidumping actions of other countries, and found no past antidumping determinations on carbon steel wire rod from Spain.

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

We generally consider the following concerning massive imports: (1) Recent trends in import penetration levels, (2) whether imports have surged recently, (3) whether the recent imports are significantly above the average calculated over the last three years; and (4) whether the pattern of imports over that three year period may be explained by seasonal swings.

In considering this question, we analyzed recent trade statistics on imports from Spain, and all countries combined for the periods immediately preceding and subsequent to the petition filing. The analysis indicates that while imports from all countries increased 5.55 percent, imports from Spain increased 50.41 percent. In addition, import penetration (calculated as the ratio of imports to total U.S. shipments) increased 46.59 percent for Spain, but only 2.72 percent for all countries combined.

Based on our comparison of the data for the periods set forth above, we find that there have been massive imports of carbon steel wire rod from Spain over a relatively short period of time.

Therefore, for the reasons described above, we determine that critical circumstances exist with respect to carbon steel wire rod from Spain, except with respect to FASA.

Verification

In accordance with section 776(a) of the Act, we verified the information used in making this determination by using standard verification procedures, including examination of records and selection of original source documentation containing relevant information.

Petitioners' Comments

Comment 1: Petitioners state that the 4.3 percent Impuesto General de Trafico de Emprese (IGTE) tax collected on home market sales but not on export sales does not appear to be reflected in the home market prices reported in the questionnaire responses. Therefore, if the home market prices that are used to determine foreign market value do not include the IGTE tax, then no adjustment to U.S. prices for the amount of that tax is permitted.

DOC Position: We agree. We found that home market gross prices as shown on respondents' invoices correspond to the gross prices as shown on respondents' questionnaire responses. However, these prices do not include the 4.3 percent IGTE tax and, therefore, no adjustment to U.S. price is warranted under section 772(d)(1)(C) of the Act.

Comment 2: Petitioners state that the 14.5 percent Desgravacion Fiscal a la Exportacion (DFE) is a program under which indirect taxes are rebated upon exportation of goods, and that section 772(d)(1)(C) of the Act limits the adjustment for rebated taxes to those levied directly on the merchandise or components thereof. Petitioners state that there is no evidence that the DFE rebate covers taxes on components used in the production of wire rod and that no substantiation of the actual incidence of the indirect taxes that are alleged to be rebated has been made.

Respondents state that the DFE is clearly a rebate of taxes imposed in the country of exportation by reason of the exportation of wire rod to the U.S. and has been recognized as such by the Department in prior determinations. Respondents further state that the taxes rebated under the DFE are included in the home market price and have, therefore, been appropriately included in the U.S. value.

DOC Position: In a recent countervailing duty finding on the same product (49 FR 19551), we determined on the basis of best information available that the entire export rebate constitutes a subsidy. Therefore, we are unable to conclude, on the basis of information presently available, that the DFE payment constitutes a rebate of taxes which were directly imposed upon this product or its components. However, as explained in the "Suspension of Liquidation" section of this notice, since the DFE rebate has already been determined to be an export subsidy in the final countervailing duty determination referenced above, the amount of the export subsidy has been subtracted from the dumping margin for deposit or bonding purposes.

Respondents' Comments

Comment 1: Respondents state that the Department should calculate foreign market value for NMQ and ENSIDESA based on sales to its largest customers if the quantities involved are to be considered comparable. Sales to the largest home market customers receive substantial discounts and are about one-half the size of the sales to its smallest U.S. customer. Davis Walker Corporation, an interested party to the investigation, made a similar comment in regard to sales by NMQ.

Petitioners state that there is no clear dividing line between NMQ and ENSIDESA's large and small volume home market purchases. Further, respondents have made no showing that the magnitude of the discounts received were directly related to the volume of specific sales.

DOC Position: It is clear that sales volume to the U.S. is much greater than Spanish home market sales. Respondents have not demonstrated, however, that the standards for allowance of a quantity discount under § 353.14(b)(1) of the Commerce Regulations have been met, nor have they shown that the discounts provided to home market customers are warranted on the basis of savings specifically attributable to the production of the different quantities involved, in accordance with § 353.14(b)(2) of those regulations. Therefore, no adjustments are warranted and foreign market value is based on all sales during the period of investigation.

Comment 2: Respondents state that the Department should calculate the fair value margins for ENSIDESA on the basis of appropriate comparisons on the quality and dimensions of wire rod sold in the home market and to the U.S. rather than "best information available" as was done for the preliminary determination.

DOC Position: Using information provided by the respondent and subsequently verified, we made comparisons based on quality and dimensional categories as selected by a Commerce Department industry expert.

Comment 3: Respondents state that we should adjust our product groupings for NMQ so as to avoid distortions resulting from certain products not being sold to the U.S. but being included in the foreign market value calculation.

Petitioners state that the product groupings were made on the advice of a Department commodity expert and that any alteration would skew the comparison.

DOC Position: We reviewed the comparison groups and deleted similar groups where identical merchandise existed. Where comparisons were based on similar merchandise, all similar home market merchandise was included.

Comment 4: Respondents state that NMQ's credit expenses on U.S. sales should be reduced by an amount equivalent to 30 days credit in order to account for the fact that home market prices reflected 30 days net terms, while export prices to the U.S. did not.

DOC Position: During verification we verified that credit expenses for NMQ's home market sales were overstated by an amount equivalent to 30 days of such expenses. Therefore, we made an adjustment to foreign market value to reflect accurate credit expenses.

Suspension of Liquidation

In accordance with section 733(d) of the Act, the suspension of liquidation is ordered retroactively for all manufacturers/producers/ exporters with the exception of FASA of all entries of wire rod from Spain that are entered, or withdrawn from warehouse, for consumption, on or after February 8, 1984. With regard to entries of wire rod from FASA, we are directing the Customs Service to suspend liquidation of all entries of wire rod which are entered, or withdrawn from warehouse, for consumption, on or after the date of publication of this notice in the **Federal Register**. The Customs Service shall require a cash deposit or the posting of a bond equal to the estimated wieghted-average margin amount by which the foreign market value of the merchandise subject to this investigation exceeded the United States prices. This suspension of liquidation will remain in effect until further notice. The weighted-average margins are as follows:

	Weighted-average margin percentage
NMQ	37.45
ENSIDESA	34.62
FASA	0.73
All Other Manufacturers/Producers/Exporters	34.05

Articles VI.5 of the General Agreement on Tariffs and Trade provides that "(n)o product * * * shall be subject to both antidumping and countervailing duties to compensate for the same situation of dumping or export subsidization." This provision is implemented by section 772(d)(1)(D) of the Act. Since dumping duties cannot be assessed on the portion of the margin attributable to export subsidies, there is no reason to require a cash deposit or bond for that amount. Accordingly, the level of export subsidies (as determined in the final affirmative countervailing duty determination on carbon steel wire rod from Spain (49 FR 19551)) has been substracted from the dumping margin for deposit or bonding purposes.

ITC Notification

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

The ITC will determine whether these imports are causing material injury, or threaten material injury, to a U.S. industry within 45 days of the publication of this notice.

If the ITC determines that material injury does not exist, this proceeding will be terminated and all securities posted as a result of the suspension of liquidation will be refunded or cancelled. If, however, the ITC determines that such injury does exist, we will issue an antidumping order, directing Customs officers to assess an antidumping duty on wire rod from Spain entered, or withdrawn, for consumption after the suspension of liquidation, equal to the amount by which the foreign market value of the merchandise exceeds the U.S. prices.

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

Dated: September 20, 1984.

William T. Archey,

Acting Assistant Secretary for Trade Administration.

[FR Doc. 84-25714 Filed 9-26-84; 8:45 am]

BILLING CODE 3510-DS-M

National Oceanic and Atmospheric Administration

Marine Mammal Permits; Issuance of Permit; Marineland Cote d'Azur

On July 26, 1984, Notice was published in the **Federal Register** (49 FR 30087) that an application had been filed with the National Marine Fisheries Service by Marine Cote d'Azur, Avenue Mozart, 06600 Antibes, France, for a Permit to take five (5) Atlantic bottlenose dolphins *(Tursiops truncatus)* for public display.

Notice is hereby given that on September 17, 1984, as authorized by the provisions of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1361–1407), the National Marine Fisheries Service issued a Public Display Permit for the above taking to Marineland Cote d'Azur subject to certain conditions set forth therein.

The Permit is available for review in the following offices:

Assistant Administrator for Fisheries, National Marine Fisheries Service, 3300 Whitehaven Street, NW., Washington, D.C.; and

Regional Director, National Marine Fisheries Service, Southeast Region, 9450 Koger Boulevard, Duval Building, St. Petersburg, Florida 33702.

Dated: September 17, 1984.

Richard B. Roe,

Director, Office of Protected Species and Habitat Conservation, National Marine Fisheries Service.

[FR Doc. 84-25633 Filed 9-26-84; 8:45 am]

BILLING CODE 3510-22-M

National Technical Information Service

Notice of Intent To Grant Exclusive Patent License; Calcol, Inc.

The National Technical Information Service (NTIS), a U.S. Department of Commerce, intends to grant to Calcol, Inc., having an office in Shaker Heights, Ohio 44122, an exclusive right to practice the invention embodied in U.S. Patent 3,734,930, "Direct Synthesis of (−) Trans-Δ^{9}-Tetrahydrocannabinol from Olivetol and (+)-Trans-Δ^{2}-Carene Oxide." The patent rights in this invention are being assigned to the United States of America, as represented by the Secretary of Commerce.

The proposed exclusive license will be royalty-bearing and will comply with the terms and conditions of 35 U.S.C. 209 and 41 CFR 101–4.1. The proposed license may be granted unless, within sixty days from the date of this published Notice, NTIS receives written evidence and argument which establishes that the grant of the proposed licenses would not serve the public interest.

Inquiries, comments and other materials relating to the proposed license must be submitted to the Office of Federal Patent Licensing, NTIS, Box 1423, Springfield, VA 22151.

Douglas J. Campion,

Office of Federal Patent Licensing, U.S. Department of Commerce, National Technical Information Service.

[FR Doc. 84-25659 Filed 9-26-84; 8:45 am]

BILLING CODE 3510-04-M

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[Order No. 274]

Resolution and Order Approving the Application of the Hawaiian State Department of Planning and Economic Development for a Special-Purpose Subzone in Honolulu, HI; Proceedings of the Foreign-Trade Zones Board, Washington, DC

Resolution and Order

Pursuant to the authority granted in the Foreign-Trade Zones Act of June 18, 1934, as amended (19 U.S.C. 81a–81u), the Foreign-Trade Zones Board has adopted the following Resolution and Order:

The Board, having considered the matter, hereby orders:

After consideration of the application of the Hawaiian State Department of Planning and Economic Development, submitted on behalf of the State of Hawaii, grantee of Foreign-Trade Zone 9, filed with the Foreign-Trade Zones Board (the Board) on May 18, 1984, requesting special-purpose subzone status for export-related operations at the milling and blending facility of Hawaiian Flour Mills, Inc. (HFM), in Honolulu, Hawaii, within the Honolulu Customs port of entry, the Board, finding that the requirements of the Foreign-Trade Zones Act, as amended, and the Board's regulations are satisfied, and that the proposal is in the public interest, approves the application.

The Secretary of Commerce, as Chairman and Executive Officer of the Board, is hereby authorized to issue a grant of authority and appropriate Board Order.

Grant of Authority To Establish a Foreign-Trade Subzone in Honolulu, Hawaii

Whereas, by an Act of Congress approved June 18, 1934, an Act "To provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes", as amended (19 U.S.C. 81a–81u) (the Act), the Foreign-Trade Zones Board (the Board) is authorized and empowered to grant to corporations the privilege of establishing, operating, and maintaining foreign-trade zones in or adjacent to ports of entry under the jurisdiction of the United States;

Whereas, The Board's regulations (15 CFR 400.304) provide for the establishment of special-purpose subzones when existing zone facilities cannot serve the specific use involved, and where a significant public benefit will result;

Whereas, the Hawaiian State Department of Planning and Economic Development, on behalf of the State of Hawaii, grantee of Foreign-Trade Zone No. 9, has made application (filed May 18, 1984, Docket No. 28–84, 49 FR 22120) in due and proper form to the Board for authority to establish a special-purpose subzone for the export operations of Hawaiian Flour Mills, Inc. in Honolulu, Hawaii, with the Honolulu, Hawaii, within the Honolulu Customs port of entry;

Whereas, notice of said application has been given and published, and full opportunity has been afforded all interested parties to be heard; and,

Whereas, the Board has found that the requirements of the Act and the Board's regulations are satisfied;

Now, therefore, in accordance with the application filed May 18, 1984, the Board hereby authorizes the establishment of a subzone for the export operations of the Hawaiian Flour Mills plant in Honolulu, designated on the records of the Board as Foreign-Trade Subzone No. 9B at the location mentioned above and more particularly described on the maps and drawings accompanying the application, said grant of authority being subject to the provisions and restrictions of the Act and the Regulations issued thereunder, to the same extent as though the same were fully set forth herein, and also to the following express conditions and limitations:

Activation of the subzone shall be commenced within a reasonable time from the date of issuance of the grant, and prior thereto, any necessary permit shall be obtained from Federal, State, and municipal authorities.

Officers and employees of the United States shall have free and unrestricted access to and throughout the foreign-trade subzone in the performance of their official duties.

The grant shall not be construed to relieve responsible parties from liability for injury or damage to the person or property of others occasioned by the construction, operation, or maintenance of said subzone, and in no event shall the United States be liable therefor.

The grant is further subject to settlement locally by the District Director of Customs and District Army Engineer with the Grantee regarding compliance with their respective requirements for the protection of the revenue of the United States and the installation of suitable facilities.

In witness whereof, the Foreign-Trade Zones Board has caused its name to be signed and its seal to be affized hereto by its Chairman and Executive Officer or his delegate at Washington, D.C. this 17th day of October 1984 pursuant to Order of the Board.

Foreign-Trade Zones Board
William T. Archey,
Acting Assistant Secretary of Commerce for Trade Administration, Chairman, Committee of Alternates.

Attest:
John J. Da Ponte, Jr.,
Executive Secretary.

[FR Doc. 84-28225 Filed 10-24-84; 8:45 am]
BILLING CODE 3510-DS-M

International Trade Administration

[A-469-008]

Carbon Steel Wire Rod From Spain; Amendment to the Final Determination of Sales at Less Than Fair Value

AGENCY: Import Administration, International Trade Administration, Commerce.

ACTION: Notice of Amendment to the Final Determination of Sales at Less Than Fair Value.

SUMMARY: As a result of the correction of incorrect product groupings and clerical errors, the Department of Commerce is amending the final determination in this investigation, directing the U.S. Customs Service to adjust the estimated duty deposit or bonding requirement for Nueva Montana Quijano, S.A. (NMQ), and excluding from the final determination wire rod produced by Forjas Alavesas, S.A. (FASA).

EFFECTIVE DATE: October 25, 1984.

FOR FURTHER INFORMATION CONTACT: Raymond Busen, 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) 377–2830.

SUPPLEMENTARY INFORMATION:

Background

On September 27, 1984, we published a final affirmative antidumping duty determination on carbon steel wire rod (wire rod) from Spain (49 FR 38173). Due to a Department programming problem when making merchandise comparisons based on quality and dimensional categories for NMQ, the product groupings did not contain the proper foreign market transactions, which resulted in the computation of incorrect dumping margins. Due to clerical errors when programming the various product groupings for FASA, certain grades were placed in the wrong product groupings, which resulted in computation errors in the dumping margin. We now correct these errors.

In the "Final Determination" section of the notice, we stated: "We have found that the foreign market value of wire rod exceeded the United States price on 96.28 percent of the sales compared. These margins ranged from 4.59 percent to 69.63 percent. The overall weighted-average margin on all sales compared is 34.05 percent." These sentences are amended to read: "We have found that the foreign market value of wire rod exceeded the United States price on 96.21 percent of the sales compared. These margins ranged from 1.0 percent to 83.18 percent. The overall weighted-average margin on all sales compared is 36.43 percent."

In the "Suspension of Liquidation" section of the notice, we stated: "With regard to entries of wire rod from FASA, we are directing the Customs Service to suspend liquidation of all entries of wire rod which are entered, or withdrawn from warehouse, for consumption, on or after the date of publication of this notice in the Federal Register." This sentence is hereby deleted. The posting of a cash deposit or bond will now be based on the following revised weighted-average margins.

	Weighted-average margin percentage
NMQ	41.25
ENSIDESA (no change from original final determination)	34.62
FASA	[1] 0.12
All Other Manufacturers/Producers/Exporters	36.43

[1] Exports of wire rod produced by FASA are hereby excluded from this determination since the dumping margins on wire rod produced and exported by FASA were *de minimis*.

No other information in the September 27, 1984, final determination is affected by this amendment. The United States International Trade Commission is being advised of this amendment.

Dated: October 19, 1984.

Alan F. Holmer,

Acting Assistant Secretary for Trade Administration.

[FR Doc. 84-28227 Filed 10-24-84; 8:45 am]

BILLING CODE 3510-DS-M

[A-580-405]

Fabric Expanded Neoprene Laminate From Japan; Initiation of Antidumping Duty 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 fabric expanded neoprene laminate (FENL) from Japan is being, or is likely to be, sold in the United States at less than fair value. We are notifying the United States International Trade Commission (ITC) of this action so that it may determine whether imports of this product are causing material injury, or threaten material injury, to a United States industry. If this investigation proceeds normally, the ITC will make its preliminary determination on or before November 13, 1984, and we will make ours on or before March 9, 1985.

EFFECTIVE DATE: October 25, 1984.

FOR FURTHER INFORMATION CONTACT: Mary Clapp, 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) 377-2438.

SUPPLEMENTARY INFORMATION:

The Petition

On October 1, 1984, we received a petition in proper form filed by Rubatex Corporation. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petition alleged that the imports of the subject merchandise from Japan are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Tariff Act of 1930, as amended (the Act), and that these imports are causing material injury, or threaten material injury, to a United States industry.

The petitioner based the United States prices on actual sales to U.S. purchasers, less foreign inland freight, ocean freight, duty, insurance, commissions, credit expenses, and U.S. inland freight. Petitioner had no information on Japanese home market or third country prices. We calculated foreign market value based on petitioner's production costs adjusted to reflect estimated Japanese costs with the statutory minimums for general expenses and profit. Based on the comparison of prices to costs calculated by the foregoing methods, we found potential dumping margins ranging from 12 to 22 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 anti dumping duty investigation and whether it contains information reasonably available to the petitioners supporting the allegations.

We examined the petition on FENL and 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 duty investigation to determine whether FENL from Japan are being, or are likely to be, sold in the United States at less than fair value. If our investigation proceeds normally, we will make our preliminary determination by March 9, 1985.

Scope of Investigation

The product covered by this investigation is fabric expanded neoprene laminate currently classified under item numbers 355.81, 355.82, 359.50, and 359.60 of the *Tariff Schedules of the United States* (TSUS). This material is used primarily in the manufacture of wet suits and similar products for the skin diving and recreational markets.

Notification of 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 November 13, 1984, whether there is a reasonable indication that imports of FENL from Japan are causing material injury, 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: October 22, 1984.

Alan F. Holmer,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 84-28226 Filed 10-24-84; 8:45 am]

BILLING CODE 3510-DS-M

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

FOR FURTHER INFORMATION CONTACT: Gracia M. Berg, Esq., Office of the General Counsel, U.S. International Trade Commission, telephone 202-532-1627.

Issued: May 25, 1984.

By order of the Commission.

Kenneth R. Mason,

Secretary.

[FR Doc. 84-14538 Filed 5-30-84 8:45 am]

BILLING CODE 7020-02-M

[Investigation No 337-TA-176]

Certain Outboard Motors and Components Thereof; Commission Decision Not To Review Initial Determination Terminating Investigation on the Basis of Settlement Agreement

AGENCY: International Trade Commission.

ACTION: Notice is hereby given that the Commission has determined not to review an initial determination (I.D.) to terminate this investigation on the basis of a settlement agreement.

Authority: 19 U.S.C. 1337; 19 CFR 210.53 (c) and (h).

SUPPLEMENTARY INFORMATION: Notice of the I.D. was published in the **Federal Register** of May 2, 1984, 49 FR 18793.

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

FOR FURTHER INFORMATION CONTACT: Frank Schuchat, Esq. Office of the General Counsel, U.S. International Trade Commission, telephone 202-523-0421.

Issued: May 18, 1984.

By order of the Commission

Kenneth R. Mason,

Secretary.

[FR Doc. 84-14543 Filed 5-30-84; 8:45 am]

BILLING CODE 7020-02-M

[Investigation No. 337-TA-193]

Certain Rowing Machines and Components Thereof; Order

Pursuant to my authority as Chief Administrative Law Judge of this Commission, I hereby designate Administrative Law Judge Janet D. Saxon as Presiding Officer in this investigation.

The Secretary shall serve a copy of this order upon all parties of record and shall publish it in the **Federal Register.**

Issued: May 18, 1984.

Donald K. Duvall,

Chief Administrative Law Judge.

[FR Doc. 84-14529 Filed 5-30-84; 8:45 am]

BILLING CODE 7020-02-M

[Investigation No. 337-TA-192]

Certain Spring Balanced Arm Lamp Heads; Order No. 1

Puarsuant to my authority as Chief Administrative Law Judge of this Commission, I hereby designate Administrative Law Judge John J Mathias as Presiding Officer in this investigation.

The Secretary shall serve a copy of this order upon all parties of record and shall publish it in the **Federal Register.**

Issued: May 18, 1984.

Donald K. Duvall,

Chief Administrative Law Judge.

[FR Doc. 84-14530 Filed 5-30-84; 8:45 am]

BILLING CODE 7020-02-M

[Investigation No. 337-TA-150]

Certain Self-Stripping Electrical Tap Connectors; Issuance of Exclusion Order

AGENCY: International Trade Commission.

ACTION: Notice is hereby given that the Commission has issued a general exclusion order in the above-captioned investigation.

Authority: 19 U.S.C. 1337.

SUPPLEMENTARY INFORMATION: The presiding officer issued an initial determination on January 11, 1984, in which she determined that there has been a violation of section 337 in the unauthorized importation and sale of certain self-stripping electrical tap connectors by reason of infringement of claim 1 of U.S. Letters Patent 3,388,370, owned by complainant Minnesota Mining and Manufacturing Company, Inc., the effect and tendency of which importation and sale was to substantially injure the relevant domestic industry.

On February 25, 1984, the Commission determined not to review the presiding officer's initial determination, thereby allowing it to become the Commission determination on violation of section 337. The Commission requested written submissions on the issues of remedy, the public interest, and bonding from the parties, other government agencies, and the public. Complainant and the Commission investigative attorney filed written submissions; no other submissions were received.

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

FOR FURTHER INFORMATION CONTACT: Judith M. Czako, Esq., Office of the General Counsel, U.S. International Trade Commission, telephone 202-523-3395.

Issued: May 24, 1984.

By order of the Commission.

Kenneth R. Mason,

Secretary.

[FR Doc. 84-14534 Filed 5-30-84; 8:45 am]

BILLING CODE 7020-02-M

[Investigations Nos. 731-TA-157, 159, and 160 (Final)]

Carbon Steel Wire Rod From Argentina, Poland, and Spain

AGENCY: International Trade Commission.

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

EFFECTIVE DATE: May 8, 1984.

SUMMARY: As a result of affirmative preliminary determinations by the U.S. Department of Commerce that there is a reasonable basis to believe or suspect that imports from Argentina, Poland, and Spain of carbon steel wire rod, provided for in item 607.17 of the Tariff Schedules of the United States, are being, or are likely to be, sold in the United States at less than fair value (LTFV) within the meaning of section 731 of the Tariff Act of 1930 (19 U.S.C. 1673), the United States International Trade Commission hereby gives notice of the institution of investigations Nos. 731-TA-157, 159, and 160 (Final) under section 735(b) of the act (19 U.S.C. 1673d(b)) to determine whether an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports of such merchandise. Unless the investigations are extended, the Department of Commerce will make its final dumping determinations in these cases on or before July 16, 1984, and the Commission will make its final injury determinations by September 4, 1984 (19 CFR 207.25).

FOR FURTHER INFORMATION CONTACT: Larry Reavis (202-523-0296), Office of Investigations, U.S. International Trade Commission.

SUPPLEMENTARY INFORMATION:

Background

On January 9, 1984, the Commission notified the Department of Commerce that, on the basis of the information developed during the course of its preliminary investigations, there was a reasonable indication that an industry in the United States was materially injured by reason of alleged LTFV imports of carbon steel wire rod from Argentina, Poland, and Spain. The preliminary investigations were instituted in response to a petition filed on November 23, 1983, by the Atlantic Steel Co., Continental Steel Co., Georgetown Steel Corp., North Star Steel Co., Texas, and Raritan River Steel Co.

Participation in the investigations

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

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

Staff report

A public version of the staff report containing preliminary findings of fact in these investigations will be placed in the public record on July 16, 1984, pursuant to § 207.21 of the Commission's rules (19 CFR 207.21).

Hearing

The Commission will hold a hearing in connection with these investigations beginning at 10:00 a.m., on July 31, 1984, at the U.S. International Trade Commission Building, 701 E Street NW., Washington, D.C. 20436. Requests to appear at the hearing should be filed in writing with the Secretary to the Commission not later than the close of business (5:15 p.m.) on July 20, 1984. All persons desiring to appear at the hearing and make oral presentations should file prehearing briefs and attend a prehearing conference to be held at 10:00 a.m., on July 25, 1984, in room 117 of the U.S. International Trade Commission Building. The deadline for filing prehearing briefs is July 26, 1984.

Testimony at the public hearing is governed by § 207.23 of the Commission's rules (19 CFR 207.23). This rule requires that testimony be limited to a nonconfidential summary and analysis of material contained in prehearing briefs and to information not available at the time the prehearing brief was submitted. All legal arguments, economic analyses, and factual materials revelent to the public hearing should be included in prehearing briefs in accordance with § 207.22 (19 CFR 207.22). Posthearing briefs must conform with the provisions of § 207.24 (19 CFR 207.24) and must be submitted not later than the close of business on August 7, 1984.

Written submissions

As mentioned, parties to these investigations may file prehearing and post hearing briefs by the dates shown above. In addition, any person who has not entered an appearance as a party to these investigations may submit a written statement of information pertinent to the subject of the investigations on or before August 7, 1984. A signed original and fourteen (14) true copies of each submission must be filed with the Secretary to the Commission in accordance with § 201.8 of the Commission's rules (19 CFR 201.8). All written submissions except for confidential business data will be available for public inspection during regular business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary to the Commission.

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

For further information concerning the conduct of these investigations, hearing procedures, and rules of general application, consult the Commission's Rules of Practice and Procedure, Part 207, subparts A and C (19 CFR Part 207), and Part 201, subparts A through E (19 CFR Part 201).

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

Issued: May 23, 1984.

By order of the Commission.

Kenneth R. Mason,

Secretary.

[FR Doc. 84-14532 Filed 5-30-84; 8:45 am]

BILLING CODE 7020-02-M

[Investigation No. 337-TA-191]

Certain Stretch Wrapping Apparatus and Components Thereof; Order No. 1

Pursuant to my authority as Chief Administrative Law Judge of this Commission, I hereby designate Administrative Law Judge Donald K. Duvall as Presiding Officer in this investigation.

The Secretary shall serve a copy of this order upon all parties of record and shall publish it in the **Federal Register**.

Issued: May 18, 1984.

Donald K. Durvall,

Chief Administrative Law Judge.

[FR Doc. 84-14542 Filed 5-30-84; 8:45 am]

BILLING CODE 7020-02-M

[Investigation No. 337-TA-186]

Certain Tennis Rackets; Commission Decision Not To Review Initial Determination Terminating Respondent

AGENCY: International Trade Commission.

ACTION: The Commission has determined not to review an initial determination (ID) to terminate Kneissel, Inc. (Kneissel), as a respondent in the above-captioned investigation.

imports of calcium hypochlorite from Japan. Accordingly, effective April 25, 1984, the Commission instituted antidumping investigation No. 731-TA-189 (Preliminary) under section 733(a) of the Act. Notice of the institution of the Commission's investigation 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 May 9, 1984, FR 19745). A public conference was held in Washington, D.C., on May 18, 1984, and all persons who requested the opportunity were premitted to appear in person or by counsel.

The Commission transmitted its report on the investigation to the Secretary of Commerce on June 11, 1984. A public version of the Commission's report, *Calcium Hypochlorite from Japan* (investigation No. 731-TA-189 (Preliminary), USITC Publication 1540, 1984), contains the views of the Commission and information developed during the investigation.

Issued: June 11, 1984.

By order of the Commission.

Kenneth R. Mason,

Secretary.

[FR Doc. 84-16419 Filed 6-19-84; 8:45 am]

Billing Code 7020-02-M

[Investigation No. 731-TA-157 and 160 (Final)]

Carbon Steel Wire Rod From Argentina and Spain

AGENCY: United States International Trade Commission.

ACTION: In conformance with the determination of the International Trade Administration of the Department of Commerce to amend its schedule for the conduct of the referenced investigations (49 FR 22121, May 25, 1984 (Argentina); 49 FR 23208, June 5, 1984 (Spain)), the Commission hereby revises its schedule as follows: The prehearing conference will be held on September 19, 1984; the hearing will be held on September 25, 1984; and the Commission's final determination shall be issued on or before November 5, 1984.

EFFECTIVE DATE: June 11, 1983.

SUPPLEMENTARY INFORMATION: The Commission instituted final antidumping investigations with respect to Argentina, Poland (Inv. No. 731-TA-159), and Spain effective May 8, 1984, and scheduled as hearing to be held in connection with these investigations for July 31, 1984 (49 FR 22722, May 31, 1984). On May 25, 1984 (49 FR 22121) and June 5, 1984 (49 FR 23208), the Department of Commerce extended the investigations for Argentina and Spain, respectively, in response to requests from exporters in these countries. The effect of the extensions was to change the scheduled date for Commerce to make its final determinations from July 16, 1984, to September 20, 1984. Accordingly, the Commission is revising its schedule for Argentina and Spain to conform with Commerce's new schedule. the Commission's schedule for Poland remains unchanged.

The Commission's hearing for the rescheduled investigations, which was to have been held on July 31, 1984, has been rescheduled to begin at 10:00 a.m. on September 25, 1984, in the Hearing Room, U.S. International Trade Commission Building, 701 E Street NW., Washington, D.C. Requests to appear at the hearing should be filed in writing with the Secretary to the Commission not later than the close of business (5:15 p.m.) on September 11, 1984. All persons desiring to appear at the hearing and make oral presentations should file prehearing briefs and attend a prehearing conference to be held at 10:00 a.m. on September 19, 1984, in room 117 of the U.S. International Trade Commission Building. The deadline for filing prehearing briefs is September 20, 1984. A public version of the prehearing staff report containing preliminary findings of fact in these investigations will be placed in the public record on September 5, 1984.

FOR FURTHER INFORMATION CONTACT: Larry Reavis (202-523-0296), Office of Investigations, U.S. International Trade Commission, Washington, D.C. 20436.

Issued June 11, 1984.

By order of the Commission.

Kenneth R. Mason,

Secretary.

[FR Doc. 84-16421 Filed 6-19-84; 8:45 am]

BILLING CODE 7020-02-M

[Investigation No. 337-TA-165]

Certain Alkaline Batteries; Commission Decision Not To Review Initial Determination Terminating Respondents on the Basis of Settlement Agreements

AGENCY: U.S. International Trade Commission.

ACTION: The Commission has determined not to review an initial determination (ID) to terminate Masel Supply Co. Corporation (Masel), Merchants Buying Syndicate (Merchants), and Web International Ltd. (Web), as respondents in the above-captioned investigation on the basis of settlement agreements.

Authority: 19 U.S.C. 1337; 19 CFR 210.53(c) and (h)

SUPPLEMENTARY INFORMATION: On March 16, 1984, complainant Duracell, Inc. filed a motion (Motion No. 165-22) to terminate Masel, Merchants, and Web as respondents in the investigation on the basis of three settlement agreements.

On May 11, 1984, the presiding officer issued an ID (Order No. 23) granting the motion. The Commission received neither a petition for review of the ID nor comments from other Government agencies or the public.

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

Issued: June 12, 1984.

By order of the Commission.

Kenneth R. Mason,

Secretary.

[FR Doc. 84-16416 Filed 6-19-84; 8:45 am]

BILLING CODE 7020-02-M

[Investigation No. 337-TA-143]

Certain Amorphous Metal Alloys and Amorphous Metal Articles; Extension of Time for Commission Decision on Whether To Order Review of Initial Determination

AGENCY: U.S. International Trade Commission.

ACTION: Notice is hereby given that the date by which the Commission must decide whether to review the initial determination (ID) on the violation of section 337 of the Tariff Act of 1930 in the above-captioned investigation has been changed from June 14, 1984, to July 6, 1984.

Authority: The authority for the Commission's disposition of this matter is contained in section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) and in §§ 210.53-210.57 of the Commission's Rules of Practice and Procedure (19 CFR 210.53-210.57 as amended by 48 FR 20226, 21115).

SUPPLEMENTARY INFORMATION: The presiding officer's ID on the violation of section 337 alleged in this investigation was filed on May 14, 1984. Under § 210.53(h) of the Commission's rules, the ID becomes the determination of the Commission within 30 days after the date of filing of the ID unless the Commission orders a review or extends the deadline for deciding whether to

APPENDIX B

CALENDAR OF PUBLIC HEARING

CALENDAR OF PUBLIC HEARING

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

Subject : Carbon Steel Wire Rod from Argentina and Spain

Inv. Nos. : 731-TA-157 and 160 (Final)

Date and time: September 25, 1984 - 10:00 a.m.

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

In support of the imposition of antidumping duties:

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

Continental Steel Company, Georgetown Steel Corporation, North Star Steel Company-Texas, Raritan River Steel Company and Atlantic Steel Company

Dr. John Pisarkiewicz, Pisarkiewicz Economic Consulting Services

Brian F. Hill, North Star Steel-Texas

Richard C. Holzworth, Georgetown Steel Corporation

Thomas N. Tyrrell, Raritan River Steel Company

William O. Riley, President, Atlantic Steel Company

Patton, Boggs & Blow

Charles Owen Verrill, Jr.)
Frank R. Samolis)--OF COUNSEL
Michael D. Esch)

Fried, Frank, Harris, Shriver & Kampelman

Alan Kashdan)--OF COUNSEL
David Birenbaum)

- more -

In opposition to the imposition of antidumping duties:

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

The Union de Empreasas Siderurgicas (UNESID), the Spanish Steel Producers' Association, and its interested party member companies including Nueva Montana Quijano, S.A., Empresa Nacional Siderurgica, S.A. and Forjas Alavesas, S.A. exporting this product to the U.S.

George V. Egge, Jr.--OF COUNSEL

Baker & McKenzie--Counsel
Washington, D.C.
on behalf of

Acindar Industria Argentina de Aceros S.A.

Maurice F. Roche, Manager, Ferrostaal Metals Corporation

Thomas P. Ondeck)
David B. Vance)--OF COUNSEL