

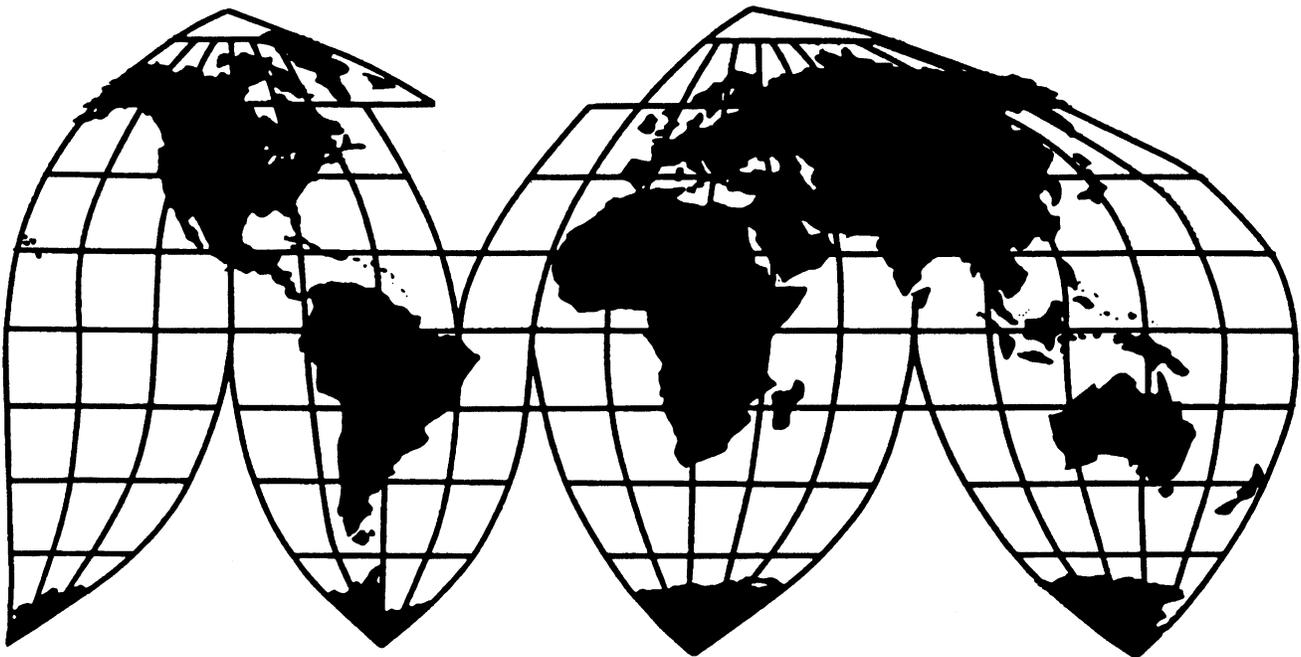
Certain Structural Steel Beams From China, Germany, Luxembourg, Russia, South Africa, Spain, and Taiwan

Investigations Nos. 731-TA-935-936 and 938-942 (Final)

Publication 3522

June 2002

U.S. International Trade Commission



U.S. International Trade Commission

COMMISSIONERS

Deanna Tanner Okun, Chairman
Jennifer A. Hillman, Vice Chairman
Lynn M. Bragg
Marcia E. Miller
Stephen Koplan

Robert A. Rogowsky
Director of Operations

Staff assigned:

D.J. Na, *Investigator*
Karl Tsuji, *Industry Analyst*
John Giamalva, *Economist*
Jim Stewart, *Accountant*
Marc Bernstein, *Attorney*
Steven Hudgens, *Statistician*
Catherine Rylyk, *Investigative Intern*

Bonnie Noreen, *Supervisory Investigator*

Address all communications to
Secretary to the Commission
United States International Trade Commission
Washington, DC 20436

U.S. International Trade Commission

Washington, DC 20436

www.usitc.gov

Certain Structural Steel Beams From China, Germany, Luxembourg, Russia, South Africa, Spain, and Taiwan

Investigations Nos. 731-TA-935-936 and 938-942 (Final)



CONTENTS

	<i>Page</i>
Determinations	1
Views of the Commission	3
Separate and dissenting views of Commissioner Lynn M. Bragg	25
Part I: Introduction	I-1
Background	I-1
Summary data	I-1
Previous Commission investigations	I-2
The product	I-4
Physical characteristics and uses	I-4
Manufacturing process	I-5
Melting	I-6
Casting	I-6
Hot rolling	I-6
Domestic like product issues	I-7
Part II: Conditions of competition in the U.S. market	II-1
Channels of distribution	II-1
Supply and demand considerations	II-1
U.S. supply	II-1
Domestic production	II-1
Subject imports	II-3
U.S. demand	II-7
Demand characteristics	II-7
Substitute products	II-8
Cost share	II-8
Substitutability issues	II-9
Factors affecting sales	II-9
Comparison of domestic product, subject imports, and nonsubject imports	II-12
Elasticity estimates	II-13
Domestic supply	II-13
Subject supply	II-13
U.S. demand	II-14
Substitution	II-14
Part III: U.S. producers' production, shipments, and employment	III-1
U.S. producers	III-1
U.S. capacity, production, and capacity utilization	III-1
U.S. producers' shipments	III-3
U.S. producers' inventories	III-4
U.S. producers' employment, wages, and productivity	III-5
U.S. producers' channels of distribution	III-5
Part IV: U.S. imports, apparent consumption, and market shares	IV-1
U.S. importers	IV-1
U.S. imports	IV-1
Apparent U.S. consumption and market shares	IV-5
U.S. importers' channels of distribution	IV-5

CONTENTS

	<i>Page</i>
Part V: Pricing and related information	V-1
Factors affecting prices	V-1
Raw material costs	V-1
Transportation costs to the U.S. market	V-1
U.S. inland transportation costs	V-2
Exchange rates	V-2
Pricing practices	V-6
Pricing methods	V-6
Sales terms and discounts	V-6
Price data	V-6
Price comparisons	V-7
Lost sales and lost revenues	V-10
Part VI: Financial condition of the U.S. producers	VI-1
Background	VI-1
Operations on structural steel beams	VI-1
Investment in productive facilities, capital expenditures, and research and development expenses	VI-5
Capital and investment	VI-5
Part VII: Threat considerations	VII-1
The subject foreign industries	VII-1
The industry in China	VII-1
The industry in Germany	VII-2
The industry in Luxembourg	VII-2
The industry in Russia	VII-3
The industry in South Africa	VII-3
The industry in Spain	VII-4
The industry in Taiwan	VII-4
U.S. importers' inventories of product from subject countries	VII-5
U.S. importers' expected deliveries	VII-5
 Appendixes	
A. <i>Federal Register</i> notices	A-1
B. Hearing witnesses	B-1
C. Summary data	C-1
D. Price and quantity data	D-1
E. Lost sales and revenues	E-1
F. Effects of imports on producers' existing development and production efforts, growth, investment, and ability to raise capital	F-1
 Figures	
V-1. Index of prices for iron and steel scrap, January 1999-February 2002	V-1
V-2. Exchange rates: Index of the nominal value of the Chinese yuan relative to the U.S. dollar, by quarters, January 1999-December 2001	V-3

CONTENTS

		<i>Page</i>
<i>Figures--Continued</i>		
V-3.	Exchange rates: Indices of the nominal and real values of the German mark relative to the U.S. dollar, by quarters, January 1999-December 2001	V-3
V-4.	Exchange rates: Indices of the nominal and real values of the Luxembourg franc relative to the U.S. dollar, by quarters, January 1999-December 2001	V-4
V-5.	Exchange rates: Indices of the nominal and real values of the Russian ruble relative to the U.S. dollar, by quarters, January 1999-December 2001	V-4
V-6.	Exchange rates: Indices of the nominal and real values of the South African rand relative to the U.S. dollar, by quarters, January 1999-December 2001	V-5
V-7.	Exchange rates: Indices of the nominal and real values of the Spanish peseta relative to the U.S. dollar, by quarters, January 1999-December 2001	V-5
V-8.	Exchange rates: Indices of the nominal and real values of the Taiwan NT dollar relative to the U.S. dollar, by quarters, January 1999-December 2001	V-6
D-1.	Product 1: Weighted average f.o.b. prices and quantities reported by U.S. producers and importers of structural steel beams from China, Germany, Luxembourg, and Russia, by quarters, January 1999-December 2001	D-3
D-2.	Product 1: Weighted average f.o.b. prices and quantities reported by U.S. producers and importers of structural steel beams from South Africa, Spain, and Taiwan, by quarters, January 1999-December 2001	D-3
D-3.	Product 2: Weighted average f.o.b. prices and quantities reported by U.S. producers and importers of structural steel beams from China, Germany, and Luxembourg, by quarters, January 1999-December 2001	D-3
D-4.	Product 2: Weighted average f.o.b. prices and quantities reported by U.S. producers and importers of structural steel beams from South Africa, Spain, and Taiwan, by quarters, January 1999-December 2001	D-3
D-5.	Product 3: Weighted average f.o.b. prices and quantities of sales to distributors reported by U.S. producers and importers of structural steel beams from Germany and Luxembourg, by quarters, January 1999-December 2001	D-3
D-6.	Product 3: Weighted average f.o.b. prices and quantities of sales to distributors reported by U.S. producers and importers of structural steel beams from Spain and Taiwan, by quarters, January 1999-December 2001	D-3
D-7.	Product 3: Weighted average f.o.b. prices and quantities of sales to end users reported by U.S. producers and importers of structural steel beams from Luxembourg, Spain, and Taiwan, by quarters, January 1999-December 2001	D-3
D-8.	Product 4: Weighted average f.o.b. prices and quantities reported by U.S. producers and importers of structural steel beams from Spain, by quarters, January 1999-December 2001	D-4
D-9.	Structural steel beams: Weighted average f.o.b. prices reported by U.S. producers on sales of structural steel beams to distributors and end users, by quarters, January 1999-December 2001	D-4

CONTENTS

	<i>Page</i>
Tables	
I-1. Structural steel beams: Scheduling of the investigations	I-2
I-2. Structural steel beams: Commerce’s final and amended final dumping margins	I-3
II-1. Structural steel beams: End-of-year inventories in short tons reported by responding purchasers, 1999-2001	II-3
II-2. Structural steel beams: Reported annual purchases of foreign product in short tons, by source, 1999-2001	II-4
II-3. Structural steel beams: Annual quantity of UN exports in metric tons, by source and by market, 1996-2000	II-5
II-4. Total value of nonresidential buildings put in place in the United States, 1999-2001	II-8
II-5. Structural steel beams: Ranking of factors in purchase decisions	II-9
II-6. Structural steel beams: Importance of factors in a purchase decision and comparison of domestic products to imports	II-10
II-7. Structural steel beams: Perceived importance of differences in factors other than price between structural steel beams produced in the United States and in other countries in sales of structural steel beams in the U.S. market	II-12
II-8. Structural steel beams: Perceived degree of interchangeability of structural steel beams produced in the United States and in other countries	II-13
III-1. Structural steel beams: U.S. producers and their plant locations, shares of production in 2001, and positions on the petition	III-2
III-2. Structural steel beams: U.S. production capacity, production, and capacity utilization, 1999-2001	III-2
III-3. Structural steel beams: U.S. producers’ shipments, by types, 1999-2001	III-4
III-4. Structural steel beams: U.S. producers’ end-of-period inventories, 1999-2001	III-5
III-5. Structural steel beams: Average number of production and related workers, hours worked, wages paid to such employees, hourly wages, productivity, and unit labor costs, 1999-2001	III-5
III-6. Structural steel beams: U.S. producers’ shipments, by channels of distribution, 1999-2001	III-6
IV-1. Structural steel beams: Subject imports from questionnaires as a share of official statistics, 1999-2001	IV-1
IV-2. Structural steel beams: U.S. imports, by sources, 1999-2001	IV-2
IV-3. Structural steel beams: U.S. producers’ U.S. shipments, U.S. imports, by sources, apparent U.S. consumption, and market shares, 1999-2001	IV-6
IV-4. Structural steel beams: Shares of U.S. importers’ U.S. shipments of subject imports, by channels of distribution, 1999-2001	IV-8
V-1. Product 1: Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers of beams from China, Germany, Luxembourg, and Russia, with margins of underselling/(overselling), by quarters, January 1999-December 2001	V-8

CONTENTS

		<i>Page</i>
Tables--Continued		
V-2.	Product 1: Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers of beams from South Africa, Spain, and Taiwan, with margins of underselling/(overselling), by quarters, January 1999-December 2001	V-8
V-3.	Product 2: Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers of beams from China, Germany, and Luxembourg, with margins of underselling/(overselling), by quarters, January 1999-December 2001	V-8
V-4.	Product 2: Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers of beams from South Africa, Spain, and Taiwan, with margins of underselling/(overselling), by quarters, January 1999-December 2001	V-8
V-5.	Product 3: Weighted-average f.o.b. prices and quantities sold to distributors as reported by U.S. producers and importers of beams from Germany and Luxembourg, with margins of underselling/(overselling), by quarters, January 1999-December 2001	V-8
V-6.	Product 3: Weighted-average f.o.b. prices and quantities sold to distributors as reported by U.S. producers and importers of beams from Spain and Taiwan, with margins of underselling/(overselling), by quarters, January 1999-December 2001	V-8
V-7.	Product 3: Weighted-average f.o.b. prices and quantities sold to end users as reported by U.S. producers and importers of beams from Luxembourg, Spain, and Taiwan, with margins of underselling/(overselling), by quarters, January 1999-December 2001	V-8
V-8.	Product 4: Weighted-average f.o.b. prices and quantities sold to distributors and end users as reported by U.S. producers and importers of beams from Spain, with margins of underselling/(overselling), by quarters, January 1999-December 2001	V-9
V-9.	Products 1 and 2: Number of quarters of under/overselling, average margins, and volume of imports in quarters with under/overselling, by country	V-9
V-10.	Products 3 and 4 sold to distributors and end users: Number of quarters of under/overselling, average margins, and volume of imports in quarters with under/overselling, by country	V-10
VI-1.	Results of operations of U.S. producers in the production of structural steel beams, fiscal years 1999-2001	VI-2
VI-2.	Results of operations (per short ton) of U.S. producers in the production of structural steel beams, fiscal years 1999-2001	VI-3
VI-3.	Results of operations of U.S. producers in the production of structural steel beams, by firm, fiscal years 1999-2001	VI-3
VI-4.	Variance analysis on results of operations of U.S. producers in the production of structural steel beams, fiscal years 1999-2001	VI-4
VI-5.	Value of assets, capital expenditures, and research and development expenses of U.S. producers of structural steel beams, fiscal years 1999-2001	VI-5
VI-6.	Capital expenditures of U.S. producers relating to the production of structural steel beams, by firm, fiscal years 1999-2001	VI-5
VII-1.	Structural steel beams: Aggregate reported data for subject countries' (except for China) production capacity, production, shipments, and inventories, 1999-2001 and projected 2002-03	VII-1

CONTENTS

	<i>Page</i>
Tables--Continued	
VII-2. Forklift mast profiles: Aggregate reported data for German production capacity, production, shipments, and inventories, 1999-2001 and projected 2002-03	VII-1
VII-3. Structural steel beams: Aggregate reported data for German production capacity, production, shipments, and inventories, 1999-2001 and projected 2002-03	VII-2
VII-4. Structural steel beams: Luxembourg producer ProfilARBED's production capacity, production, shipments, and inventories, 1999-2001 and projected 2002-03	VII-3
VII-5. Structural steel beams: Russian producer Tagil's production capacity, production, shipments, and inventories, 1999-2001 and projected 2002-03	VII-3
VII-6. Structural steel beams: South African producer Highveld's production capacity, production, shipments, and inventories, 1999-2001 and projected 2002-03	VII-4
VII-7. Structural steel beams: Spanish producers' production capacity, production, shipments, and inventories, 1999-2001 and projected 2002-03	VII-4
VII-8. Structural steel beams: Taiwan producer Tung Ho's production capacity, production, shipments, and inventories, 1999-2001 and projected 2002-03	VII-5
VII-9. Structural steel beams: U.S. importers' end-of-period inventories of imports, by sources, 1999-2001	VII-6
C-1. Structural steel beams: Summary data concerning the U.S. market, 1999-2001	C-3
C-2. Forklift mast profiles: Summary data concerning the U.S. market, 1999-2001	C-5
C-3. Structural steel beams (other than forklift mast profiles): Summary data concerning the U.S. market, 1999-2001	C-5
E-1. Structural steel beams: Lost sales allegations	E-3
E-2. Structural steel beams: Lost revenues allegations	E-3

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

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigations Nos. 731-TA-935-936 and 938-942 (Final)

CERTAIN STRUCTURAL STEEL BEAMS FROM CHINA, GERMANY, LUXEMBOURG, RUSSIA,
SOUTH AFRICA, SPAIN, AND TAIWAN

DETERMINATIONS

On the basis of the record¹ developed in the subject investigations, the United States International Trade Commission determines,² pursuant to section 735(b) of the Tariff Act of 1930 (19 U.S.C. § 1673d(b)) (the Act), that an industry in the United States is not materially injured or threatened with material injury, and the establishment of an industry in the United States is not materially retarded, by reason of imports from China, Germany, Luxembourg, Russia, South Africa, Spain, and Taiwan of certain structural steel beams, provided for in subheadings 7216.32.00 and 7216.33.00 of the Harmonized Tariff Schedule of the United States, that have been found by the Department of Commerce to be sold in the United States at less than fair value (LTFV).

BACKGROUND

The Commission instituted these investigations effective May 23, 2001, following receipt of petitions filed with the Commission and Commerce by the Committee for Fair Beam Imports and its individual members Northwestern Steel & Wire Co., Sterling IL; Nucor Corp., Charlotte, NC; Nucor-Yamato Steel Co., Blytheville, AR; and TXI-Chaparral Steel Co., Midlothian, TX. The final phase of the investigations was scheduled by the Commission following notification of preliminary determinations by Commerce that imports of certain structural steel beams from China, Germany, Russia, South Africa, and Taiwan were being sold at LTFV within the meaning of section 733(b) of the Act (19 U.S.C. § 1673b(b)). Although Commerce made negative preliminary determinations with respect to imports from Luxembourg³ and Spain, the Commission decided, for purposes of efficiency, to proceed concurrently with the final phase of all the investigations. Notice of the scheduling of the final phase of the Commission's investigations and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* of February 7, 2002 (67 FR 5851). The hearing was held in Washington, DC, on May 15, 2002, and all persons who requested the opportunity were permitted to appear in person or by counsel.

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

² Commissioner Lynn M. Bragg dissenting.

³ Although Commerce initially made an affirmative dumping determination, it published an amended preliminary determination of sales at not less than fair value on January 31, 2002.

VIEWS OF THE COMMISSION

Based on the record in these investigations, we determine that an industry in the United States is neither materially injured nor threatened with material injury by reason of imports of certain structural steel beams from China, Germany, Luxembourg, Russia, South Africa, Spain, and Taiwan found to be sold in the United States at less than fair value (“LTFV”).^{1 2}

I. DOMESTIC LIKE PRODUCT AND INDUSTRY

A. In General

In determining whether an industry in the United States is materially injured or threatened with material injury by reason of imports of the subject merchandise, the Commission first defines the “domestic like product” and the “industry.”³ Section 771(4)(A) of the Tariff Act of 1930, as amended (“the Act”), defines the relevant domestic industry as the “producers as a [w]hole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.”⁴ In turn, the Act defines “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation”⁵

The decision regarding the appropriate domestic like product(s) in an investigation is a factual determination, and the Commission has applied the statutory standard of “like” or “most similar in characteristics and uses” on a case-by-case basis.⁶ No single factor is dispositive, and the Commission may consider other factors it deems relevant based on the facts of a particular investigation.⁷ The Commission looks for clear dividing lines among possible like products and disregards minor variations.⁸ Although the Commission must accept the determination of the Department of Commerce (“Commerce”)

¹ Material retardation is not an issue in these investigations.

² Commissioner Bragg determines that an industry in the United States is threatened with material injury by reason of imports of certain structural steel beams from China, Germany, Luxembourg, Russia, South Africa, Spain, and Taiwan found to be sold in the United States at LTFV. See Separate and Dissenting Views of Commissioner Lynn M. Bragg. Commissioner Bragg joins sections I, II, and III.A. of these views.

³ 19 U.S.C. § 1677(4)(A).

⁴ 19 U.S.C. § 1677(4)(A).

⁵ 19 U.S.C. § 1677(10).

⁶ See, e.g., NEC Corp. v. Department of Commerce, 36 F. Supp.2d 380, 383 (Ct. Int’l Trade 1998); Nippon Steel Corp. v. United States, 19 CIT 450, 455 (1995); Torrington Co. v. United States, 747 F. Supp. 744, 749 n.3 (Ct. Int’l Trade 1990), aff’d, 938 F.2d 1278 (Fed. Cir. 1991) (“every like product determination ‘must be made on the particular record at issue’ and the ‘unique facts of each case’”). The Commission generally considers a number of factors including: (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution; (4) customer and producer perceptions of the products; (5) common manufacturing facilities, production processes and production employees; and, where appropriate, (6) price. See Nippon Steel, 19 CIT at 455 n.4; Timken Co. v. United States, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996).

⁷ See, e.g., S. Rep. No. 96-249 at 90-91 (1979).

⁸ Nippon Steel, 19 CIT at 455; Torrington, 747 F. Supp. at 748-49; see also S. Rep. No. 96-249 at 90-91 (1979) (Congress has indicated that the like product standard should not be interpreted in “such a narrow fashion as to permit minor differences in physical characteristics or uses to lead to the conclusion that the product and article are not ‘like’ each other, nor should the definition of ‘like product’ be interpreted in such a fashion as to prevent consideration of an industry adversely affected by the imports under consideration.”).

as to the scope of the imported merchandise that has been found to be subsidized or sold at LTFV, the Commission determines what domestic product is like the imported articles Commerce has identified.⁹

B. Product Description

Commerce's final determinations defined the imported merchandise within the scope of these investigations as follows:

The scope of this investigation covers doubly-symmetric shapes, whether hot or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes. All the products that meet the physical and metallurgical descriptions provided above are within the scope of this investigation unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of this investigation: (1) structural steel beams greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural steel beams that have additional weldments, connectors, or attachments to I- sections, H- sections, or pilings; however, if the only additional weldment, connector or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector, or attachment.¹⁰

Structural steel beams are designed specifically to be load-bearing support members in a wide variety of applications, principally related to construction of structures or original equipment manufacturing applications. Beams are available in a range of overlapping sizes and cross-sectional profiles.¹¹

C. Domestic Like Product Issues

The principal domestic like product issue in these final phase investigations concerns whether forklift mast profiles should be treated as a separate domestic like product. Petitioners contend that the Commission should find all structural steel beams of the type described by Commerce's scope definition

⁹ Hosiden Corp. v. Advanced Display Mfrs., 85 F.3d 1561, 1568 (Fed. Cir. 1996) (Commission may find single like product corresponding to several different classes or kinds defined by Commerce); Torrington, 747 F. Supp. at 748-752 (affirming Commission determination of six like products in investigations where Commerce found five classes or kinds).

¹⁰ 67 Fed. Reg. 35479, 35479-80 (May 20, 2002) (China); 67 Fed. Reg. 35482, 35483 (May 20, 2002) (Spain); 35 Fed. Reg. 35484, 35484-85 (May 20, 2002) (Taiwan); 67 Fed. Reg. 35485, 35486 (May 20, 2002) (South Africa), 67 Fed. Reg. 35488, 35488 (May 20, 2002) (Luxembourg); 67 Fed. Reg. 35490, 35490 (May 20, 2002) (Russia); 67 Fed. Reg. 35497, 35498 (May 20, 2002) (Germany). In its notices, Commerce indicates that it received requests from respondents to exclude two specific products from the scope of the investigations. These were beams of grade A913/65 and forklift mast profiles. Commerce declined to amend the scope to exclude these products. E.g., 67 Fed. Reg. at 35483.

¹¹ Confidential Report (CR), as revised by Memoranda INV-Z-085 (June 7, 2002), INV-Z-090 (June 12, 2002), and INV-Z-095 (June 17, 2002), at I-6, Public Report (PR) at I-4-5.

to be a single domestic like product. Respondents Hoesch Hohenlimburg GmbH (“Hoesch”) and Salzgitter AG Stahl und Technologie (“Salzgitter”), each of which is a producer and exporter of structural steel beams from Germany, and Corus Respondents¹² argue that the Commission should find two like products: (1) forklift mast profiles and (2) all other structural steel beams subject to investigation.

In the preliminary determinations, the Commission considered the question of forklift mast profiles and determined that all structural steel beams described by the scope definition were a single domestic like product. The Commission stated that the limited information on the record concerning forklift mast profiles indicated some differences from other structural steel beams in terms of end uses and customer and producer perceptions, but also similarities in terms of physical characteristics, production processes, equipment, and workers, and channels of distribution.¹³ We conclude that the more complete information now on the record supports a conclusion that there is not a clear dividing line between forklift mast profiles and other types of structural steel beams.

Physical Characteristics and Uses. Forklift mast profiles produced in the United States that meet the specifications of Commerce’s scope definition are mast parts used in the construction of a forklift.¹⁴ Forklift mast profiles are produced to the standards of the individual forklift producer that orders them.¹⁵ One purchaser of forklift mast profiles reports that forklift mast profiles have greater strength, tighter dimensional tolerances, and less uniform mast channels than beams meeting the standards of the American Society for Testing and Materials (ASTM).¹⁶

Most structural steel beams produced in the United States are used for building, bridge, or tower construction.¹⁷ Beams used for such purposes generally meet ASTM certification standards.¹⁸ However, some U.S.-produced beams within the scope definition that are not forklift mast profiles (“non-FMP beams”) are not used for construction of structures.¹⁹ These beams are produced to customer specification and do not meet ASTM standards.²⁰

¹² “Corus Respondents” are Corus Specialty Profiles Mannstaedt-Werke GmbH & Co. (“Mannstaedt”), a German producer and exporter of subject merchandise, Corus America Inc., an importer of subject merchandise, and Corus Group plc, the parent of the preceding two firms.

¹³ Certain Structural Steel Beams from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan, Inv. Nos. 731-TA-935-942 (Preliminary), USITC Pub. 3438 at 5 (July 2001) (“Preliminary Determination”).

¹⁴ CR at I-9-10, PR at I-7. Not all forklift mast profiles produced in the United States, however, meet the specifications of the scope definition – *i.e.*, doubly symmetric with at least one dimension of 80 mm. The sole domestic producer of forklift mast profiles, Steel of West Virginia, reports that *** percent of its 2001 forklift mast profile production was doubly symmetric and hence within the scope definition. Petitioners Posthearing Brief, ex. 1G, Affidavit of ***.

¹⁵ Petitioners Prehearing Brief, vol. II, ex. 17-H; Corus Respondents Prehearing Brief, ex. 8.

¹⁶ Corus Respondents Prehearing Brief, ex. 8.

¹⁷ CR at I-6, II-10 n.9, PR at I-4-5, II-7 n.9.

¹⁸ CR at I-6, PR at I-5; see Petitioners Prehearing Brief, vol. I at 3 n.2, 8 (small percentage of domestic production does not meet ASTM standards).

¹⁹ About five to 10 percent of all structural steel beams used in the U.S. market are used for original equipment manufacture, and production of forklift mast profiles meeting the specifications of the scope definition constituted less than *** percent of total U.S. structural steel beam production in 2001. CR at II-10 n.9, Tables C-1, C-2, PR at II-7 n.9, Tables C-1, C-2.

²⁰ Petitioners Posthearing Brief, ex. 1G, affidavits of *** and *** (identifying specific non-FMP beams produced by domestic producers *** for use in applications such as ***).

Interchangeability. Forklift mast profiles are produced to individual customer specifications; consequently, there is no dispute that they are not interchangeable with other types of structural steel beams.²¹ This also would be true of non-FMP beams made to individual customer specifications.

Channels of Distribution. Forklift mast profiles are sold *** to end users.²² Non-FMP beams produced to individual customer specifications also generally are sold directly to the customer.²³ In 2001, 55.3 percent of shipments of all domestically produced structural steel beams were made to distributors, and the remaining 44.7 percent were made to end users.²⁴

Customer and Producer Perceptions. The two purchasers that have submitted statements into the record indicate that they perceive forklift mast profiles to be distinct products from other types of structural steel beams.²⁵ While each U.S. producer's literature categorizes its beam product line in a different manner, the sole U.S. producer of forklift mast profiles, Steel of West Virginia, categorizes forklift mast profiles separately from "merchant" sections (which encompass W and S shapes).²⁶

Production Facilities, Processes, and Employees. Steel of West Virginia states that it produces both forklift mast profiles and non-FMP beams on the same equipment using the same production workers. This includes both beams made to ASTM specifications and non-FMP beams made to individual customer specifications.²⁷ Other domestic producers that produce non-FMP beams to individual customer specifications state that they produce these beams and beams meeting ASTM standards on the same production equipment; however, each individual beam type requires a specific roll.²⁸

Price. Steel of West Virginia reports that its forklift mast profiles are more expensive than beams meeting ASTM standards but can be priced either higher or lower than non-FMP beams produced to customer specifications.²⁹

Conclusion. There are certain distinctions between forklift mast profiles and the majority of structural steel beams that are produced to ASTM standards and are used in construction applications. These include distinct end uses, lack of interchangeability, distinct customer and producer perceptions, and higher prices.

Nevertheless, these distinctions are insufficient to constitute a "clear dividing line" between forklift mast profiles and all non-FMP beams given distinctions within the category of non-FMP beams. The differences that exist between forklift mast profiles and non-FMP beams produced to ASTM standards also exist between non-FMP beams that are produced to ASTM standards ("commodity

²¹ CR at I-10, PR at I-8; see Corus Respondents Prehearing Brief, exs. 7-8.

²² CR at I-10, PR at I-8.

²³ Petitioners Prehearing Brief, vol. II, ex. 17-H.

²⁴ CR and PR, Table III-6.

²⁵ Corus Respondents Prehearing Brief, exs. 6, 8.

²⁶ Steel of West Virginia Internet Site, <http://www.swwainc.com/industrial.html> and <http://www.swwainc.com/merchant.html> (printed May 28, 2002). Compare Nucor-Yamato Internet Site, <http://www.nucoryamato.com/general.htm> (printed May 28, 2002); Nucor Internet Site, <http://www.nucorsteel.com/WebSite/NSB.nsf/BSP?OpenForm> (printed May 28, 2002); TXI Internet Site, <http://www.chaparralsteel.com/structural/products.asp> (printed May 28, 2002).

²⁷ Petitioners Prehearing Brief, vol. II, ex. 17-H; Petitioners Posthearing Brief, ex. 1G, *** Affidavit. Steel of West Virginia states that the only production equipment unique to the production of forklift mast profiles are special mill rolls used to form the beam, which ***. Petitioners Posthearing Brief, ex. 1G, *** Affidavit; see also CR at I-10 n.22, PR at I-8 n.22.

²⁸ Petitioners Posthearing Brief, ex. 1G, *** Affidavits.

²⁹ Petitioners Prehearing Brief, vol. II, ex. 17-H.

beams”) and those that are not (“specialized non-FMP beams”). Numerous domestic producers make a variety of specialized non-FMP beams that are produced to individual customer specifications for particularized end uses. Consequently, several of the distinctions with respect to end uses and lack of interchangeability that exist between forklift mast profiles and non-FMP beams generally also exist between (1) forklift mast profiles and specialized non-FMP beams; (2) specialized non-FMP beams and commodity beams; and (3) different types of specialized non-FMP beams.

By contrast, all structural steel beams – whether forklift mast profiles, non-FMP specialty beams, or commodity beams – within the scope definition have certain characteristics in common. These include commonality in dimension (i.e., doubly symmetric) and size, their general use as components used to assemble larger structures or equipment, and the fact that they are made in the United States using common production facilities, processes, and employees.³⁰

We conclude that the record in these investigations supports a conclusion that the group of structural steel beams within the scope definition constitutes a continuum of products without a clear dividing line. Accordingly, we find a single domestic like product constituting all structural steel beams meeting the specifications of the scope definition.

D. Domestic Industry and Related Parties

Section 771(4) of the Act defines the relevant industry as “the producers as a [w]hole of a domestic like product, or those producers whose collective output of a domestic like product constitutes the major proportion of that product.”³¹ In defining the domestic industry, the Commission’s general practice has been to include in the industry all of the domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.³² Based on our domestic like product determination, we determine that there is a single domestic industry consisting of all U.S. producers of structural steel beams.

We must further determine whether any producer of the domestic like product should be excluded from the domestic industry pursuant to section 19 U.S.C. § 1677(4)(B). That provision of the statute allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise or which are themselves importers.³³ Exclusion of such a producer is within the Commission’s discretion based upon the facts presented in each case.³⁴

³⁰ As the Commission noted in its preliminary determinations, respondents’ discussion concerning production processes in Germany is of limited probative value concerning the definition of the domestic like product. See Preliminary Determination, USITC Pub. 3438 at 5 n.15; Torrington Co. v. United States, 747 F. Supp. 744, 749 (Ct. Int’l Trade 1990), aff’d, 938 F.2d 1278 (Fed. Cir. 1991) (like product analysis focuses on differences among domestically produced products). This is particularly true given that the record in the final phase investigations has much more complete information about U.S. producers’ production processes than did the record in the preliminary phase investigations.

³¹ 19 U.S.C. § 1677(4)(A).

³² See United States Steel Group v. United States, 873 F. Supp. 673, 681-84 (Ct. Int’l Trade 1994), aff’d, 96 F.3d 1352 (Fed. Cir. 1996).

³³ 19 U.S.C. § 1677(4)(B).

³⁴ Sandvik AB v. United States, 721 F. Supp. 1322, 1331-32 (Ct. Int’l Trade 1989), aff’d without opinion, 904 F.2d 46 (Fed. Cir. 1990); Empire Plow Co. v. United States, 675 F. Supp. 1348, 1352 (Ct. Int’l Trade 1987). The primary factors the Commission has examined in deciding whether appropriate circumstances exist to exclude the related parties include: (1) the percentage of domestic production attributable to the importing producer; (2) the

(continued...)

The single domestic industry issue in these investigations concerns the treatment of a domestic producer, ***, ***, a firm that imported subject merchandise during the period of investigation. Under the statutory related parties provision, a producer and an exporter or importer are to be considered related parties if, *inter alia*, “the exporter or importer directly or indirectly controls the producer.”³⁵ The status of domestic producer *** as a *** of importer *** indicates that *** possesses the requisite control over *** to make that producer subject to potential exclusion from the domestic industry subject to section 771(4)(B)(i) of the Act.³⁶ However, we have determined that “appropriate circumstances” do not exist to support *** exclusion from the domestic industry.³⁷ Accordingly, we define a single domestic industry in these investigations encompassing all U.S. producers of structural steel beams.

II. CUMULATION

For purposes of evaluating the volume and price effects for a determination of material injury by reason of the subject imports, section 771(7)(G)(i) of the Act requires the Commission to assess cumulatively the volume and effect of imports of the subject merchandise from all countries as to which petitions were filed and/or investigations self-initiated by Commerce on the same day, if such imports compete with each other and with domestic like products in the U.S. market.³⁸ In assessing whether

³⁴ (...continued)

reason the U.S. producer has decided to import the product subject to investigation, *i.e.*, whether the firm benefits from the LTFV sales or subsidies or whether the firm must import in order to enable it to continue production and compete in the U.S. market; and (3) the position of the related producers vis-a-vis the rest of the industry, *i.e.*, whether inclusion or exclusion of the related party will skew the data for the rest of the industry. See, e.g., Torrington Co. v. United States, 790 F. Supp. 1161, 1168 (Ct. Int’l Trade 1992), aff’d without opinion, 991 F.2d 809 (Fed. Cir. 1993). The Commission has also considered the ratio of import shipments to U.S. production for related producers and whether the primary interests of the related producers lie in domestic production or in importation. See, e.g., Melamine Institutional Dinnerware from China, Indonesia, and Taiwan, Inv. Nos. 731-TA-741-743 (Final), USITC Pub. 3016 at 14 n.81 (Feb. 1997).

³⁵ 19 U.S.C. § 1677(4)(B)(ii)(II).

³⁶ 19 U.S.C. § 1677(4)(B)(i).

³⁷ The quantity of *** subject imports was *** in 1999, *** short tons in 2000, and *** short tons in 2001. *** Importer Questionnaire. In response to the question asking its reason for importing structural steel beams its response was ***. Id.

*** accounted for *** percent of total U.S. production of structural steel beams in 2001; of the ten U.S. beams producers for which the Commission collected data, *** 2001 sales quantity ranked ***. CR and PR, Tables III-1, VI-3. The ratio of *** subject imports to *** production was *** in 1999, *** in 2000, and *** in 2001. *** Importer Questionnaire; *** Producer Questionnaire. *** operating margins were *** in 1999, *** in 2000, and *** in 2001. CR and PR, Table VI-3.

Because of the *** nature of *** subject imports and the *** production quantities of ***, it is unclear whether the principal interest of the *** combination is in domestic production or importation. There does not, however, appear to be any correlation between *** importation activities, on the one hand, and *** financial performance relative to its peers, on the other. Indeed, the main discrepancy between *** operating performance and those of its peers is that *** – which was the year of *** principal importations. Consequently, the record does not indicate that *** imports so that its domestic production affiliate may benefit from LTFV sales.

³⁸ 19 U.S.C. § 1677(7)(G)(i).

subject imports compete with each other and with the domestic like product,³⁹ the Commission has generally considered four factors, including:

- (1) the degree of fungibility between the subject imports from different countries and between imports and the domestic like product, including consideration of specific customer requirements and other quality related questions;
- (2) the presence of sales or offers to sell in the same geographic markets of subject imports from different countries and the domestic like product;
- (3) the existence of common or similar channels of distribution for subject imports from different countries and the domestic like product; and
- (4) whether the subject imports are simultaneously present in the market.⁴⁰

While no single factor is necessarily determinative, and the list of factors is not exclusive, these factors are intended to provide the Commission with a framework for determining whether the subject imports compete with each other and with the domestic like product.⁴¹ Only a “reasonable overlap” of competition is required.⁴²

The threshold for cumulation is satisfied in that the petition was filed with respect to imports from all subject countries on the same day. None of the statutory cumulation exceptions is applicable.⁴³

We next examine the factors the Commission customarily considers in ascertaining whether there is a “reasonable overlap of competition.”

Fungibility. Structural steel beams sold in the United States, regardless of source, generally meet ASTM specifications.⁴⁴ Market participants overwhelmingly reported that structural steel beams from each of the subject countries were always or frequently interchangeable with structural steel beams produced in the United States.⁴⁵ Purchasers also overwhelmingly reported that structural steel beams from each of the subject countries are comparable to domestically produced beams in terms of product consistency and product quality.⁴⁶ Both domestic producers and suppliers from the individual subject

³⁹ The Uruguay Round Agreements Act Statement of Administrative Action (SAA) expressly states that “the new section will not affect current Commission practice under which the statutory requirement is satisfied if there is a reasonable overlap of competition.” SAA, H.R. Rep. 103-316, vol. I at 848 (1994), citing Fundicao Tupy, S.A. v. United States, 678 F. Supp. 898, 902 (Ct. Int’l Trade 1988), aff’d, 859 F.2d 915 (Fed. Cir. 1988).

⁴⁰ See Certain Cast-Iron Pipe Fittings from Brazil, the Republic of Korea, and Taiwan, Inv. Nos. 731-TA-278-280 (Final), USITC Pub. 1845 at 8 n.29 (May 1986), aff’d sub nom. Fundicao Tupy, S.A. v. United States, 678 F. Supp. 898 (Ct. Int’l Trade), aff’d, 859 F.2d 915 (Fed. Cir. 1988).

⁴¹ See, e.g., Wieland Werke, AG v. United States, 718 F. Supp. 50 (Ct. Int’l Trade 1989).

⁴² See Goss Graphic System, Inc. v. United States, 33 F. Supp. 2d 1082, 1087 (Ct. Int’l Trade 1998) (“cumulation does not require two products to be highly fungible”); Mukand Ltd. v. United States, 937 F. Supp. 910, 916 (Ct. Int’l Trade 1996); Wieland Werke, 718 F. Supp. at 52 (“Completely overlapping markets are not required.”).

⁴³ Negligibility is not an issue in these investigations. CR at IV-6-7, PR at IV-5.

⁴⁴ See generally CR at I-6, PR at I-5; Petitioners Prehearing Brief, vol. I at 3 n.2; Arcelor Respondents Posthearing Brief, Tab H-1 at 15, Tab H-2 at 74, Tab H-3 at 8; Purchasers’ Questionnaires.

⁴⁵ CR and PR, Table II-8.

⁴⁶ CR and PR, Table II-6.

countries offer products in a range of sizes and weights; there is an overlap between product offerings from each of these countries.⁴⁷

Geographic Overlap. The major domestic producers sell their product throughout the continental United States.⁴⁸ Imports from each subject country are sold in the North Atlantic, South Atlantic, and Gulf regions, and imports from most of the subject countries are sold nationwide.⁴⁹

Channels of Distribution. Structural steel beams from all sources are sold both to distributors and to end users. In 2001, 55.3 percent of U.S.-produced beams were sold to distributors, with the remainder sold to end users.⁵⁰ A majority of imports from all but one of the subject countries was sold to distributors.⁵¹

Simultaneous Presence. Imports from each of the subject countries were present in the U.S. market in 2000 and 2001, and imports from each of the subject countries except Taiwan were present in the U.S. market in 1999.⁵²

Conclusion. No party disputes that there is a reasonable overlap of competition between imports from each subject country and the domestic like product, and among imports from the various subject countries, in terms of the four factors generally analyzed by the Commission.⁵³ We cumulate imports from all subject countries in our analysis of material injury by reason of subject imports.

III. NO MATERIAL INJURY BY REASON OF SUBJECT IMPORTS

In the final phase of antidumping duty and countervailing duty investigations, the Commission determines whether an industry in the United States is materially injured by reason of the imports under

⁴⁷ Arcelor Respondents Posthearing Brief, Tab H-4; CR at V-8 and Tables V-9-10; PR at V-7 and Tables V-9-10.

⁴⁸ CR at V-3, PR at V-2; Arcelor Respondents Posthearing Brief, Tab H-4.

⁴⁹ Arcelor Respondents Posthearing Brief, Tab H-4.

⁵⁰ CR and PR, Table III-6.

⁵¹ CR and PR, Table IV-4.

⁵² CR and PR, Table IV-3.

⁵³ The record does indicate that there is some distinction between subject imports from Luxembourg, on the one hand, and imports from other subject countries, on the other, in terms of channels of distribution. We do not accord this substantial weight in our analysis, however, because the record indicates that TradeARBED, a U.S. importer, jointly marketed imports from Luxembourg with those from other subject countries, indicating some overlap in distribution channels. See Petitioners' Prehearing Brief, vol. III, ex. B (***) . Indeed, in one instance TradeARBED required that purchasers order product from both Luxembourg and German sources. See Petitioners' Prehearing Brief, vol. III, ex. B (***) ; Tr. at 57 (Price).

The only argument against cumulation has come from Nizhny Tagil Iron and Steel Works ("Tagil"), a Russian producer and exporter of subject merchandise. Tagil's argument that imports from Russia should not be cumulated with imports from the other subject countries is based solely on the existence of a 1999 agreement between the Governments of Russia and the United States imposing quantitative restrictions on imports from Russia of several steel products, including structural steel beams. The Commission previously has concluded that, when the criteria it traditionally examines indicate a reasonable overlap of competition between subject imports from a country whose imports are subject to quantitative restrictions, on the one hand, and imports from other subject countries and the domestic like product, on the other, cumulation is warranted. See Honey from Argentina and China, Inv. Nos. 701-TA-402, 731-TA-892-893 (Final), USITC Pub. 3470 at 15 n.96 (Nov. 2001). The record indicates that, notwithstanding the 1999 agreement, subject imports from Russia continued to enter the U.S. market in competition with the domestic like product and imports from other subject countries, and Tagil does not argue to the contrary.

investigation.⁵⁴ In making this determination, the Commission must consider the volume of imports, their effect on prices for the domestic like product, and their impact on domestic producers of the domestic like product, but only in the context of U.S. production operations.⁵⁵ The statute defines “material injury” as “harm which is not inconsequential, immaterial, or unimportant.”⁵⁶ In assessing whether the domestic industry is materially injured by reason of subject imports, we consider all relevant economic factors that bear on the state of the industry in the United States.⁵⁷ No single factor is dispositive, and all relevant factors are considered “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”⁵⁸

For the reasons discussed below, we determine that the domestic structural steel beams industry is not materially injured by reason of the cumulated subject imports.⁵⁹

A. Conditions of Competition

Several conditions of competition pertinent to the structural steel beams industry are relevant to our analysis.⁶⁰

The principal use of structural steel beams is in construction projects. Consequently, demand for structural steel beams is a function of construction activity.⁶¹ Census Bureau statistics indicate that the value of nonresidential construction activity in the United States rose, in current dollars, from \$194 billion in 1999 to \$210 billion in 2000 and then declined to \$209 billion in 2001.⁶² The Census Bureau also publishes seasonally adjusted monthly data. The monthly data indicate that construction activity declined from the first to second and from the second to third quarters of 1999. Construction activity then increased during the fourth quarter of 1999 and throughout 2000 before reaching a peak in the first quarter of 2001. Activity then declined throughout the remainder of 2001, reaching period lows during the fourth quarter of 2001.⁶³

Data on apparent U.S. consumption of structural steel beams derived from a mixture of Commission questionnaires and official Commerce import statistics show much sharper annual fluctuations in demand than do the Census Bureau construction data. Apparent U.S. consumption rose from 4.96 million short tons in 1999 to 6.23 million short tons in 2000, and then declined to 4.81 million short tons in 2001.⁶⁴

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

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

⁵⁶ 19 U.S.C. § 1677(7)(A).

⁵⁷ 19 U.S.C. § 1677(7)(C)(iii).

⁵⁸ 19 U.S.C. § 1677(7)(C)(iii).

⁵⁹ Commissioner Bragg determines that the domestic structural steel beams industry is threatened with material injury by reason of the cumulated subject imports. See Separate and Dissenting Views of Commissioner Lynn M. Bragg.

⁶⁰ 19 U.S.C. § 1677(7)(C)(iii).

⁶¹ CR at II-10, PR at II-7.

⁶² CR and PR, Table II-4.

⁶³ Arcelor Respondents Prehearing Brief, Tab 2; Petitioners Prehearing Brief, vol. I at 13.

⁶⁴ CR and PR, Table IV-3.

Purchasers of structural steel beams in the United States include distributors, which are principally steel service centers, and end users, which are mainly fabricators.⁶⁵ Purchasers must make orders several months in advance of delivery of the product. For imports, the lead time for orders is in the range of 90 to 150 days.⁶⁶ Market participants agree that lead times are shorter for domestically produced product.⁶⁷ Domestic producers reported considerable variations in lead times. Individual producers reported their average lead times during the period of investigation ranged from seven days to 81 days. Producers typically had the longest lead times during the second half of 1999 and the first half of 2000; lead times in 2001 were shorter than those in either 1999 or 2000.⁶⁸

While fabricators do not maintain significant inventories,⁶⁹ steel service centers do. Service centers' inventories increased from 1999 to 2000, and declined from 2000 to 2001.^{70 71}

The Commission received questionnaire responses from all 10 domestic producers that produced structural steel beams in 2001. Three of these firms – TXI Chaparral Steel Co. (TXI), Nucor Corp., and Nucor-Yamato Steel Co.– account for *** of domestic production.⁷² There have been several changes in domestic production operations during the period of investigation. Nucor's Berkeley mill, opened in December 1998, became fully operational during the fourth quarter of 1999. TXI opened a new mill in Petersburg, Virginia, in August 1999. Northwestern, which previously declared bankruptcy, shut down in May 2001.⁷³ Steel Dynamics, Inc. (SDI) constructed a new structural steel mill in Columbia City, Indiana, during the period of investigation; it anticipates that the mill will become operational during 2002.⁷⁴

⁶⁵ CR at II-1, PR at II-1.

⁶⁶ Tr. at 111 (Athens); 161 (Reilly).

⁶⁷ CR at II-13, PR at II-9; Tr. at 26 (Stratman).

⁶⁸ Petitioners Posthearing Brief, ex. 1N.

⁶⁹ CR at II-1, PR at II-1; see Tr. at 47 (Grossi).

⁷⁰ End of period inventories for the 28 distributors that provided inventory data for all three years of the period of investigation in their purchasers questionnaire responses increased from 330,451 short tons in 1999 to 548,865 short tons in 2000 and then declined to 369,883 short tons in 2001. Purchasers' Questionnaires. (After completion of the Commission report in these investigations, Commission staff learned that Table II-1 of the Confidential Report incorrectly tabulated the data in the purchasers' questionnaires relating to distributors' inventories. We observe that the parties did not rely on the incorrect tabulation in preparing their arguments. Instead, both petitioners and respondents provided in their briefs purchaser-by-purchaser tabulations of inventories based directly on the questionnaires. See Petitioners Posthearing Brief, ex. 1C; Arcelor Respondents Posthearing Brief, Tab 1. It was through examination of the parties' tabulations that Commission staff discovered the error in the final version of the Confidential Report. That error has been corrected in the Public Report. This opinion relies on the corrected tabulation of the data provided at Table II-1 of the PR.) Monthly inventory data for structural steel compiled by the Metal Steel Service Center Institute (MSCI), which includes product other than structural steel beams, showed that inventories increased from January through March 1999, and then declined from March through October 1999, when inventories reached a period low. MSCI inventories then increased through May 2000, fluctuated through the remainder of 2000 before reaching a peak in January 2001, and declined thereafter. Arcelor Respondents Prehearing Brief, Tab 10.

⁷¹ Commissioner Bragg does not rely on the corrected tabulation of the data at Table II-1 of the Public Report. See Separate and Dissenting Views of Commissioner Lynn M. Bragg at n.37.

⁷² CR and PR at III-1, Table III-1. While Nucor and Nucor-Yamato are separate corporate entities, their beams production facilities are under common management. Tr. at 152 (Stratman).

⁷³ CR at III-3-4, PR at III-1, 3.

⁷⁴ Tr. at 31-32 (Nolan).

Notwithstanding the opening of new capacity, the domestic industry had difficulty supplying its customers during 1999 and the first portion of 2000. Eighteen of 45 purchasers, including 16 of 31 distributors, reported to the Commission that they were either placed on allocation sometime during 1999 and 2000 or were otherwise unable during that time to meet requirements from domestic sources.⁷⁵ Numerous contemporaneous news articles detail that domestic producers were having difficulty supplying certain beam sizes to their customers in late 1999 and early 2000.⁷⁶ Some domestic producers limited the amount of materials that distributors could purchase during this period.⁷⁷ While petitioners assert that most domestic producers did not have any limitation on what customers could purchase at any time during the period of investigation, the *** producers that petitioners acknowledge did impose restrictions on customers accounted for *** of domestic production.⁷⁸

Imports from nonsubject sources declined from 603,784 short tons in 1999 to 482,801 short tons in 2000 and then to 164,695 short tons in 2001.⁷⁹ Most of the decline in nonsubject imports from 1999 to 2000 is attributable to declines in imports from Japan and Korea. In June 2000 imports from Japan became subject to an antidumping duty order and in August 2000 imports from Korea became subject to antidumping and countervailing duty orders.⁸⁰

A final condition of competition concerns subject imports from Russia. A July 12, 1999, “Agreement Concerning Trade in Certain Steel Products from the Russian Federation” between Russia and the United States imposes annual limits on Russian exports to the United States on several products, including heavy structural shapes – a category that encompasses but is not limited to structural steel beams.^{81 82}

B. Volume of the Subject Imports

Section 771(7)(C)(i) of the Act provides that the “Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant.”⁸³

The quantity of cumulated subject imports increased from 331,436 short tons in 1999 to 772,809 short tons in 2000, and then declined to 300,150 short tons in 2001. Measured by value, cumulated subject imports increased from \$98.8 million in 1999 to \$284.0 million in 2000, and then declined to

⁷⁵ CR at II-2, PR at II-2.

⁷⁶ Arcelor Respondents Posthearing Brief, Tabs B-1, B-2, B-4, B-5. See also id., Tabs B-8, B-9 (fabricators express concern over availability of structural steel in early 2000).

⁷⁷ CR at II-2, PR at II-1.

⁷⁸ CR at II-2, Table III-1; PR at II-1, Table III-1.

⁷⁹ CR and PR, Table IV-2.

⁸⁰ CR at I-4, IV-6, PR at I-4, IV-5.

⁸¹ Export limits are adjusted annually pursuant to a formula that: (a) permits a three percent annual increase in exports from a 1999 baseline level, and (b) is subject to upward or downward adjustments reflecting changes in apparent U.S. consumption. For heavy structural shapes, the export limits were 68,839 metric tons in both 2001 and 2002. Tagil Posthearing Statement, ex. 2.

⁸² Commissioner Bragg has made an affirmative threat determination and does not join the remainder of this opinion. See Separate and Dissenting Views of Commissioner Lynn M. Bragg.

⁸³ 19 U.S.C. § 1677(7)(C)(i).

\$93.1 million in 2001. The market penetration of cumulated subject imports, measured by quantity, increased from 6.7 percent in 1999 to 12.4 percent in 2000, and then declined to 6.2 percent in 2001.⁸⁴

In evaluating the significance of subject import volume, we have considered both the sharp increase in the volume and market penetration of subject imports from 1999 to 2000 and the sharp decline in volume and market penetration from 2000 to 2001. The increase in the subject import volume and market penetration from 1999 to 2000 occurred when domestic producers were having difficulty satisfying demand in the marketplace. As previously noted, a substantial number of distributors reported being unable to satisfy their purchasing requirements from domestic sources in late 1999 and the first half of 2000 and some domestic mills had “controlled order entry” mechanisms in place during this period to limit some distributors’ purchases. Moreover, the lead times of *** domestic producers were at a peak during this period and their inventories were *** lower in the first half of 2000 than they would be later in the year.⁸⁵

Petitioners argue that construction demand increases in 2000 were relatively modest and that consequently there were adequate domestic supplies to meet “real” demand throughout 2000. The record in these investigations, however, indicates that purchasers’ perceptions of market conditions during late 1999 and early 2000 were different. Purchaser representatives appearing on behalf of petitioners testified that service centers must base their orders, particularly for imported product, on their own projections of market conditions several months in advance.⁸⁶ One fabricator testified that he believed that service centers’ purchasing patterns in 2000 could be explained by their view that the economy would continue to perform strongly and demand for beams would be high.⁸⁷ Indeed, the “Business Barometer Report” issued by the American Institute for Steel Construction in March 2000 indicated that fabricators perceived business conditions to be “good to very good” in all regions and end use markets, that favorable trends were expected to continue for the next six months, and that “[t]here continue to be major concerns about steel availability.”⁸⁸ In conditions of strong demand and uncertain or limited domestic supply, purchasers turned to imported sources for additional supplies to meet their perceived needs.

Indeed, examination of data concerning official import statistics, which are collected on a monthly basis, indicate how changes in subject import levels over the period of investigation mirror changes in the domestic supply situation. Subject import quantities increased sharply on a monthly basis beginning in March 2000. Given the three to five month lead time for subject imports, this would reflect orders made from October to December 1999 – a time when shortages of certain beam sizes from domestic producers were becoming apparent. Subject imports quantities reached their peak in August 2000 – reflecting orders made between March and May 2000, at a time when shortages of domestically produced beams persisted.⁸⁹

⁸⁴ CR and PR, Table IV-3.

⁸⁵ Petitioners Posthearing Brief, exs. 1C, 1N. It is true that the questionnaire data collected by the Commission show unused domestic capacity during 2000. However, this is to some extent a function of the TXI Petersburg mill being unable during 2000 to adjust its product mix to supply the products demanded by purchasers. See Petitioners Posthearing Brief, exs. 1I, 1L; Arcelor Respondents Posthearing Brief, Tab B-5. Nevertheless, TXI ***. See Petitioners Posthearing Brief, ex. 1L; Report on April 2, 2002, Staff Visit to ***.

⁸⁶ Tr. at 96-97 (Grossi), 125 (Athens).

⁸⁷ Tr. at 97 (Grossi) (“the economy was never going to turn down, that this was going to race off into never-never land and we were going to grow at 10 and 12 percent a year.”).

⁸⁸ Arcelor Respondents Posthearing Brief, Tab B-8.

⁸⁹ Official Commerce import statistics. Moreover, it was not only the subject imports whose quantities increased significantly from 1999 to 2000. We also examined import trends for nonsubject imports from
(continued...)

By the third quarter of 2000, the domestic industry largely had resolved its supply problems.⁹⁰ The record indicates that once there were no longer shortages in supply, orders for the subject imports fell. Subject import quantities for the fourth quarter of 2000, which would reflect orders made during the third quarter, declined significantly from those for the third quarter. Subject import quantities fell further during the first quarter of 2001.⁹¹ Subject import volumes thus began to fall well before the filing of the petition in May 2001.⁹²

We therefore find that the filing of the petition had only a limited impact on the 2001 decline in subject import volume.⁹³ Consequently, we do not reduce the weight we accord to the 2001 data. Instead, we conclude that the increase in subject imports in 2000 was a function of domestic supply shortages during a period of strong demand, and the decline in subject imports in 2001 was largely a function of both the resolution of those shortages and a decline in demand. In 2001, the domestic industry's share of the quantity of U.S. apparent consumption reached 90.3 percent, its peak level during the period of investigation.⁹⁴

While we acknowledge that there was a large increase in subject imports during an earlier portion of the period of investigation, in light of the foregoing conditions of competition and the lack of price effects discussed below, we find that the volume of subject imports is not significant.

C. Price Effects of the Subject Imports

Section 771(7)(C)(ii) of the Act provides that, in evaluating the price effects of the subject imports, the Commission shall consider whether –

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

(II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.⁹⁵

⁸⁹ (...continued)

countries other than Japan and Korea, which became subject to orders in 2000. Nonsubject imports from countries other than Japan and Korea increased from 129,163 short tons in 1999 to 453,318 short tons in 2000. Derived from data at CR and PR, Table IV-2, and official import statistics for Japan and Korea. Exclusion of nonsubject imports from Italy, a country previously subject to these investigations, does not change this trend.

⁹⁰ See Arcelor Respondents Posthearing Brief, Tab B-6; Petitioners Posthearing Brief, ex. 1B at 3-4.

⁹¹ Official Commerce import statistics.

⁹² We note that this is true even if monthly data are used and the data are compared to those of the same month during the prior year. On this basis, there were significant declines in subject import volumes beginning in March 2001, which was still two months prior to the filing of the petition. Official Commerce import statistics.

⁹³ Again, this conclusion is corroborated by an examination of nonsubject imports from countries that were subject neither to antidumping orders nor investigations. Imports from these countries, as did subject imports, fell sharply from 2000 to 2001. The quantity of imports from nonsubject sources other than Italy, Japan, and Korea declined from 361,780 short tons in 2000 to 125,143 short tons in 2001. Derived from data at CR and PR, Table IV-2, official Commerce import statistics (imports from Japan and Korea), Importers Questionnaires (imports from Italy).

⁹⁴ CR and PR, Table IV-3.

⁹⁵ 19 U.S.C. § 1677(7)(C)(ii).

As previously noted, the majority of structural steel beams sold in the United States, regardless of source, meets ASTM standards. Purchasers overwhelmingly reported that imports from each of the subject countries are comparable to the U.S.-produced product in terms of product consistency and product quality.⁹⁶ Purchasers listed price most frequently as the most important factor in their purchasing decisions, although availability also was listed frequently as an important purchasing factor.⁹⁷ Market participants also agree that, because they can deliver product more quickly and reliably, domestic mills are able to command some pricing premium for their products over imported structural steel beams.⁹⁸

Nevertheless, the record in these investigations indicates a mixed pattern of overselling and underselling. The Commission collected pricing data on four products sold to distributors and three sold to end users. Cumulated subject imports undersold the domestic like product in 90 of 147 quarterly comparisons.⁹⁹

We gave particular focus to pricing product 1, which included certain wide-flange beams 8 to 14 inches. This was the only product for which pricing data was available for each of the subject countries. Additionally, the data for this product yielded both the largest overall sales volumes, for both the cumulated subject imports and the domestically produced product, and the largest number of quarterly pricing comparisons. For this product, there were 22 comparisons of underselling, involving an aggregate 102,549 short tons of subject imports. There were 32 comparisons of overselling, involving an aggregate 176,937 short tons of subject imports.¹⁰⁰ Thus, in terms of both quarterly comparisons and tonnage involved, there was more overselling than underselling for the product where competition between the subject imports and the domestic like product was most intense.¹⁰¹

It is true that the subject imports undersold the domestic like product during discrete quarters and in particular transactions.¹⁰² We further acknowledge that the pricing data indicate that there was a

⁹⁶ CR and PR, Table II-6.

⁹⁷ CR and PR, Table II-5.

⁹⁸ Petitioners' witnesses characterized the premium as small, and estimated it was in the nature of \$10 to \$40 per ton. Tr. at 105 (Stratman), 106 (Kirksey), 108-09 (Grossi), 109 (Petitgoue). A respondent witness testified that, while the price premium was generally in the nature of \$25 to \$35 per ton, it could inflate to as much as \$50 or \$60 per ton in a weak market. Tr. at 232 (Lamesch).

⁹⁹ CR and PR, Tables V-9, V-10.

¹⁰⁰ CR and PR, Table V-9. In light of petitioners' argument that the pricing data collected by the Commission reflect prices at the time of delivery, but that competition in the marketplace occurs when an order is made, we also compared prices for the domestically produced product delivered in one quarter against the prices for subject imports delivered in the subsequent quarter. While this alternative analysis slightly increases the incidence of underselling for product 1, there was still more tonnage oversold than undersold. Under this analysis, there were 27 comparisons of underselling involving 129,833 short tons of subject imports and 25 comparisons of overselling involving 131,121 short tons of subject imports. Derived from CR and PR, Tables V-1-2.

Petitioners also suggest that we assess underselling by comparing price lists of domestic producers, on the one hand, with offer sheets for the subject merchandise circulated by U.S. importers, on the other. We have instead engaged in our customary analysis, focusing on prices actually charged in sales. Petitioners' proposed methodology appears particularly problematic in light of information in the record indicating that domestic producers did not necessarily charge list prices to their customers. See Petitioners Prehearing Brief, vol. II, ex. 19.

¹⁰¹ There was also more subject import tonnage oversold than undersold for products 1 and 2, the two highest-volume products, combined. CR and PR, Table V-9. We observe that the parties themselves have focused their underselling analysis on the highest-volume products. See Arcelor Respondents Prehearing Brief at 13 (product 1); Petitioners Posthearing Brief, ex. 1F at 3-4 (products 1 and 2).

¹⁰² Consequently, it is not surprising that there were some confirmed lost sales and revenues. CR and PR, Appendix E. Nevertheless, the lost sales and revenue information is anecdotal and cannot outweigh the patterns we
(continued...)

greater incidence of underselling for the products other than product 1 on which the Commission collected data. Nevertheless, our review of all the pricing data collected indicates that there was frequent overselling observed and substantial tonnage involved in overselling transactions, notwithstanding that all parties agree that the domestically produced product normally receives some pricing premium over the subject imports. The pricing data further demonstrate that the increases in subject import volume and market share observed in 2000 were not, as petitioners contend, a function of subject imports sold at “attractive” prices. For the most part, subject import volumes increased notwithstanding that the subject imports more than occasionally had higher prices as compared to the domestic like product than one would expect in light of the conditions of competition. These factors all serve to diminish the significance of the underselling that was observed.

Data concerning pricing trends further show that factors other than competition from subject imports were responsible for price movements of the domestically produced product. During 2000, the year when subject import volumes were the highest, prices for both the subject imports and the domestically produced product were also the highest. For product 1, the price of the U.S.-produced product fluctuated in a narrow range during the first three quarters of 1999, then rose sharply, with peak prices occurring during the second and third quarters of 2000. Prices then declined sharply before increasing during the last two quarters of 2001. The subject imports generally showed similar trends, with prices peaking during the middle of 2000 at levels sharply higher than those of 1999 and declining in 2001.¹⁰³ The other products for which the Commission collected pricing data showed similar patterns for both the U.S.-produced product and the subject imports, with prices peaking in 2000 and declining in 2001.¹⁰⁴

During the portion of 2000 when prices rose, purchasers perceived demand was increasing significantly but they were having difficulty obtaining product because of supply shortages among the larger domestic producers. Price increases are a natural function of supply shortages. Once the supply shortages abated after the second quarter of 2000, prices stabilized and then declined.¹⁰⁵

As previously noted, purchase orders for subject imports declined sharply once the supply shortage abated. Thus, the sharp decline in prices observed during 2001 cannot be a function of that

¹⁰² (...continued)

discern from our evaluation of the pricing data overall.

We further observe that a large number of the lost revenue allegations involve sales or quotations made after January 1, 2002. CR at V-19, PR at V-10. Because these allegations concern a period later than that for which the Commission collected pricing data, the record does not indicate whether they are indicative of overall pricing or underselling trends.

¹⁰³ CR and PR, Tables V-1-2.

¹⁰⁴ CR and PR, Tables V-3-8.

¹⁰⁵ An underlying theme of petitioners’ arguments is that the current investigations present essentially the same fact pattern as the Commission’s 2000 investigations of structural steel beams from Japan and Korea. See, e.g., Tr. at 50-56 (Kaplan). As a legal matter, petitioners’ argument does not require a response. It is well established that Commission investigations are *sui generis* and that prior investigations, even if they involve the same product, do not establish “precedents.” E.g., Torrington Co. v. United States, 790 F. Supp. 1161, 1169 (Ct. Int’l Trade 1992), aff’d without opinion, 991 F.2d 809 (Fed. Cir. 1993). We nevertheless observe that as a factual matter petitioners are simply wrong. In the 2000 investigations, the record showed that the subject imports undersold the domestic like product in the vast majority of pricing comparisons and were entering the U.S. market at low and declining prices even after a period when the domestic industry was having difficulty satisfying demand. Moreover, the peak subject import volume and the increase in subject import volume in those investigations was substantially greater than in the current investigations. Certain Structural Steel Beams from Japan, Inv. No. 731-TA-853 (Final), USITC Pub. 3308 at 12-14, 17-18 (June 2000). As the accompanying discussion indicates, the record in these investigations is substantially different.

year's subject import volumes, which declined sharply. The price decline also cannot be a function of subject imports entering the U.S. market in 2000 at rising prices that were sometimes above those for the domestically produced product. Instead, the decline appears to be a function of distributors increasing their purchases during the first portion of 2000 more than underlying demand conditions in the construction industry warranted. As discussed above in the section on import volume, service centers increased their purchases of product during 2000 because they perceived construction demand would increase sharply and prices would continue to rise. Instead, construction demand increased modestly in 2000 and then declined in 2001; moreover, the shortages of domestically supplied product did not persist after the second half of 2000. The record indicates that as a result of these events distributors' inventories increased during 2000.¹⁰⁶ This oversupply of product, in conjunction with modest declines in construction demand, appears to us to have led to the sharp price declines experienced in 2001.¹⁰⁷

We cannot conclude that the record indicates that either the inventory overhang or the resulting price declines were the function of the subject imports. High and increasing subject import prices during the portion of 2000 when subject import volumes increased cannot explain subsequent price declines. Nor, in light of the subject import pricing and volume patterns, can there be any nexus between the subject imports and business decisions by steel service centers to increase purchases that proved, in retrospect, to be wrong. We consequently conclude that the subject imports did not have significant price-depressing or -suppressing effects.

¹⁰⁶ End of period inventories for the 28 distributors that provided inventory data for all three years of the period of investigation in their purchasers questionnaire responses increased from 330,451 short tons in 1999 to 548,865 short tons in 2000 and then declined to 369,883 short tons in 2001. Purchasers Questionnaires.

Petitioners claim that there was a much sharper increase in distributor inventory levels from 1999 to 2000 and that most of the increase in consumption of structural steel beams by service centers during that period was a result of inventory accumulation. See Petitioners Posthearing Brief, ex. 1C. However, petitioners' conclusions are based on figures that they derived for service center inventories that show larger percentage increases in inventory levels from 1999 to 2000 than measured by either the questionnaire data or by MSCI. In light of petitioners' own admission that industry participants "consider changes in MSCI data as indicative of changes in market conditions," Petitioners Posthearing Brief, ex. 1C at 1, we do not find petitioners' derived inventory data to be more probative than the other data in the record.

Further, the rise in distributor inventory levels from 1999 to 2000, and their subsequent decline in 2001, is consistent with the trend in demand in the industry. Many market participants, particularly the service centers, increased their purchases of beams in late 1999 and early 2000 because they incorrectly perceived construction demand would increase sharply and prices would continue to rise. However, when construction demand increased moderately and domestic producers were capable of adequately supplying the market, inventories began to rise as beams that had been ordered earlier were delivered. Subsequently, the distributors worked off their inventories. Finally, we note that service centers began to purchase more beams in the final quarter of 1999 at a time when MSCI data indicate that their inventory levels were relatively low based on the number of months of shipments in inventory. See Arcelor Respondents Prehearing Brief, Tab 10.

¹⁰⁷ Petitioners submitted an econometric model in an effort to demonstrate the effect of subject imports on prices for domestically produced beams. See Petitioners Prehearing Brief, vol. II, ex. 8. Even assuming *arguendo* that an econometric model could aid us in analyzing the pricing data in light of the pertinent conditions of competition, the one submitted by petitioners does not do so. One of several defects in the model is that it failed to include as a variable changes in domestic producers' supply capabilities. Thus, the model disregards that domestic producers' supply capabilities were not constant during the period of investigation, and in fact played a major role in influencing price levels. Moreover, the model's conclusion that subject imports have their maximum price effects nine months after importation, id., ex. 8 at 5, does not comport with testimony from industry witnesses that price competition occurs when an order is placed. Tr. at 70-71 (Stratman), 72 (Valenta).

D. Impact of the Subject Imports on the Domestic Industry

In examining the impact of the subject imports on the domestic industry, we consider all relevant economic factors that bear on the state of the industry in the United States.¹⁰⁸ These factors include output, sales, inventories, capacity utilization, market share, employment, wages, productivity, profits, cash flow, return on investment, ability to raise capital, and research and development. No single factor is dispositive and all relevant factors are considered “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”^{109 110}

Apparent U.S. consumption of structural steel beams increased by 25.6 percent from 1999 to 2000, when subject import volumes were increasing, and declined by 22.7 percent from 2000 to 2001, when subject import volumes were declining.¹¹¹ Most output-related indicators of domestic industry performance also showed increases from 1999 to 2000 and declines from 2000 to 2001, although the declines from 2000 to 2001 were generally lower on a percentage basis than those for apparent consumption. Capacity,¹¹² capacity utilization,¹¹³ production,¹¹⁴ and U.S. shipments¹¹⁵ all followed this

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

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

¹¹⁰ The statute instructs the Commission to consider the “magnitude of the dumping margin” in an antidumping proceeding as part of its consideration of the impact of imports. 19 U.S.C. § 1677(7)(C)(iii)(V). Commerce amended dumping margins for several of the subject countries after its final dumping determinations; the Commission reopened its record to include these amended margins and permitted the parties to submit supplemental final comments concerning them. The final margins as of the time the Commission record closed, including those that were amended, are as follows:

China – 15.23 percent for Maanshan, 89.17 percent for all others.

Germany – 35.75 percent for Salzgitter, 8.09 percent for SWT and all others.

Luxembourg – 6.14 percent for ProfilARBED and all others.

Russia – 230.66 percent for Tagil and all others.

South Africa – 5.17 percent for Highveld and all others.

Spain – 5.29 percent for Aceralia and all others.

Taiwan – 5.21 percent for Tung Ho, 13.11 percent for Kuei Yi, and 10.70 percent for all others.

See INV-Z-090 (June 12, 2002).

¹¹¹ CR and PR, Table IV-3.

¹¹² Capacity increased from 5.7 million short tons in 1999 to 6.9 million short tons in 2000, and then declined to 6.7 million short tons in 2001. CR and PR, Table III-2.

¹¹³ Capacity utilization increased from 72.4 percent in 1999 to 74.7 percent in 2000, and then declined to 68.5 percent in 2001. CR and PR, Table III-2.

¹¹⁴ Production increased from 4.1 million short tons in 1999 to 5.2 million short tons in 2000, and then declined to 4.6 million short tons in 2001. CR and PR, Table III-2.

¹¹⁵ The quantity of U.S. shipments increased from 4.0 million short tons in 1999 to 5.0 million short tons in 2000, and then declined to 4.3 million short tons in 2001. The value of these shipments increased from \$1.4 billion in 1999 to \$1.9 billion in 2000, and then declined to \$1.5 billion in 2001. CR and PR, Table III-3.

pattern. U.S. producers' inventories, however, increased on both an absolute and relative basis during each year of the period of investigation.¹¹⁶

The domestic industry gained market share over the period of investigation. Domestic producers' share of the quantity of U.S. apparent consumption declined from 81.1 percent in 1999 to 79.8 percent in 2000, and then increased to 90.3 percent in 2001.¹¹⁷ The domestic industry's modest loss of market share when subject imports increased in 2000, and its market share gain in 2001, corroborate our finding that the subject import increase in 2000 was a temporary phenomenon designed to satisfy demand during a period when domestic production and shipments increased but the supply of domestically produced beams was limited.

The number of production and related workers, hours worked, wages paid, and productivity each increased from 1999 to 2000 and declined from 2000 to 2001.¹¹⁸ Hourly wages increased each year during the period of investigation.¹¹⁹

As previously noted, notwithstanding the increase in subject imports from 1999 to 2000, the domestic industry's shipments and prices both rose.¹²⁰ As a result, the domestic industry's sales revenues increased from \$1.4 billion in 1999 to \$2.0 billion in 2000.¹²¹ Per unit sales values increased more than costs during this period.¹²² With more beams being sold at higher margins, the industry's operating income and margins both rose. Operating income increased from \$146 million in 1999 to \$307 million in 2000, and the operating margin rose from 10.2 percent in 1999 to 15.6 percent in 2000.¹²³

By contrast from 2000 to 2001, shipments and prices both declined. Thus in 2001 there were declines from the 2000 levels in the domestic industry's sales revenues, which were \$1.5 billion, operating income, which was \$100.7 million, and operating margin, which was 6.6 percent.¹²⁴

¹¹⁶ End of period inventories reported by producers increased from 372,802 short tons in 1999 to 489,438 short tons in 2000 and then to 632,206 short tons in 2001. The ratio of inventories to total shipments was 9.0 percent in 1999, 9.7 percent in 2000, and 14.2 percent in 2001. CR and PR, Table III-4.

¹¹⁷ CR and PR, Table IV-3. The U.S. producers' share of the value of U.S. apparent consumption declined from 83.6 percent in 1999 to 80.8 percent in 2000, and then increased to 91.0 percent in 2001. Id.

¹¹⁸ The number of production and related workers increased from 3,176 in 1999 to 3,532 in 2000 and then declined to 3,361 in 2001. Hours worked increased from 7.4 million in 1999 to 8.1 million in 2000 and then declined to 7.3 million in 2001. Wages paid increased from \$188 million in 1999 to \$218 million in 2000 and then declined to \$199 million in 2001. Productivity, as measured by short tons per thousand hours, increased from 555.1 in 1999 to 636.8 in 2000, and then declined to 631.0 in 2001. CR and PR, Table III-5.

¹¹⁹ Hourly wages increased from \$25.28 in 1999 to \$26.83 in 2000 and then to \$27.37 in 2001. CR and PR, Table III-5.

¹²⁰ Chairman Okun and Commissioner Miller further distinguish these current investigations from the Commission's 2000 investigations of structural steel beams from Japan and Korea (see n.105 above) in terms of the condition of the domestic industry. Contrary to petitioners' arguments that similar fact patterns exist, they note that in the 2000 cases, during the time frame when subject imports increased sharply, i.e., 1997-98, the domestic industry's capacity, capacity utilization, production and shipments all decreased, as did certain employment indicators. Certain Structural Steel Beams from Japan, USITC Pub. 3308 at Table C-1. In these current investigations, the domestic industry showed increases in all of these factors concurrent with the increase in subject imports, i.e., 1999-2000.

¹²¹ CR and PR, Table VI-1.

¹²² CR and PR, Table VI-2.

¹²³ CR and PR, Table VI-1.

¹²⁴ CR and PR, Table VI-1. Our examination of the domestic beam producers' financial performance is based on data relating to the industry as a whole. Nevertheless, we observe that there were significant differences in

(continued...)

Neither of the components that led to the decline in operating performance from 2000 to 2001 is a function of the subject imports to any significant degree. As previously discussed, prices declined from 2000 to 2001 for reasons that were not significantly related to the subject imports. The decline in shipments occurred even as the subject imports were sharply reducing their presence in the U.S. market and the domestic industry was increasing its share of U.S. apparent consumption. However, apparent consumption fell significantly from 2000 to 2001, partly because of slightly reduced demand in end-use construction industries, and partly, as discussed above, because service centers miscalculated likely demand in 2000 and overpurchased product that year.

Industry capital expenditures reported in the questionnaires declined *** from 1999 to 2000, and then declined further from 2000 to 2001. The 1999 figure, however, includes *** in capital expenses from TXI, which opened its Petersburg, Virginia, mill that year.¹²⁵ Capital expenditures reported in the questionnaires understate total industry capital expenses because they do not include amounts SDI expended for its new Indiana mill. SDI stated in its 2001 10-K filing that it had incurred \$230.3 million in capital costs through the end of 2001 in constructing this mill.¹²⁶ Research and development expenses increased during each year of the period of investigation.¹²⁷

The domestic industry's overall performance improved from 1999 to 2000, when subject imports were at their peak. Although many indicia of performance subsequently declined from 2000 to 2001, these declines are not a result of the subject imports to any material extent. Accordingly, we determine that the subject imports did not have a significant adverse impact on the domestic structural steel beams industry.

IV. NO THREAT OF MATERIAL INJURY BY REASON OF SUBJECT IMPORTS

Section 771(7)(F) of the Act directs the Commission to determine whether the U.S. industry is threatened with material injury by reason of the subject imports by analyzing whether "further dumped or subsidized imports are imminent and whether material injury by reason of imports would occur unless an order is issued or a suspension agreement is accepted."¹²⁸ The Commission may not make such a determination "on the basis of mere conjecture or supposition," and considers the threat factors "as a whole" in making its determination whether dumped or subsidized imports are imminent and whether material injury by reason of imports would occur unless an order is issued.¹²⁹ In making our determination, we considered all statutory factors that are relevant to these investigations.¹³⁰

¹²⁴ (...continued)

operating performance among individual domestic producers. Even in 2000, when the domestic industry as a whole had a very high operating margin, three of the ten domestic producers posted operating losses. *Id.* We also observe that TXI's operating performance throughout the period of investigation appears to have been adversely affected by start-up difficulties at its Petersburg mill. *See* Petitioners' Posthearing Brief, ex. 1I.

¹²⁵ CR at III-3, Table VI-6, PR at III-1, Table VI-6.

¹²⁶ Arcelor Respondents Prehearing Brief, Tab 13, page 12 of 95. We acknowledge that, because the mill is designed to produce several products in addition to structural steel beams, the entire amount of these expenses is not likely to be attributable to beam production.

¹²⁷ CR and PR, Table VI-5.

¹²⁸ 19 U.S.C. § 1677(7)(F)(ii).

¹²⁹ 19 U.S.C. § 1677(7)(F)(ii).

¹³⁰ 19 U.S.C. § 1677(7)(F)(i). Statutory threat factor (I) is inapplicable because Commerce made no subsidy findings. Statutory threat factor (VII) also is inapplicable because these investigations do not involve imports of both raw and processed agricultural products.

A. Cumulation for Purposes of Threat

Cumulation for threat is treated in section 771(7)(H) of the Act.¹³¹ This provision permits the Commission, to the extent practicable, to assess cumulatively the volume and effect of imports for purposes of conducting its threat analysis.¹³² The limitations concerning what imports are eligible for cumulation and the exceptions to cumulation are applicable to cumulation for threat as well as to cumulation for present material injury. In addition, the Commission also considers whether the imports are increasing at similar rates in the same markets, whether the imports have similar margins of underselling, and the probability that imports will enter the United States at prices that would have a depressing or suppressing effect on domestic prices of that merchandise.¹³³

We have exercised our discretion to cumulate imports from all subject countries for purposes of our threat analysis. Initially, there is a similarity in volume trends. Import volumes from each of the subject countries increased sharply from 1999 to 2000, and all but one of the subject countries had declining imports from 2000 to 2001.¹³⁴ Prices for imports from each of the countries showed parallel trends. For each of the subject countries, prices were generally higher in 2000 than in 1999 and lower in 2001 than in 2000.¹³⁵ We also observe that for each of the subject countries, there were instances of both underselling and overselling of the domestic like product.¹³⁶

B. Statutory Threat Factors

The record does not indicate a significant rate of increase of the volume or market penetration of the subject imports indicating the likelihood of substantially increased imports. Although subject import volume and market penetration did show large increases in 2000, we have found that these were temporary phenomena in light of that year's strong demand and shortages in the supply of domestically produced beams. As discussed in section III.B. above, the volume of subject imports declined sharply once the domestic producers' supply difficulties were resolved and subject import volume and market share were sharply lower in 2001. These declines preceded filing of the petition and were for reasons unrelated to the petition.

There are no current shortages of domestic supply and no likelihood of shortages in the imminent future. We observe in this regard that TXI appears to have resolved start-up problems at its Petersburg mill that impaired its ability to produce product into 2000.¹³⁷ Additional U.S. capacity to produce structural steel beams will be available in the imminent future from the new SDI mill.¹³⁸ We acknowledge that the responding foreign producers projected that their exports to the United States will

¹³¹ 19 U.S.C. § 1677(7)(H).

¹³² See Kern-Liebers v. United States, 19 CIT 87, 103-04 (1995).

¹³³ See Torrington Co. v. United States, 790 F. Supp. at 1172 (affirming Commission's determination not to cumulate for purposes of threat analysis when pricing and volume trends among subject countries were not uniform and import penetration was extremely low for most of the subject countries); Metallverken Nederland B.V. v. United States, 728 F. Supp. 730, 741-42 (Ct. Int'l Trade 1989); Asociacion Colombiana de Exportadores de Flores v. United States, 704 F. Supp. 1068, 1072 (Ct. Int'l Trade 1988).

¹³⁴ CR and PR, Table IV-2.

¹³⁵ CR and PR, Tables V-1-8. The parallelism in pricing trends generally is corroborated by the average unit value data. CR and PR, Table IV-2.

¹³⁶ CR and PR, Tables V-9-10.

¹³⁷ Tr. at 138-39 (Allen); Petitioners Posthearing Brief, ex. 11.

¹³⁸ See Tr. at 32 (Nolan).

increase from 2001 levels in both 2002 and 2003; however, the projected levels in each of these years is well below the level of exports these producers reported in 2000.¹³⁹ Moreover, the subject producers ship a substantial proportion of their production to their home markets and have well-established export markets in third countries.¹⁴⁰ Although the record shows that producers in the subject countries have some ability to shift exports from other markets to the United States, we conclude it is unlikely that subject imports will increase to significant levels in light of the nature and magnitude of the subject import declines in 2001, the availability of other markets to the subject producers, and the availability of additional capacity in the United States.¹⁴¹

The record indicates that capacity utilization in the subject countries has been at relatively high levels throughout the period of investigation. Both capacity and capacity utilization are expected to increase from 2001 levels in both 2002 and 2003.¹⁴² However, as previously explained, even if additional capacity should become available, we do not believe it will be likely to imminently result in substantially increased imports of subject merchandise in the U.S. market.

As discussed in section III.C. above, the subject imports did not have significant price-depressing or -suppressing effects on the domestic like product during the period of investigation. Nor were the subject imports priced at levels that increased demand for further imports. Because we do not believe that there is a likelihood of substantially increased import volumes, we conclude it is likely that the subject imports will continue not to have significant price effects in the imminent future.

U.S. importers' inventories of subject merchandise in the United States increased in absolute terms but declined relative to imports and U.S. shipments of imports from 1999 to 2000. In 2001, these inventories declined from 2000 levels in absolute terms but were greater in relative terms than in either 1999 or 2000. However, the ratios of inventories to imports and to shipments of imports were at extremely low levels throughout the period of investigation.¹⁴³ Inventories in the subject countries increased on both a relative and absolute basis during the period of investigation.¹⁴⁴ However, beams in the subject countries are produced to several standards in addition to ASTM standards and consequently

¹³⁹ CR and PR, Table VII-1.

¹⁴⁰ CR and PR, Tables II-3, VII-1. In light of this, we do not believe the fact that beams prices are higher in the United States than elsewhere in the world, see Petitioners Prehearing Brief, vol. I at 55-57, will serve as an impetus to increased imports. Beams prices in the United States traditionally have been higher than those elsewhere. Tr. at 204-05 (Lamesch). Notwithstanding this, the volume of both subject and nonsubject imports displayed considerable fluctuations over the period of investigation.

¹⁴¹ In making this finding, we have considered dumping findings and antidumping remedies in markets of foreign countries against the same class of merchandise. See 19 U.S.C. § 1677(7)(F)(iii)(I). Antidumping duty orders have been imposed against beams from Russia by Korea since 1997 and by Taiwan since 1998. Also, beams from South Africa are subject to antidumping duties in Australia. Petitioners Prehearing Brief, vol. I at 58.

¹⁴² CR and PR, Table VII-1. We acknowledge that the questionnaire data contain no information from Chinese producers. However, we are analyzing threat of material injury on a cumulated basis, as petitioners themselves requested. We do not believe that inclusion of data from Chinese producers, were it available, would materially affect any of the conclusions we are reaching on cumulated subject imports given that subject imports from China constituted a relatively modest proportion of cumulated subject imports throughout the period of investigation. See CR and PR, Table IV-2.

We additionally note that the record does not support petitioners' contentions of imminent substantial capacity increases in Germany and Luxembourg. See Tr. at 175, 201-02 (Lamesch).

¹⁴³ CR and PR, Table VII-9.

¹⁴⁴ CR and PR, Table VII-1.

beams in inventory are not necessarily suitable for export to the United States.¹⁴⁵ The available data on inventories therefore do not support an affirmative threat determination.

Most of the subject producers manufacture other steel products at the same facilities at which they produce structural steel beams. In several instances, producers manufacture products such as hot-rolled bar and certain flat-rolled products that are subject to additional tariffs in the United States because of safeguards remedies.¹⁴⁶ Nevertheless, as previously noted, we do not believe that the presence or potential for additional productive capacity in the subject countries is likely to lead to substantially increased imports.

Finally, the record does not indicate that the industry is currently in a vulnerable state. Although the financial performance of individual producers has varied, the industry has remained profitable overall. The industry also is characterized by the recent and imminent expansion of capacity at new and efficient production facilities.

Accordingly, we find that material injury by reason of subject imports will not occur absent issuance of antidumping orders against the subject imports. We therefore conclude that the domestic structural steel beams industry is not threatened with material injury by reason of the subject imports.

CONCLUSION

For the foregoing reasons, we determine that the domestic structural steel beams industry is neither materially injured nor threatened with material injury by reason of subject imports from China, Germany, Luxembourg, Russia, South Africa, Spain, and Taiwan.

¹⁴⁵ See Arcelor Respondents Prehearing Brief at 38; Arcelor Respondents Posthearing Brief, Tabs H-1, H-2, H-3.

¹⁴⁶ CR at VII-6, VII-11, VII-13, PR at VII-2-4.

SEPARATE AND DISSENTING VIEWS OF COMMISSIONER LYNN M. BRAGG

Based upon the record in these final phase investigations, I find that an industry in the United States is threatened with material injury by reason of imports of certain structural steel beams from China, Germany, Luxembourg, Russia, South Africa, Spain, and Taiwan, that have been found to be sold in the United States at less than fair value (“LTFV”). I therefore dissent from the negative determination rendered by the Commission. Although I join in sections I, II, and III.A of the Views of the Commission, which address the definitions of the domestic like product and domestic industry, cumulation, and conditions of competition,¹ I provide my separate injury analysis below.

I. NO PRESENT MATERIAL INJURY BY REASON OF LTFV IMPORTS

In the final phase of antidumping or countervailing duty investigations, the Commission determines whether an industry in the United States is materially injured or threatened with material injury by reason of the imports under investigation.² In making this determination, the Commission must consider the volume of imports, their effect on prices for the domestic like product, and their impact on domestic producers of the domestic like product, but only in the context of U.S. production operations.³ The statute defines “material injury” as “harm which is not inconsequential, immaterial, or unimportant.”⁴ In assessing whether the domestic industry is materially injured by reason of subject imports, the Commission considers all relevant economic factors that bear on the state of the industry in the United States; no single factor is dispositive, and all relevant factors are considered “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”⁵

I note from the outset that the record in these investigations demonstrates a key condition of competition; namely, the ease and speed with which purchasers of steel products respond to price differentials in the market by shifting among alternative sources of supply. Specifically, the record evidences a surge in cumulative subject import volume between 1999 and 2000, in response to increasing demand and price levels in the U.S. market coupled with the imposition of antidumping duties on imports of structural steel beams from Japan and Korea in June and August 2000, respectively.⁶ This surge demonstrates two distinct forms of shifting; first, cumulative subject imports from the seven instant countries effectively replaced much of the tonnage formerly sourced from Japan and Korea after the imposition of antidumping and countervailing duties in mid-2000. Importantly, this shift was not merely a displacement of fairly traded nonsubject imports, but instead included the displacement of import volumes that had been found injurious to the domestic industry by the Commission.⁷

¹ I address additional conditions of competition that I find relevant in these dissenting views.

² 19 U.S.C. §§ 1671d(b), 1673d(b).

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

⁴ 19 U.S.C. § 1677(7)(A).

⁵ 19 U.S.C. § 1677(7)(C)(iii).

⁶ *See* Certain Structural Steel Beams from Japan, Inv. No. 731-TA-853 (Final), USITC Pub. 3308 (June 2000); Certain Structural Steel Beams from Korea, Inv. Nos. 701-TA-401 (Final) and 731-TA-854 (Final), USITC Pub. 3326 (August 2000).

⁷ *See id.*

Second, I note that the petition in the 1999-2000 investigations covered steel beams from Germany, Japan, Korea, and Spain; however, the Commission rendered negative preliminary determinations with respect to Germany and Spain (Commissioner Bragg and Commissioner Crawford, dissenting).⁸ Notably, after these negative determinations were issued, the volume of structural steel beam imports from Germany increased, resulting in a 208.9 percent annual increase between 1999 and 2000; the volume of such imports from Spain also increased, resulting in a 43.6 percent annual increase between 1999 and 2000.⁹ In sum, purchasers exhibit demonstrable shifts among alternative sources of supply in response to both affirmative and negative determinations by the Commission.

Although it may be argued that, within the context of the business cycle and conditions of competition that are distinctive to the domestic industry, U.S. producers should have enjoyed even better financial returns during the period of investigation (“POI”), I do not find that the record establishes a sufficient causal nexus between subject imports and any alleged injury experienced by the domestic industry. However, I do find that the context and timing of subject import volumes evidenced during the POI, and their price levels, support an affirmative threat determination; coupled with the more recent decline in the domestic industry’s profitability¹⁰ and the current conditions of competition facing U.S. producers,¹¹ I am satisfied that the record establishes an imminent threat of material injury to the domestic industry by reason of subject imports.

A. Volume of the Subject Imports

Section 771(7)(C)(i) of the Tariff Act of 1930, as amended (“the Act”), provides that the “Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant.”¹²

Cumulative subject import volume more than doubled between 1999 and 2000, while nonsubject import volume declined by 20.0 percent; in comparison, U.S. shipments by the domestic industry increased by 23.6 percent during this period, while at the same time apparent U.S. consumption increased by 25.6 percent.¹³ As a result of the foregoing, subject imports gained market share at the expense of both nonsubject imports and the domestic like product, though the domestic industry’s market share declined only modestly, from 81.1 percent in 1999 to 79.8 percent in 2000.¹⁴ Between 2000 and 2001, cumulative subject import volume declined by 61.2 percent, while nonsubject import volume declined by 65.9 percent; in comparison, U.S. shipments by the domestic industry declined by 12.6 percent, while at

⁸ See Certain Structural Steel Beams from Germany, Japan, Korea, and Spain, Inv. Nos. 701-TA-401 (Preliminary) and 731-TA-852-855 (Preliminary), USITC Pub. 3225 (Sept. 1999).

⁹ Confidential Report as revised by Memoranda INV-Z-085 (June 7, 2002), INV-Z-090 (June 12, 2002), and INV-Z-095 (June 17, 2002), at Table C-1 (“CR”); Public Report (“PR”) at Table C-1.

¹⁰ The domestic industry’s average annual operating margin declined from 15.6 percent in 2000 to 6.6 percent in 2001. CR/PR at Table C-1.

¹¹ See *infra* section II.

¹² 19 U.S.C. § 1677(7)(C)(i).

¹³ CR/PR at Table C-1.

¹⁴ CR/PR at Table C-1. Again, it is important to note that in 1999 and the first half of 2000, nonsubject import volumes were comprised of both unfairly traded imports from Japan and Korea as well as fairly traded imports from other sources.

the same time apparent U.S. consumption declined by 22.7 percent.¹⁵ As a result of the foregoing, the domestic industry gained substantial market share from both subject and nonsubject imports, increasing from 79.8 percent in 2000 to 90.3 percent in 2001.¹⁶ Over the entire period from 1999 to 2001, subject imports and nonsubject imports each lost market share to the domestic industry.

U.S. production by the domestic industry increased by 25.3 percent between 1999 and 2000, before declining by 11.3 percent between 2000 and 2001; capacity utilization by the domestic industry increased from 72.4 percent in 1999 to 74.7 percent in 2000, before declining to 68.5 percent in 2001.¹⁷ Given demand conditions in the U.S. market from 1999 to 2000, the domestic industry arguably should have enjoyed somewhat higher production and shipment levels; however, I do not find a significant volume effect by reason of subject imports, which largely replaced nonsubject imports during this period. Between 2000 and 2001, both subject and nonsubject imports exited the U.S. market at a substantially greater rate compared to the declines in apparent U.S. consumption and production during this period. Accordingly, I do not find the volume of subject imports to be significant relative to production or consumption in the United States. Finally, absent significant price effects by reason of subject imports (*see infra* section I.B), I do not find the absolute volume of subject imports to be significant. However, I do find that the demonstrated ability of cumulative subject imports to surge into the U.S. market is highly probative of the imminent threat posed by subject imports to the domestic industry (*see infra* section II).

B. Price Effects of the Subject Imports

Section 771(7)(C)(ii) of the Act provides that, in evaluating the price effects of the subject imports, the Commission shall consider whether –

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

(II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.¹⁸

The Commission collected quarterly pricing data for four structural steel products; six U.S. producers and 10 importers provided usable pricing data regarding sales of these products; the data account for 36.0 percent of U.S. producers' commercial shipments during 2001, as well as *** percent of subject imports from China, *** percent of subject imports from Germany, *** percent of subject imports from Luxembourg, *** percent of subject imports from Russia, *** percent of subject imports from South Africa, *** percent of subject imports from Spain, and *** percent of subject imports from Taiwan.¹⁹

Quarterly pricing comparisons indicate underselling in 90 out of 147 instances, for a 61.2 percent incidence of underselling. In general, price trends for domestic producers for Products 1 and 2 appear to have tracked demand conditions in the U.S. market, with prices increasing from the first three quarters of 1999 through the first three quarters of 2000, before declining in the fourth quarter of 2000 through the

¹⁵ CR/PR at Table C-1.

¹⁶ CR/PR at Table C-1.

¹⁷ CR/PR at Table C-1.

¹⁸ 19 U.S.C. § 1677(7)(C)(ii).

¹⁹ CR at V-8, PR at V-7.

first half of 2001, and then increasing again at the end of 2001.²⁰ Petitioners state that Product 1 includes the most common sizes of structural steel beams and is a bellwether for the entire product range.²¹ The evidence with regard to Product 3 is similar, as prices increased generally from the first quarter of 1999 through the fourth quarter of 2000, before declining in the first part of 2001 and then recovering during the latter part of 2001.²² With regard to Product 4, prices fell to a period low in the second quarter of 1999, increased through the first quarter of 2000, and then declined generally through the fourth quarter of 2001.²³ Notably, price levels for Products 1, 2, and 3 were each higher in the fourth quarter of 2001 compared to the first quarter of 1999; with regard to Product 4, however, the price level in the fourth quarter of 2001 was *** percent lower compared to the first quarter of 1999.²⁴

Although the probative value of average unit value (“AUV”) data may be limited due to differences in product mix across sources and changes in product mix over time, such data do corroborate the foregoing price trends evidenced on the record. Specifically, the AUV data for subject imports, nonsubject imports, and U.S. shipments by the domestic industry, each evidence an increase between 1999 and 2000, before declining between 2000 and 2001, consistent with demand conditions in the U.S. market during this period.²⁵

On balance, notwithstanding evidence of underselling in a majority of pricing comparisons, it does not appear that low-priced subject imports caused significant negative price effects in the U.S. market during the POI, particularly in light of prevailing demand conditions, the trend in subject import volumes, and the increase in price levels evidenced at the very end of the POI. Although I do not find evidence of underselling significant in the context of a present material analysis, I do find it highly probative of the imminent threat posed by subject imports to the domestic industry—particularly given some evidence of a recent increase in price levels in the U.S. market at the end of 2001, which creates an incentive for subject producers to direct increased exports to the United States in the imminent future (*see infra* section II).

C. Impact of the Subject Imports

In examining the impact of the subject imports on the domestic industry, the Commission considers all relevant economic factors that bear on the state of the industry in the United States.²⁶ These

²⁰ See CR/PR at Tables V-1 through V-4.

²¹ Petitioners’ Post-Hearing Brief at 2.

²² See CR/PR at Tables V-5 through V-7.

²³ See CR/PR at Table V-8.

²⁴ See CR/PR at Table V-8.

²⁵ See CR/PR at Table C-1. The AUVs of subject and nonsubject imports remained well below the AUVs of U.S. shipments by the domestic industry throughout the period of investigation. Notably, the AUV of subject imports was five percent higher than the AUV of nonsubject imports in 1999, while in 2000 the AUVs of subject and nonsubject imports were roughly comparable; in 2001, however, the AUV of subject imports was over six percent lower than the AUV of nonsubject imports. *See id.* The changing relationship between the AUV of subject imports and the AUV of nonsubject imports over the POI further corroborates the price-driven shifts I have identified that reflect the behavior of purchasers in choosing among alternative sources of supply. *See supra* section I.

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

factors include output, sales, inventories, capacity utilization, market share, employment, wages, productivity, profits, cash flow, return on investment, ability to raise capital, and research and development. No single factor is dispositive and all relevant factors are considered “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”^{27 28}

The record evidences general improvements in performance indicia for the domestic industry between 1999 and 2000, followed by subsequent declines between 2000 and 2001; these trends track the prevailing demand conditions in the U.S. market over the period of investigation. Notably, as the volume of cumulative subject imports surged between 1999 and 2000 and the volume of nonsubject imports declined,²⁹ the profitability of the domestic industry increased dramatically with average annual operating margins increasing from 10.2 percent in 1999 to 15.6 percent in 2000.³⁰ Subsequently, as apparent U.S. consumption declined by 22.7 percent between 2000 and 2001, the volume of cumulative subject imports declined by 61.2 percent, compared to a 12.6 percent decline in U.S. shipments by the domestic industry; during this period, the domestic industry’s average annual operating margins declined from 15.6 percent in 2000 to 6.6 percent in 2001.³¹

As noted, I do not find significant volume or price effects by reason of subject imports for purposes of assessing present material injury; coupled with the foregoing data, I do not find that the domestic industry has experienced a significant adverse impact by reason of subject imports. I further find, however, that several declining trends evidenced on the record, particularly over the latter portion of the period of investigation, indicate that the domestic industry is now vulnerable to material injury.

To begin, I note that although the domestic industry as a whole remained profitable throughout the POI, the number of U.S. producers reporting operating losses doubled, from three out of nine in 1999 and three out of ten in 2000, to six out of ten in 2001.³² This corresponds to a 67.2 percent decline in operating income for the domestic industry between 2000 and 2001.³³ The deteriorating profitability of the domestic industry has manifested two important effects. First, although the domestic industry’s

²⁶ (...continued)
885.)

²⁷ 19 U.S.C. § 1677(7)(C)(iii). *See also* SAA at 851 and 885.

²⁸ The statute instructs the Commission to consider the “magnitude of the dumping margin” in an antidumping proceeding as part of its consideration of the impact of imports. 19 U.S.C. § 1677(7)(C)(iii)(V). Commerce amended the dumping margins for several of the subject countries after its final dumping determinations; the Commission reopened its record to include these amended margins and permitted the parties to submit supplemental final comments concerning them. The final margins as of the time the Commission record closed, including those that were amended, are as follows: China (15.23 percent for Maanshan, 89.17 percent for all others); Germany (35.75 percent for Salzgitter, 8.09 percent for SWT and all others); Luxembourg (6.14 percent for ProfilARBED and all others); Russia (230.66 percent for Tagil and all others); South Africa (5.17 percent for Highveld and all others); Spain (5.29 percent for Aceralia and all others); Taiwan (5.21 percent for Tung Ho, 13.11 percent for Kuei Yi, and 10.70 percent for all others). *See* INV-Z-090 (June 12, 2002).

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

²⁹ Again, it is important to note that in 1999 and the first half of 2000, nonsubject import volumes were comprised of both unfairly traded imports from Japan and Korea as well as fairly traded imports from other sources.

³⁰ CR/PR at Table C-1.

³¹ CR/PR at Table C-1.

³² CR/PR at Table VI-1.

³³ CR/PR at Table C-1.

capital expenditures *** in 1999, ***, with depreciation/amortization exceeding capital expenditures by over \$50 million in 2000 and by almost \$80 million in 2001; as a result, the capital stock of the domestic industry has been depleted over the latter portion of the POI. In addition, the domestic industry's access to capital has been limited.³⁴

Similarly, the future prospects of the domestic industry do not appear bright. The 22.7 percent decline in apparent U.S. consumption between 2000 and 2001 indicates a current level of demand lower than that evidenced for 1999, and demand conditions are not likely to recover significantly in the foreseeable future.³⁵ In this context, Steel Dynamics is scheduled to bring new capacity online in 2002,³⁶ not only is this new facility vulnerable due to the additional start-up costs associated with bringing new production online, but the addition of capacity in a flat market also increases the vulnerability of the domestic industry as a whole, particularly given the recent decline in capacity utilization for the domestic industry, from 74.7 percent in 2000 to 68.5 percent in 2001. Moreover, the domestic industry has already experienced a substantial buildup in end-of-period inventories, from 372,802 short tons in 1999, to 489,438 short tons in 2000, and to 632,206 short tons in 2001; this latter figure is equivalent to 13.1 percent of apparent U.S. consumption and 14.5 percent of U.S. shipments by the domestic industry in 2001.³⁷

In addition, notwithstanding some evidence of recent increases in price levels at the end of 2001, the record indicates that the domestic industry is beginning to experience a cost/price squeeze, with the ratio of COGS to sales increasing from 81.2 percent in 2000 to 89.7 percent in 2001.³⁸ This cost/price squeeze will only be exacerbated by the sharp increase in scrap prices that has occurred in 2002.³⁹

Based upon all the foregoing, I find that the domestic industry is now vulnerable to material injury; it is in this context that I evaluate the threat of material injury posed by subject imports.

II. THREAT OF MATERIAL INJURY BY REASON OF LTFV IMPORTS

Section 771(7)(F) of the Act directs the Commission to determine whether an industry in the United States is threatened with material injury by reason of the subject imports by analyzing whether "further dumped or subsidized imports are imminent and whether material injury by reason of imports would occur unless an order is issued or a suspension agreement is accepted."⁴⁰ The Commission may not make such a determination "on the basis of mere conjecture or supposition," and considers the threat

³⁴ Northwestern Steel made numerous, unsuccessful attempts to obtain private financing even after the Emergency Steel Loan Guarantee was approved. Hearing Tr. at 67 (Vercillo). Northwestern Steel ultimately shut down due to bankruptcy on May 21, 2001. CR/PR at Table VI-3 n.2. Moody's Investors Service placed TXI on a negative credit watch in the summer of 2001 due to poor financial results and an uncertain future. Hearing Tr. at 30 (Allen).

³⁵ CR/PR at Table C-1; see Hearing Tr. at 127 (Stratman).

³⁶ Steel Dynamics made the decision to build a new beams mill in 1997. Hearing Tr. at 31 (Nolan).

³⁷ See CR/PR at Table C-1. I note that after completion of the Commission's report in these investigations, Commission staff learned that Table II-1 of the report incorrectly tabulated the data in the purchasers' questionnaires relating to distributors' inventories. Neither the original data nor the corrected data inform my analysis and determination in these investigations.

³⁸ CR/PR at Table C-1.

³⁹ See Petitioners' Post-Hearing Brief, Exhibit 1-H at 14, Chart 1.

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

factors “as a whole.”⁴¹ In making my determination, I have considered all factors that are relevant to these investigations.⁴²

As noted, I find that the domestic industry is vulnerable to material injury, particularly in light of flat demand in the U.S. market, bloated inventories for U.S. producers, low capacity utilization for the domestic industry, evidence that the domestic industry is experiencing a cost/price squeeze, the adverse trends in financial and performance indicia that began to emerge at the end of the period of investigation, and limitations on the availability of credit lines for U.S. producers. It is in this context that I assess the likely impact of future volumes of low priced subject imports.

As an initial matter, I note that the petition identified 11 firms producing subject merchandise in China, and that the Commission faxed foreign producer questionnaires to each of these firms; however, no responses were received.⁴³ China began exporting large quantities of structural steel beams to the U.S. market in 2000, and according to petitioners, one Chinese producer (*i.e.* Angang New Steel) is currently planning to construct a new 750,000 ton beam mill.⁴⁴ As discussed below, I find that the data collected on the record amply demonstrate the imminent threat posed by cumulative subject imports to a vulnerable domestic industry; my threat determination is only strengthened when current capacity and future additions to capacity in China are taken into consideration.

The behavior of subject imports during the POI evidences both a targeting of the U.S. market by subject producers as well as the ease and speed with which purchasers shift among alternative sources of supply based upon price considerations.⁴⁵ As apparent U.S. consumption increased by 25.6 percent and nonsubject import volume declined by 20.0 percent between 1999 and 2000, the volume of cumulative subject imports increased 133.2 percent; in contrast, as apparent U.S. consumption declined by 22.7 percent and nonsubject import volume declined by 65.9 percent between 2000 and 2001, the volume of cumulative subject imports declined by 61.2 percent.⁴⁶ I find these trends attributable to the increasing price levels in the U.S. market between 1999 and 2000, and the overall decline in U.S. price levels between 2000 and 2001. Importantly, the record provides some evidence of an increase in price levels at the very end of 2001,⁴⁷ as low priced subject imports exited the market at a substantially greater rate compared with the decline in apparent U.S. consumption.⁴⁸ Indeed, the data indicate that price levels in the fourth quarter of 2001 were generally comparable to, or exceeded, the price levels evident for the fourth quarter of 1999 (which directly preceded the surge in subject import volume during 2000). Moreover, petitioners introduced substantial evidence that, at present, price levels for subject merchandise in third country markets are well below U.S. price levels.⁴⁹ I find that current market conditions create a clear incentive for subject producers to increase exports of subject merchandise to the U.S. market significantly, and that such an increase is likely in the absence of antidumping duty orders.⁵⁰

⁴¹ 19 U.S.C. § 1677(7)(F)(ii).

⁴² 19 U.S.C. § 1677(7)(F)(i). Factor (I) involving allegations of a countervailable subsidy, and factor (VII) regarding raw and processed agricultural products, are inapplicable to the instant investigations.

⁴³ CR at VII-4, PR at VII-1.

⁴⁴ CR at VII-4, PR at VII-1.

⁴⁵ See *supra* section I.

⁴⁶ CR/PR at Table C-1.

⁴⁷ See CR/PR at Tables V-1 through V-7, *cf.* Table V-8.

⁴⁸ See CR/PR at Table C-1.

⁴⁹ Petitioners' Post-Hearing Brief at Exhibit 1.E; see also Hearing Tr. at 204-205 (Lamesch).

⁵⁰ In my view, in the absence of orders in these investigations, the import behavior witnessed by the domestic industry following the Commission's negative preliminary determinations regarding Germany and Spain in the

(continued...)

Foreign producers (except for producers in China) project that their exports of subject merchandise to the U.S. market will increase by *** percent between 2001 and 2002, and by a further *** percent between 2002 and 2003; when measured against apparent U.S. consumption in 2001, these projections equate to *** percent of the U.S. market in 2002 and *** percent of the market in 2003.⁵¹ Even if I assume that the annual volume of subject imports from China in 2002 and 2003 remains equivalent to the volume imported in 2001, the addition of such volumes indicates that cumulative subject imports will capture *** percent of the U.S. market in 2002 and *** percent of the market in 2003.⁵² Even such conservative estimates indicate a significant imminent increase in the volume of subject imports, and when coupled with the withdrawal of nonsubject imports from the U.S. market, such additional market share will come almost entirely at the expense of the domestic industry.

In addition, capacity utilization reported by foreign producers indicates an increase from *** percent in 1999 to *** percent in 2000, before declining to *** percent in 2001; according to reported projections, capacity utilization across subject countries is projected to increase to *** percent in 2002 and *** percent in 2003.⁵³ According to projected figures, even if I accept the *** percent level of capacity utilization evidenced in 2000 as an upper limit, an additional *** short tons remain available for export in 2002 and an additional *** short tons are available for export in 2003.⁵⁴ The addition of such volumes to the previous estimates indicates that cumulative subject imports may well capture up to *** percent of the U.S. market in 2002 and *** percent of the market in 2003;⁵⁵ these figures are *** the 12.4 percent market share captured by subject imports as they surged into the U.S. market in 2000, and neither of these figures account for any future increase in subject capacity in China.

With regard to inventories, foreign producers report a steady increase in end-of-period inventories from 1999 to 2001, and project further increases in 2002 and 2003.⁵⁶ Increasing inventory levels create another incentive for subject producers to direct additional exports to the U.S. market. The addition of projected inventories to the previous estimates results in a conservative indication that cumulative subject imports may capture as much as *** percent of the U.S. market in 2002, or *** percent of the market in 2003.⁵⁷

The statute also directs the Commission to examine whether subject imports are entering at prices that are likely to have a significant depressing or suppressing effect on domestic prices and are likely to increase demand for further imports.⁵⁸ Based upon the pricing behavior evident on the record, I find that subject imports are likely to continue to predominantly undersell the domestic like product; as noted, subject imports undersold the domestic like product in well over half of the pricing comparisons available on the record, with margins of underselling ranging from 0.6 percent to as much as 39.2 percent

⁵⁰ (...continued)

1999-2000 investigations is likely to be repeated on a much larger scale with regard to future imports from the seven instant countries subject to these investigations. *See supra* section I.

⁵¹ *See* CR/PR at Table VII-1 and Table C-1.

⁵² *See* CR/PR at Table VII-1 and Table C-1.

⁵³ CR/PR at Table VII-1.

⁵⁴ *See* CR/PR at Table VII-1.

⁵⁵ *See* CR/PR at Table VII-1 and Table C-1.

⁵⁶ *See* CR/PR at Table VII-1.

⁵⁷ *See* CR/PR at Table VII-1 and Table C-1. I also note the potential for product-shifting, as foreign producers in Germany, Luxembourg, Russia, Spain, and Taiwan, reported the production of nonsubject merchandise on the same equipment used to produce subject imports. 19 U.S.C. § 1677(7)(F)(i)(VI); *see* CR at VII-4 through VII-14, PR at VII-1 through VII-5.

⁵⁸ 19 U.S.C. § 1677(7)(F)(i)(IV).

during the period of investigation.⁵⁹ In addition, notwithstanding the most recent increase in U.S. price levels, the record also indicates that the domestic industry is beginning to experience a cost/price squeeze, with the ratio of COGS to sales increasing from 81.2 percent in 2000 to 89.7 percent in 2001.⁶⁰ In the context of flat demand, and given the extent of the underselling likely to prevail, I find that subject imports are likely to enter the U.S. market at prices that are likely to have a significant suppressing effect on domestic prices in the imminent future; this, in turn, will exacerbate the cost/price squeeze currently confronting the domestic industry.

Given the sustained underselling that is likely to occur, subject imports threaten to capture even greater market share from the domestic industry (compared to reported projections), the impact of which would be magnified since there is already a substantial inventory overhang for the domestic industry. Coupled with low capacity utilization and rising costs for U.S. producers (in the context of flat demand), the likely price suppressive effect of increasing volumes of subject imports will adversely impact the domestic industry's profitability in the near term. This, in turn, would likely result in continued capital depletion by U.S. producers, and threatens the viability of existing development and production efforts of the domestic industry (particularly as Steel Dynamics seeks to bring its new capacity online).

In sum, I find that the record affords ample evidence that cumulative subject import volumes will increase significantly in the absence of antidumping duty orders, and that such imports will result in material injury to a vulnerable domestic industry.

III. CONCLUSION

Based upon all the foregoing, I determine that the domestic industry producing certain structural steel beams is threatened with imminent material injury by reason of LTFV imports from China, Germany, Luxembourg, Russia, South Africa, Spain, and Taiwan.

⁵⁹ See CR/PR at Tables V-1 through V-8.

⁶⁰ CR/PR at Table C-1.

PART I: INTRODUCTION

BACKGROUND

These investigations result from petitions filed by counsel on behalf of the Committee for Fair Beam Imports and its individual members Northwestern Steel & Wire Co. (Northwestern),¹ Sterling, IL; Nucor Corp. (Nucor), Charlotte, NC; Nucor-Yamato Steel Co. (Nucor-Yamato), Blytheville, AR; and TXI-Chaparral Steel Co. (TXI), Midlothian, TX, on May 23, 2001, alleging that an industry in the United States is materially injured and threatened with material injury by reason of less-than-fair-value (LTFV) imports of certain structural steel beams² from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan. Information relating to the background of the investigations is provided in table I-1 below.

Commerce made final determinations of sales not at LTFV with respect to structural steel beams from Italy³ and final determinations of sales at LTFV with respect to structural steel beams from China, Germany, Luxembourg, Russia, South Africa, Spain, and Taiwan. The dumping margins assigned to individual firms, as amended, and other pertinent information are shown in table I-2.

SUMMARY DATA

A summary of structural steel beam data collected in the investigations is presented in appendix C, table C-1. Except as noted, U.S. industry data are based on questionnaire responses of 10 firms that accounted for all known U.S. production of structural steel beams during 2001. Except as noted, U.S.

¹ Northwestern, which shut down in May 2001, ***.

² For purposes of these investigations, Commerce defined the subject merchandise, structural steel beams, as doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams (“W” shapes), bearing piles (“HP” shapes), standard beams (“S” or “I” shapes), and M-shapes. All products that meet the physical and metallurgical descriptions provided above are within the scope of these investigations unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of these investigations: (1) structural steel beams greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural steel beams that have additional weldments, connectors, or attachments to I-sections, H-sections, or pilings; however, if the only additional weldment, connector, or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector, or attachment. The subject products are imported under the following HTS subheadings with the following 2002 normal trade relations *ad valorem* tariff rates, applicable to imports from all sources subject to these investigations: 7216.32.00, 0.2 percent; 7216.33.00, 0.2 percent; 7216.50.00, 0.2 percent; 7216.61.00, 1.0 percent; 7216.69.00, 1.0 percent; 7216.91.00, 0.9 percent; 7216.99.00, 0.9 percent; 7228.70.30, 0.4 percent; and 7228.70.60, 1.1 percent. Some goods of these subheadings are assessed additional duties under provisions of chapter 99 of the HTS, but products may be excluded by Customs, based on its interpretation of U.S. note 11 to subchapter III of chapter 99.

³ Accordingly, the Commission terminated its investigation concerning imports from Italy (Inv. No. 731-TA-937) effective May 20, 2002. The Commission’s Federal Register notice (67 FR 38519, June 4, 2002) on the termination of its investigation on Italy is presented in app. A.

Table I-1
Structural steel beams: Scheduling of the investigations

Date	Action
May 23, 2001	Petitions filed with Commerce and the Commission; institution of Commission investigations
June 20, 2001	Commerce's notice of initiation
July 16, 2001	Commission's preliminary determinations
December 28, 2001	Commerce's preliminary determinations; scheduling of final phase of Commission investigations (67 FR 5851, February 7, 2002) ¹
May 13, 2002	Commerce's final determinations
May 15, 2002	Commission's hearing ²
June 17, 2002	Commission's vote
June 28, 2002	Commission's determinations sent to Commerce
<p>¹ The Commission's notice of scheduling, as published in the <i>Federal Register</i>, is presented in app. A. ² A list of witnesses appearing at the hearing is presented in app. B.</p> <p>Source: Various <i>Federal Register</i> notices of Commerce and the Commission.</p>	

imports are based on official Commerce statistics.⁴ Imports from Germany were revised to include forklift mast profiles which were not always included in the official Commerce statistics used for structural steel beams. Imports from Luxembourg were revised to exclude jumbo beams which were included in the official Commerce statistics.⁵ Responding importers accounted for 85 percent of adjusted subject imports during 2001, and 44 percent of adjusted imports of structural steel beams from nonsubject sources in 2001. Data on forklift mast profiles are shown in table C-2, appendix C. Data on structural steel beams excluding forklift mast profiles are shown in table C-3, appendix C.

PREVIOUS COMMISSION INVESTIGATIONS

On July 7, 1999, petitions were received alleging that subsidized structural steel beams from Korea and LTFV structural steel beams from Germany, Japan, Korea, and Spain were materially injuring and threatening material injury to a U.S. industry. The Commission made negative determinations during the preliminary phase of the investigations with respect to imports from Germany and Spain.⁶ Both the Commission and Commerce made affirmative final determinations with respect to imports of structural

⁴ U.S. imports are based on Commerce statistics that correspond to HTS subheadings 7216.32.00 and 7216.33.00, which are the primary HTS classifications containing the majority of imports of the subject merchandise. Other HTS categories included in the scope of these investigations are residual or "basket" categories containing substantial quantities of nonsubject merchandise.

⁵ Additionally, because of an error in official statistics, questionnaire data are presented for Italy.

⁶ *Certain Structural Steel Beams From Germany, Japan, Korea, and Spain*, Investigations Nos. 701-TA-401 (Preliminary) and 731-TA-852-855 (Preliminary), USITC Pub. 3225, September 1999.

Table I-2

Structural steel beams: Commerce's final and amended final dumping margins

Period of investigation	Federal Register cite ¹	Source, exporting/manufacturing firms, and final and amended final dumping margins (percent)		
10/01/00-03/31/01	67 FR 35479 (May 20, 2002) 67 FR 41397 (June 18, 2002)	China: ² Maanshan Iron and Steel Co, Ltd. PRC-wide	Final 0.00 ³ 89.17	Amended Final 15.23 89.17
04/01/00-03/31/01	67 FR 35497 (May 20, 2002)	Germany: ⁴ Stahlwerk Thüringen GmbH (SWT) Salzgitter AG All others	Final 8.09 35.75 8.09	
04/01/00-03/31/01	67 FR 35481 (May 20, 2002) 67 FR 40273 (June 12, 2002)	Italy: Duferdofin S.p.A All others	Final 0.33 ⁵ 0.33 ⁵	Amended Final 0.01 ⁵ 0.01 ⁵
04/01/00-03/31/01	67 FR 35488 (May 20, 2002) 67 FR 41218 (June 17, 2002)	Luxembourg: ProfilARBED S.A. All others.	Final 15.23 15.23	Amended Final 6.14 6.14
10/01/00-03/31/01	67 FR 35490 (May 20, 2002) 67 FR 41696 (June 19, 2002)	Russia: ⁶ Nizhny Tagil Iron and Steel Works (Tagil) Russia-wide	Final 230.66 230.66	Amended Final 239.82 ⁷ 239.82 ⁷
04/01/00-03/31/01	67 FR 35485 (May 20, 2002)	South Africa: ⁴ Highveld Steel & Vanadium Corp., Ltd. (Highveld) All others	Final 5.17 5.17	
04/01/00-03/31/01	67 FR 35482 (May 20, 2002) 67 FR 40272 (June 12, 2002)	Spain: Aceralia Corp. Siderurgica, S.A (Aceralia) All others.	Final 5.19 5.19	Amended Final 5.29 5.29
04/01/00-03/31/01	67 FR 35484 (May 20, 2002) 67 FR 40271 (June 12, 2002)	Taiwan: Kuei Yi Industrial Co., Ltd. Tung Ho Steel Enterprise Corp. All others	Final 15.32 5.21 12.24	Amended Final 13.11 5.21 10.70

¹ Cited *Federal Register* notices are presented in app. A. The first *Federal Register* cites refer to Commerce's final determinations and the second to Commerce's amended final determinations. Commerce sent its amended final determinations to the Commission by e-mail transmission by June 12, 2002.

² Because China is a non-market economy, Commerce used India as a surrogate country for purposes of valuing oxygen, nitrogen, and argon for Maanshan and the United Nations Trade Commodity Statistics for the PRC-wide rate. Commerce used India as a surrogate country for purposes of valuing selling, general, and administrative (SG&A) costs, overhead costs, and profit. With respect to surrogate values for material inputs, Commerce applied more recent data from the United States Geological Survey 2000 Minerals Yearbook to value slag, used the correct harmonized tariff number to value steel scrap, and used brokerage and liquidation cost based on bulk products instead of stainless steel. Commerce excluded factor input prices from Korea, Thailand, and Indonesia when using the Monthly Statistics of the Foreign Trade of India.

³ Subsequent to Commerce's final determination of no margin for Maanshan, it notified the Commission that, after the correction of ministerial errors, it was finding that subject merchandise produced and exported by Maanshan was sold at LTFV.

⁴ Commerce did not amend its final determination(s) with respect to Germany and South Africa.

⁵ The margin is *de minimis*.

⁶ Because Russia is a non-market economy, Commerce used South Africa as a surrogate country for purposes of valuing slag, waste, and vanadium and Turkey was used as a surrogate for factory overhead, SG&A, and profit).

⁷ The Commission was not notified of Commerce's amended final determination with respect to Russia by e-mail transmission and the *Federal Register* notice on Russia's amended final dumping margins was published after the Commission's vote.

Source: Cited *Federal Register* notices.

steel beams from Japan and Korea, and as a result, an antidumping duty order was imposed on imports from Japan in June 2000 and countervailing duty and antidumping duty orders were imposed on imports from Korea in August 2000.⁷

Structural steel beams were among the many steel products covered by a section 201 safeguards investigation in 2001.⁸ The Commission made a negative determination with respect to the domestic industry producing heavy structural shapes, a product category that included, but was not limited to, structural steel beams. The Commission concluded that the record before it, which encompassed the period from January 1996 to June 2001, did not indicate an overall impairment of the domestic heavy structural shapes industry substantial enough to constitute “serious injury” for purposes of the safeguards laws.⁹

THE PRODUCT

The imported products subject to these investigations are structural steel beams, principally load-bearing components in structures and in certain other applications. The subject steel beams are doubly symmetric shapes, having at least one cross-sectional dimension of 80 mm (3.2 inches) or more,¹⁰ whether hot- or cold-rolled, drawn, extruded, formed, or finished; whether of carbon or alloy (but not stainless) steel; and whether or not drilled, punched, notched, painted, coated, or clad. These products include, but are not limited to, wide-flange shapes (W shapes), bearing or H-piles (HP shapes), standard beams (S or I shapes), and M-sections (M shapes).¹¹ Specifically excluded are structural steel beams of stainless steel and “jumbo” structural steel beams (jumbo beams) with weights greater than 400 pounds per linear foot (597 kilograms per linear meter) or with a cross-section height (web depth) over 40 inches (1,016 millimeters). Also specifically excluded are structural steel beams with weldments, connectors, or attachments to I-sections, H-sections, or pilings.

All subject (i.e., doubly symmetrical) structural steel beams have a cross-sectional appearance resembling the letter “P” (or “H”). The letter designations of the W, HP, S or I, and M shapes mentioned above refer to specific dimensional and weight classifications rather than to the cross-sectional appearance of the beam.

⁷ See 65 FR 37960, June 19, 2000 (Japan antidumping duty order), 65 FR 49542, August 14, 2000 (Korea countervailing duty order), and 65 FR 50502, August 18, 2000 (Korea antidumping order). See also *Certain Structural Steel Beams From Japan*, Inv. No. 731-TA-853 (Final), USITC Pub. 3308, June 2000, and *Certain Structural Steel Beams From Korea*, Investigations Nos. 701-TA-401 (Final) and 731-TA-854 (Final), USITC Pub. 3326, August 2000.

⁸ Since February 1999, Russian beam producers have been covered under the Agreement Concerning Trade in Certain Steel Products from the Russian Federation, which provided for 68,839 metric tons of exports of structural steel beams in 2001.

⁹ *Steel*, Investigation No. TA-201-73, USITC Pub. 3479, December 2001, pp. 122-126.

¹⁰ Steel structural shapes, including beams, with cross-sectional dimensions equal to or exceeding 3.2 inches (80 mm) are described as “heavy structural shapes” or “structural-size shapes,” whereas those with cross-sectional dimensions less than 3.2 inches (80 mm) are described as “light shapes” or “bar-size shapes.” Bar-size shapes are generally produced by different mills than those that produce heavy shapes, and are consumed in different end-use applications.

¹¹ These four classifications are described further under “Physical Characteristics and Uses.”

Physical Characteristics and Uses

Structural steel beams are designed specifically to be load-bearing support members in a wide range of applications. Principal end uses are buildings, bridges, towers, pre-manufactured homes, railroad rolling stock, ships, and original equipment manufacturing applications. Structural steel beams are available in a range of overlapping sizes and cross-sectional profiles. Four standard categories for structural steel beams, with profile shape indicated by a letter designation, are included in the subject merchandise:

- “W” shapes or wide-flange shapes with straight flanges, where the flange thickness differs from that of the adjoining web, with specifications for nominal web depths ranging from 4 to 44 inches (American Society for Testing and Materials (ASTM) Designation A6) or from 100 to 1,100 mm (ASTM Designation A6M);
- “HP” shapes, bearing piles or H piles with straight flanges, where the flange thickness is the same as that of the adjoining web, with specifications for nominal web depths ranging from 8 to 14 inches (ASTM Designation A6) or from 200 to 360 mm (ASTM Designation A6M);
- “S” shapes, standard beams or I-beams, characterized by flanges with sloping inner surfaces but straight outer surfaces, with specifications for nominal web depths ranging from 3 to 24 inches (ASTM Designation A6) or from 75 to 610 mm (ASTM Designation A6M); and
- “M” shapes, miscellaneous shapes or M-sections, which are any flanged structural shapes that are not classified as W, S, or HP shapes, and with specifications for nominal web depths ranging from 4 to 12 inches (ASTM Designation A6) or from 100 to 310 mm (ASTM Designation A6M).¹²

More specialized categories generally not included above are those structural steel beams specifically designed as forklift mast profiles, guard rail posts, and transverse beams for the undercarriages of mobile homes, recreational vehicles, flat-bed truck trailers, and railroad rolling stock, among other applications.

Structural steel beams are dedicated almost exclusively to construct larger steel structures and are sold either as-is or in various degrees of partial fabrication. Individual beams can be prepared for subsequent fabrication by being drilled, punched, notched, painted, coated, clad, cut to length, or similar procedures without altering their basic shape. In contrast, fabrication by addition of attachments, bending, shearing, or similar procedures alters the beams basic shape to fit it into the structural unit. Assembly of structural steel beams into partial or complete structural units is by relatively straightforward operations such as joining by welding or bolting to assemble the structure.

Manufacturing Process

The manufacturing process for structural steel beams consists of the three stages of (1) melting or refining raw steel, (2) casting raw steel into semifinished forms, and (3) hot rolling semifinished forms into structural steel beams.

¹² “ASTM Designation A6/A6M-94a, Standard Specification for General Requirements for Rolled Structural Steel Bars, Plates, Shapes, and Sheet Piling,” *2000 Annual Book of ASTM Standards, Section 1, Iron and Steel Products, Vol. 01.04, Steel-Structural, Reinforcing, Pressure Vessel, Railway* (West Conshohocken, PA: ASTM, 2000). According to the ASTM, “...The values stated in inch-pound units are independent of the values stated in SI (sic; i.e., metric units), and the values from the two systems are not to be combined in any way.” *Ibid*, p. 54.

Melting

In the United States, steel for structural steel beams is produced by mini-mills that melt steel scrap in electric arc furnaces. Foreign producers also utilize the mini-mill process, although some may also rely on basic oxygen furnaces to convert metallic iron into steel. Once molten steel is produced through either process, it is poured from the furnace into a refractory-lined ladle, where its composition can be refined by addition of any necessary alloys to effect the required chemical and physical properties.

Casting

Molten steel must be cast into a semifinished form of the size and shape suitable for the rolling process. In continuous (strand) casting, molten steel is poured from the ladle into a tundish (reservoir dam), which controls the rate of flow into the molds of the continuous caster. A solid “skin” forms around the molten steel at the top openings of the molds, and as the columns of partially solidified steel descend through the caster, water sprays rapidly cool the cast steel (which helps minimize compositional segregation) to the point that strands are completely solidified when extruded at the bottom of the caster. Lengths of continually extruded semifinished steel are flame cut at intervals, after which they may either be sent directly for further processing or be cooled on a cooling bed and subsequently stored for later use. Semifinished forms can also be produced by the traditional, multi-step, ingot-teaming method. Most producers of structural shapes now continuously cast steel into beam blanks, rather than the traditional square or rectangular cross-sectioned blooms or billets. “A beam blank’s cross section approximates the final shape of the beam, and is sometimes referred to as a “dogbone.” A further advancement is near-net-shape casting, pioneered by Chaparral Steel, that produces blanks with a thinner web than those of conventional beam blanks.

Hot Rolling

Prior to rolling, the semifinished steel is sent through a reheat furnace to increase its malleability and to reduce wear on the rolling mill. In the rolling mill, the steel form is reduced to the desired cross-sectional profile and dimensions of the final structural steel beam by sequential passes through roughing, intermediate, and finishing stands. Mill configuration varies among individual producers, with the steel passed several times between the rolls of each stand of a reversing mill, or continuously through successive stands of an in-line mill. Mills for rolling the wide flanges of structural steel shapes are distinguished by both horizontally and vertically mounted rolls that lack grooves, in contrast to mills for rolling angles, channels, and standard I-beams, which consist of horizontally mounted, grooved rolls. Because structural steel beams have similar cross-sectional shapes, different types can be produced on the same equipment by substituting rolls and making other necessary changes to the configuration of the production process. Likewise, a limited size range of the same cross-sectional shape can be produced by spreading or narrowing the spacing between the rolls. After rolling, structural steel beams are allowed to cool on a cooling bed, then they are straightened on a rotary straightener. Finally, they are cut to specified lengths, inspected for imperfections, tested for specified metallurgical properties, and prepared for inventorying or shipment.

DOMESTIC LIKE PRODUCT ISSUES¹³

In the Japan and Korea investigations, petitioners and respondents agreed that structural steel beams coextensive with the defined scope of those investigations constitute one domestic like product, and the Commission concurred in its domestic like product determination.¹⁴ The scope in those earlier investigations was the same as in the current investigations except for the exclusion of the structural steel beams with weldments, connectors, or attachments.

In the final phase of these investigations, petitioners request that the Commission define a single domestic like product coextensive with the articles within the scope of the investigations. Respondents Hoesch Hohenlimburg GmbH (Hoesch), Salzgitter AG Stahl und Technologie (Salzgitter), and Corus argue that the Commission should find two like products: (1) forklift mast profiles and (2) all other structural steel beams subject to investigation. The remaining parties have not asserted a position on like product. Respondents that seek the Commission to define forklift mast profiles as a separate domestic like product argue that forklift mast profiles are designed exclusively for forklift trucks and are not suitable for construction applications.¹⁵ Commerce made a final determination that forklift mast profiles fall within the scope.¹⁶

Steel of West Virginia, the only U.S. producer of structural steel beams to report production of forklift mast profiles,¹⁷ reported that it produces forklift mast profiles on the same equipment and machinery used in the production of other structural steel beams. Its workers that are used to produce structural steel beams are also used to produce forklift mast profiles.¹⁸ Another domestic producer of structural steel beams, ***, stated that it cannot produce forklift mast profiles on the same equipment and machinery that it uses in the production of its structural steel beams.¹⁹

¹³ The Commission's decision regarding the appropriate domestic products that are "like" the subject imported products is based on a number of factors including (1) physical characteristics and uses; (2) common manufacturing facilities and production employees; (3) interchangeability; (4) customer and producer perceptions; (5) channels of distribution; and, where appropriate, (6) price. 19 U.S.C. § 1677(4)(A).

¹⁴ *Certain Structural Steel Beams From Japan*, op. cit., pp. 4-5, and *Certain Structural Steel Beams From Korea*, op. cit., p. 3.

¹⁵ According to counsel for these respondents, there is little or no U.S. production of forklift mast profiles; there are significant physical differences between these products and structural steel beams; and forklift mast profiles cannot be produced in the same manufacturing facilities as structural steel beams. Respondents also argue that there are differences in customer perceptions, channels of distribution, and price. Respondents state that forklift mast profiles are different from structural steel beams in that they are not used for structural purposes and are unsuitable for use in the construction industry; forklift mast profiles are produced to very exacting customer specifications (being smaller and more compact than structural steel beams and having less depth with narrower and thicker flanges than structural steel beams). Hoesch prehearing brief, pp. 1-3; Corus prehearing brief pp. 1-4. Respondents also contend that forklift mast profiles must be produced to tighter tolerances than structural steel beams because, as parts of mechanical equipment, they must accommodate the motion of interlocking parts. Hoesch posthearing brief, p. 2; Corus prehearing brief, p. 6. See also Hoesch postconference brief, pp. 1-5.

¹⁶ Commerce stated that although there were some differences, such as price, between forklift mast profiles and other structural steel beams, these differences are not sufficient to recognize forklift mast profiles as a separate class or kind of merchandise.

¹⁷ Steel of West Virginia is believed to be the only domestic producer of forklift mast profiles. Telephone interview with ***, Steel of West Virginia, April 29, 2002.

¹⁸ Telephone interview with ***, Steel of West Virginia, April 29, 2002. Permission was given to make this information public.

¹⁹ ***.

Forklift mast profiles produced in the United States are primarily masts and hanger bars. Some masts are doubly symmetric while none of the hanger bars are.²⁰ Steel of West Virginia produces forklift mast profiles to customer specifications which consist of straightening, cutting to length, and dimensional tolerances.²¹ According to Steel of West Virginia, there are no significant differences between the production process of subject forklift mast profiles and structural steel beams. It uses the same machinery and equipment used by other structural steel beams producers to produce forklift mast profiles.²² ***. However, Steel of West Virginia stated that ***.²³

Whereas over half of domestic production of structural steel beams, as well as over four-fifths of subject imports, were sold to distributors in 2001, *** domestic and imported forklift mast profiles were sold to end users. However, for Steel of West Virginia, *** of its sales of forklift mast profiles and *** of its sales of other structural steel beams were to end users.²⁴

The per-short-ton prices of forklift mast profiles are higher than the prices for all other structural steel beams. Whereas the value of producers' U.S. shipments of all structural steel beams other than forklift mast profiles was \$*** per short ton in 2001, the value of U.S. shipments of forklift mast profiles was \$*** per short ton. For the only domestic producer of forklift mast profiles, the value of its U.S. shipments of all structural steel beams was \$*** per short ton, *** of the unit value of its forklift mast profiles.

²⁰ Telephone interview with ***, Steel of West Virginia, May 30, 2002.

²¹ Permission was given to make this information public. Steel of West Virginia officials stated that ***. Telephone interview with ***, Steel of West Virginia, April 29, 2002.

²² See petitioners' prehearing brief, vol. II, exh. 17-H. Although forklift mast profiles require the use of a special mill roll, structural steel beams also require different rolls for various sizes.

²³ Telephone interview with ***, Steel of West Virginia, April 29, 2002.

²⁴ Only two importers of forklift mast profiles provided usable questionnaire responses. For ***, the only structural steel beams imported in 2001 were forklift mast profiles from German producer *** which were *** sold to end users. ***, which imported forklift mast profiles from the United Kingdom in 2001, also imported other structural steel beams from the United Kingdom; *** sold *** of its forklift mast profiles to end users in 2001 and *** of its imports of all other structural steel beams to end users in that year.

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

CHANNELS OF DISTRIBUTION

In the U.S. market, domestic and imported structural steel beams are sold to both distributors (primarily steel service centers) and end users (primarily fabricators). Historically, over half of U.S.-produced structural steel beams and a large majority of imported structural steel beams have been sold to distributors. Fabricators, not normally carrying significant inventory volumes, prefer to order structural steel beams for each job directly from domestic mills, and turn to the service centers as a second choice when a specific product is not available from the mill. Domestic mills often sell to fabricators and steel service centers at the same price, therefore fabricators must pay more in the form of a “middleman’s” mark-up when purchasing from service centers. Further, structural steel beams can be purchased cut-to-size directly from the mill, whereas products from service centers must be purchased in set lengths, which is less economical due to the “drop” or wasted portion beyond the desired length.

Available information for 2001 indicates that the majority of both U.S.-produced and subject imported beams were sold to distributors, at *** and *** percent, respectively. Imports of beams from six of the seven subject sources were *** percent to distributors; imports from *** were the exception with *** percent of shipments to end users in 2001.

SUPPLY AND DEMAND CONSIDERATIONS

U.S. Supply

Domestic Production

As with the Commission’s previous investigations on structural steel beams from Japan and Korea, a sharp disagreement exists between the parties over the adequacy of U.S. capacity to produce structural steel beams, particularly in late 1999 and early 2000. Petitioners contend that, although the market was tight in late 1999 and 2000, U.S. capacity to meet construction and manufacturing demand was adequate and no supply shortages existed. In contrast, respondents state that U.S. supply shortages were a real, and very serious, issue. Respondents state that many customers were put on allocation by U.S. producers during this period of high demand and, as a result, these purchasers turned to imported structural steel beams to meet domestic requirements.¹

In response to Commission questionnaires in the final phase of these investigations, domestic producers *** report that early in the period 1999-2001 they did place customers on controlled order entry for some sizes of structural steel beams, under which customers are “allocated a portion of production based on historical levels of purchases in these size ranges.”² Domestic producer *** noted that some customers were placed on controlled order entry in order to keep service centers from taking speculative positions in the beams market. Domestic producers *** reported that no restrictions were placed on beam orders during 1999-2001.³

¹ Hearing transcript, p. 20, Peggy A. Clarke, O’Melveny & Myers, LLP.

² Response from *** to the Commission’s producer questionnaire, p. 22.

³ Joe Stratman, General Manager and Vice President, Nucor-Yamato testified that domestic producer Nucor did not place its Berkeley facility’s customers on allocation or limit customers’ purchases over the period; hearing transcript, p. 64. Tom Vercillo, President and Chief Executive Officer, Northwestern Steel & Wire Company testified that Northwestern “was begging for orders.” Hearing transcript, p. 67.

Of 45 responding purchasers, 18 reported that they had been placed on allocation by domestic producers, or were otherwise unable to meet requirements from domestic sources, and 26 reported no restrictions on domestic supply during 1999-2001. Most purchasers placed on allocation are distributors rather than end users of beams. Of 31 responding distributors of beams, 16 reported being placed on allocation or otherwise unable to fill requirements from domestic production, and 15 reported no restrictions. The most commonly reported time period of allocation was the year 2000, or the fourth quarter of 1999 through the fourth quarter of 2000.⁴

*** reported that its U.S. customers were placed on allocation in late 1999 for deliveries to be made in the first quarter of 2000. Fourteen responding importers reported they had not placed any allocations or restrictions on sales of beams to U.S. customers during 1999-2001.

Based on available information, U.S. producers of structural steel beams currently have the ability to respond to changes in prices with changes in the quantity of shipments of U.S.-produced structural steel beams. The main factors contributing to this degree of responsiveness are excess capacity and inventories. The degree of supply responsiveness may be somewhat restrained by the lack of alternate markets. These factors are detailed below.

Industry capacity

Data reported by U.S. producers indicate that there is unused capacity with which to expand production in the event of price changes. U.S. producers' capacity utilization increased from 72.4 percent in 1999 to 74.7 percent in 2000, while capacity increased by 21.4 percent. Capacity utilization then declined to 68.5 percent in 2001, although capacity declined slightly from the previous year.

Inventory levels

U.S. producers' inventories of structural steel beams, as a ratio to total shipments, increased slightly from 1999 to 2000, and increased from 9.7 percent in 2000 to 14.2 percent in 2001 as the level of producers' inventories continually climbed during 1999-2001. As shown in table II-1, end-of-year inventories of structural steel beams held by those purchasers that were able to report inventory data for all three years peaked in 2000 but were 11.1 percent higher in 2001 than in 1999.⁵ Purchaser *** noted that because of long lead times some imports which had been ordered during a period of tight supply arrived as demand was beginning to soften, and contributed to higher distributor inventories in 2000.⁶ Domestic producers of structural steel beams have the ability to respond to an increase in the price of structural steel beams in the U.S. market with increased shipments from inventory. Because of the relatively high inventory levels still held by purchasers an increase in demand for or restriction in the supply of structural steel beams might initially lead to these purchasers drawing down inventory levels.

⁴ Domestic producer ***. Petitioners' posthearing brief, exh. N.

⁵ Some purchasers were unable to report inventories, particularly in earlier years.

⁶ *** response to purchaser questionnaire, p. 16.

Table II-1

Structural steel beams: End-of-year inventories in short tons reported by responding purchasers, 1999-2001

Type and number of firms	1999	2000	2001
Distributor (28)	330,451	548,865 ¹	369,883
End user/distributor (2)	6,700	8,010	4,869
End user (10)	17,127	18,449	18,947
Total	354,278	575,324	393,699

¹ These figures, which were incorrect in the staff report because of a tabulation error, have been corrected for the published report.

Note.--Only data from purchasers able to report inventory data for three years were used.

Source: Responses to Commission questionnaires.

Alternate markets

Exports to markets outside the United States accounted for a small share of all shipments by U.S. producers, decreasing from 2.9 percent in 1999 to 1.5 percent in 2000, then increasing to 2.5 percent of total shipments in 2001. Thus, domestic producers of structural steel beams have limited ability to shift product to or from alternate markets in response to price changes.

Production alternatives

Most U.S. producers of structural steel beams can manufacture non-beam products, such as angles, flats, channels, rail ties, and sheet piling, using the same equipment and machinery. In 2001, production of these alternate products accounted for *** percent of production on equipment used to produce beams (on a quantity basis).

Subject Imports

Import statistics and data from purchasers show that imports and U.S. purchases of structural steel beams from subject countries increased substantially from 1999 to 2000, and then declined in 2001. Sixteen of the 30 distributors that responded to the Commission's purchaser questionnaire reported being placed on allocation or otherwise unable to fill requirements for beams during 1999-2001, and eight of these reported increased purchases of imports as a result. Table II-2 shows annual purchases of imported structural steel beams from subject and nonsubject import sources reported by responding purchasers. These purchases accounted for an estimated 49.1 percent of subject imports, and 32.5 percent of nonsubject imports in 2001.

Table II-2**Structural steel beams: Reported annual purchases of foreign product in short tons, by source, 1999-2001**

Source	1999	2000	2001
China	7,237	64,514	38,204
Germany	43,966	98,599	12,208
Luxembourg	15,510	38,063	10,613
Russia	12,588	17,073	7,341
South Africa	27,108	41,098	21,744
Spain	71,198	92,968	39,742
Taiwan	166	51,403	17,640
Total subject sources	177,773	403,718	147,492
Nonsubject sources	310,654	181,007	53,548
Total, all foreign sources	488,427	584,725	201,040
Source: Compiled from data submitted in response to Commission questionnaires			

China

No responses were received from producers of structural steel beams in China. UN export data indicate that exports of structural steel beams from China were eight times as large in 2000 (the last year for which data are available) as in any year during 1996-1999.⁷ The United States was the destination for the greatest volume of Chinese structural steel beams in 2000, but data from previous years indicates that exporters in China have the ability to shift beams to or from alternate markets in response to price changes (see table II-3). Data from the World Trade Atlas indicates that in 2001, exports of structural steel beams from China to the United States were 43,353 metric tons. Total exports of structural steel beams from China to all markets were 212,154 metric tons.

Germany

The Commission received responses from five producers of structural steel beams in Germany that jointly account for *** structural steel beam production in that country. Hoesch and Mannstaedt produce forklift mast profiles and produce *** on the same equipment. SWT, Saarstahl, and Salzgitter do not produce forklift mast profiles. Saarstahl and Salzgitter report *** on the same equipment. Sales of structural steel beams account for approximately *** percent of SWT's total sales; other products produced with the same equipment include ***. Exports to the United States account for a small share of production for all reporting producers of structural steel beams in Germany, and account for *** of all exports for each producer.

⁷ UN data is collected at the six-digit level of the Harmonized Tariff Schedule (HTS). Data on structural steel beams includes exports reported in 7216.32 and 7216.33.

Table II-3

Structural steel beams: Annual quantity of UN exports in metric tons, by source¹ and by market, 1996-2000

Source	Market	1996	1997	1998	1999	2000
China	United States	0	0	0	0	98,888
	Korea	2,106	1,256	0	0	31,384
	Thailand	1,859	0	0	0	20,513
	Canada	0	0	0	0	19,571
	Singapore	0	0	0	415	7,182
	All other	3,513	23,473	2,017	3,625	19,320
	Total	7,478	24,729	2,017	4,040	196,858
Germany	Netherlands	249,293	270,298	288,498	309,741	311,387
	United States	44,972	81,218	81,002	32,480	170,757
	United Kingdom	75,676	157,349	111,012	133,342	146,453
	France	91,088	132,246	140,122	138,183	130,960
	Spain	13,153	23,873	39,416	39,283	62,491
	All other	417,184	526,809	510,208	572,896	700,398
	Total	891,366	1,191,793	1,170,258	1,225,925	1,522,446
Luxembourg	Germany	(2)	(2)	(2)	292,926	317,811
	France	(2)	(2)	(2)	197,371	189,611
	United States	(2)	(2)	(2)	58,967	119,364
	Belgium	(2)	(2)	(2)	92,186	101,772
	Netherlands	(2)	(2)	(2)	90,853	91,347
	All other	(2)	(2)	(2)	217,913	302,265
	Total	(2)	(2)	(2)	950,216	1,122,170
Russia	Egypt	(2)	14,343	2,986	9,208	107,198
	Canada	(2)	5,997	15,129	52,679	73,528
	United States	(2)	69,753	17,808	7,211	59,697
	Taiwan	(2)	0	5,862	4,975	36,992
	Iran	(2)	13,335	1,565	2,208	16,714
	All other	(2)	241,412	22,005	29,286	60,636
	Total	(2)	344,840	65,355	105,567	354,765
See footnotes at end of table.						
Table continued on next page.						

Table II-3--Continued

Structural steel beams: Annual quantity of UN exports in metric tons, by source¹ and by market, 1996-2000

Source	Market	1996	1997	1998	1999	2000
Spain	United States	171,426	164,604	192,948	120,831	188,960
	France	80,405	69,611	69,376	94,197	103,448
	Canada	27,922	49,350	64,967	77,710	75,173
	United Kingdom	15,243	50,017	44,770	45,855	62,215
	Germany	50,630	65,866	65,476	60,477	61,611
	All other	245,069	271,570	201,092	278,509	332,838
	Total	590,695	671,018	638,629	677,579	824,245

¹ South Africa and Taiwan do not report data to the UN.
² Not available; Luxembourg and Russia did not report data to the UN prior to 1999 and 1997, respectively.

Source: UN export data for HTS subheadings 7216.32 and 7216.33.

Luxembourg

ProfilARBED reported that it accounts for *** production of structural steel beams in Luxembourg and exports from that country to the United States. Production of subject structural steel beams accounted for *** of all production on equipment used to produce such beams in 2001. Exports to the United States account for a small share of total production and exports of structural steel beams. ProfilARBED does not produce forklift mast profiles.

Russia

Tagil estimated it accounts for *** production of structural steel beams in Russia and exports to the United States from that country. Other products produced on the same equipment include ***. Production of these products *** that of structural steel beams. The Agreement Concerning Trade in Certain Steel Products from the Russian Federation limits exports of structural steel beams from Russia to the United States in 2002 to approximately the level of exports in 2001. Tagil does not produce forklift mast profiles.

South Africa

Highveld estimated it accounted for approximately *** percent of the production of structural steel beams in South Africa and *** percent of exports to the United States from that country in 2001. Other products produced on the same equipment account for *** of production. Exports to the United States accounted for approximately *** of production in 2000 and *** of all exports, but exports to the United States in 2001 were *** this amount. Highveld does not produce forklift mast profiles.

Spain

Production of structural steel beams by Aceralia is estimated to account for approximately *** percent of production in Spain and *** percent of exports from Spain to the United States in 2001. CELSA reported that it accounted for approximately *** percent of the production of structural steel beams in Spain in 2001, and *** percent of exports from that country to the United States. Production of structural steel beams accounted for *** percent of total production on equipment used in the production of beams by Aceralia in 2001, and *** percent of total production on such equipment by CELSA. Neither Aceralia nor CELSA produce forklift mast profiles.

Taiwan

Production of structural steel beams by Tung Ho accounted for approximately *** percent of production in Taiwan in 2001. Tung Ho reported *** exports of structural steel beams to the United States in 2001, although its reported exports to the United States in 2000 accounted for *** percent of imports from Taiwan, based on official statistics. In 2000, exports to the United States accounted for *** of all exports by Tung Ho, but *** of its total production. Production of alternate products on equipment used to produce structural steel beams accounted for approximately *** percent of production on this equipment in 2001. Tung Ho does not produce forklift mast profiles.

U.S. Demand

Based on available information, the overall near-term demand for structural steel beams is unlikely to change significantly in response to changes in price. The main factor contributing to the low degree of price sensitivity is the lack of practical substitute products.⁸

Demand Characteristics

The primary end uses of structural steel beams are various construction applications.⁹ As such, structural steel beam demand is derived from the demand for such construction projects, and tends to track the general strength of the U.S. economy. Data available from the Census Bureau indicate that the total annual value of residential buildings put in place in the United States increased slightly from 1999 to 2000, and declined slightly from 2000 to 2001, in both current and constant dollars. See table II-4.

⁸ In the longer term, users may be able to shift away from structural steel beams in favor of alternative products, primarily reinforced concrete and welded structural products. However, such decisions must be made during the design phase, and thus are unlikely to affect shorter-term consumption choices.

⁹ It is estimated that demand for structural steel beams in the U.S. market in 1999 was made up of the following segments: Buildings 75 to 80 percent, premanufactured homes 10 percent, original equipment manufacture 5 to 10 percent, and bridges 5 percent. *Certain Structural Steel Beams from Japan*, Investigation No. 731-TA-853 (Final), USITC Pub. 3308, June 2000, p. II-1.

Table II-4
Total value of nonresidential buildings put in place in the United States, 1999-2001

Year	Current dollars (<i>in millions</i>)	Constant 1996 dollars (<i>in millions</i>)
1999	193,935	173,418
2000	210,140	179,654
2001	208,699	173,360

Source: Census Bureau, <http://www.census.gov/pub/const/C30/c30tab1.rpt>.

Responses from domestic producers of structural steel beams indicate that demand was strong in 1999 and 2000, and began to decline in 2001. Most responding purchasers also reported a decline in demand for their products, with only one purchaser reporting an increase in demand for its product. One purchaser, ***, reported that demand for its product had declined due to overproduction of ***. Four other purchasers reported demand for their products had declined because of a slowdown in the general economy.

Substitute Products

Questionnaire responses from U.S. producers and importers reveal that approximately half of responding firms believe that there are no practical substitutes for structural steel beams.¹⁰ While reinforced concrete and structural tubing were the most frequently cited substitutes for structural steel beams, several firms also mentioned other structural shapes and wood as possible substitutes; however, substitution decisions are typically made during the design phase of a project, and thus do not affect near-term demand.

In the preliminary phase of these investigations, respondents contended that without the existence of subject imports in the U.S. market during periods of tight supply, many domestic users of structural steel beams would have switched to reinforced concrete, thereby reducing the absolute size of the U.S. structural steel beam market. Since building design typically precedes construction and material purchases by months or even years, the perception of a shortage of structural steel beams could depress long-term demand.¹¹ No responding purchasers reported shifting to substitutes because of a change in the relative price of structural steel beams. One purchaser, ***, reported a change in purchases of tubing relative to structural steel beams due to a change in demand on the part of its customers.

Cost Share

According to the majority of responding U.S. producers and importers, the structural steel beams that they sell in the U.S. market account for a small to moderate percentage of total end-use cost. The majority of responding firms estimated the percentage of total end-use cost accounted for by structural steel beams to be in the range of 2 to 15 percent. Purchasers of structural steel beams reported that such beams account for 50 to 60 percent of a manufactured home chassis or 1 to 4 percent of the total cost of a manufactured home, from 60 to 88 percent of the cost of posts for guardrails and signs, and 25 to 30 percent of the cost of fabricated steel construction.

¹⁰ Three of 7 responding U.S. producers, 8 of 17 importers, and 19 of 33 purchasers stated that there are no substitutes, or no short-term substitutes, for structural steel beams.

¹¹ Joint postconference brief of TradeARBED, SWT, and ProfilARBED, p. 2.

SUBSTITUTABILITY ISSUES

The degree of substitution between domestic and imported structural steel beams depends upon such factors as relative prices, quality, and conditions of sale. Based on available data, staff believes that there is a high degree of substitution between domestic structural steel beams and subject imports from China, Germany, Luxembourg, Russia, South Africa, Spain, and Taiwan. The degree of substitution is likely to be higher for sales to distributors than for sales to end users such as fabricators and producers of manufactured housing, which place more emphasis on availability and prompt delivery.

Factors Affecting Sales

Purchasers of structural steel beams were asked to report the three most important factors in deciding from whom to purchase the subject product. Price and quality were the factors reported as most important by the greatest number of respondents. Price was ranked among the top three factors by all but one of the 45 responding purchasers that answered this question. Responses are reported in table II-5.

Table II-5
Structural steel beams: Ranking of factors in purchase decisions

Factor	Most important	Second most important	Third most important
	Number of firms reporting ¹		
Price	19	15	10
Quality	12	6	6
Availability	9	17	6
Delivery/timing	1	2	6
Other	6	5	15

¹ One purchaser was unable to rank the importance of the three factors reported; all were ranked as most important. Another purchaser reported two factors as most important and two factors as second most important.

Source: Compiled from responses to Commission questionnaires.

Purchasers were additionally asked to report the importance of 14 factors in the purchase decision for structural steel beams. Factors were rated as very important, somewhat important, or not important. Purchasers also were asked to compare structural steel beams from each source with which they were familiar by rating structural steel beams from one source as superior, comparable, or inferior to beams from another source in these same factors. The reported importance of factors and comparisons between domestic structural steel beams and those from subject and nonsubject sources are reported in table II-6. Product quality was rated as very important by the greatest number of respondents, followed by availability, price, product consistency, and reliability of supply. Domestic product was reported as superior in availability and delivery time, and inferior in price by the greatest number of respondents for all subject countries. Domestic products and imports were reported as comparable in product quality and product consistency by the greatest number of respondents for all subject countries.

Table II-6

Structural steel beams: Importance of factors in a purchase decision and comparison of domestic products to imports

Factor	Importance ¹	Number of U.S. purchasers reporting								
		U.S. vs China			U.S. vs Germany			U.S. vs Luxembourg		
		I	C	S	I	C	S	I	C	S
Availability	2.8	0	2	11	0	3	15	0	3	10
Delivery terms	2.4	0	4	8	0	9	9	1	7	5
Delivery time	2.7	0	1	11	0	0	18	0	0	13
Discounts	2.5	5	6	1	10	6	2	5	6	1
Lower price	2.8	11	1	0	16	2	0	10	2	0
Minimum quantity requirements	2.1	0	7	5	1	10	7	0	8	5
Packaging	1.8	0	7	4	0	14	4	0	9	3
Product consistency	2.8	0	9	2	0	16	2	0	11	1
Product quality	2.9	0	10	1	0	17	1	0	11	1
Product range	2.4	0	8	4	0	11	7	0	8	5
Reliability of supply	2.8	1	3	8	1	8	9	1	5	7
Technical support/service	2.2	0	2	10	0	8	10	0	6	7
Transportation network	2.1	0	4	8	0	11	7	0	8	5
U.S. transportation costs	2.3	4	7	1	8	8	2	7	5	1

See footnote at end of table.

Table II-6--Continued

Structural steel beams: Importance of factors in a purchase decision and comparison of domestic products to imports

Factor	Importance ¹	Number of U.S. purchasers reporting											
		U.S. vs Russia			U.S. vs South Africa			U.S. vs Spain			U.S. vs Taiwan		
		I	C	S	I	C	S	I	C	S	I	C	S
Availability	2.8	0	2	9	0	2	7	0	4	13	0	2	9
Delivery terms	2.4	0	3	8	0	3	6	0	7	10	1	6	4
Delivery time	2.7	0	0	11	0	0	9	0	0	17	0	1	10
Discounts	2.5	6	4	1	3	6	0	9	7	1	3	7	1
Lower price	2.8	10	1	0	8	1	0	15	2	0	9	2	0
Minimum quantity requirements	2.1	0	8	3	0	5	4	0	11	6	1	5	5
Packaging	1.8	0	9	2	0	5	3	0	13	3	0	9	1
Product consistency	2.8	0	10	1	0	6	2	0	15	1	0	10	0
Product quality	2.9	0	10	1	0	8	0	0	15	1	0	10	0
Product range	2.4	0	8	3	0	5	4	0	10	7	0	6	5
Reliability of supply	2.8	1	4	6	1	3	5	1	6	10	0	3	8
Technical support/service	2.2	0	4	7	0	2	7	0	7	10	0	5	6
Transportation network	2.1	0	6	5	0	4	5	0	9	8	0	7	4
U.S. transportation costs	2.3	3	7	1	2	6	1	6	9	2	6	4	1

¹ Rated importance represents the average ranking of each factor by responding purchasers, on a scale of 1 to 3 where 1=not important, 2=somewhat important, and 3=very important.

Note.--I = domestic product inferior, C = domestic product comparable, S = domestic product superior.

Source: Compiled from responses to Commission questionnaires.

Questionnaire responses reveal that, in general, U.S. producers believe that differences in price between structural steel beam products from various supplying countries are a more important factor in sales of structural steel beams in the U.S. market as compared with differences in other factors. Importers' responses reveal less uniform views (table II-7). Differences noted by importers include delivery time and reliability, and differences in sizes and grades available.

Table II-7

Structural steel beams: Perceived importance of differences in factors other than price between structural steel beams produced in the United States and in other countries in sales of structural steel beams in the U.S. market

Country pair	Number of U.S. producers reporting					Number of U.S. importers reporting				
	A	F	S	N	O	A	F	S	N	O
U.S. vs China	0	0	1	6	0	3	3	3	0	2
U.S. vs Germany	0	0	1	6	0	2	4	3	0	4
U.S. vs Luxembourg	0	0	1	6	0	2	2	1	1	6
U.S. vs Russia	0	0	1	6	0	2	3	1	0	5
U.S. vs South Africa	0	0	1	6	0	1	2	1	1	6
U.S. vs Spain	0	0	1	6	0	2	3	2	0	4
U.S. vs Taiwan	0	0	1	6	0	2	2	1	1	5
U.S. vs Italy	0	0	1	6	0	1	3	2	0	5
U.S. vs other nonsubject	0	0	1	6	0	1	3	2	0	5

Note.--A = Always, F = Frequently, S = Sometimes, N = Never, O = No familiarity.

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

Comparison of Domestic Product, Subject Imports, and Nonsubject Imports

U.S. producers and importers have fairly similar views regarding the issue of interchangeability between U.S.-produced and subject structural steel beams. In general, U.S. producers were more unified in their responses, answering in virtually all cases that structural steel beams from different countries are always interchangeable with the U.S. product and with beams from all other sources. Importers' responses were more diverse, but reveal that for almost all country combinations the majority of importers believe that structural steel beams are either always or frequently interchangeable with the U.S. product and with beams from other sources (see table II-8 for reported interchangeability between U.S.-produced structural steel beams and those from other sources).

Importer *** reported that A913 GR65 beams are available only from Luxembourg. Importer *** noted the existence of "Buy American" policies as a factor limiting the interchangeability of imported structural steel beams for the domestic product, and 17 of the 44 responding purchasers reported purchasing only domestic product or paying higher prices for domestic product for some projects because of such requirements. Seven purchasers reported paying a higher price for domestic product because of reliability of supply or shorter lead time.

Table II-8

Structural steel beams: Perceived degree of interchangeability of structural steel beams produced in the United States and in other countries

Country pair	Number of U.S. producers reporting					Number of U.S. importers reporting				
	A	F	S	N	O	A	F	S	N	O
U.S. vs China	7	0	0	0	0	6	3	0	0	2
U.S. vs Germany	7	0	0	0	0	5	3	1	1	3
U.S. vs Luxembourg	7	0	0	0	0	4	2	0	1	5
U.S. vs Russia	7	0	0	0	0	4	3	0	0	4
U.S. vs South Africa	7	0	0	0	0	4	2	0	0	5
U.S. vs Spain	7	0	0	0	0	5	3	0	0	3
U.S. vs Taiwan	7	0	0	0	0	4	3	0	0	4
U.S. vs Italy	7	0	0	0	0	4	3	0	0	4
U.S. vs other nonsubject	7	0	0	0	0	3	1	2	0	5

Note.—A = Always, F = Frequently, S = Sometimes, N = Never, O = No familiarity.

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

ELASTICITY ESTIMATES

This section discusses the estimated supply, demand, and substitution elasticities. Parties were invited to comment on these estimates. However, no comments were received in posthearing briefs.

Domestic Supply

The domestic supply elasticity measures the sensitivity of the quantity supplied by U.S. producers to changes in the U.S. market price for structural steel beams. The elasticity of domestic supply depends on factors such as the level of excess capacity, the ease with which producers can alter capacity, the ability to shift production to alternate products, the existence of inventories, and the availability of alternate markets for domestic beams. Analysis of these factors suggests that the U.S. domestic industry is able to increase or decrease shipments to the U.S. market in response to a price change. An estimate of 1 to 2 is suggested for structural steel beams.

Subject Supply

The ability of foreign subject and nonsubject producers or exporters to respond to a change in the U.S. price of subject structural steel beams is enhanced by the existence of the foreign home market and alternate export markets. These alternate markets for subject beams increase the ability of subject producers to respond to price changes in the U.S. market by shifting sales to or from these alternate markets. The ability of subject producers to respond to lower relative prices in the U.S. market with decreased shipments is seen by a comparison of subject import and market share data for 2001 compared to 2000. The U.S. supply elasticity for all subject sources is estimated to be in the range of 10 to 20.

U.S. Demand

The U.S. demand elasticity measures the sensitivity of the overall quantity demanded to a change in the U.S. market price for structural steel beams. Demand elasticity depends on such factors as the existence, viability, and availability of substitute products, and component share of structural steel beams in the production of downstream products. Structural steel beams are primarily used in the construction of fabricated structures and the manufacture of equipment such as tractor-trailers and manufactured housing. Structural steel beams account for a small share of the overall cost of most fabricated structures and products such as manufactured housing.¹² There are limited substitutes for structural steel beams in the short-term. A demand elasticity in the range of 0.5 to 0.75 is suggested.

Substitution

The elasticity of substitution depends on the extent of product differentiation between the domestic and imported beams. Product differentiation depends on factors such as quality and conditions of sale such as availability and delivery. Based on the available information, the elasticity of substitution between domestic and imported structural steel beams is estimated to be in the range of 3 to 5.

¹² The exceptions are products like guardrails and sign posts that require less fabrication.

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

The Commission analyzes a number of factors in making injury determinations (see 19 U.S.C. §§ 1677(7)(B) and 1677(7)(C)). Information on the final margins of dumping was presented earlier in this report and information on the volume and pricing of imports of the subject merchandise is presented in Parts IV and V. Information on the other factors specified is presented in this section and/or Part VI and (except as noted) is based on the questionnaire responses of 10 firms that accounted for all known U.S. production of structural steel beams during 2001.

U.S. PRODUCERS

The names and plant locations of domestic producers are shown in table III-1. In addition, their shares of U.S. production in 2001 and positions on the petition are listed. Nucor, Nucor-Yamato, and TXI together accounted for about *** percent of 2001 production of structural steel beams.

During 1999-2001, Nucor-Yamato, the largest producer in the Western hemisphere,¹ was the only U.S. producer with foreign ownership, with 49 percent owned by Yamato Kogyo in Japan. Nucor, which owns 51 percent² of Nucor-Yamato, was the only other U.S. producer with a related foreign firm.

U.S. CAPACITY, PRODUCTION, AND CAPACITY UTILIZATION

Information on capacity, production, and capacity utilization is presented in table III-2. All three increased in 2000 over their 1999 levels and then fell in 2001.

During the period examined, some of the firms engaged in capacity expansion and modernization. ***. Nucor added *** short tons of capacity during December 1998 with its new Berkeley plant in South Carolina, which became fully operational by fourth quarter 1999.³ In August 1999, TXI opened a new facility in Petersburg, VA, with an overall capacity of *** short tons. Company officials stated that the Petersburg facility has been operating at ***.⁴ Respondents claim that TXI's Petersburg facility has had internal production problems and, in an effort to increase productivity, has focused on a limited range of products causing saturation in the market (with price suppression) on those sizes, as well as inventory buildup of those sizes by TXI.⁵ In addition, Steel Dynamics, Inc. (SDI) announced in February 1998 that it was building a new structural steel mill with a capacity of 700,000 to 1 million short tons. The construction was delayed due to environmental permitting issues, but SDI received its clearances on April 23, 2001. According to information obtained in the preliminary phase of these investigations, production start-up for the mill is not expected to occur until late 2002 at the earliest

¹ Hearing transcript, p. 24.

² Ibid.

³ Nucor now estimates the capacity of this mill at *** tons per year.

⁴ Trip report on TXI-Chaparral Steel, Petersburg, VA, p. 1.

⁵ Highveld's postconference brief, pp. 4-5, and Duferdofin's postconference brief, p. 31. See also hearing transcript pp. 138-139, 169, and 176. Petitioners acknowledge that *** delayed TXI's ability to ramp up production as fast as had been planned. Petitioners state that there are inherent difficulties in the startup of any mill, but TXI's Petersburg mill startup was consistent with that of its other mills. Besides, the *** problem was largely overcome by 2000 as TXI ***. However, petitioners state that because of large volumes of subject imports targeting the most popular large-volume sizes, TXI was *** which is undesirable since petitioners state that long production runs are critical during startup to minimize learning curve issues. Petitioners' posthearing brief, exh. 1, apps. I and L.

Table III-1

Structural steel beams: U.S. producers and their plant locations, shares of production in 2001, and positions on the petition

Firm	Plant locations	Share of U.S. production (percent)	Position on the petition
Bayou Steel	La Place, LA	***	Support ¹
Birmingham Steel/Ameristeel Corp. ²	Cartersville, GA	***	Support ³
J&L Structural, Inc.	Aliquippa, PA	***	Supports ¹
North Star Steel Kentucky	Calvert City, KY	***	***
Northwestern	Sterling, IL	***	*** ⁵
Nucor Corp.	Mt. Pleasant, SC; Jewett, TX	***	Petitioner
Nucor-Yamato	Blytheville, AR	***	Petitioner
SMI Steel, Inc.	Birmingham, AL	***	Supports ¹
Steel of West Virginia	Huntington, WV	***	Supports ¹
TXI-Chaparral Steel	Midlothian, TX; Petersburg, VA	***	Petitioner

¹ Permission was given in the questionnaire to make position with respect to the petition public.

² Birmingham Steel sold its Cartersville, GA, plant to AmeriSteel Corp. (AmeriSteel), a subsidiary of Gerdau S.A. of Rio de Janeiro, Brazil, on December 31, 2001. See press release dated December 31, 2001, as obtained online at <http://www.birminghamsteel.com>. ***. Phone interview with ***, March 28, 2002.

³ Ameristeel supports the petition. Permission was given in the questionnaire to make its position with respect to the petition public. Birmingham Steel reported in the preliminary phase that its position with respect to the petition was ***.

⁴ ***.

⁵ Northwestern, which shut down in May 2001, was a petitioner in the preliminary phase. Counsel for Northwestern reported that it is no longer a petitioner. (Phone interview with Dan Pickard, Wiley Rein, April 26, 2002).

Source: Compiled from data submitted in response to Commission questionnaires, except where noted.

Table III-2

Structural steel beams: U.S. production capacity, production, and capacity utilization, 1999-2001

Item	Calendar year		
	1999	2000	2001
Capacity (short tons)	5,711,212	6,934,800	6,708,360
Production (short tons)	4,134,723	5,178,779	4,595,943
Capacity utilization (percent)	72.4	74.7	68.5

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

and there is no indication of which steel products it will produce.⁶ According to a company official, the completion of SDI's new plant is expected in *** and it will have a total plant capacity of approximately *** tons producing ***. Structural steel beams capacity will be approximately *** tons. ***,⁷ SDI expects no more than 200,000 tons of production in 2002.⁸

The industry also experienced some cutbacks and shutdowns. In May 2001, Northwestern shut down its ***-ton capacity operations (after filing for Chapter 11 bankruptcy in December 2000).⁹ According to Northwestern, its closing was directly related to unfairly-priced import competition.¹⁰ According to respondents, Northwestern closed because it was inefficient and was experiencing a critical shortfall in raw material supplies to maintain its electric furnace operations.¹¹ *** experienced a reduction in force in ***, and plans to exit the *** market. *** anticipates possible layoffs if the detrimental effects of dumped imports continue. *** reported operating on a reduced work schedule since ***. *** cut *** employees in its ***. *** have also operated on reduced work schedules during the period examined.

Steel of West Virginia, the only producer to report production of forklift mast profiles,¹² has an allocated production capacity of *** short tons.¹³ Its production of forklift mast profiles that are included in the scope of these investigations totaled *** short tons, *** short tons, and *** short tons in 1999, 2000, and 2001, respectively.¹⁴ Its total production of forklift mast profiles (including those outside the scope of these investigations) is approximately *** short tons per year. Its forklift mast profiles that fall outside the scope of these investigations are not doubly symmetric. Its estimated U.S. market size of all forklift mast profiles is *** short tons.¹⁵

U.S. PRODUCERS' SHIPMENTS

Information on shipments by types is presented in table III-3. Captive consumption of structural steel beams was minimal from 1999 to 2001. At its highest level in 2000, internal consumption accounted for less than *** percent of total shipments. Exports accounted for 1.5 to 2.9 percent of total shipments during 1999-2001. The primary export markets for domestically-produced beams are Canada, Mexico, and the United Kingdom. No U.S. producers imported the subject merchandise. *** is related

⁶ Conference transcript, p. 79, and Duferdofin's postconference brief, exh. 7.

⁷ Telephone interview with ***, SDI, April 15, 2002.

⁸ Hearing transcript, p. 32.

⁹ An auction for the real estate, which is divided into about 10 to 12 parcels, was scheduled for the last week of April 2002. ***. Northwestern's supplement to its questionnaire response.

¹⁰ Conference transcript, pp. 10 and 26-28; hearing transcript, pp. 34-36; see also Northwestern's questionnaire response.

¹¹ Highveld's postconference brief, p. 5 and exh. 8, and joint postconference brief of TradeARBED, SWT, and ProfilARBED, pp. 12-13 and exh. 10.

¹² ***. Telephone interview with ***, Steel of West Virginia, April 29, 2002.

¹³ Its total plant capacity for forklift mast profiles (subject and not subject to these investigations) is *** short tons.

¹⁴ Steel of West Virginia's total production of structural steel beams (including forklift mast profiles) totaled *** short tons, *** short tons, and *** short tons in 1999, 2000, and 2001, respectively.

¹⁵ Telephone interview with ***, Steel of West Virginia, April 29, 2002.

Table III-3

Structural steel beams: U.S. producers' shipments, by types, 1999-2001

Item	Calendar year		
	1999	2000	2001
Quantity (short tons)			
Open-market U.S. shipments	***	***	***
Captive U.S. shipments ¹	***	***	***
Total U.S. shipments	4,023,276	4,974,325	4,348,417
Export shipments	119,325	74,881	112,819
Total shipments	4,142,601	5,049,206	4,461,236
Value (1,000 dollars)			
Open-market U.S. shipments	***	***	***
Captive U.S. shipments ¹	***	***	***
Total U.S. shipments	1,375,035	1,940,678	1,493,888
Export shipments	39,643	30,696	38,475
Total shipments	1,414,678	1,971,374	1,532,363
Unit value (per ton)			
Open-market U.S. shipments	\$***	\$***	\$***
Captive U.S. shipments ¹	***	***	***
Average U.S. shipments	342	390	344
Export shipments	332	410	341
Average shipments	341	390	343
¹ Internal consumption and transfers to related firms, ***, accounted for *** percent of U.S. shipments throughout the period examined. Note.—Because of rounding, figures may not add to the totals shown. Source: Compiled from data submitted in response to Commission questionnaires.			

to a U.S. importer of subject merchandise, ***.¹⁶ No U.S. producer purchased imported structural steel beams during the period examined.

U.S. PRODUCERS' INVENTORIES

Information on inventories is presented in table III-4. Inventories steadily increased from 1999 to 2001 by more than 69 percent. Nucor, Nucor-Yamato, and TXI accounted for *** percent of the increase

¹⁶ ***. *** reported *** imports in 1999. Its subject imports amounted to *** short tons in 2000 and *** short tons in 2001. As a ratio to production of ***, these reported imports were *** percent in 1999, *** percent in 2000, and *** percent in 2001.

Table III-4
Structural steel beams: U.S. producers' end-of-period inventories, 1999-2001

Item	Calendar year		
	1999	2000	2001
End-of-period inventories (<i>short tons</i>)	372,802	489,438	632,206
Ratio to production (<i>percent</i>)	9.0	9.5	13.8
Ratio to U.S. shipments (<i>percent</i>)	9.3	9.8	14.5
Ratio to total shipments (<i>percent</i>)	9.0	9.7	14.2

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

from 1999 to 2001. Nonreconciliation of inventories with production and shipments results from reporting inconsistencies of ***.

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

Information on employment-related indicators are presented in table III-5. With the exception of hourly wages and unit labor costs, all of the indicators rise from 1999 to 2000 then decline from 2000 to 2001.

Table III-5
Structural steel beams: Average number of production and related workers, hours worked, wages paid to such employees, hourly wages, productivity, and unit labor costs, 1999-2001

Item	Calendar year		
	1999	2000	2001
Production and related workers (PRWs)	3,176	3,532	3,361
Hours worked by PRWs (<i>1,000 hours</i>)	7,449	8,133	7,284
Wages paid to PRWs (<i>1,000 dollars</i>)	188,315	218,212	199,371
Hourly wages (<i>dollars per hour</i>)	\$25.28	\$26.83	\$27.37
Productivity (<i>short tons per 1,000 hours</i>)	555.1	636.8	631.0
Unit labor costs (<i>dollars per short ton</i>)	\$45.54	\$42.14	\$43.38

Note.—*** employment data for 2000 were estimated by Commission staff based on data supplied for that year for other factors and from prior years' data. Data for 1999 and 2001 were submitted by the firm.

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

U.S. PRODUCERS' CHANNELS OF DISTRIBUTION

Table III-6 shows the U.S. producers' shipments by channels of distribution. U.S. producers' shipments to firms that were only end users/fabricators accounted for 42 to 45 percent of total shipments during 1999-2001 and distributors/service centers accounted for 55 to 58 percent. End users/fabricators accounted for *** of Steel of West Virginia's shipments of forklift mast profiles from 1999 to 2001.

Table III-6

Structural steel beams: U.S. producers' shipments, by channels of distribution, 1999-2001

Item	Calendar year		
	1999	2000	2001
Share of quantity (percent)			
U.S. shipments to firms that are--			
Distributors/service centers ¹	57.9	56.8 ²	55.3
End users/fabricators	42.1	43.2 ²	44.7
<p>¹ Distributors/service centers includes the share of firms that are both distributors/service centers and end users/fabricators, which amounted to *** percent or less in all periods.</p> <p>² Does not include data for *** which provided data on shipments by channels of distribution for 1999 and 2001 but not 2000. The firm's shipments to end users/fabricators were *** percent in 1999 and *** percent in 2001.</p>			
Source: Compiled from data submitted in response to Commission questionnaires.			

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

U.S. IMPORTERS

The Commission sent questionnaires to 64 firms believed to be importers of structural steel beams from all sources. Questionnaire responses were received from 19 firms importing the subject product and 13 firms that reported they do not import subject merchandise. U.S. importers of structural steel beams are primarily located in New York and Texas. Other locations include Georgia, New Jersey, California, Illinois, and Michigan.¹ TradeARBED was ***.² Eleven firms reported imports from nonsubject sources in 2001. None of the U.S. producers reported direct imports of structural steel beams.

U.S. IMPORTS

Except as noted, U.S. imports are based on official statistics of the Department of Commerce.³ Imports from Germany were revised to include forklift mast profiles which were not included in the official Commerce statistics. Imports from Luxembourg were revised to exclude jumbo beams which were included in the official Commerce statistics.⁴ Table IV-1 shows the coverage of official statistics accounted for by questionnaire import data for subject sources. Although coverage of official statistics by questionnaires is high for South Africa and Taiwan, official statistics were used to present import data publicly (table IV-2). Although shipments of imports are normally presented in consumption, imports are presented here because shipments of imports did not differ appreciably from imports due to modest changes in inventories and shipments data are incomplete.⁵

Table IV-1
Structural steel beams: Subject imports from questionnaires as a share of official statistics, 1999-2001

* * * * *

¹ Two of the importers, ***, are based in Canada.

² See Part VII for more information on the merger of Aeralia, ARBED, and Usinor into Arcelor. Arcelor will integrate all of its operating units into three units for all Arcelor sales and distribution. TradeARBED will be integrated into Arcelor International. See *Arcelor Looking To Streamline Operating Units*, American Metal Markets, April 10, 2002, as obtained online at <http://www.amm.com>.

³ U.S. imports based on Commerce statistics correspond to HTS subheadings 7216.32.00 and 7216.33.00, which are the primary HTS classifications containing the majority of imports of the subject merchandise. For purposes of calculating imports, official import statistics do not include HTS subheadings and statistical reporting numbers 7216.50.00, 7216.61.00, 7216.69.00, 7216.91.00, 7216.99.00, 7228.70.3040, and 7228.70.60, which, according to industry participants, are "basket" categories not typically used to classify the subject merchandise.

⁴ Substantial quantities of imports from Luxembourg imported by TradeARBED from 1999 to 2001 consisted of jumbo beams which are not subject to these investigations. Counsel for TradeARBED has given written permission to publish its imports. Staff adjusted official Commerce statistics by ***.

⁵ For example, *** did not provide data for its 2001 shipments and there is low coverage for Chinese merchandise as well as that from all other sources.

Table IV-2
Structural steel beams: U.S. imports, by sources, 1999-2001

Source	Calendar year		
	1999	2000	2001
Quantity (short tons)			
China	145	81,501	53,152
Germany ¹	59,900	185,030	24,018
Luxembourg ²	43,481	86,249	30,808
Russia	29,348	42,526	73,120
South Africa	61,727	113,643	64,425
Spain	136,836	196,518	46,835
Taiwan	0	67,343	7,793
Subtotal	331,436	772,809	300,150
Other sources ³	603,784	482,801	164,695
Total	935,220	1,255,611	464,845
Landed, duty paid value (1,000 dollars)			
China	131	27,066	15,973
Germany ¹	17,969	68,696	8,611
Luxembourg ²	20,256	40,512	15,335
Russia	6,827	13,773	18,056
South Africa	15,263	36,875	18,080
Spain	38,390	73,870	14,597
Taiwan	0	23,254	2,460
Subtotal	98,837	284,046	93,111
Other sources ³	171,147	176,528	54,490
Total	269,984	460,574	147,600
See footnotes at end of table.			

Table IV-2--Continued
Structural steel beams: U.S. imports, by sources, 1999-2001

Source	Calendar year		
	1999	2000	2001
Unit value (per ton)			
China	\$905	\$332	\$301
Germany ¹	300	371	359
Luxembourg ²	466	470	498
Russia	233	324	247
South Africa	247	324	281
Spain	281	376	312
Taiwan	(⁴)	345	316
Average	298	368	310
Other sources ³	283	366	331
Average	289	367	318
Share of quantity (percent)			
China	(⁵)	6.5	11.4
Germany ¹	6.4	14.7	5.2
Luxembourg ²	4.6	6.9	6.6
Russia	3.1	3.4	15.7
South Africa	6.6	9.1	13.9
Spain	14.6	15.7	10.1
Taiwan	0.0	5.4	1.7
Subtotal	35.4	61.5	64.6
Other sources ³	64.6	38.5	35.4
Total	100.0	100.0	100.0
See footnotes at end of table.			

Table IV-2--Continued
Structural steel beams: U.S. imports, by sources, 1999-2001

Source	Calendar year		
	1999	2000	2001
Share of value (percent)			
China	(⁵)	5.9	10.8
Germany ¹	6.7	14.9	5.8
Luxembourg ²	7.5	8.8	10.4
Russia	2.5	3.0	12.2
South Africa	5.7	8.0	12.2
Spain	14.2	16.0	9.9
Taiwan	0.0	5.0	1.7
Subtotal	36.6	61.7	63.1
Other sources ³	63.4	38.3	36.9
Total	100.0	100.0	100.0
<p>¹ Figures shown for Germany include an addition to official statistics to account for forklift mast profiles not included in the official statistics by comparing ***. The adjustment is 3,160 short tons (\$2,280 thousand) in 1999, 1,666 short tons (\$1,226 thousand) in 2000, and 2,340 short tons (\$1,610 thousand) in 2001. Total imports of forklift mast profiles included in the import figures shown for Germany amount to *** short tons (\$*** in 1999, *** short tons (\$*** in 2000, and *** short tons (\$*** in 2001.</p> <p>² Figures shown for Luxembourg include a subtraction from official statistics to remove imports of jumbo beams by TradeARBED, which granted permission to disclose publicly its import figures. The adjustment to the official statistics was made by ***. The adjustment is 18,447 short tons (\$8,379 thousand) in 1999, 21,879 short tons (\$10,225 thousand) in 2000, and 38,990 short tons (\$20,678 thousand) in 2001.</p> <p>³ Figures shown include imports from Italy from the questionnaire response of Duferco, which granted permission to disclose publicly its import figures. Questionnaire imports for Italy amounted to 9,713 short tons (\$3,402 thousand) in 1999, 91,538 short tons (\$29,448 thousand) in 2000, and 14,496 short tons (\$4,663 thousand) in 2001. The figures shown include imports of forklift mast profiles that amount to *** short tons (\$*** in 1999, *** short tons (\$*** in 2000, and *** short tons (\$*** in 2001.</p> <p>⁴ Not applicable.</p> <p>⁵ ***.</p> <p>Note.--Because of rounding, figures may not add to the totals shown.</p> <p>Source: Compiled from Commerce statistics for HTS subheadings 7216.32 and 7216.33, except where noted.</p>			

The figures shown in table IV-2⁶ are from official Commerce statistics, except where noted.⁷ Subject and total imports increased from 1999 to 2000, then decreased from 2000 to 2001, while nonsubject imports decreased in every year during the period examined. Total and subject imports increased by 34 and 133 percent from 1999 to 2000, respectively. Total and subject imports decreased by 63 and 61 percent, respectively, from 2000 to 2001. Imports from nonsubject sources decreased 73 percent from 1999 to 2001. The decline in imports from nonsubject sources between 1999 and 2000 is

⁶ Because Italy received a *de minimis* final dumping margin, its data are included in "all other sources."

⁷ Counsel for the Italian foreign producer, Duferdofin and its importer, Duferco Steel Inc. (Duferco), testified at the conference that official statistics for imports from Italy contain erroneous entries of Polish material. Accordingly, Duferco's questionnaire response has been used to report the volume of imports from Italy in both the preliminary and final phases of these investigations. Counsel for Duferco gave permission to publish its imports reported in its questionnaire. Conference transcript, p. 100; White & Case postconference brief, pp. 17 and 33, and exh. 5; and e-mail from counsel from Duferco, April 22, 2002. As previously stated, imports of Italian beams are included in those from "all other sources."

primarily due to imports from Japan and Korea, which collectively accounted for 79, 6, and 15 percent of nonsubject imports in 1999, 2000, and 2001, respectively.⁸ The Commission made affirmative decisions with respect to LTFV imports from Japan and LTFV and subsidized imports from Korea in mid 2000.

Negligibility is not an issue in these investigations. During May 2000 through April 2001, the 12 months preceding the filing of the petition, the shares of the total imports (based on official statistics for HTS subheadings 7216.32.00 and 7216.33.00) were 8.6 percent for China, 13.2 percent for Germany, 9.1 percent for Luxembourg, 5.3 percent for Russia, 9.1 percent for South Africa, 14.3 percent for Spain, and 6.6 percent for Taiwan. Staff computed official imports from all sources during this period to be 1,136,288 short tons.⁹

APPARENT U.S. CONSUMPTION AND MARKET SHARES

Data on apparent U.S. consumption and market shares are presented in table IV-3. As U.S. producers' U.S. shipments and U.S. imports increased from 1999 to 2000, then decreased from 2000 to 2001, apparent U.S. consumption also increased from 1999 to 2000 (by 26 percent) and decreased from 2000 to 2001 (by 23 percent).¹⁰ From 1999 to 2001, apparent U.S. consumption decreased by 3 percent. While apparent U.S. consumption decreased from 1999 to 2001, U.S. producers' market share increased by 9.2 percentage points during the same period (after dipping 1.3 percentage points between 1999 and 2000).

U.S. IMPORTERS' CHANNELS OF DISTRIBUTION

Data on U.S. importers' shipments by channels of distribution are presented in table IV-4. For each subject source except ***, the shipments were nearly all (***) percent in each year) to distributors/service centers.

⁸ Between 1999 and 2000, imports from Japan and Korea decreased by 445,137 tons. By contrast, during this period there was a 307,899 ton increase in the collective imports from Italy, Poland, Thailand, and the United Kingdom. Imports from these four sources, in turn, fell by 288,361 tons in 2001 and accounted for most of the decrease in nonsubject imports in that year with no substantial offsetting increases by any other nonsubject source. Imports from Italy, Poland, Thailand, and the United Kingdom, collectively, accounted for 18, 86, and 76 percent of nonsubject imports in 1999, 2000, and 2001, respectively.

⁹ This figure was derived from official statistics. Revisions have been made to official import statistics for these investigations and there are no comparable monthly data for these revisions. The revisions to the German data to include forklift mast profiles not already included in official statistics would increase Germany's share and decrease each other subject country's share by a minimal amount; presuming that all the additions for both 2000 and 2001 were to have taken place in the 12-month period preceding the filing of the petition (i.e., having the maximum effect), the share of imports from subject sources other than Germany would be decreased by no more than 0.1 percent. The subtractive revision to the Italy data would only serve to increase the shares of subject sources, so no adjustment has been made for Italy for purposes of determining negligibility. The subtractive revision to the Luxembourg data to remove the jumbo beams would result in a decrease in Luxembourg's share and an increase in each other subject country's share. Presuming that all the subtractions to the Luxembourg data for both 2000 and 2001 were to have taken place in the 12-month period preceding the filing of the petition plus taking into consideration the adjustment to the Germany data just discussed (i.e., resulting in the maximum reduction to the Luxembourg share) would result in an import share for Luxembourg of 3.9 percent, which is over the 3 percent threshold for negligibility.

¹⁰ U.S. production and foreign producers' exports to the United States also increased from 1999 to 2000, then decreased from 2000 to 2001.

Table IV-3

Structural steel beams: U.S. producers' U.S. shipments, U.S. imports, by sources, apparent U.S. consumption, and market shares, 1999-2001

Item	Calendar year		
	1999	2000	2001
Quantity (short tons)			
U.S. producers' shipments	4,023,276	4,974,325	4,348,417
U.S. imports from--			
China	145	81,501	53,152
Germany	59,900	185,030	24,018
Luxembourg	43,481	86,249	30,808
Russia	29,348	42,526	73,120
South Africa	61,727	113,643	64,425
Spain	136,836	196,518	46,835
Taiwan	0	67,343	7,793
Subtotal	331,436	772,809	300,150
Other sources	603,784	482,801	164,695
Total	935,220	1,255,611	464,845
U.S. consumption	4,958,496	6,229,936	4,813,262
Value (1,000 dollars)			
U.S. producers' U.S. shipments	1,375,035	1,940,678	1,493,888
U.S. imports from--			
China	131	27,066	15,973
Germany	17,969	68,696	8,611
Luxembourg	20,256	40,512	15,335
Russia	6,827	13,773	18,056
South Africa	15,263	36,875	18,080
Spain	38,390	73,870	14,597
Taiwan	0	23,254	2,460
Subtotal	98,837	284,046	93,111
Other sources	171,147	176,528	54,490
Total	269,984	460,574	147,600
U.S. consumption	1,645,019	2,401,252	1,641,488
Table continued on next page.			

Table IV-3--Continued

Structural steel beams: U.S. producers' U.S. shipments, U.S. imports, by sources, apparent U.S. consumption, and market shares, 1999-2001

Item	Calendar year		
	1999	2000	2001
Share of quantity (percent)			
U.S. producers' U.S. shipments	81.1	79.8	90.3
U.S. imports from--			
China	(1)	1.3	1.1
Germany	1.2	3.0	0.5
Luxembourg	0.9	1.4	0.6
Russia	0.6	0.7	1.5
South Africa	1.2	1.8	1.3
Spain	2.8	3.2	1.0
Taiwan	0.0	1.1	0.2
Subtotal	6.7	12.4	6.2
Other sources	12.2	7.7	3.4
Total	18.9	20.2	9.7
Share of value (percent)			
U.S. producers' U.S. shipments	83.6	80.8	91.0
U.S. imports from--			
China	(1)	1.1	1.0
Germany	1.1	2.9	0.5
Luxembourg	1.2	1.7	0.9
Russia	0.4	0.6	1.1
South Africa	0.9	1.5	1.1
Spain	2.3	3.1	0.9
Taiwan	0.0	1.0	0.1
Subtotal	6.0	11.8	5.7
Other sources	10.4	7.4	3.3
Total	16.4	19.2	9.0
<p>¹ Less than 0.05 percent.</p> <p>Note.—Because of rounding, figures may not add to the totals shown.</p> <p>Source: Compiled from data submitted in response to Commission questionnaires and from official Commerce statistics.</p>			

Table IV-4
Structural steel beams: Shares of U.S. importers' U.S. shipments of subject imports, by channels of distribution, 1999-2001

* * * * *

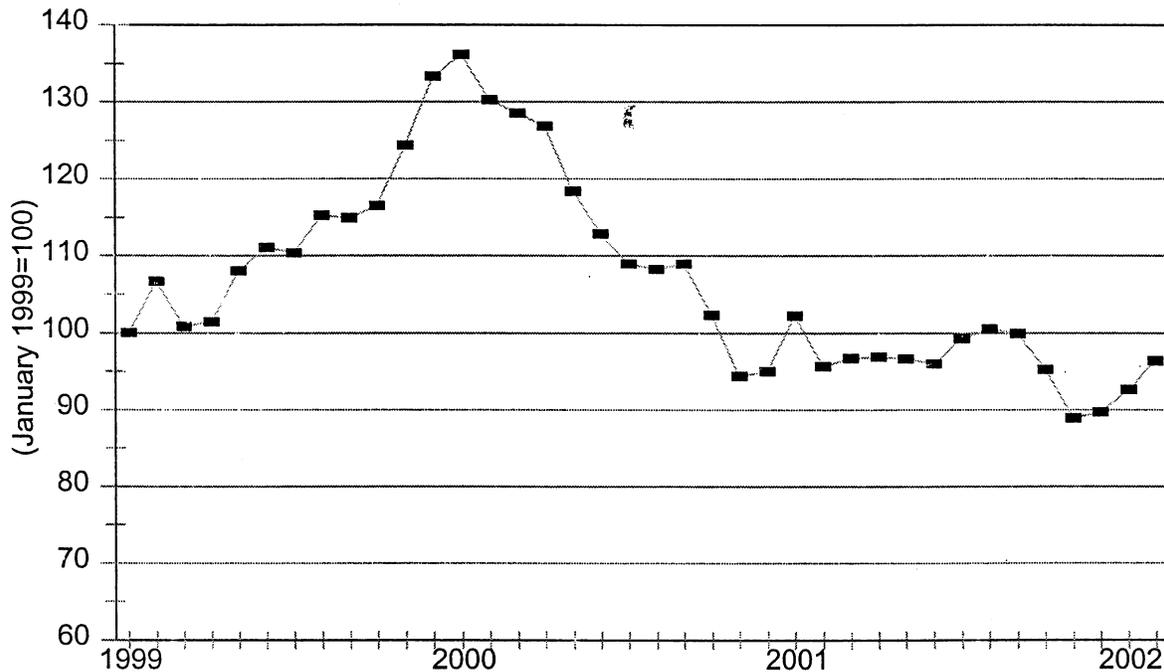
PART V: PRICING AND RELATED INFORMATION

FACTORS AFFECTING PRICES

Raw Material Costs

Structural steel beams are predominately produced from steel scrap, which accounts for the greatest share of variable cost to domestic producers. Overall, raw material costs accounted for approximately 45.5 percent of the total cost of goods sold for responding domestic structural steel beam producers in 2001. According to data from the Bureau of Labor Statistics (BLS) average scrap prices increased throughout 1999 and reached a high in January 2000 that was 36.1 percent above the price in January 1999. Since that time, scrap prices have fallen irregularly and reached a low in November 2001 of 88.9 percent of the January 1999 price.¹ See figure V-1.

Figure V-1
Index of prices for iron and steel scrap, January 1999-February 2002



Source: U.S. Bureau of Labor Statistics index WPU 1012 <http://data.bls.gov/>, retrieved May 22, 2002.

Transportation Costs to the U.S. Market

Transportation costs for structural steel beams from the subject countries to the U.S. market in 2001 (excluding U.S. inland transportation costs) were estimated to range from a low of 9.2 percent of the export value for Taiwan to a high of 14.2 percent for Russia, with a weighted average of 12.7 percent. These estimates are derived from 2001 import data for HTS subheadings 7216.32 and 7216.33, and represent the transportation and other charges on a c.i.f. basis, as compared with customs value.

¹ Figures for January and February 2002 are preliminary.

U.S. Inland Transportation Costs

Transportation costs of structural steel beams for delivery within the United States vary from firm to firm but tend to account for a moderate percentage of the total cost of the product. For the six U.S. producers who responded to this question, these costs accounted for between 2.5 and 15.0 percent of the total cost of structural steel beams, with an average of 9.2 percent. For the 10 importers who provided usable responses to this question, these costs accounted for between 1.5 and 18.0 percent of the total cost of the product, with an average of 9.9 percent. Of the 21 purchasers that provided information on U.S. inland transportation charges from both domestic producers and imports, 13 reported lower U.S. inland transportation costs for imports, one reported lower transportation costs from domestic producers, and seven reported no difference or overlapping ranges for inland transportation costs.

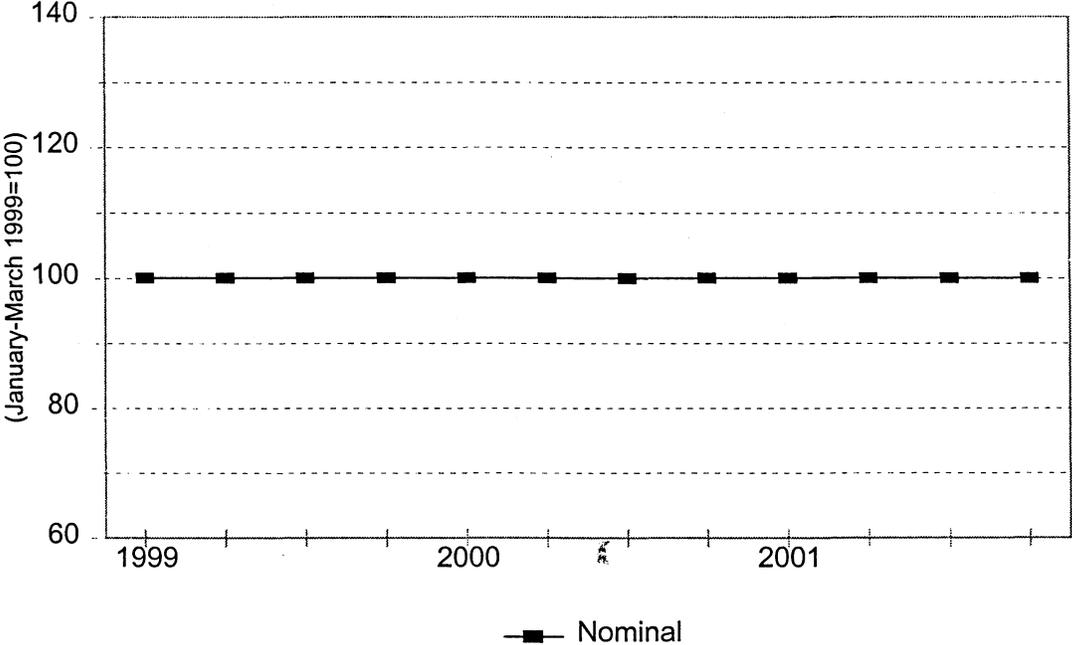
Producers and importers were requested to provide estimates of the percentages of their shipments that were made within specified distance ranges. Among the seven U.S. producers that provided usable responses to this question, an average of 4.9 percent of shipments occurred within 100 miles, 79.0 percent occurred within 101 to 1,000 miles, and 16.1 percent occurred at distances over 1,000 miles. Among the 15 importers that provided usable responses to this question, an average of 67.3 percent of shipments occurred within 100 miles, 31.1 percent occurred within 101 to 1,000 miles, and 1.5 percent occurred at distances over 1,000 miles.

Although some domestic producers market structural steel beams in a limited geographic area, *** sell in the entire NAFTA market, and *** markets structural steel beams throughout the continental United States. Some importers market subject structural steel beams in a limited area, but ports of entry are dispersed across the country. Two importers *** sell in the entire U.S. market, and an additional seven sell structural steel beams on the East Coast, seven on the West Coast, six on the Gulf Coast, and five in the Great Lakes area. Taken together, subject imports compete with the domestic product in all areas of the continental United States.

Exchange Rates

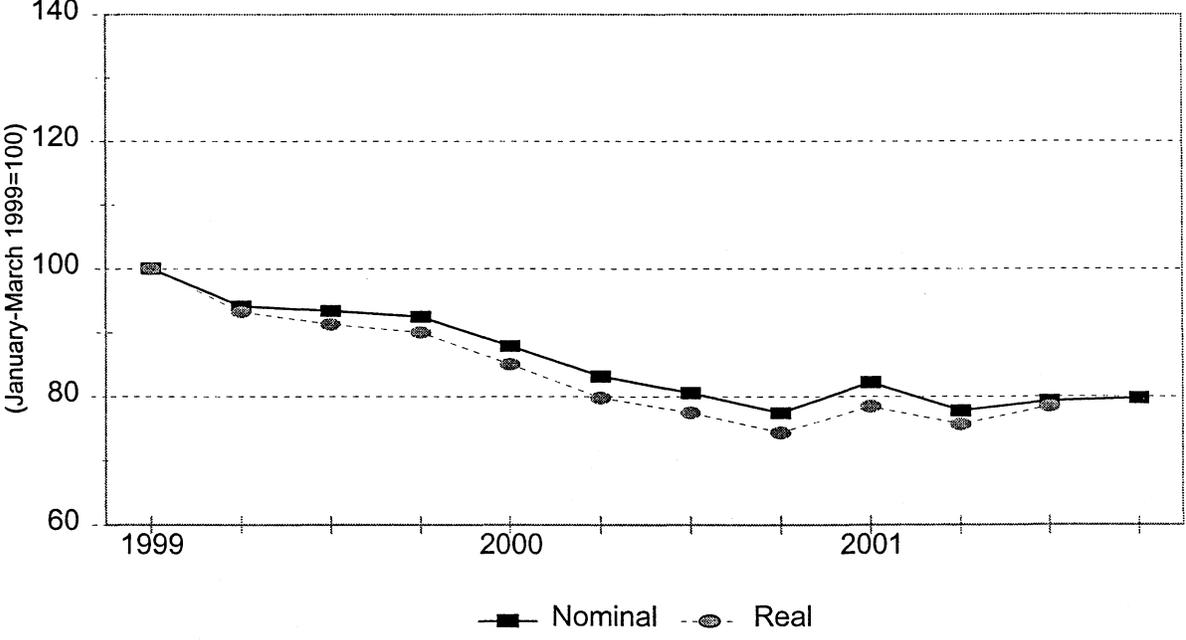
Quarterly exchange rate data for the seven subject countries for 1999-2001 are shown in figures V-2 through V-8. Real exchange rates cannot be calculated for China due to the unavailability of producer price information. Also, real exchange rates are not available for fourth quarter 2001 for Germany, since second quarter 2000 for Luxembourg, and since third quarter 2000 for South Africa.

Figure V-2
Exchange rates: Index of the nominal value of the Chinese yuan relative to the U.S. dollar, by quarters, January 1999-December 2001



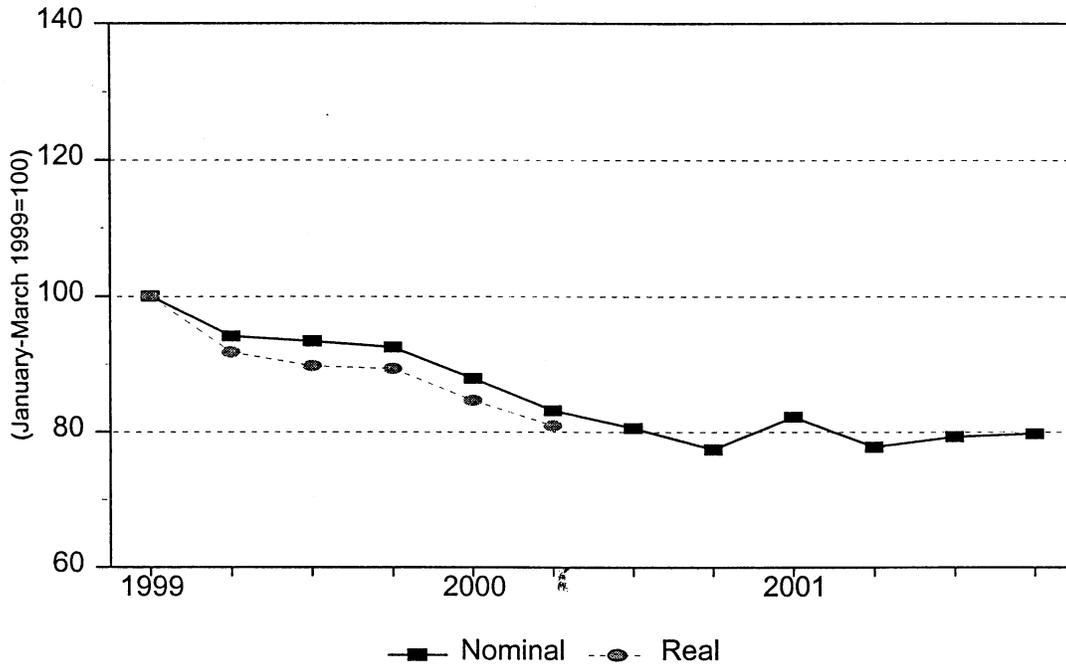
Source: International Monetary Fund, *International Financial Statistics*, April 2002.

Figure V-3
Exchange rates: Indices of the nominal and real values of the German mark relative to the U.S. dollar, by quarters, January 1999-December 2001



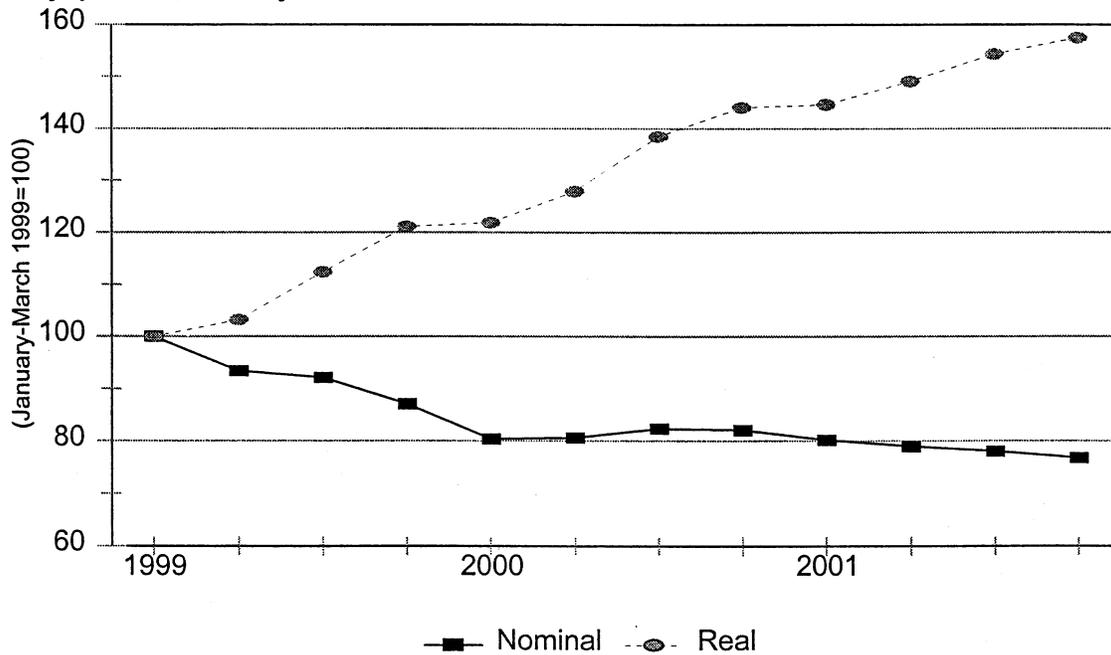
Source: International Monetary Fund, *International Financial Statistics*, April 2002.

Figure V-4
Exchange rates: Indices of the nominal and real values of the Luxembourg franc relative to the U.S. dollar, by quarters, January 1999-December 2001



Source: International Monetary Fund, *International Financial Statistics*, April 2002.

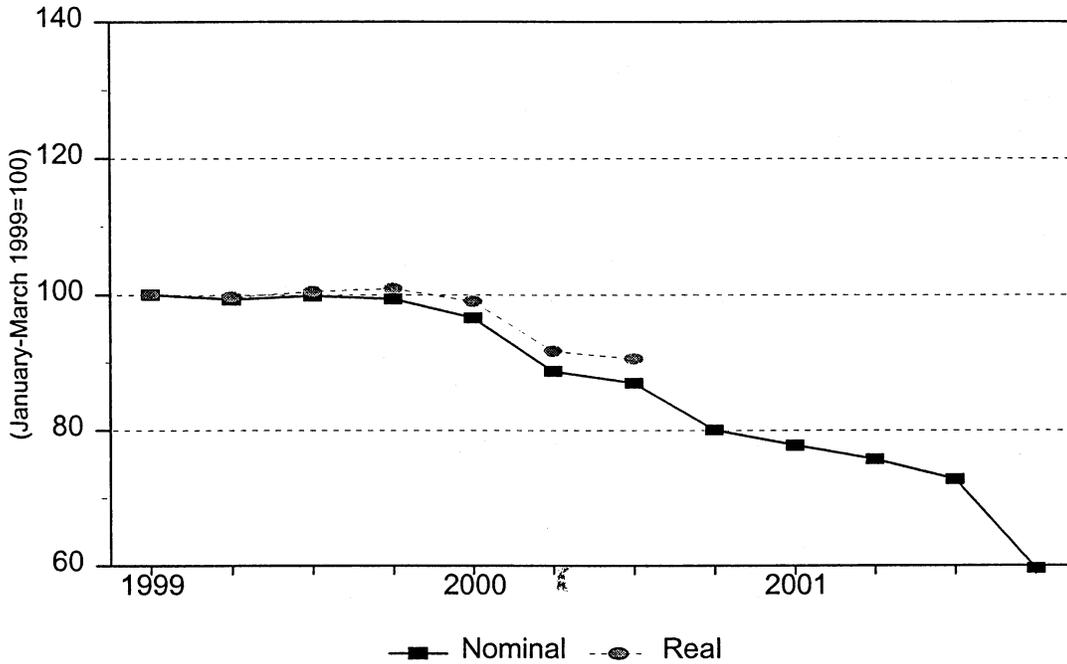
Figure V-5
Exchange rates: Indices of the nominal and real values of the Russian ruble relative to the U.S. dollar, by quarters, January 1999-December 2001



Source: International Monetary Fund, *International Financial Statistics*, April 2002.

Figure V-6

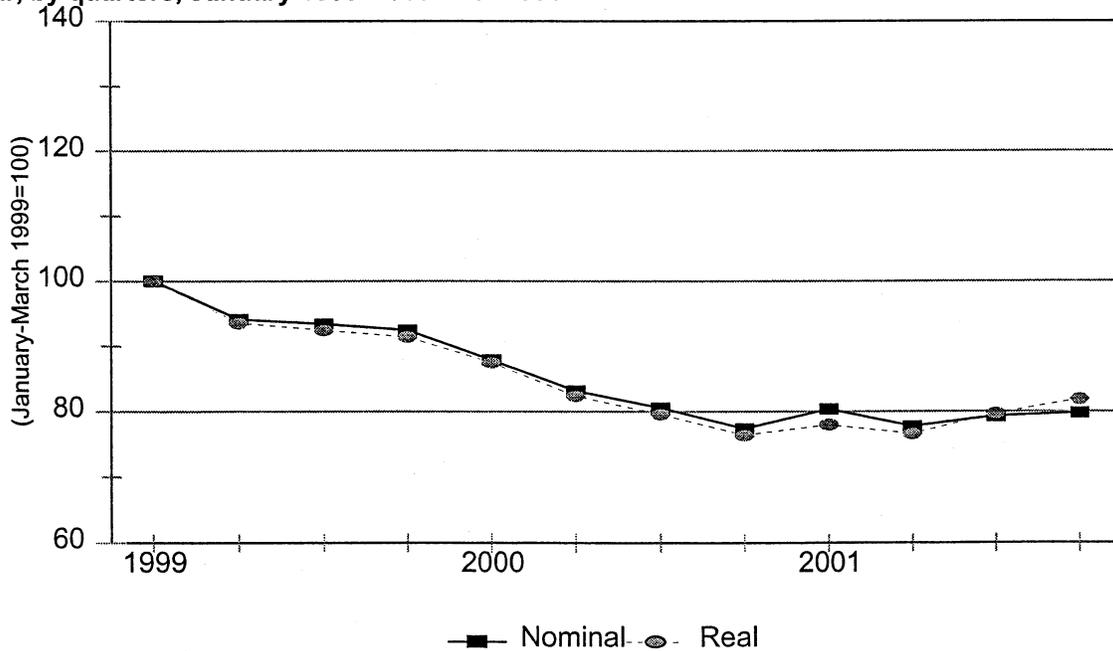
Exchange rates: Indices of the nominal and real values of the South African rand relative to the U.S. dollar, by quarters, January 1999-December 2001



Source: International Monetary Fund, *International Financial Statistics*, April 2002.

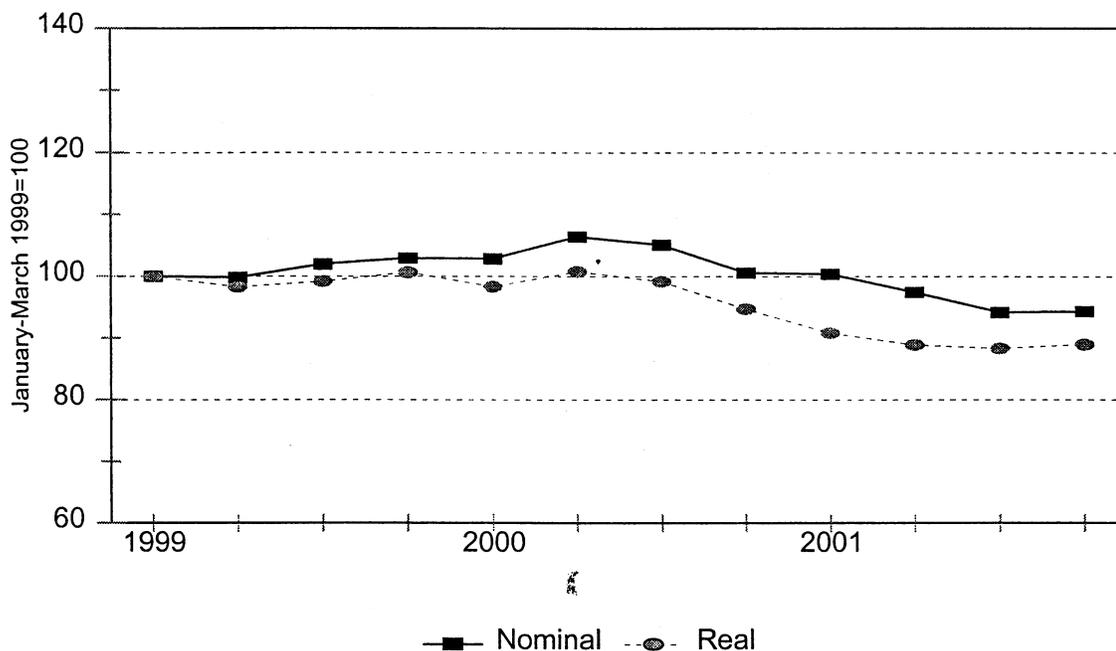
Figure V-7

Exchange rates: Indices of the nominal and real values of the Spanish peseta relative to the U.S. dollar, by quarters, January 1999-December 2001



Source: International Monetary Fund, *International Financial Statistics*, April 2002.

Figure V-8
Exchange rates: Indices of the nominal and real values of the Taiwan NT dollar relative to the U.S. dollar, by quarters, January 1999-December 2001



Source: Central Bank of China, I. M. F. Financial Statistics, <http://www.cbc.gov.tw>, April 15, 2002.

PRICING PRACTICES

Pricing Methods

Questionnaire responses reveal that most domestic sales of U.S.-produced structural steel beams involve price lists, while sales of subject imports typically occur on a transaction-by-transaction basis, with prices quoted based on current market conditions. Available information indicates that the majority of U.S. producers' and importers' sales are on a spot basis. For those domestic producers and importers with sales under contracts, the contracts usually fix both quantity and price.

Sales Terms and Discounts

The majority of U.S. producers and importers of structural steel beams reported having no formal discount policies. However, some firms reported that volume-based discounting may occur during negotiations with individual customers. Domestic producers *** reported that prices may be negotiated to meet competition, or for a specific project. Nearly all responding firms reported that payment is required within 30 days. Most domestic producers report a discount of 0.5-1.0 percent for payment within 10 days.

PRICE DATA

The Commission requested U.S. producers and importers to provide quarterly data for the total quantity and value of their domestic sales of four structural steel beam products. These data were used to determine a weighted-average price in each quarter. Data on sales to end users and to distributors were

reported separately. For products 1 and 2, average prices on sales by domestic producers to end users were virtually identical to prices on sales to distributors. Therefore data for sales in both channels of distribution were aggregated for this analysis and sales of imported product 1 and 2 were compared to the weighted average of sales of domestic products 1 and 2 to all customers. Data were requested for the period January 1999 through December 2001. The products for which pricing data were requested are as follows:

***Product 1.*—Wide-flange beams--8 to 14 inches (from 15 pounds/foot up to 30 pounds/foot) (ASTM A-36, A-572-50, or A-992, or equivalent and excluding any beam that is certified or multi-certified to a grade higher than grade 50 or to grades A-588, A-690, or A-913)**

***Product 2.*—Wide-flange beams--18 to 24 inches (up to 56 pounds/foot) (ASTM A-36, A-572-50, or A-992, or equivalent and excluding any beam that is certified or multi-certified to a grade higher than grade 50 or to grades A-588, A-690, or A-913)**

***Product 3.*—Wide-flange beams--27 to 36 inches (up to 397 pounds/foot) (ASTM A-36, A-572-50, or A-992, or equivalent and excluding any beam that is certified or multi-certified to a grade higher than grade 50 or to grades A-588, A-690, or A-913)**

***Product 4.*—I-beams--8 to 12 inches (up to 31.8 pounds/foot) (ASTM A-36, A-572-50, or A-992, or equivalent and excluding any beam that is certified or multi-certified to a grade higher than grade 50 or to grades A-588, A-690, or A-913)**

Six U.S. producers and 10 importers provided usable pricing data for sales of the requested products in the U.S. market. Pricing data reported by U.S. producers and importers accounted for approximately 36.0 percent of U.S. producers' U.S. shipments of structural steel beams on a quantity basis in 2001, as well as *** percent of subject imports from China, *** percent of subject imports from Germany, *** percent of subject imports from Luxembourg, *** percent of subject imports from Russia, *** percent of subject imports from South Africa, *** percent of subject imports from Spain, and *** percent of subject imports from Taiwan in 2001.² Sales by importer *** were excluded from the analysis. Even though the product met the definitions of products 1 and 3, additional testing was required for ***. As a result, this material was not comparable to the majority of sales of products 1 and 3.

Price Comparisons

Data on f.o.b. selling prices and quantities of products 1 through 4 sold by U.S. producers and importers of subject structural steel beams are shown in tables V-1 through V-8, and graphically in appendix D. Tables V-9 and V-10 summarize quarterly underselling/overselling by country and by product.

² Pricing data coverage for imports is based on official statistics except for Luxembourg which is based on official statistics adjusted for the removal of jumbo beams and Germany which is adjusted for the addition of forklift mast profiles not included in official statistics.

Table V-1

Product 1: Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers of beams from China, Germany, Luxembourg, and Russia, with margins of underselling/ (overselling), by quarters, January 1999-December 2001

* * * * *

Table V-2

Product 1: Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers of beams from South Africa, Spain, and Taiwan, with margins of underselling/ (overselling), by quarters, January 1999-December 2001

* * * * *

Table V-3

Product 2: Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers of beams from China, Germany, and Luxembourg, with margins of underselling/(overselling), by quarters, January 1999-December 2001

* * * * *

Table V-4

Product 2: Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers of beams from South Africa, Spain, and Taiwan, with margins of underselling/ (overselling), by quarters, January 1999-December 2001

* * * * *

Table V-5

Product 3: Weighted-average f.o.b. prices and quantities sold to distributors as reported by U.S. producers and importers of beams from Germany and Luxembourg, with margins of underselling/(overselling), by quarters, January 1999-December 2001

* * * * *

Table V-6

Product 3: Weighted-average f.o.b. prices and quantities sold to distributors as reported by U.S. producers and importers of beams from Spain and Taiwan, with margins of underselling/ (overselling), by quarters, January 1999-December 2001

* * * * *

Table V-7

Product 3: Weighted-average f.o.b. prices and quantities sold to end users as reported by U.S. producers and importers of beams from Luxembourg, Spain, and Taiwan, with margins of underselling/(overselling), by quarters, January 1999-December 2001

* * * * *

Table V-8

Product 4: Weighted-average f.o.b. prices and quantities sold to distributors and end users as reported by U.S. producers and importers of beams from Spain, with margins of underselling/(overselling), by quarters, January 1999-December 2001

* * * * *

Table V-9

Products 1 and 2: Number of quarters of under/overselling,¹ average margins, and volume of imports in quarters with under/overselling, by country

Source	Underselling			Overselling		
	Number of quarters	Average margin (percent)	Volume of imports (tons)	Number of quarters	Average margin (percent)	Volume of imports (tons)
Product 1						
China	6	10.4	***	1	***	***
Germany	4	8.1	***	5	7.8	***
Luxembourg	1	***	***	3	13.7	***
Russia	4	15.2	***	2	17.1	***
South Africa	3	9.6	***	8	9.0	***
Spain	3	9.0	***	9	9.6	***
Taiwan	1	***	***	4	13.1	***
Total	22		102,549	32		176,937
Product 2						
China	9	19.6	***	1	***	***
Germany	9	7.5	***	0	—	0
Luxembourg	1	***	***	1	***	***
South Africa	7	13.0	***	5	5.5	***
Spain	9	7.4	***	2	8.6	***
Taiwan	0	—	0	2	5.2	***
Total	35		84,413	11		13,761
¹ Sales to both distributors and end users aggregated.						
Source: Compiled from data submitted in response to Commission questionnaires.						

Table V-10

Products 3 and 4 sold to distributors and end users: Number of quarters of under/overselling, average margins, and volume of imports in quarters with under/overselling, by country

Source	Underselling			Overselling		
	Number of quarters	Average margin (percent)	Volume of imports (tons)	Number of quarters	Average margin (percent)	Volume of imports (tons)
Product 3 sold to distributors						
Germany	5	13.9	***	1	***	***
Luxembourg	2	11.7	***	6	4.0	***
Spain	5	8.2	***	2	6.0	***
Taiwan	2	3.3	***	0	--	0
Total	14		35,735	9		11,795
Product 3 sold to end users						
Luxembourg	8	8.1	***	2	1.2	***
Spain	1	14.2	***	0	--	0
Taiwan	1	9.1	***	0	--	0
Total	10		***	2		***
Product 4 sold to distributors						
Spain	9	7.4	***	3	9.6	***
Source: Compiled from data submitted in response to Commission questionnaires.						

Structural steel beam prices declined in the second half of 2000 and into 2001. Reported average prices for the three wide-flange beam products (products 1-3) increased slightly the last two quarters of 2001. Along with fluctuations in demand, changes in inventories may have contributed to changes in structural steel beam prices. End-of-period inventories held by domestic producers were higher in 2001 than in 1999 and 2000. End-of-period inventories held by responding purchasers were lower in 2001 than in 2000, but were still above those in 1999 in absolute terms, even though apparent consumption in 2001 was much lower than in 2000 and about 3 percent lower than in 1999.

LOST SALES AND LOST REVENUES

Domestic producers submitted 27 lost sales and 173 lost revenue allegations. Alleged lost sales totaled \$*** million. Staff were able to confirm or partially confirm 17 lost sales allegations valued at \$24.1 million. Alleged lost revenues totaled \$*** million. Staff was able to confirm 49 lost revenues allegations valued at \$786,411. A large number of lost revenues allegations involve sales or quotations made after January 1, 2002. Because of time constraints, and because purchasers don't always keep records on unsuccessful bids, some purchasers were unable to confirm or deny some specific allegations. Seven out of nine purchasers that were able to respond to these allegations reported that domestic producers of structural steel beams have had to reduce prices in 2002 to avoid losing sales to competitors selling structural steel beams from subject countries. Detailed data on lost sales and revenue allegations are presented in appendix E.

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

BACKGROUND

Ten U.S. producers¹ provided financial data on their operations on structural steel beams. These data accounted for all of reported U.S. production of structural steel beams in 2001.

OPERATIONS ON STRUCTURAL STEEL BEAMS

Results of operations of the U.S. producers on their structural steel beams operations are presented in table VI-1; data on a per-short-ton² basis are shown in table VI-2.

The quantity and value of net sales and operating income for the combined companies increased in 2000 compared to 1999 and then decreased in 2001 compared to 2000. The net sales value per short ton increased by \$48 in 2000 compared to 1999 while the cost of goods sold increased by \$21 per short ton and SG&A expenses remained constant, resulting in a \$26 increase in operating income per short ton. The net sales value per short ton decreased by \$47 in 2001 compared to 2000 while the cost of goods sold decreased by \$8 per short ton and SG&A expenses rose slightly, resulting in a decrease in operating income of \$38 per short ton.

¹ U.S. producers and their fiscal year ends are Bayou (September 30), J&L (***), North Star (***), Nucor-Yamato (***), Nucor (December 31), and SMI (***); Northwestern (July 31), Steel of West Virginia (***), and TXI (May 31) ***. Birmingham's ***. Financial data for TXI were reconciled to its SEC forms 10-K and 10-Q for reasonableness.

² Product mix within a company and between companies may affect any analysis on a short-ton basis.

Table VI-1
Results of operations of U.S. producers in the production of structural steel beams, fiscal years
1999-2001

Item	Fiscal year		
	1999	2000	2001
	Quantity (short tons)		
Net sales	4,169,571	5,046,570	4,457,347
	Value (1,000 dollars)		
Net sales	1,429,856	1,971,090	1,532,703
Cost of goods sold	1,233,451	1,600,869	1,375,567
Gross profit	196,405	370,221	157,136
SG&A expenses	50,771	63,050	56,485
Operating income or (loss)	145,634	307,171	100,651
Interest expense ¹	33,383	59,230	27,311
Other expense ²	11,461	866	1,297
Other income items	18,940	15,950	12,984
Net income or (loss)	119,730	263,025	85,027
Depreciation/amortization ³	99,827	112,592	112,715
Cash flow	219,557	375,617	197,742
	Ratio to net sales (percent)		
Cost of goods sold	86.3	81.2	89.7
Gross profit	13.7	18.8	10.3
SG&A expenses	3.6	3.2	3.7
Operating income or (loss) ⁴	10.2	15.6	6.6
	Number of firms reporting		
Operating losses	3	3	6
Data	9	10	10
<p>1 *** 2 *** 3 *** did not provide depreciation expense. 4 ***</p>			
Source: Compiled from data submitted in response to Commission questionnaires.			

Table VI-2

Results of operations (per short ton) of U.S. producers in the production of structural steel beams, fiscal years 1999-2001

Item	Fiscal year		
	1999	2000	2001
	<i>Value (per short ton)</i>		
Net sales	\$343	\$391	\$344
Cost of goods sold	296	317	309
Gross profit	47	73	35
SG&A expenses	12	12	13
Operating income or (loss)	35	61	23
Source: Compiled from data submitted in response to Commission questionnaires.			

All responding firms except *** provided usable data on raw materials, direct labor, and other factory costs as shown in the following tabulation (in value per short ton).

Item	Fiscal year		
	1999 ³	2000	2001
Raw materials	\$142	\$159	\$140
Direct labor	24	25	27
Other factory costs	128	130	140
Total cost of goods sold	293	314	308

Raw material cost per short ton increased in 2000³ compared to 1999, but then decreased in 2001 to a level less than in 1999. The increase in per-short-ton other factory costs in 2000 was caused, in part, by ***. The decrease in per-short-ton raw material costs in 2001 compared to 2000 was offset partially by the per-short-ton increase in other factory costs. The increase in per-short-ton other factory costs in 2001 compared to 2000 is due, in part, to fixed costs being absorbed by decreased production. Selected financial data, by firm, are presented in table VI-3. The data indicate that ***. All of the companies except *** had decreasing net sales values in 2001 compared to 2000. All of the companies except *** had lower operating results in 2001 compared to 2000 and all of the companies except *** had lower operating results in 2001 compared to 1999.

Table VI-3

Results of operations of U.S. producers in the production of structural steel beams, by firm, fiscal years 1999-2001

* * * * *

³ The increase in raw material costs in 2000 is ***. ***.

The variance analysis, as shown in table VI-4, indicates⁴ that the reduction in operating income from 1999 to 2001 was caused by an increase in costs partially offset by increases in average sales value per short ton and an increase in sales volume. The increase in operating income from 1999 to 2000 is due to an increase in the average sales value per short ton and an increase in sales volume partially offset by an increase in costs. The reduction in operating income from 2000 to 2001 is due to a lower average sales value per ton and a lower sales volume partially offset by lower costs.

Table VI-4

Variance analysis on results of operations of U.S. producers in the production of structural steel beams, fiscal years 1999-2001

Item	Fiscal year		
	1999-2001	1999-2000	2000-2001
	<i>Value (1,000 dollars)</i>		
Net sales:			
Price variance	4,161	240,488	(208,248)
Volume variance	98,686	300,746	(230,139)
Total net sales variance	102,847 ₄	541,234	(438,387)
Cost of goods sold:			
Cost variance	(56,986)	(107,982)	38,389
Volume variance	(85,130)	(259,436)	186,913
Total cost of goods variance	(142,116)	(367,418)	225,302
Gross profit variance	(39,269)	173,816	(213,085)
SG&A expenses:			
Expense variance	(2,210)	(1,600)	(797)
Volume variance	(3,504)	(10,679)	7,362
Total SG&A variance	(5,714)	(12,279)	6,565
Operating income variance	(44,983)	161,537	(206,520)
Summarized as:			
Price variance	4,161	240,488	(208,248)
Net cost/expense variance	(59,195)	(109,583)	37,593
Net volume variance	10,051	30,632	(35,864)
Note.--Unfavorable variances are shown in parenthesis; all others are favorable. The data are comparable to changes in operating income as presented in table VI-1.			
Source: Compiled from data submitted in response to Commission questionnaires.			

⁴ Subject to changes in product mix.

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

The responding firms' aggregate data on capital expenditures, research and development (R&D) expenses, and the value of their property, plant, and equipment are shown in table VI-5 and capital expenditures, by firm, are presented in table VI-6. Capital expenditures decreased in 2000 compared to 1999 and also decreased in 2001 compared to 2000.

Table VI-5
Value of assets, capital expenditures, and research and development expenses of U.S. producers of structural steel beams, fiscal years 1999-2001

Item	Fiscal year		
	1999	2000	2001
	<i>Value (1,000 dollars)</i>		
Capital expenditures ¹	***	60,762	33,138
R&D expenses ²	***	***	***
Fixed assets: ³			
Original cost	2,164,671	2,248,242	2,281,632
Book value	1,313,550	1,275,895	1,198,144
¹ All companies except *** provided capital expenditures. ² R&D expenses were provided by ***. ³ All companies provided usable data for fixed assets except ***.			
Source: Compiled from data submitted in response to Commission questionnaires.			

Table VI-6
Capital expenditures of U.S. producers relating to the production of structural steel beams, by firm, fiscal years 1999-2001

* * * * *

CAPITAL AND INVESTMENT

The Commission requested U.S. producers to describe any actual or potential negative effects of imports of structural steel beams from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and/or Taiwan on their firms' growth, investment, and ability to raise capital or development and production efforts (including efforts to develop a derivative or more advanced version of the product). Their responses are shown in appendix F.

PART VII: THREAT CONSIDERATIONS

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

THE SUBJECT FOREIGN INDUSTRIES

The Commission received questionnaire responses from 11 foreign firms producing structural steel beams, covering almost all exports of the subject product to the United States in 2001 (except for exports from China). Table VII-1 presents aggregate data for production and shipments of structural steel beams (including forklift mast profiles) for all subject countries except China.¹ Exports to the United States as a share of total shipments increased by *** percentage points from 1999 to 2000 and decreased by *** percentage points from 2000 to 2001. Every foreign country had increases in exports of structural steel beams to the United States as a share of total shipments from 1999 to 2000 and decreases from 2000 to 2001 except ***. Table VII-2 presents aggregate data for production and shipments of only forklift mast profiles for two German producers, Corus Special Profiles Mannstaedt Werke GmbH & Co. (Mannstaedt) and Hoesch, which were the only producers in any of the subject countries that reported production of forklift mast profiles.

Table VII-1

Structural steel beams: Aggregate reported data for subject countries' (except for China) production capacity, production, shipments, and inventories, 1999- 2001 and projected 2002-03

* * * * *

Table VII-2

Forklift mast profiles: Aggregate reported data for German production capacity, production, shipments, and inventories, 1999-2001 and projected 2002-03

* * * * *

THE INDUSTRY IN CHINA

The petition identified 11 firms producing the subject merchandise in China. Foreign producer questionnaires were faxed to all 11 firms, and no responses were received. China began exporting structural steel beams to the United States in significant quantities beginning in 2000. According to petitioners, a Chinese producer, Angang New Steel, is currently planning to construct a new 750,000-ton beam mill soon.²

¹ No foreign producer questionnaires were received from firms in China.

² Petitioners' postconference brief, p. 37.

THE INDUSTRY IN GERMANY

There were six firms identified in the petition as producing the subject product in Germany. Five firms, Mannsteadt, Hoesch, Salzgitter, Staalstahl, and SWT, supplied data in response to Commission questionnaires, which (including forklift mast profiles) are presented in table VII-3. ***. *** produced structural steel beams throughout the period examined, but did not export the subject product to the United States. Sales of structural steel beams as a share of the individual firms' sales in the most recent fiscal year ranged from *** percent to *** percent. Sales of products other than structural steel beams produced on equipment and machinery used in the production of structural steel beams as a share of the individual firms' sales ranged from *** percent to *** percent. Principal export markets other than the United States include ***.

Table VII-3

Structural steel beams: Aggregate reported data for German production capacity, production, shipments, and inventories, 1999-2001 and projected 2002-03

* * * * *

***.³ Production of forklift mast profiles represented approximately *** percent of all structural steel beam production in Germany in 2001.

THE INDUSTRY IN LUXEMBOURG

Two firms were identified in the petition as producing the subject merchandise in Luxembourg. One firm, ProfilARBED, provided data in response to the Commission's questionnaire, which are presented in table VII-4.⁴ ARBED S.A. of Luxembourg, the parent company of ProfilARBED and TradeARBED, merged with Spain's Aceralia Corporacion Siderurgia S.A. (Aceralia) and France's Usinor S.A. on February 18, 2002, to form Arcelor.⁵ *** percent of its total sales in its most recent fiscal year was represented by sales of structural steel beams. Products produced on equipment that is used to produce structural steel beams include ***. Sales of those products other than structural steel beams outside the scope of these investigations accounted for approximately *** percent of ProfilARBED's total net sales. ProfilARBED estimates that it accounted for *** percent of Luxembourg's structural steel beams production in 2001 and *** of Luxembourg's exports to the United States in 2001. Reported principal export markets other than the United States are ***.

³ ***.

⁴ AREA S.A., an affiliated structural steel beams producer of ProfilARBED, was the second firm named in the petition.

⁵ See press release dated February 18, 2002, as obtained online at <http://www.arcelor.com>: *First Listing of Arcelor*. On February 18, 2002, new shares of Arcelor were admitted on the listing of various European stock exchanges, thus concretizing the actual integration of Aceralia, ARBED, and Usinor. For sales and distribution purposes, TradeARBED will be integrated into Arcelor International, which will be comprised of operating units that have acted independently before the merger. Arcelor's chief executive, Guy Dollé, stated that Arcelor has no short-term interests in acquisitions in the United States, but does have medium-term interests in expansion in the United States. See *Arcelor Weighing Moves In U.S. and Europe* dated February 22, 2002, as obtained online at <http://www.amm.com>.

Table VII-4

Structural steel beams: Luxembourg producer ProfiARBED's production capacity, production, shipments, and inventories, 1999-2001 and projected 2002-03

* * * * *

THE INDUSTRY IN RUSSIA

Three Russian firms were identified in the petition as producing structural steel beams in Russia. One firm, Tagil, supplied data in response to Commission questionnaires, which are presented in table VII-5. Approximately *** percent of Tagil's total sales in its most recent fiscal year was represented by sales of structural steel beams. Products produced on equipment that is used to produce structural steel beams include ***. Sales of those products accounted for approximately *** percent of Tagil's total net sales. Tagil estimates that it accounted for *** percent of the total production of structural steel beams in Russia in 2001 and *** percent of the total exports of structural steel beams to the United States. Its principal export market other than the United States is ***. Russia's exports of beams are reported to have been subject to antidumping duties in Korea and Taiwan since 1997 and 1998, respectively.⁶

Table VII-5

Structural steel beams: Russian producer Tagil's production capacity, production, shipments, and inventories, 1999-2001 and projected 2002-03

* * * * *

Since February 1999, Russian beam producers have been covered under the Agreement Concerning Trade in Certain Steel Products from the Russian Federation, which provides for 68,839 metric tons of exports of structural steel beams in 2001. Based on the agreement, Tagil has allocated *** short tons of exports to the United States in 2002, which is projected to account for *** percent of its total shipments in that year. Petitioners allege that the Russian Government is attempting to renegotiate the agreement or have it terminated.⁷

THE INDUSTRY IN SOUTH AFRICA

There are two producers of structural steel beams in South Africa, ISCOR-Newcastle and Highveld.⁸ Data from Highveld supplied in response to the Commission's questionnaire are provided in table VII-6. Approximately *** percent of Highveld's total sales in its most recent fiscal year was represented by sales of ***.⁹ Products produced on equipment that is used to produce structural steel beams include ***. Sales of those products accounted for approximately *** percent of Highveld's total net sales. Highveld estimates that it accounted for *** percent of structural steel beam production in South Africa in 2001 and *** percent of South Africa's exports of structural steel beams to the United

⁶ Petitioners' prehearing brief, vol. 1, p. 58.

⁷ Petition, vol. 1, p. 18, and petitioners' postconference brief, p. 42.

⁸ Highveld's postconference brief, p. 6.

⁹ Highveld did not report the share of total sales in its most recent fiscal year attributable to structural steel beams.

Table VII-6

Structural steel beams: South African producer Highveld's production capacity, production, shipments, and inventories, 1999-2001 and projected 2002-03

* * * * *

States in 2001. Its principal export markets other than the United States are ***. Highveld's exports of wide flange beams are reported to be subject to antidumping duties in Australia.¹⁰

THE INDUSTRY IN SPAIN

Of the three firms identified in the petition as producing structural steel beams in Spain, two provided data in response to Commission questionnaires. Data for Aceralia and the Compania Espanola de Laminacion, S.L. (CELSA) are presented in table VII-7. *** of structural steel beams to the United States.¹¹ Aceralia reported that *** percent of its total sales in its most recent fiscal year was represented by sales of structural steel beams. Products produced on equipment that was used to produce structural steel beams include ***. Sales of those products accounted for approximately *** percent of Aceralia's total net sales. Aceralia estimates that it accounted for *** percent of Spain's production of structural steel beams in 2001 and *** percent of Spain's exports of structural steel beams to the United States in 2001. Its principal market other than the United States is ***. CELSA estimated it accounted for *** percent of the production of structural steel beams in 2001 and *** percent of the exports to the United States; structural steel beams accounted for *** percent of the firm's sales in 2001.

Table VII-7

Structural steel beams: Spanish producers' production capacity, production, shipments, and inventories, 1999-2001 and projected 2002-03

* * * * *

THE INDUSTRY IN TAIWAN

The petition identified three firms, Kuei Yi Industrial Co. Ltd., Tang Eng Iron Works Co., Ltd., and Tung Ho Steel Enterprise Corp. (Tung Ho) as producing structural steel beams in Taiwan. Questionnaires were sent to those firms, but only Tung Ho supplied data in response to Commission questionnaires. These data are presented in table VII-8. Tung Ho reported *** percent of its sales in its most recent fiscal year was represented by sales of structural steel beams. Products produced on equipment that was used to produce structural steel beams include ***. Sales of those products accounted for approximately *** percent of Tung Ho's total net sales. ***. It estimates that it accounted for *** percent of Taiwan's production of structural steel beams in 2001 and *** percent of Taiwan's exports of structural steel beams to the United States in 2001 (although its reported exports equaled *** percent of U.S. imports from Taiwan in 2000). Its principal export markets other than the United States are ***. Counsel for respondents reported that a devastating earthquake in Taiwan in September 1999 created an immediate and sustained need for structural steel beams in the Taiwan market, as concrete structural supports cannot be used in construction in areas prone to earthquakes.¹²

¹⁰ Petitioners' prehearing brief, vol. 1, p. 58.

¹¹ Aceralia's postconference brief, pp. 1-4.

¹² Duferdofin's postconference brief, pp. 12-13.

Table VII-8

Structural steel beams: Taiwan producer Tung Ho's production capacity, production, shipments, and inventories, 1999-2001 and projected 2002-03

* * * * *

U.S. IMPORTERS' INVENTORIES OF PRODUCT FROM SUBJECT COUNTRIES

Reported inventories held by U.S. importers of merchandise from Germany, Russia, South Africa, and Spain are shown in table VII-9. Reporting importers of structural steel beams from China, Luxembourg, and Taiwan did not have any inventory holdings. In particular, *** does not keep any inventories.¹³ Inventories of imports from subject sources increased substantially—almost doubling between 1999 and 2000.

U.S. IMPORTERS' EXPECTED DELIVERIES

The Commission requested that importers list any expected deliveries of structural steel beams from subject countries after December 31, 2001. The following quantities (in *short tons*) of structural steel beams were reported on order: 66 short tons of *** from Germany, *** short tons from South Africa, and *** short tons from Spain. ***.

¹³ ***.

Table VII-9

Structural steel beams: U.S. importers' end-of-period inventories of imports, by sources, 1999-2001

Item	Calendar year		
	1999	2000	2001
Imports from Germany:			
Inventories (<i>short tons</i>)	***	***	***
Ratio to imports (<i>percent</i>) ¹	***	***	***
Ratio to U.S. shipments of imports (<i>percent</i>) ¹	***	***	***
Imports from Russia:			
Inventories (<i>short tons</i>)	***	***	***
Ratio to imports (<i>percent</i>)	***	***	***
Ratio to U.S. shipments of imports (<i>percent</i>)	***	***	***
Imports from South Africa:			
Inventories (<i>short tons</i>)	***	***	***
Ratio to imports (<i>percent</i>)	***	***	***
Ratio to U.S. shipments of imports (<i>percent</i>)	***	***	***
Imports from Spain:			
Inventories (<i>short tons</i>)	***	***	***
Ratio to imports (<i>percent</i>)	***	***	***
Ratio to U.S. shipments of imports (<i>percent</i>)	***	***	***
Imports from subject sources:			
Inventories (<i>short tons</i>)	6,857	12,441	8,144
Ratio to imports (<i>percent</i>) ¹	2.3	1.7	3.3
Ratio to U.S. shipments of imports (<i>percent</i>) ¹	2.3	1.8	3.7
Imports from all other sources:			
Inventories (<i>short tons</i>)	***	***	*** ²
Ratio to imports (<i>percent</i>)	***	***	*** ³
Ratio to U.S. shipments of imports (<i>percent</i>)	***	***	*** ³
Imports from all sources:			
Inventories (<i>short tons</i>)	***	***	*** ²
Ratio to imports (<i>percent</i>) ¹	***	***	*** ³
Ratio to U.S. shipments of imports (<i>percent</i>) ¹	***	***	*** ³
¹ Calculated only using data of firms reporting structural steel beam data to the Commission (i.e., not including exports of forklift mast profiles to firms that did not complete an importer questionnaire). ² Inventories and shipments are not available for *** beams in 2001. Inventories of Italian beams in 2000 were *** short tons. ³ Ratios exclude Italy.			
<p>Note.—Because of rounding, figures may not add to the totals shown. There were no inventories held by reporting importers of structural steel beams from China, Luxembourg, or Taiwan; however, reported imports and shipments for China, Luxembourg, and Taiwan are included in the inventory ratios for all subject sources.</p>			
Source: Compiled from data submitted in response to Commission questionnaires.			

APPENDIX A

FEDERAL REGISTER NOTICES

United States is materially retarded, by reason of less-than-fair-value imports from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan of certain structural steel beams, provided for in subheadings 7216.32.00, 7216.33.00, 7216.50.00, 7216.61.00, 7216.69.00, 7216.91.00, 7216.99.00, 7228.70.30, and 7228.70.60 of the Harmonized Tariff Schedule of the United States.¹

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

EFFECTIVE DATE: December 28, 2001.

FOR FURTHER INFORMATION CONTACT: D.J. Na (202-708-4727), Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000. General information concerning the Commission may also be obtained by accessing its internet server (<http://www.usitc.gov>). The public record for these investigations may be viewed on the Commission's electronic docket (EDIS-ON-LINE) at <http://dockets.usitc.gov/eol/public>.

SUPPLEMENTARY INFORMATION:

¹ For purposes of these investigations, the Department of Commerce has defined the subject merchandise as "doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes. All the products that meet the physical and metallurgical descriptions provided above are within the scope of these investigations unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of these investigations: (1) Structural steel beams greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural steel beams that have additional weldments, connectors or attachments to I-sections, H-sections, or pilings; however, if the only additional weldment, connector or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector or attachment."

**INTERNATIONAL TRADE
COMMISSION**

[Investigations Nos. 731-TA-935-942
(Final)]

**Certain Structural Steel Beams From
China, Germany, Italy, Luxembourg,
Russia, South Africa, Spain, and
Taiwan**

AGENCY: United States International
Trade Commission.

ACTION: Scheduling of the final phase of
antidumping investigations.

SUMMARY: The Commission hereby gives notice of the scheduling of the final phase of antidumping investigations Nos. 731-TA-935-942 (Final) under section 735(b) of the Tariff Act of 1930 (19 U.S.C. 1673d(b)) (the Act) to determine whether an industry in the United States is materially injured or threatened with material injury, or the establishment of an industry in the

Background

The final phase of these investigations is being scheduled as a result of affirmative preliminary determinations by the Department of Commerce that imports of certain structural steel beams from China, Germany, Russia, South Africa, and Taiwan are being sold in the United States at less than fair value within the meaning of section 733 of the Act (19 U.S.C. 1673b). The investigations were requested in a petition filed on May 23, 2001, by Northwestern Steel & Wire Co., Sterling, IL; Nucor Corp., Charlotte, NC; Nucor-Yamato Steel Co., Blytheville, AR; and TXI-Chaparral Steel Co., Midlothian, TX.

Although the Department of Commerce has preliminarily determined that imports of certain structural steel beams from Italy, Luxembourg,² and Spain are not being and are not likely to be sold in the United States at less than fair value, for purposes of efficiency the Commission hereby waives rule 207.21(b)³ so that the final phase of the investigations may proceed concurrently in the event that Commerce makes final affirmative determinations with respect to such imports.

Participation in the investigations and public service list.—Persons, including industrial users of the subject merchandise and, if the merchandise is sold at the retail level, representative consumer organizations, wishing to participate in the final phase of these investigations as parties must file an entry of appearance with the Secretary to the Commission, as provided in § 201.11 of the Commission's rules, no later than 21 days prior to the hearing date specified in this notice. A party that filed a notice of appearance during the preliminary phase of these investigations need not file an additional notice of appearance during this final phase. The Secretary will maintain a public service list containing the names and addresses of all persons, or their representatives, who are parties to the investigations.

Limited disclosure of business proprietary information (BPI) under an administrative protective order (APO) and BPI service list.—Pursuant to § 207.7(a) of the Commission's rules, the

Secretary will make BPI gathered in the final phase of these investigations available to authorized applicants under the APO issued in the investigations, provided that the application is made no later than 21 days prior to the hearing date specified in this notice. Authorized applicants must represent interested parties, as defined by 19 U.S.C. 1677(9), who are parties to the investigations. A party granted access to BPI in the preliminary phase of the investigations need not reapply for such access. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

Staff report.—The prehearing staff report in the final phase of these investigations will be placed in the nonpublic record on May 1, 2002, and a public version will be issued thereafter, pursuant to § 207.22 of the Commission's rules.

Hearing.—The Commission will hold a hearing in connection with the final phase of these investigations beginning at 9:30 a.m. on May 15, 2002, at the U.S. International Trade Commission Building. Requests to appear at the hearing should be filed in writing with the Secretary to the Commission on or before May 6, 2002. A nonparty who has testimony that may aid the Commission's deliberations may request permission to present a short statement at the hearing. All parties and nonparties desiring to appear at the hearing and make oral presentations should attend a prehearing conference to be held at 9:30 a.m. on May 8, 2002, at the U.S. International Trade Commission Building. Oral testimony and written materials to be submitted at the public hearing are governed by §§ 201.6(b)(2), 201.13(f), and 207.24 of the Commission's rules. Parties must submit any request to present a portion of their hearing testimony *in camera* no later than 7 days prior to the date of the hearing.

Written Submissions

Each party who is an interested party shall submit a prehearing brief to the Commission. Prehearing briefs must conform with the provisions of § 207.23 of the Commission's rules; the deadline for filing is May 8, 2002. Parties may also file written testimony in connection with their presentation at the hearing, as provided in § 207.24 of the Commission's rules, and posthearing briefs, which must conform with the provisions of § 207.25 of the Commission's rules. The deadline for filing posthearing briefs is May 22, 2002; witness testimony must be filed no later than three days before the

hearing. In addition, any person who has not entered an appearance as a party to the investigations may submit a written statement of information pertinent to the subject of the investigations on or before May 22, 2002. On June 10, 2002, the Commission will make available to parties all information on which they have not had an opportunity to comment. Parties may submit final comments on this information on or before June 12, 2002, but such final comments must not contain new factual information and must otherwise comply with § 207.30 of the Commission's rules. All written submissions must conform with the provisions of § 201.8 of the Commission's rules; any submissions that contain BPI must also conform with the requirements of §§ 201.6, 207.3, and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means.

In accordance with §§ 201.16(c) and 207.3 of the Commission's rules, each document filed by a party to the investigations must be served on all other parties to the investigations (as identified by either the public or BPI service list), and a certificate of service must be timely filed. The Secretary will not accept a document for filing without a certificate of service.

Authority: These investigations are being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to § 207.21 of the Commission's rules.

By order of the Commission.

Issued: February 1, 2002.

Marilyn R. Abbott,

Acting Secretary.

[FR Doc. 02-2921 Filed 2-6-02; 8:45 am]

BILLING CODE 7020-02-P

² Although Commerce initially made an affirmative dumping determination, it published an amended preliminary determination of sales at not less than fair value on January 31, 2002.

³ Section 207.21(b) of the Commission's rules provides that, where the Department of Commerce has issued a negative preliminary determination, the Commission will publish a final phase Notice of Scheduling upon receipt of an affirmative final determination from Commerce.

DEPARTMENT OF COMMERCE**International Trade Administration**

[A-570-869]

Notice of Final Determination of Sales at Less Than Fair Value: Structural Steel Beams From the People's Republic of China

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

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

SUMMARY: On December 28, 2001, the Department of Commerce published its preliminary determination of sales at less than fair value of structural steel beams from the People's Republic of China. The period of investigation is October 1, 2000, through March 31, 2001.

Based on our analysis of the comments received from the respondent and the petitioners, we have made changes in the margin calculations. Therefore, the final determination differs from the preliminary determination. Furthermore, we determine that structural steel beams from the People's Republic of China are being, or are 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.

EFFECTIVE DATE: May 20, 2002.

FOR FURTHER INFORMATION CONTACT: Lyn Johnson, Catherine Cartos, or Richard Rimlinger, AD/CVD Enforcement Group I, Office 3, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-4733.

SUPPLEMENTARY INFORMATION:**The Applicable Statute and Regulations**

Unless otherwise indicated, all citations to the Act, are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 by the Uruguay Round Agreements Act. In addition, unless otherwise indicated, all citations to the regulations of the Department of Commerce (the Department) are to 19 CFR part 351 (April 2001).

Case History

The preliminary determination in this investigation was issued on December 28, 2001. See *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Structural Steel Beams*

from The People's Republic of China, 66 FR 67197 (December 28, 2001) (*Preliminary Determination*).

On January 4, 2002, we issued a supplemental questionnaire to which respondent, Maanshan Iron and Steel Co., Ltd. (Maanshan), responded on January 8, 2002.

On January 7, 2002, the Department received from Maanshan a timely allegation of ministerial errors in the *Preliminary Determination*. Because we agreed with the respondent's ministerial-error allegations, we revised the margin calculations for the final determination to reflect the correction of these ministerial errors. See the *Ministerial Error Comments Decision Memorandum* dated January 24, 2002.

In January 2002, we conducted verification of the questionnaire responses of the sole respondent in this case, Maanshan.

On March 15, and 21, 2002, we received a case brief from the respondent and the petitioners (the Committee for Fair Beam Imports and its individual members), respectively. On March 20, 2002, the Department received a letter from the petitioners requesting that all or portions of the case brief submitted by the respondent be stricken from the record of the investigation because it contained new factual information. On March 22, 2002, in accordance with 19 CFR 351.301(b)(1) and (c)(1)(i), we sent a letter notifying the respondent that we were rejecting certain parts of the case brief because it contained untimely filed new factual information. See the letter from Laurie Parkhill dated March 22, 2002, rejecting certain parts of Maanshan's case brief. On March 25, 2002, the petitioners filed a rebuttal brief. On March 26, 2002, Maanshan submitted a rebuttal brief. On the same day it also submitted a revised case brief which redacted the new factual information.

Scope of Investigation

The scope of this investigation covers doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes. All the products that meet the physical and metallurgical descriptions provided above are within the scope of this investigation unless

otherwise excluded. The following products are outside and/or specifically excluded from the scope of this investigation: (1) Structural steel beams greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural steel beams that have additional weldments, connectors, or attachments to I-sections, H-sections, or pilings; however, if the only additional weldment, connector or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector, or attachment.

The merchandise subject to this investigation is classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings 7216.32.0000, 7216.33.0030, 7216.33.0060, 7216.33.0090, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7228.70.3040, and 7228.70.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Scope Comments

Prior to the preliminary determination in a concurrent structural steel beams investigation requested that the following products be excluded from the scope of the investigations: (1) Beams of grade A913/65 and (2) forklift mast profiles. We preliminarily found that both products fell within the scope of this investigation. Because we have received no further scope comments in this proceeding, we are making a final determination that these products fall within the scope of this investigation. Our analysis has not changed since our preliminary determination.

Period of Investigation

The period of investigation is October 1, 2000, through March 31, 2001.

Analysis of Comments Received

All issues raised in the case briefs by the parties to this proceeding and to which we have responded are listed in the Appendix to this notice and addressed in the *Decision Memorandum* which is adopted by this notice. Parties can find a complete discussion of the issues raised in this investigation and the corresponding recommendations in this public memorandum, which is on file in the Central Records Unit, room B-099 of the main Commerce Building. In addition, a complete version of the *Decision Memorandum* can be accessed

directly on the Web at <http://ia.ita.doc.gov/frn/>. The paper copy and electronic version of the *Decision Memorandum* are identical in content.

Changes Since the Preliminary Determination

Based on findings at verification and analysis of comments we received, we have made the adjustments described below to the margin calculations. See the *Decision Memorandum* for a discussion of these changes.

(1) We used the revised database files submitted by Manshaan on January 14, 2002, with the exception of revisions we made for the consumption usages of argon, nitrogen, and oxygen (see Comment 2 of the *Decision Memorandum*).

(2) We have used Bhoruka, an Indian manufacturer of industrial gases, to value oxygen, nitrogen, and argon for Maanshan instead of the United Nations Trade Commodity Statistics (UN Statistics). For the PRC-wide rate, we continue to use the UN Statistics.

(3) We recalculated labor expenses based on eight-hour workdays instead of six-and-a-half-hour workdays.

(4) We included the Steel Authority of India Limited (SAIL) as a surrogate company for valuing selling, general, and administrative costs, overhead costs, and profit; therefore, we calculated a simple average of the financial ratios based on data from SAIL and The Tata Iron and Steel Co. Ltd. (TATA).

(5) We have included commissions and other selling expenses in our calculated financial ratios for TATA since they are standard selling costs and properly categorized under SG&A in TATA's financial statements.

(6) With respect to surrogate values for material inputs, we have made the following changes: (a) We applied more recent data from the *United States Geological Survey 2000 Minerals Yearbook* to value slag, (b) we used the correct harmonized tariff number to value steel strap, and (c) we used a brokerage and handling cost based on bulk products instead of stainless steel products.

(7) We have excluded factor input prices from Korea, Thailand, and Indonesia when using the *Monthly Statistics of the Foreign Trade of India*. The Department has found that these countries maintain broadly available, non-industry-specific export subsidies. In prior decisions the Department found that the existence of these subsidies provide sufficient reason to believe or suspect that export prices from these countries are distorted. See *Final Determination of Sales at Less Than*

Fair Value: Certain Automotive Replacement Glass Windshields From the People's Republic of China, 67 FR 6482 (February 12, 2002), and accompanying *Issues and Decision Memorandum*.

Verification

As provided in section 782(i) of the Act, we verified the information submitted by the respondent for use in our final determination. We used standard verification procedures including examination of relevant accounting and production records, as well as original source documents provided by the respondent.

Separate Rates

In our preliminary determination, we found that the respondent had met the criteria for the application of a separate antidumping duty rate. For a more detailed discussion, see the Department's *Preliminary Determination*.

PRC-Wide Rate and Adverse Facts Available

For the reasons set forth in the *Preliminary Determination*, we continue to find that the use of adverse facts available for the calculation of the PRC-wide rate is appropriate. See the *Preliminary Determination* for further discussion of this topic. As adverse facts available we used price quotations for U.S. price which the petitioners obtained from a producer of the subject merchandise. We corroborated the petitioners' price quotations with data submitted by Maanshan in its questionnaire response. The price quotations fell within the range of export prices reported by Maanshan and are therefore reliable and relevant. For normal value we used the factors of production reported by Maanshan and applied the valuations which we used to calculate normal value for Maanshan, with the exception of the factor valuations which we used for argon, nitrogen, and oxygen. With respect to Maanshan, as explained in response to Comment 2 in the *Decision Memorandum*, we used values based on the prices charged by an Indian producer of the gases in question. These prices were substantially lower than the average values we derived for argon, nitrogen, and oxygen based on the UN Statistics data and which we used in the *Preliminary Determination*. As adverse facts available, to calculate the PRC-wide rate, we have continued to value argon, nitrogen, and oxygen using the UN Statistics data because these represent the highest values on record for these particular gases. We have used

the highest values for the gases in question as an adverse inference for situations where respondents do not cooperate to the best of their ability. Because this information is based on official data compiled by the United Nations we consider it to be corroborated. Using this data, we have calculated a PRC-wide rate of 89.17 percent.

Final Determination Margins

We determine that the following percentage weighted-average margins exist for the period October 1, 2000, through March 31, 2001:

Manufacturer/exporter	Margin (percent)
Maanshan	0.00
PRC-wide rate	89.17

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we are directing the Customs Service to continue to suspend liquidation of all entries of structural steel beams from the PRC, except for subject merchandise produced and exported by Maanshan (which has no margin and is excluded from this determination), that are entered, or withdrawn from warehouse, for consumption on or after the publication date of this final determination in the **Federal Register**. The Customs Service shall continue to require a cash deposit or the posting of a bond based on the estimated weighted-average dumping margins shown above. The suspension-of-liquidation instructions will remain in effect until further notice.

ITC Notification

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

This notice serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing this determination and notice in accordance with sections 735(d) and 777(i) of the Act.

Dated: May 13, 2002.

Faryar Shirzad,
Assistant Secretary for Import
Administration.

Appendix

- A. Comment 1: New Factual Information
- B. Comment 2: Valuation of Oxygen, Nitrogen, and Argon
- C. Comment 3: Labor Calculation
- D. Comment 4: Surrogate Company Selection for Financial Data
- E. Comment 5: Financial-Ratio Calculations
- F. Comment 6: By-Product Yields
- G. Surrogate Values Selection
 - Comment 7: Slag
 - Comment 8: Iron Dust and Iron Scale
 - Comment 9: Steel Strap
 - Comment 10: Iron Ore
 - Comment 11: Brokerage and Handling Expenses
- H. Comment 12: Value of Iron Ore

[FR Doc. 02-12590 Filed 5-17-02; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-475-831]

Notice of Final Determination of Sales at Not Less Than Fair Value: Structural Steel Beams from Italy

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

ACTION: Notice of Final Determination of Sales at Not Less Than Fair Value.

SUMMARY: On December 28, 2001, the Department of Commerce published its preliminary determination of sales at not less than fair value of structural steel beams from Italy. The period of investigation is April 1, 2000, through March 31, 2001.

Based on our analysis of the comments received, we have made changes in the margin calculations. Therefore, the final determination differs from the preliminary

determination. The final weighted-average dumping margin is listed below in the section entitled "*Final Determination Margin.*"

EFFECTIVE DATE: May 20, 2002.

FOR FURTHER INFORMATION CONTACT: Mike Strollo, AD/CVD Enforcement Group I, Office 2, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-0629.

SUPPLEMENTARY INFORMATION:

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the regulations of the Department of Commerce (the Department) are to 19 CFR Part 351 (April 2001).

Final Determination:

We determine that structural steel beams from Italy are not being, nor are likely to be, sold in the United States at less than fair value (LTFV), as provided in section 735 of the Act.

Case History

The preliminary determination in this investigation was issued on December 19, 2001. See *Notice of Preliminary Determination of Sales at Not Less Than Fair Value and Postponement of Final Determination: Structural Steel Beams From Italy*, 66 FR 67185 (Dec. 28, 2001) (*Preliminary Determination*).

From January through March 2002, we conducted verification of the questionnaire responses of the sole respondent in this case, Duferdofin SpA (Duferdofin).

In April 2002, we received a case brief from the petitioners (the Committee for Fair Beam Imports and its individual members). We also received a rebuttal brief from Duferdofin.

The Department held a public hearing on April 24, 2002, at the request of the petitioners.

Scope of Investigation

The scope of this investigation covers doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These

structural steel beams include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes. All the products that meet the physical and metallurgical descriptions provided above are within the scope of this investigation unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of this investigation: (1) Structural steel beams greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural steel beams that have additional weldments, connectors, or attachments to I-sections, H-sections, or pilings; however, if the only additional weldment, connector or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector, or attachment.

The merchandise subject to this investigation is classified in the *Harmonized Tariff Schedule of the United States* ("HTSUS") at subheadings 7216.32.0000, 7216.33.0030, 7216.33.0060, 7216.33.0090, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7228.70.3040, and 7228.70.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Scope Comments

Prior to the preliminary determination in this case, interested parties in this and the concurrent structural steel beams investigations requested that the following products be excluded from the scope of the investigations: (1) beams of grade A913/65 and (2) forklift mast profiles. We preliminarily found that both products fell within the scope of this investigation. Because we have received no further scope comments in this proceeding, we are making a final determination that these products fall within the scope of this investigation.

Period of Investigation

The period of investigation is April 1, 2000, through March 31, 2001, which corresponds to Duferdofin's four most recent fiscal quarters prior to the month of the filing of the petition (*i.e.*, May 2001).

Analysis of Comments Received

All issues raised in the case briefs by parties to this proceeding and to which

we have responded are listed in the Appendix to this notice and addressed in the Decision Memorandum, which is adopted by this notice. Parties can find a complete discussion of the issues raised in this investigation and the corresponding recommendations in this public memorandum, which is on file in the Central Records Unit, room B-099 of the main Commerce Building. In addition, a complete version of the Decision Memorandum can be accessed directly on the Web at <http://ia.ita.doc.gov/frn/index.html>. The paper copy and electronic version of the Decision Memorandum are identical in content.

Changes Since the Preliminary Determination

Based on our analysis of comments received, we have made certain changes to the margin calculations. For a discussion of these changes, see the "Margin Calculations" section of the Decision Memorandum.

Verification

As provided in section 782(i) of the Act, we verified the information submitted by the respondent for use in our final determination. We used standard verification procedures including examination of relevant accounting records, production records, and original source documents provided by the respondent.

Final Determination Margin

We determine that the following percentage weighted-average margin exists:

Manufacturer/exporter	Margin (percent)
Duferdofin SpA	0.33

Suspension of Liquidation

Because the estimated weighted-average dumping margin for the investigated company is 0.33 percent (*de minimis*), we are not directing the Customs Service to suspend liquidation of entries of structural steel beams from Italy.

ITC Notification

In accordance with section 735(d) of the Act, we have notified the International Trade Commission (ITC) of our determination.

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely

written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing this determination and notice in accordance with sections section 735(d) and 777(i) of the Act.

Dated: May 13, 2002

Faryar Shirzad,
Assistant Secretary for Import
Administration.

Appendix Issues in the Decision Memorandum

Comment 1: Classification of the Shape of Products Sold in the Home Market

Comment 2: Home Market Rebates

Comment 3: Home Market Discounts

Comment 4: Commission Expenses

Comment 5: Home Market Credit

Expenses

Comment 6: Reclassification of U.S.

Quality Codes

Comment 7: International Freight Costs

Comment 8: U.S. Credit Expenses

Comment 9: U.S. Dates of Payment for Unpaid Sales

Comment 10: Expenses Related to the Sale of Certain Assets in the United States

Comment 11: U.S. Indirect Selling Expenses

[FR Doc. 02-12591 Filed 5-17-02; 8:45 am]

BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

International Trade Administration

[A-469-811]

Notice of Final Determination of Sales at Less Than Fair Value: Structural Steel Beams from Spain

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

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

SUMMARY: On December 28, 2001, the Department of Commerce published its preliminary determination of sales at not less than fair value of structural steel beams from Spain. The period of investigation is April 1, 2000, through March 31, 2001.

Based on our analysis of the comments received, we have made changes in the margin calculations. Therefore, the final determination differs from the preliminary determination. The final weighted-average dumping margins are listed below in the section entitled "Final Determination Margins."

EFFECTIVE DATE: May 20, 2002.

FOR FURTHER INFORMATION CONTACT:
Mike Strollo, AD/CVD Enforcement
Group I, Office 2, Import
Administration, International Trade
Administration, U.S. Department of
Commerce, 14th Street and Constitution
Avenue, N.W., Washington, D.C. 20230;
telephone: (202) 482-0629.

SUPPLEMENTARY INFORMATION:

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the regulations of the Department of Commerce (the Department) are to 19 CFR Part 351 (April 2001).

Final Determination:

We determine that structural steel beams from Spain are being, or are likely to be, sold in the United States at less than fair value (LTFV), as provided in section 735 of the Act.

Case History

The preliminary determination in this investigation was issued on December 19, 2001. See *Notice of Preliminary Determination of Sales at Not Less Than Fair Value and Postponement of Final Determination: Structural Steel Beams From Spain*, 66 FR 66207 (Dec. 28, 2001) (Preliminary Determination).

From January through March 2002, we conducted verification of the questionnaire responses of the sole respondent in this case, Aceralia Corporacion Siderurgica, S.A. (Aceralia).

In April 2002, we received case and rebuttal briefs from the petitioners (the Committee for Fair Beam Imports and its individual members) and Aceralia. The Department held a public hearing on April 16, 2002, at the request of the petitioners and Aceralia.

Scope of Investigation

The scope of this investigation covers doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes. All the products that meet the physical and metallurgical

descriptions provided above are within the scope of this investigation unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of this investigation: (1) Structural steel beams greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural steel beams that have additional weldments, connectors, or attachments to I-sections, H-sections, or pilings; however, if the only additional weldment, connector or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector, or attachment.

The merchandise subject to this investigation is classified in the *Harmonized Tariff Schedule of the United States* ("HTSUS") at subheadings 7216.32.0000, 7216.33.0030, 7216.33.0060, 7216.33.0090, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7228.70.3040, and 7228.70.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Scope Comments

Prior to the preliminary determination in this case, interested parties in this and the concurrent structural steel beams investigations requested that the following products be excluded from the scope of the investigations: (1) beams of grade A913/65 and (2) forklift mast profiles. We preliminarily found that both products fell within the scope of this investigation. Because we have received no further scope comments in this proceeding, we are making a final determination that these products fall within the scope of this investigation.

Period of Investigation

The period of investigation is April 1, 2000, through March 31, 2001, which corresponds to Aceralia's four most recent fiscal quarters prior to the month of the filing of the petition (*i.e.*, May 2001).

Analysis of Comments Received

All issues raised in the case briefs by parties to this proceeding and to which we have responded are listed in the Appendix to this notice and addressed in the Decision Memorandum, which is adopted by this notice. Parties can find a complete discussion of the issues raised in this investigation and the corresponding recommendations in this

public memorandum, which is on file in the Central Records Unit, room B-099 of the main Commerce Building. In addition, a complete version of the Decision Memorandum can be accessed directly on the Web at <http://ia.ita.doc.gov/frn/index.html>. The paper copy and electronic version of the Decision Memorandum are identical in content.

Changes Since the Preliminary Determination

Based on our analysis of comments received, we have made certain changes to the margin calculations. For a discussion of these changes, see the "Margin Calculations" section of the Decision Memorandum.

Verification

As provided in section 782(i) of the Act, we verified the information submitted by the respondent for use in our final determination. We used standard verification procedures including examination of relevant accounting records, production records, and original source documents provided by the respondent.

Final Determination Margins

We determine that the following percentage weighted-average margins exist:

Manufacturer/exporter	Margin (percent)
Aceralia Corporacion Siderurgica, S.A.	5.19
All Others	5.19

In accordance with section 735(c)(5)(A), we have based the "all others" rate on the dumping margin found for the sole producer/exporter investigated in this proceeding, Aceralia.

Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we are directing the Customs Service to suspend liquidation of all entries of structural steel beams from Spain that are entered, or withdrawn from warehouse, for consumption on or after the publication date of this final determination. The Customs Service shall require a cash deposit or the posting of a bond based on the estimated weighted-average dumping margins shown above. The suspension of liquidation instructions will remain in effect until further notice.

ITC Notification

In accordance with section 735(d) of the Act, we have notified the

International Trade Commission (ITC) of our determination. As our final determination is affirmative, the ITC will determine, within 75 days, whether these imports are causing material injury, or threat of material injury, to an industry in the United States. If the ITC determines that material injury or threat of injury does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing Customs officials to assess antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing this determination and notice in accordance with sections section 735(d) and 777(i) of the Act.

Dated: May 13, 2002

Faryar Shirzad,
Assistant Secretary for Import
Administration.

Appendix Issues in the Decision Memorandum

Comment 1: Level of Trade in the Home Market

Comment 2: Level of Trade for U.S. Sales/CEP Offset

Comment 3: Arm's Length Test

Comment 4: Strength Codes

Comment 5: Billing Adjustments

Comment 6: Home Market Rebates

Comment 7: Home Market and U.S. Freight Expenses

Comment 8: Inland Freight Expenses of the Affiliated Resellers

Comment 9: Home Market Credit Expenses

Comment 10: U.S. Rebates

Comment 11: U.S. Brokerage and Handling Expenses

Comment 12: U.S. Indirect Selling Expenses of Arbed Americas

Comment 13: Interest Expenses Included in U.S. Indirect Selling Expenses

Comment 14: Clerical Errors in the Preliminary Determination

Comment 15: Calculation of the Overall Dumping Margin

Comment 16: Calculation of Raw Materials Costs

Comment 17: Exchange Gains and Losses

Comment 18: Acceptance of Revised Sales Databases

[FR Doc. 02-12592 Filed 5-17-02; 8:45 am]

BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

International Trade Administration

[A-583-838]

Notice of Final Determination of Sales at Less Than Fair Value: Structural Steel Beams from Taiwan

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

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

SUMMARY: On December 28, 2001, the Department of Commerce published its preliminary determination of sales at less than fair value of structural steel beams from Taiwan. The period of investigation is April 1, 2000, through March 31, 2001.

Based on our analysis of the comments received, we have made changes in the margin calculations. Therefore, the final determination differs from the preliminary determination. The final weighted-average dumping margins for the investigated companies are listed below in the section entitled "Final Determination Margins."

EFFECTIVE DATE: May 20, 2002.

FOR FURTHER INFORMATION CONTACT: Rebecca Trainor or Kate Johnson, AD/CVD Enforcement Group I, Office 2, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-4007 or (202) 482-4929, respectively.

SUPPLEMENTARY INFORMATION:

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the regulations of the Department of Commerce (the Department) are to 19 CFR Part 351 (April 2001).

Final Determination:

We determine that structural steel beams from Taiwan are being, or are likely to be, sold in the United States at less-than-fair-value (LTFV), as provided in section 735 of the Act.

Case History

The preliminary determination in this investigation was issued on December 19, 2001. See *Notice of Preliminary Determination of Sales at Not Less Than Fair Value and Postponement of Final Determination: Structural Steel Beams From Taiwan*, 66 FR 67202 (December 28, 2001) (*Preliminary Determination*).

During the period January 19 - 30, 2002, we conducted verification of the questionnaire responses of Tung Ho Enterprise Corp. (Tung Ho), and Kuei Yi Industrial Co., Ltd. (Kuei Yi), the respondents in this case.

We received case and rebuttal briefs on April 18 and 24, 2002, respectively, from the petitioners (*i.e.*, the Committee for Fair Beam Imports and its individual members) and the respondents. On January 4, 11, and 28, 2002, Tung Ho, Kuei Yi, and the petitioners, respectively, requested a hearing. On April 15, 2002, Kuei Yi withdrew its request for a hearing. Both Tung Ho and the petitioners withdrew their requests on April 16, 2002.

Scope of Investigation

The scope of this investigation covers doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes. All the products that meet the physical and metallurgical descriptions provided above are within the scope of this investigation unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of this investigation: (1) structural steel beams greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural steel beams that have additional weldments, connectors, or attachments to I-sections, H-sections, or pilings; however, if the only additional weldment, connector or attachment on the beam is a shipping brace attached to maintain stability during transportation,

the beam is not removed from the scope definition by reason of such additional weldment, connector, or attachment.

The merchandise subject to this investigation is classified in the *Harmonized Tariff Schedule of the United States* ("HTSUS") at subheadings 7216.32.0000, 7216.33.0030, 7216.33.0060, 7216.33.0090, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7228.70.3040, and 7228.70.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Scope Comments

Prior to the preliminary determination in this case, interested parties in several of the concurrent structural steel beams investigations requested that the following products be excluded from the scope of the investigations: (1) beams of grade A913/65 and (2) forklift mast profiles. We preliminarily found that both products fell within the scope of this investigation. Because we have received no further scope comments in this proceeding, we are making a final determination that these products fall within the scope of this investigation.

Period of Investigation

The period of investigation is April 1, 2000, through March 31, 2001, which corresponds to the respondents' four most recent fiscal quarters prior to the month of the filing of the petition (*i.e.*, May 2001).

Analysis of Comments Received

All issues raised in the case briefs by parties to this proceeding and to which we have responded are listed in the Appendix to this notice and addressed in the "Issues and Decision Memorandum" (Decision Memorandum) from Richard W. Moreland, Deputy Assistant Secretary for Import Administration, to Faryar Shirzad, Assistant Secretary for Import Administration, dated May 13, 2002, which is adopted by this notice. Parties can find a complete discussion of the issues raised in this investigation and the corresponding recommendations in this public memorandum, which is on file in the Central Records Unit, room B-099 of the main Commerce Building. In addition, a complete version of the Decision Memorandum can be accessed directly on the Web at <http://ia.ita.doc.gov/frn/index.html>. The paper copy and electronic version of the Decision Memorandum are identical in content.

Changes Since the Preliminary Determination

Based on our analysis of comments received, we have made certain changes to the margin calculations. For a discussion of these changes, see the "Margin Calculations" section of the Decision Memorandum.

Verification

As provided in section 782(i) of the Act, we verified the information submitted by the respondent for use in our final determination. We used standard verification procedures including examination of relevant accounting and production records, and original source documents provided by the respondent.

Final Determination Margins

The weighted-average dumping margins are as follows:

Manufacturer/exporter	Margin (percent)
Kuei Yi Industrial Co., Ltd. <i>g</i>	15.32
Tung Ho Steel Enterprise Corp.	5.21
All Others	12.24

In accordance with section 735(c)(5)(A), we have based the "all others" rate on the dumping margins found for the producers/exporters investigated in this proceeding, Kuei Yi and Tung Ho.

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we are directing the Customs Service to continue to suspend liquidation of all entries of structural steel beams from Taiwan that are entered, or withdrawn from warehouse, for consumption on or after December 28, 2001, the publication date of the preliminary determination in the *Federal Register*. The Customs Service shall continue to require a cash deposit or the posting of a bond based on the estimated weighted-average dumping margins shown above. The suspension of liquidation instructions will remain in effect until further notice.

ITC Notification

In accordance with section 735(d) of the Act, we have notified the International Trade Commission (ITC) of our determination. As our final determination is affirmative, the ITC will determine within 45 days whether these imports are causing material injury, or threat of material injury, to an industry in the United States. If the ITC determines that material injury or threat of injury does not exist, the proceeding

will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing Customs officials to assess antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing this determination and notice in accordance with sections section 735(d) and 777(i) of the Act.

Dated: May 13, 2002

Faryar Shirzad,

Assistant Secretary for Import Administration.

Appendix Issues in the Decision Memorandum

Comments

*Comment 1:*Total Cost of Manufacturing Reconciliation
*Comment 2:*Scrap Offset
*Comment 3:*General and Administrative Expense Ratio
*Comment 4:*Home Market Payment Dates
*Comment 5:*Interest Expense
*Comment 6:*Correction to Interest Expense Ratio
*Comment 7:*Rental Expenses
*Comment 8:*Minor Correction to Rental Expenses
*Comment 9:*U.S. Imputed Credit Expenses
*Comment 10:*Correction of Clerical Error
 [FR Doc. 02-12593 Filed 5-17-02; 8:45 am]
 BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

International Trade Administration

[A-791-811]

Notice of Final Determination of Sales at Less Than Fair Value: Structural Steel Beams from South Africa

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

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

SUMMARY: On December 28, 2001, the Department of Commerce published the preliminary determination of sales at less than fair value of structural steel beams from South Africa. The period of investigation is April 1, 2000, through March 31, 2001. Based on our analysis of the comments received and certain findings from the verification, we have made changes in the margin calculations. Therefore, the final determination differs from the preliminary determination. We determine that structural steel beams from South Africa are being, or are likely to be, sold in the United States at less-than-fair-value prices as provided in section 735 of the Tariff Act of 1930, as amended. The estimated margins of sales at less than fair value are shown in the "Continuation of Suspension of Liquidation" section of this notice.

EFFECTIVE DATE: May 20, 2002.

FOR FURTHER INFORMATION CONTACT: J. David Dirstine, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-4033.

SUPPLEMENTARY INFORMATION:

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department of Commerce's (the Department's) regulations are to the provisions codified at 19 CFR Part 351 (April 2001).

Final Determination

We determine that structural steel beams (beams) from South Africa are being, or are likely to be, sold in the United States at less than fair value (LTFV) as provided in section 735 of the Act. The estimated margins of sales at LTFV are shown in the "Continuation of Suspension of Liquidation" section of this notice.

Scope of Investigation

The scope of this investigation covers doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched,

painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes. All the products that meet the physical and metallurgical descriptions provided above are within the scope of this investigation unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of this investigation: (1) structural steel beams greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural steel beams that have additional weldments, connectors or attachments to I-sections, H-sections, or pilings; however, if the only additional weldment, connector, or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector, or attachment.

Prior to the preliminary determination in this case, interested parties in this and the concurrent structural steel beams investigations requested that the following products be excluded from the scope of the investigations: (1) beams of grade A913/65 and (2) forklift mast profiles. We preliminarily found that both products fell within the scope of this investigation. Because we have received no further scope comments in this proceeding, we are making a final determination that these products fall within the scope of this investigation.

The merchandise subject to this investigation is classified in the *Harmonized Tariff Schedule of the United States* (HTSUS) at subheadings 7216.32.0000, 7216.33.0030, 7216.33.0060, 7216.33.0090, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7228.70.3040, and 7228.70.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Case History

On June 20, 2001, the Department published a notice of initiation of the investigation of sales at LTFV of structural steel beams from South Africa (66 FR 33048). We published in the Federal Register the preliminary determination in this investigation on December 28, 2001. See *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Structural Steel Beams from South Africa*, 66 FR 67213

(December 28, 2001) (*Preliminary Determination*). Since the publication of the *Preliminary Determination*, the following events have occurred.

On January 7, through 11, 2002, the Department conducted verification of the home-market sales of Highveld Steel and Vanadium Corporation, Ltd. (Highveld), the sole respondent in this investigation. See Memorandum from J. David Dirstine and Dunyako Ahmadu to the File, dated January 29, 2002, Re: Home-Market Verification of Highveld Steel and Vanadium Corporation. On February 11, through 15, 2002, the Department conducted a cost-of-production (COP) and constructed-value (CV) data verification of Highveld. See Memorandum from Laurens van Houten and Heidi Norris to Neal Halper, Director, Office of Accounting, dated March 18, 2002, Re: Verification Report on the Cost of Production and Constructed Value Data Submitted by Highveld Steel and Vanadium Corporation, Ltd. (*Cost Verification Memorandum*). On February 25, through 28, 2002, the Department conducted a U.S. sales data verification of Newco Steel Trading Co. (Newco), an affiliated U.S. reseller of merchandise produced by Highveld. See Memorandum from J. David Dirstine and Dunyako Ahmadu to the File, dated March 25, 2002, Re: United States Sales Verification of Highveld Steel and Vanadium Corporation.

On April 2, 2002, the petitioners, the Committee for the Fair Beam Imports and its individual members, and Highveld submitted their case briefs with respect to the verifications and the *Preliminary Determination*. On April 8, 2002, the petitioners and Highveld submitted rebuttal briefs with respect to the sales verifications and the *Preliminary Determination*. On April 9, 2002, we conducted a public hearing with a closed session with respect to the issues raised in the case briefs.

In a letter dated January 3, 2002, Highveld requested that the Department and Highveld enter into a suspension agreement pursuant 734(b) of the Act. The petitioners objected to Highveld's proposal in letters dated April 1, 2002, and February 14, 2002. After careful consideration and discussing the proposed agreement with the petitioners and Highveld, on April 15, 2002, the Department advised Highveld that it could not accept the proposed suspension agreement for various reasons.

Period of Investigation

The period of investigation (POI) is April 1, 2000, through March 31, 2001.

Analysis of Comments Received

All issues raised in the case briefs by parties to this investigation are addressed in a decision memorandum which is hereby adopted by this notice. See the Structural Steel Beams from South Africa Issues and Decisions Memorandum dated May 13, 2002 (*Issues and Decision Memorandum*). A list of the issues which parties raised, and to which we have responded, all of which are in the *Issues and Decision Memorandum*, is attached to this notice as an Appendix. Parties can find a complete discussion of all issues raised in this investigation and the corresponding recommendations in this public memorandum, which is on file in B-099. In addition, a complete version of the Decision Memorandum can be accessed directly on the internet at www.ita.doc.gov/import_admin/records/frn/. The paper copy and electronic version of the Decision Memorandum are identical in content.

Changes Since the Preliminary Determination

Based on our findings at verification and analysis of comments we received, we have made adjustments to the calculation methodology in calculating the final dumping margins for Highveld in this proceeding. See Final Analysis Memorandum for Highveld dated May 13, 2001 (*Final Analysis Memorandum*). These revisions are as follows:

1. We adjusted COP and CV with a credit for vanadium slag using a by-product methodology in the calculation of the total cost of manufacture. See *Issues and Decision Memorandum* at Comment 4 and Memorandum to the File from Laurens van Houten, Senior Accountant, Office of Accounting, dated May 13, 2002, Re: Cost of Production and Constructed Value Calculation Adjustments for the Final Determination (*Office of Accounting COP and CV Memorandum*).
2. We recalculated Highveld's reported fixed cost per ton. See *Issues and Decision Memorandum* at Comment 9 and *Office of Accounting COP and CV Memorandum*.
3. We revised the calculation of the general and administrative expense rate for Highveld based on information we obtained at the home-market Highveld verification. See *Issues and Decision Memorandum* at Comment 6 and *Office of Accounting COP and CV Memorandum*.
4. In accordance with the Department's long-standing practice, we recalculated Highveld's interest-expense ratio based on the net financing expenses and cost of sales from the audited fiscal-year

financial statements of the highest level of consolidation which corresponds most closely to the POI, *i.e.*, on the December 31, 2000, audited financial statements of Highveld's parent, Anglo American PLC. See *Issues and Decision Memorandum* at Comment 7 and *Office of Accounting COP and CV Memorandum*. 5. We eliminated equal angles and channels from both the home-market and U.S. sales databases as non-subject merchandise. See *Final Analysis Memorandum*.

6. Based on findings at verification at Highveld's offices in South Africa, we excluded certain sales reported incorrectly as export-price (EP) sales and included one EP sale that had been excluded incorrectly. See Highveld home-market sales verification report dated January 29, 2002 (*Highveld home-market sales verification report*).

7. Based on findings at the home-market verification, we used revised inventory carrying costs for this final determination. See *Highveld home-market sales verification report*.

8. Based on findings at the home-market verification, we used revised inland-freight expenses for certain EP sales. See *Highveld home-market sales verification report*.

9. Based on findings at the home-market verification we made a deduction from normal value for a per-ton levy paid to the South African Iron and Steel Institute applicable to home-market sales of structural beams. See *Highveld home-market sales verification report*.

Verification

As provided in section 782(i) of the Act, we verified the information submitted by Highveld for use in our final determination. We used standard verification procedures including examination of relevant accounting and production records, as well as original source documents provided by the respondents. For changes from the *Preliminary Determination* as a result of verification, see the "Changes Since the Preliminary Determination" section of this notice, above, and *Final Analysis Memorandum*.

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B)(ii) of the Act, we are directing the Customs Service to continue to suspend liquidation of all entries of subject merchandise from South Africa that are entered, or withdrawn from warehouses, for consumption on or after December 28, 2001, the date of publication of the preliminary determination in the *Federal Register*. The Customs Service

shall continue to require a cash deposit or posting of a bond equal to the estimated amount by which the normal value exceeds the U.S. price as shown below. This suspension-of-liquidation instruction will remain in effect until further notice.

The weighted-average dumping margins are as follows:

Exporter/manufacturer	Weighted-average percent margin
Highveld	5.17
All Others	5.17

ITC Notification

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

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

Dated: May 13, 2002

Faryar Shirzad,
Assistant Secretary for Import
Administration.

Appendix

- Comment 1: Affiliation*
- Comment 2: Indirect Selling Expenses*
- Comment 3: Understated Cost of Production (COP)*
- Comment 4: Byproduct Methodology v. Coproduct Methodology*
- Comment 5: Unallocated Costs*
- Comment 6: General and Administrative Expenses*
- Comment 7: Financial Expense Ratio*
- Comment 8: South African Iron and Steel Institute Domestic Sales Levy*
- Comment 9: Minor Errors Discovered at the Cost Verification*

[FR Doc. 02-12594 Filed 5-17-02; 8:45 am]

BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

International Trade Administration

[A-423-810]

Notice of Final Determination of Sales at Less Than Fair Value: Structural Steel Beams From Luxembourg

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

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

SUMMARY: On December 28, 2001, the Department of Commerce published its preliminary determination of sales at less than fair value of structural steel beams from Luxembourg. Subsequently, we published an amended preliminary determination of sales at not less than fair value on January 31, 2002. The period of investigation is April 1, 2000, through March 31, 2001.

Based on our analysis of the comments received, we have made changes in the margin calculations. Therefore, the final determination differs from the preliminary determination. The final weighted-average dumping margin for the investigated company is listed below in the section entitled "Final Determination Margins."

EFFECTIVE DATE: May 20, 2002.

FOR FURTHER INFORMATION CONTACT:

David J. Goldberger or Margarita Panayi, AD/CVD Enforcement Group I, Office 2, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-4136 or (202) 482-0049, respectively.

SUPPLEMENTARY INFORMATION:**The Applicable Statute and Regulations**

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the regulations of the Department of Commerce (the Department) are to 19 CFR part 351 (April 2001).

Final Determination: We determine that structural steel beams from Luxembourg are being, or are likely to be, sold in the United States at less than fair value (LTFV), as provided in section 735 of the Act.

Case History

The preliminary determination in this investigation was issued on December

19, 2001. See *Notice of Preliminary Determination of Sales at Not Less Than Fair Value and Postponement of Final Determination: Structural Steel Beams From Luxembourg*, 66 FR 67223 (December 28, 2001) (*Preliminary Determination*). On January 31, 2002, we published an amended preliminary determination. See *Notice of Amended Preliminary Determination of Sales at Not Less Than Fair Value and Postponement of Final Determination: Structural Steel Beams From Luxembourg*, 67 FR 4701 (January 31, 2002).

In January, February and March, we conducted verifications of the questionnaire responses of the sole respondent in this case, ProfilARBED, S.A. (ProfilARBED).

In April 2002, we received case and rebuttal briefs from the petitioners (the Committee for Fair Beam Imports and its individual members) and ProfilARBED. The Department held a public hearing on April 19, 2002, at the request of the petitioners and ProfilARBED.

Scope of Investigation

The scope of this investigation covers doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes. All the products that meet the physical and metallurgical descriptions provided above are within the scope of this investigation unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of this investigation: (1) Structural steel beams greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural steel beams that have additional weldments, connectors, or attachments to I-sections, H-sections, or pilings; however, if the only additional weldment, connector or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector, or attachment.

The merchandise subject to this investigation is classified in the *Harmonized Tariff Schedule of the United States* ("HTSUS") at

subheadings 7216.32.0000, 7216.33.0030, 7216.33.0060, 7216.33.0090, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7228.70.3040, and 7228.70.6000.

Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Scope Comments

Prior to the preliminary determination in this case, interested parties in this and the concurrent structural steel beams investigations requested that the following products be excluded from the scope of the investigations: (1) Beams of grade A913/65 and (2) forklift mast profiles. We preliminarily found that both products fell within the scope of this investigation. Because we have received no further scope comments in this proceeding, we are making a final determination that these products fall within the scope of this investigation.

Period of Investigation

The period of investigation is April 1, 2000, through March 31, 2001, which corresponds to ProfilARBED's four most recent fiscal quarters prior to the month of the filing of the petition (*i.e.*, May 2001).

Analysis of Comments Received

All issues raised in the case briefs by parties to this proceeding and to which we have responded are listed in the Appendix to this notice and addressed in the Decision Memorandum, which is adopted by this notice. Parties can find a complete discussion of the issues raised in this investigation and the corresponding recommendations in this public memorandum, which is on file in the Central Records Unit, room B-099 of the main Commerce Building. In addition, a complete version of the Decision Memorandum can be accessed directly on the Web at <http://ia.ita.doc.gov/frn/index.html>. The paper copy and electronic version of the Decision Memorandum are identical in content.

Changes Since the Preliminary Determination

Based on our analysis of comments received, we have made certain changes to the margin calculations. For a discussion of these changes, see the "Margin Calculations" section of the Decision Memorandum, *ProfilARBED Final Determination Calculations*, Memorandum to the File dated May 13, 2002, and *Cost of Production and Constructed Value Calculation*

Adjustments for the Final

Determination, Memorandum to Neal Halper from Heidi S. Norris dated May 13, 2002 (*Cost Calculation Memo*).

1. We used the revised third country and U.S. sales listings, submitted on April 17, 2002, which took into account revisions presented at the commencement of verifications and our verification findings, as discussed in the April 10, 2002, letter requesting the revised data bases.

2. We used the revised cost of production (COP) data base submitted on April 5, 2002, which included the corrections for the formula errors presented at the commencement of the COP verification.

3. We reclassified the shape variable (SHAPET/U) for ProfilARBED's sales of IPN beams, consistent with our determination in the companion structural steel beams from Italy investigation, and the classification of IPN beams by ProfilARBED's Spanish affiliate, Aceralia Corporacion Siderurgica (Aceralia), in the companion structural steel beams from Spain investigation.

4. We made corrections to ProfilARBED's April 17, 2002, third country sales listing to account for errors identified in the petitioners' April 26, 2002, letter and ProfilARBED's April 30, 2002, and May 1, 2002, letters.

5. For ProfilARBED's sales to affiliated resellers that were shipped directly to the customer, and where the price from ProfilARBED to the affiliate was not at arm's length, we applied the highest gross third country price reported for that product, less movement expenses, among the sales to unaffiliated customers and affiliated customers at arm's length.

6. We adjusted the cost of manufacture to reflect the higher of the transfer price, COP, or market price for electricity.

7. We adjusted the cost of manufacture to reflect the transfer price paid by ProfilARBED to their affiliates for the leases.

8. We revised the general and administrative (G&A) expense ratio to account for exchange rate gains and losses and to exclude sales commission offsets and a financial income offset.

9. We revised the financial expense rate, as described in the *Cost Calculation Memo*.

10. We revised the date of sale for U.S. sales to the date of shipment from the European port, except for U.S. warehouse sales, where we applied the earlier of invoice date or warehouse shipment date.

11. We applied the average ocean freight expense reported for west coast

U.S. ports to all U.S. sales, except for those specific transactions where the reported expense was higher than this average, as facts available, because ProfilARBED failed to disclose properly that it used an affiliated supplier of ocean freight services.

12. We revised the U.S. imputed credit calculation to account for a revised U.S. interest rate, based on our verification findings, and the date of sale revision. In addition, we revised the inventory carrying expenses reported on U.S. sales shipped directly to the customer to account for the revised date of sale.

13. We revised the U.S. indirect selling expenses incurred in the United States to include a portion incurred by another U.S. affiliate.

14. We revised the offset to the interest expense component of U.S. indirect selling expenses to account for imputed credit expenses on a company-wide basis.

15. Except for sales shipped through the U.S. ports where we were able to verify the port-specific charges, we applied the highest U.S. port-specific per-unit brokerage and handling expense rate on the record of this investigation, to all U.S. sales incurring this expense.

Verification

As provided in section 782(i) of the Act, we verified the information submitted by the respondent for use in our final determination. We used standard verification procedures including examination of relevant accounting and production records, and original source documents provided by the respondent.

Final Determination Margins

The weighted-average dumping margins are as follows:

Manufacturer/exporter	Margin (percent)
ProfilARBED, S.A	15.23
All Others	15.23

In accordance with section 735(c)(5)(A), we have based the "all others" rate on the dumping margin found for the sole producer/exporter investigated in this proceeding, ProfilARBED.

Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we are directing the Customs Service to suspend liquidation of all entries of structural steel beams from Luxembourg that are entered, or withdrawn from warehouse, for consumption on or after the

publication date of this final determination. The Customs Service shall require a cash deposit or the posting of a bond based on the estimated weighted-average dumping margin shown above. The suspension of liquidation instructions will remain in effect until further notice.

ITC Notification

In accordance with section 735(d) of the Act, we have notified the International Trade Commission (ITC) of our determination. As our final determination is affirmative, the ITC will determine, within 75 days, whether these imports are causing material injury, or threat of material injury, to an industry in the United States. If the ITC determines that material injury or threat of injury does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing Customs officials to assess antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing this determination and notice in accordance with sections section 735(d) and 777(i) of the Act.

Dated: May 13, 2002.

Faryar Shirzad,
Assistant Secretary for Import
Administration.

Appendix—Issues in the Decision Memorandum**Comments**

1. Third-Country Sales Data Base
2. Sales by Affiliated Resellers in Germany
3. Third-Country Sales Rebate Adjustments
4. Date of Sale for CEP Transactions
5. Ocean Freight Expenses Through Affiliate
6. Inclusion of U.S. Affiliate's Expenses in Calculation of U.S. Indirect Selling Expense
7. Interest Expenses Included in U.S. Indirect Selling Expenses
8. Price of Electricity from Affiliates
9. Price of Natural Gas from Affiliates

10. Valuation of Leases from Affiliates
 11. Exchange Rate Gains and Losses in the G&A Calculation
 12. Petitioners Ability to Comment Meaningfully
 13. Calculation of the Overall Dumping Margin
 [FR Doc. 02-12595 Filed 5-17-02; 8:45 am]
 BILLING CODE 3510-05-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-821-814]

Notice of Final Determination of Sales at Less Than Fair Value: Structural Steel Beams From the Russian Federation

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

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

SUMMARY: On December 28, 2001, the Department of Commerce published its preliminary determination of sales at less than fair value of structural steel beams from the Russian Federation. On January 7 and 9, 2002, we received timely allegations of ministerial errors from the petitioner and the respondent. Because we agreed with the interested parties' ministerial-error allegations, we published on January 31, 2002, the amended preliminary antidumping duty determination of sales at less than fair value of structural steel means from the Russian Federation.

Based on our analysis of the comments received and certain findings from the verifications, we have made changes in the margin calculations. Therefore, the final determination differs from the amended preliminary determination.

We find that structural steel beams from the Russian Federation are being, or are 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. The estimated margin of sales at less than fair value are shown in the "Continuation of Suspension of Liquidation" section of this notice.

EFFECTIVE DATE: May 20, 2002.

FOR FURTHER INFORMATION CONTACT: Hermes Pinilla or Richard Rimlinger, AD/CVD Enforcement Group I, Office 3, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-3477 or (202) 482-4477, respectively.

SUPPLEMENTARY INFORMATION:

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the regulations of the Department of Commerce (the Department) are to 19 CFR Part 351 (April 2001).

Final Determination

We determine that structural steel beams from the Russian Federation are being, or are likely to be, sold in the United States at less than fair value (LTFV), as provided in section 735 of the Act.

Case History

The preliminary determination in this investigation was issued on December 28, 2001. See *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Structural Steel Beams From the Russian Federation*, 66 FR 66217 (Dec. 28, 2001) (*Preliminary Determination*). On January 7 and 9, 2002, we received timely allegations of ministerial errors from the petitioner and the respondent. Because we agreed with the interested parties' ministerial-error allegations, we published the amended preliminary antidumping duty determination of sales at less than fair value of structural steel beams from the Russian Federation. See *Notice of Amended Preliminary Determination of Sales at Less Than Fair Value: Structural Steel Beams From the Russian Federation*, 67 FR 4704 (January 31, 2002).

In March, we conducted verification of the questionnaires responses of the sole respondent in this case, Nizhny Tagil Iron and Steel Works (Tagil).

On April 15, 2002, we received a case brief from the petitioner (i.e., the Committee for Fair Beam Imports), and on April 17, 2002, the respondent submitted its rebuttal brief.

Scope of Investigation

The scope of this investigation covers doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and

M-shapes. All the products that meet the physical and metallurgical descriptions provided above are within the scope of this investigation unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of this investigation: (1) Structural steel beams greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural steel beams that have additional weldments, connectors, or attachments to I-sections, H-sections, or pilings; however, if the only additional weldment, connector or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector, or attachment.

The merchandise subject to this investigation is currently classified in the *Harmonized Tariff Schedule of the United States* (HTSUS) at subheadings 7216.32.0000, 7216.33.0030, 7216.33.0060, 7216.33.0090, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7228.70.3040, and 7228.70.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Scope Comments

Prior to the preliminary determination in this case, interested parties in this and the concurrent structural steel beams investigations requested that the following products be excluded from the scope of the investigations: (1) Beams of grade A913/65 and (2) forklift mast profiles. We preliminarily found that both products fell within the scope of this investigation. Because we have received no further scope comments in this proceeding, we are making a final determination that these products fall within the scope of this investigation.

Period of Investigation

The period of investigation (POI) is October 1, 2000, through March 31, 2001.

Analysis of Comments Received

All issues raised in the case briefs by the petitioner to this proceeding and to which we have responded are listed in the Appendix to this notice and addressed in the Decision Memorandum, which is adopted by this notice. Parties can find a complete discussion of the issues raised in this investigation and the corresponding recommendations in this public

memorandum, which is on file in the Central Records Unit, room B-099 of the main Commerce Building. In addition, a complete version of the Decision Memorandum can be accessed directly on the Web at <http://ia.ita.doc.gov/frn/>. The paper copy and electronic version of the Decision Memorandum are identical in content.

Changes Since the Preliminary Determination

Based on our findings at verification and analysis of comments we received, we have made certain adjustments to the margin calculations. For a discussion of these changes, see the Decision Memorandum. These revisions are as follows:

1. In the *Preliminary Determination*, we used the 1997 financial statements of Ereğli Demir ve Çelik Fabrikalari TAS (Erdemir), a Turkish steel producer, to value overhead selling, general, and administrative (SG&A) expenses and profit ratios. For the final determination of this investigation, we have used the 2000 financial statement of Erdemir to value overhead SG&A expenses and profit ratios. For further details see analysis memorandum (analysis memorandum) dated May 10, 2002.

2. During our sales verification we found that Tagil had misreported its inventory carrying costs. Therefore, for the final determination of this investigation, we revised Tagil's inventory carrying costs. See the sales verification report dated March 22, 2002, at page 23. See also analysis memorandum.

3. During our sales verification we found that Tagil's factor for indirect selling expenses changed slightly. Therefore, for the final determination of this investigation, we have revised Tagil's factor for indirect selling expenses. See the sales verification report dated March 22, 2002, at page 22. See also analysis memorandum.

4. During our verification of Tagil's factors-of-production information we found that Tagil misreported its labor costs by basing its labor costs on a 7.5-hour workday instead of the eight hours for which the workers were actually paid. Therefore, for the final determination of this investigation, we revised Tagil's labor figures to capture total labor hours associated with the production of the subject merchandise. See the factors-of-production verification report dated April 5, 2002, at page 2. See also analysis memorandum.

5. During our factors-of-production verification we found that Tagil misreported the several distances from the supplier to Tagil's factory.

Therefore, for the final determination of this investigation, we revised, where applicable, Tagil's reported distances from the supplier to the factory. See the factors-of-production verification report dated April 5, 2002, at page 2. See also analysis memorandum.

6. Because of numerous corrections which Tagil presented during the factors-of-production verification, we requested that it revise its factors-of-production database and submit a new factors-of-production database for the final determination.

7. For the final results of this investigation, we are using current information regarding South African imports of slag, dross, scalings and waste as reported in the Tradstat data service to value slag, waste, and vanadium. See the petitioner's February 6, 2002, submission at exhibit 3. See also analysis memorandum.

8. We determined to use the second alternative calculation of Tagil's short-term borrowing rate for the final results. See sales verification report dated March 22, 2002, at page 19, footnote 5. Consequently, we revised Tagil's credit expenses and inventory carrying costs to reflect the revised short-term borrowing rate. See analysis memorandum.

9. Upon review of our calculations for the *Preliminary Determination*, we found that the import statistics the respondent proposed and which we used to value lime/limestone vary from each other significantly. Therefore, we re-evaluated the use of these statistics and contacted a lime specialist with the U.S. Geological Survey. The lime specialist explained that the lime which is most likely used in the steel industry is categorized under HTS numbers 2522.10.0000, 2522.20.0000, and 2522.30.0000, not under HTS number 25210000 as proposed by the respondent. Therefore, based on this information, we have used import statistics for calendar year 2000 pertinent to HTS numbers under subcategory 2522 for the final determination. For further detail, see analysis memorandum.

10. For the final results of this investigation, we have accounted for the differences in calorific or energy potential and valued by-product gases according to their proper natural gas equivalents. For further details, see analysis memorandum.

Verification

As provided in section 782(i) of the Act, we verified the information submitted by the respondent for use in our final determination. We used standard verification procedures, including examination of relevant accounting and production records, and

original source documents, provided by the respondent.

Russia-Wide Rate

In all non-market economy (NME) cases, the Department implements a policy whereby there is a rebuttable presumption that all exporters or producers located in the NME comprise a single exporter under common government control, the "NME entity." The Department assigns a single NME rate to the NME entity unless an exporter can demonstrate eligibility for a separate rate.

Tagil has qualified for a separate rate. Furthermore, the information on the record of this investigation indicates that Tagil is the only Russian producer and/or exporter of the subject merchandise with sales or shipments to the United States during the POI. Based upon our examination and clarification of U.S. Customs Service data, we have determined that there are no other Russian producers and/or exporters of the subject merchandise and consequently none which were required to respond to our questionnaire. Because the only known Russian producer of steel beams, Tagil, responded to our questionnaire and the evidence indicates that there are no other Russian producers or exporters of subject merchandise during the POI, we have calculated a Russia-wide rate for this investigation based on the weighted-average margin we determined for Tagil. This Russia-wide rate applies to all entries of subject merchandise except for entries of subject merchandise exported by Tagil.

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we are directing the Customs Service to continue to suspend liquidation of all entries of structural steel beams from the Russian Federation that are entered, or withdrawn from warehouse, for consumption on or after December 28, 2001, the publication date of the preliminary determination in the **Federal Register**. The Customs Service shall continue to require a cash deposit or the posting of a bond based on the estimated weighted-average dumping margins shown above. The suspension-of-liquidation instructions will remain in effect until further notice.

The weighted-average margins are as follows:

Manufacturer/exporter	Margin (percent)
Nizhny Tagil Iron and Steel Works	230.66
Russia-Wide Rate	230.66

In accordance with section 735(c)(5)(A) of the Act, we have based the Russia-wide rate on the dumping margin found for the sole producer/exporter investigated in this proceeding, Tagil.

ITC Notification

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

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing this determination and notice in accordance with sections section 735(d) and 777(i) of the Act.

Dated: May 13, 2002.

Faryar Shirzad,
*Assistant Secretary for Import
Administration.*

Appendix—Issues in the Decision Memorandum

Comments

- Comment 1: Valuation of By-Products
- Comment 2: Sales of "I" Beams
- Comment 3: Inventory Carrying Costs
- Comment 4: Labor Costs

[FR Doc. 02-12597 Filed 5-17-02; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-428-831]

**Notice of Final Determination of Sales
at Less Than Fair Value: Structural
Steel Beams From Germany**

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

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

SUMMARY: On December 28, 2001, the
Department of Commerce published the
preliminary determination of sales at
less than fair value of structural steel
beams from Germany. The period of
investigation is April 1, 2000, through
March 31, 2001.

Based on our analysis of the
comments received and certain findings

from the verification, we have made changes in the margin calculations. Therefore, the final determination differs from the preliminary determination.

We find that structural steel beams from Germany are being, or are 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. The estimated margins of sales at less than fair value are shown in the "Continuation of Suspension of Liquidation" section of this notice.

EFFECTIVE DATE: May 20, 2002.

FOR FURTHER INFORMATION CONTACT: Thomas Schauer, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-0410.

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department of Commerce's (the Department's) regulations are to the provisions codified at 19 CFR part 351 (2001).

Final Determination

We determine that structural steel beams (beams) from Germany are being, or are likely to be, sold in the United States at less than fair value (LTFV), as provided in section 735 of the Act. The estimated margins of sales at LTFV are shown in the "Final Margin" section of this notice.

Scope of Investigation

The scope of this investigation covers doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes. All the products that meet the physical and metallurgical descriptions provided above are within the scope of this investigation unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of this investigation: (1) Structural steel beams

greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural steel beams that have additional weldments, connectors or attachments to I-sections, H-sections, or pilings; however, if the only additional weldment, connector or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector or attachment.

The merchandise subject to this investigation is classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings 7216.32.0000, 7216.33.0030, 7216.33.0060, 7216.33.0090, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7228.70.3040, and 7228.70.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Scope Comments

Prior to the preliminary determination in this case, interested parties in this and the concurrent structural steel beams investigations requested that the following products be excluded from the scope of the investigations: (1) Beams of grade A913/65 and (2) forklift mast profiles. We preliminarily found that both products fell within the scope of this investigation. Because we have received no further scope comments in this proceeding, we are making a final determination that these products fall within the scope of this investigation.

Case History

We published in the *Federal Register* the preliminary determination in this investigation on December 28, 2001. See *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Structural Steel Beams From Germany*, 66 FR 67190 (December 28, 2001) (Preliminary Determination). Since the publication of the *Preliminary Determination*, the following events have occurred.

On January 2, 2002, Stahlwerk Thüringen GmbH (SWT), a respondent in this investigation, requested that the Department correct a ministerial error it found in the Department's margin calculations. On January 7, 2002, the Committee for Fair Beam Imports and its individual members, Northwestern Steel and Wire Company, Nucor Corporation, Nucor-Yamato Steel Company, and TXI-Chaparral Steel

Company (the petitioners), requested that the Department correct ministerial errors they found in the Department's margin calculation for SWT. On January 31, 2002, the Department determined that the ministerial error alleged by SWT was a significant ministerial error within the meaning of 19 CFR 351.224(g)(1) but that the errors alleged by the petitioners were not ministerial errors. Accordingly, we corrected the error identified by SWT. We published in the *Federal Register* our amended preliminary determination in this investigation on January 31, 2002. See *Notice of Amended Preliminary Determination of Sales at Less Than Fair Value: Structural Steel Beams From Germany*, 67 FR 4703 (January 31, 2002).

On January 21 through 25, 2002, the Department conducted verifications of three of SWT's affiliated resellers in Germany to examine SWT's claim that it could not report downstream sales by its affiliated resellers. See *Sales Verifications of Affiliated Resellers*, Memorandum to the File dated March 1, 2002. On January 28 through 31, 2002, the Department conducted a verification of SWT's cost-of-production (COP) and constructed-value (CV). See SWT COP and CV verification report dated March 20, 2002. On January 28 through February 5, 2002, the Department conducted a home-market sales data verification of SWT. See SWT home-market sales verification report dated April 2, 2002. On March 11 through 15, 2002, the Department conducted a U.S. sales data verification of TradeARBED Corporation (TANY), an affiliated U.S. reseller of merchandise produced by SWT. See TANY U.S. sales verification report dated March 28, 2002.

On April 11, 2002, the petitioners and SWT submitted their case briefs with respect to the verifications and the *Preliminary Determination*. On April 17, 2002, the petitioners and SWT submitted rebuttal briefs. On April 19, 2002, we conducted a public hearing with a closed session with respect to the issues raised in the parties' case briefs.

Period of Investigation

The period of investigation (POI) is April 1, 2000, through March 31, 2001.

Use of Facts Available

In the *Preliminary Determination*, we determined that the application of total adverse facts available was appropriate with respect to Salzgitter AG (Salzgitter), as this entity failed to respond to our antidumping questionnaire. As adverse facts available, we applied a margin rate of 35.75 percent, the highest margin

alleged in the petition (which we were able to corroborate). See the Decision Memorandum for Salzgitter AG for the Preliminary Results of the Less-Than-Fair-Value Investigation of Structural Steel Beams from Germany for the Period of Investigation April 1, 2000, through March 31, 2001, dated December 19, 2001. The interested parties did not object to the use of AFA for Salzgitter, or to our choice of facts available, and no new facts were submitted since the *Preliminary Determination* which would cause us to reconsider whether the information relied upon in the petition has probative value. Therefore, for the reasons set out in the *Preliminary Determination*, we have continued to use 35.75 percent as adverse facts available for the purposes of this final determination.

We used facts available for SWT's international freight expenses. As facts available, we used the average ocean-freight expense SWT reported for west-coast ports for all U.S. sales transactions except for those specific transactions where the reported ocean-freight expense was higher than this average. For a complete discussion of why we used facts available for these sales and the selection of facts available, see comment 1 of the Structural Steel Beams from Germany Issues and Decisions Memorandum dated May 13, 2002 (Decision Memorandum), available in B-099 of the Central Records Room at the Department of Commerce and the web at <http://ia.ita.doc.gov/frn/index.html>.

Finally, we used adverse facts available for SWT's U.S. brokerage and handling expenses. We did this because, when we asked at verification for the documents to support the reported expense for ports other than the two we examined, TANY informed us that it was not prepared to provide these invoices, claiming that they were "not available." See the TANY verification report at page 11. Therefore, because TANY was unprepared to provide the documents in question at verification, although it was given adequate notice that these documents would be reviewed,¹ we find that it did not act to the best of its ability in reporting its brokerage and handling expenses related to certain U.S. ports. Accordingly, we have based the amount of brokerage and handling expenses for these ports on adverse facts available. As adverse facts available, we have used SWT's highest per-port amount on the record of this proceeding. For a further discussion of this issue, see comment 11

of the Structural Steel Beams from Spain Issues and Decisions Memorandum dated May 13, 2002. However, because TANY was able to provide adequate documentation for two of the ports in question, we have accepted the expenses calculated for those ports for purposes of the final determination.

Analysis of Comments Received

All issues raised in the case briefs by parties to this investigation are addressed in a decision memorandum, which is hereby adopted by this notice. See the Decision Memorandum. A list of the issues which parties raised, and to which we have responded, all of which are in the Decision Memorandum, is attached to this notice as an Appendix. As indicated above, parties can find a complete discussion of all issues raised in this investigation and the corresponding recommendations in this public memorandum, which is on file in B-099. In addition, a complete version of the Decision Memorandum can be accessed directly on the internet at <http://ia.ita.doc.gov/frn/index.html>. The paper copy and electronic version of the Decision Memorandum are identical in content.

Verification

As provided in section 782(i) of the Act, we verified the information submitted by SWT for use in our final determination. We used standard verification procedures including examination of relevant accounting and production records as well as original source documents provided by the respondents.

Changes Since the Preliminary Determination

Based on our findings at verification and analysis of comments received, we have made adjustments to the calculation methodology in calculating the final dumping margins for SWT in this investigation. See Final Analysis Memoranda for SWT dated May 13, 2001. These revisions are as follows:

1. We used the cost-of-production (COP) database that SWT submitted on January 14, 2002, the home-market sales database that it submitted on February 21, 2002, and the U.S. sales database that it submitted on April 16, 2002.

2. We used the reported date of shipment as the date of sale for U.S. sales. We also revised SWT's reported credit expense and inventory carrying costs accordingly, using the short-term borrowing rate we verified. See the TradeARBED Corporation (TANY) U.S. sales verification report dated March 28, 2002, at page 12.

3. We revised SWT's reported billing adjustments to include two claims that we found, at verification, that TANY did not account for in its reported billing adjustments.

4. We revised SWT's U.S. indirect selling expenses to allocate a portion of Arbed Americas Atlantic, Inc.'s selling expenses to TANY rather than use the rate we calculated for ARBED Americas, Inc. In addition, we did not include any of TANY's or Arbed Americas Atlantic, Inc.'s interest expenses in our calculation of TANY's indirect selling expense because the imputed credit which we calculated exceeded the amount of interest expense attributable to TANY's sales of SWT beams. See the SWT final results calculation memorandum dated May 13, 2002, at attachment 2 for our calculation of indirect selling expenses.

5. We replaced the warranty expense SWT reported in its February 21, 2002, home-market sales database with the verified transaction-specific warranty expense we verified in SWT's home-market sales database which it submitted on January 14, 2002. Because SWT did not provide observation numbers, we identified the specific transactions for which the warranty expenses were reported by invoice, product code, and quantity.

6. As partial facts available, we used the average ocean-freight expense SWT reported for Los Angeles, San Francisco/Oakland, and Portland for all U.S. sales transactions except for those specific transactions where the reported ocean-freight expense was higher than this average.

7. As adverse facts available, we used the highest per-port amount for U.S. brokerage and handling expenses on the record of this proceeding for all U.S. transactions except for sales through two ports.

8. We revised the financial-expense rate to include other financial charges and bond expenses and to exclude long-term interest income offsets from the numerator. We also revised the denominator in the calculation to reflect cost of goods sold rather than raw materials.

9. We subtracted home-market billing adjustments from home-market price instead of adding them to home-market price.

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B)(ii) of the Act, for SWT, we are directing the Customs Service to suspend liquidation of all entries of subject merchandise from Germany that are entered, or withdrawn from

¹ See the February 27, 2002, verification outline for TANY at page 10.

warehouses, for consumption on or after the date of publication of the final determination in the **Federal Register**. For all other companies, we are directing the Customs Service to continue to suspend liquidation of all entries of subject merchandise from Germany that are entered, or withdrawn from warehouses, for consumption on or after December 28, 2001, the date of publication of the *Preliminary Determination* in the **Federal Register**. The Customs Service shall continue to require a cash deposit or posting of a bond equal to the estimated amount by which the normal value exceeds the U.S. price as shown below. This suspension-of-liquidation instruction will remain in effect until further notice.

The weighted-average dumping margins are as follows:

Exporter/manufacturer	Weighted-average percent margin
SWT	8.09
Salzgitter	35.75
All Others **	8.09

** Pursuant to section 735(c)(5)(A), we have excluded from the calculation of the all-others rate margins which are zero (or *de minimis*) or determined entirely on facts available. Because we determined Salzgitter's margin entirely on facts available, we used SWT's margin as the all-others rate.

ITC Notification

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

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply

with the regulations and the terms of an APO is a sanctionable violation.

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

Dated: May 13, 2002.

Faryar Shirzad,
Assistant Secretary for Import
Administration.

Appendix

- I. Changes From the Preliminary Determination
- II. Company-Specific Issues
 - Comment 1: Ocean Freight Expenses Through An Affiliate
 - Comment 2: Date of Sale for Constructed-Export-Price Transactions
 - Comment 3: Sales by Affiliated Resellers in Germany
 - Comment 4: Home-Market Inland Freight
 - Comment 5: Home-Market Quantity Rebates
 - Comment 6: Home-Market Warranties
 - Comment 7: Home-Market Other Rebates
 - Comment 8: U.S. Billing Adjustments
 - Comment 9: U.S. Indirect Selling Expenses
 - Comment 10: Interest Expense
 - Comment 11: Clerical-Error Allegation
 - Comment 12: Calculation of Weighted-Average Dumping Margin

[FR Doc. 02-12596 Filed 5-17-02; 8:45 am]

BILLING CODE 3510-DS-P

207.40(a)), the antidumping investigation concerning certain structural steel beams from Italy (investigation No. 731-TA-937 (Final)) is terminated.

EFFECTIVE DATE: May 20, 2002.

FOR FURTHER INFORMATION CONTACT: D.J. Na (202-708-4727), Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436. Hearing-impaired individuals are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000. General information concerning the Commission may also be obtained by accessing its internet server (<http://www.usitc.gov>). The public record for this investigation may be viewed on the Commission's electronic docket (EDIS-ON-LINE) at <http://dockets.usitc.gov/eol/public>.

Authority: This investigation is being terminated under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 201.10 of the Commission's rules (19 CFR 201.10).

Issued: May 30, 2002.

By order of the Commission.

Marilyn R. Abbott,
Secretary.

[FR Doc. 02-13909 Filed 6-3-02; 8:45 am]

BILLING CODE 7020-02-M

**INTERNATIONAL TRADE
COMMISSION**

[Investigation No. 731-TA-937 (Final)]

**Certain Structural Steel Beams From
Italy**

AGENCY: United States International
Trade Commission.

ACTION: Termination of investigation.

SUMMARY: On May 20, 2002, the Department of Commerce published notice in the **Federal Register** of a negative final determination of sales at less than fair value in connection with the subject investigation (67 FR 35481). Accordingly, pursuant to section 207.40(a) of the Commission's Rules of Practice and Procedure (19 CFR

DEPARTMENT OF COMMERCE

International Trade Administration

[A-583-838]

**Notice of Amended Final
Determination of Sales at Less-Than-
Fair-Value: Structural Steel Beams
from Taiwan**

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

EFFECTIVE DATE: June 12, 2002.

FOR FURTHER INFORMATION CONTACT: Kate
Johnson or Rebecca Trainor, AD/CVD
Enforcement Group I, Office 2, Import
Administration, International Trade
Administration, U.S. Department of
Commerce, 14th Street and Constitution
Avenue, NW, Washington, DC 20230;

telephone (202) 482-4929 or (202) 482-4007, respectively.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department of Commerce's (the Department's) regulations are to 19 CFR Part 351 (2001).

Scope of the Investigation

The scope of this investigation covers doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes. All the products that meet

the physical and metallurgical descriptions provided above are within the scope of this investigation unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of this investigation: (1) Structural steel beams greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural steel beams that have additional weldments, connectors, or attachments to I-sections, H-sections, or pilings; however, if the only additional weldment, connector or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector, or attachment.

The merchandise subject to this investigation is classified in the *Harmonized Tariff Schedule of the United States* ("HTSUS") at subheadings 7216.32.0000, 7216.33.0030, 7216.33.0060, 7216.33.0090, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7228.70.3040, and 7228.70.6000. Although the HTSUS subheadings are

provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Amendment to Final Determination

In accordance with section 735(a) of the Act, on May 20, 2002, the Department published the final determination in the less-than-fair-value (LTFV) investigation on structural steel beams from Taiwan. See *Notice of Final Determination of Sales at Less Than Fair Value: Structural Steel Beams from Taiwan*, 67 FR 35484. On May 24, 2002, respondent Kuei Yi Industrial Co., Ltd. (Kuei Yi) alleged that the Department made a ministerial error in the final margin calculation for that company by failing to convert one type of bank charge to U.S. dollars. For further discussion of this ministerial error, see the memorandum to Louis Apple from the Team, dated June XX, 2002, on file in room B-099 of the main Commerce Department Building. We agree with Kuei Yi. Therefore, in accordance with 19 CFR 351.224(e), we are amending the final determination in the LTFV investigation on structural steel beams from Taiwan. The revised weighted-average dumping margins are as follows:

Exporter/Manufacturer	Original Final Margin Percentage	Revised Final Margin Percentage
Kuei Yi Industrial Co., Ltd.	15.32	13.11
Tung Ho Steel Enterprise Corp.	5.21	5.21
All Others	12.24	10.70

Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we are directing the United States Customs Service ("Customs") to continue suspending liquidation on all imports of the subject merchandise from Taiwan. Customs shall require a cash deposit or the posting of a bond equal to the weighted-average amount by which normal value exceeds the export price as indicated in the chart above. These suspension-of-liquidation instructions will remain in effect until further notice.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we have notified the International Trade Commission of our amended final determination.

This investigation and notice are in accordance with sections 735(d) and 777(i)(1) of the Act.

Dated: June 6, 2002
Faryar Shirzad,
Assistant Secretary for Import Administration.
 [FR Doc. 02-14831 Filed 6-11-02; 8:45 am]
BILLING CODE 3510-DS-5

DEPARTMENT OF COMMERCE

International Trade Administration
 [A-469-811]

Structural Steel Beams from Spain; Amended Final Determination of Sales at Less than Fair Value

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

EFFECTIVE DATE: June 12, 2002.

FOR FURTHER INFORMATION CONTACT: Michael Strollo, AD/CVD Enforcement Group I, Office 2, Import Administration, International Trade Administration, U.S. Department of

Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-0629.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department of Commerce's (the Department's) regulations are to 19 CFR Part 351 (2001).

Amendment to Final Determination

In accordance with section 735(d) of the Act, on May 20, 2002, the Department published the final determination in the less than fair value investigation on structural steel beams from Spain. See *Notice of Final Determination of Sales at Less Than*

Fair Value: Structural Steel Beams from Spain (67 FR 35482). Also on May 20, 2002, we received an allegation, timely filed pursuant to 19 CFR 351.224(c)(2), from the petitioners, the Committee for Fair Beam Imports and its individual members, that the Department made a ministerial error in its final determination. We did not receive comments from the respondent in this case, Aceralia Corporacion Siderurgica, S.A. (Aceralia). After analyzing the petitioners' submission, we have

determined, in accordance with 19 CFR 351.224, that a ministerial error was made in our final margin calculation for Aceralia. Specifically, we find that we erroneously included certain downstream sales information in our analysis for one affiliated reseller to which Aceralia sold structural steel beams at arm's length prices, and we excluded the downstream sales information for another affiliated reseller to which Aceralia did not.

For a detailed discussion of the ministerial error noted above, as well as the Department's analysis, see the memorandum to Louis Apple from the Team, dated June 4, 2002.

Therefore, in accordance with 19 CFR 351.224(e), we are amending the final determination in the less than fair value investigation on structural steel beams from Spain. The revised weight-averaged dumping margin is as follows: BOXHD≤

Exporter/Manufacturer	Original Final Margin Percentage	Revised Final Margin Percentage
Aceralia Corporacion Siderurgica, S.A.	5.19	5.29
All Others	5.19	5.29

Scope of the Investigation

The scope of this investigation covers doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes. All the products that meet the physical and metallurgical descriptions provided above are within the scope of this investigation unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of this investigation: (1) Structural steel beams greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural steel beams that have additional weldments, connectors, or attachments to I-sections, H-sections, or pilings; however, if the only additional weldment, connector or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector, or attachment.

The merchandise subject to this investigation is classified in the *Harmonized Tariff Schedule of the United States* ("HTSUS") at subheadings 7216.32.0000, 7216.33.0030, 7216.33.0060, 7216.33.0090, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7228.70.3040, and 7228.70.6000. Although the HTSUS subheadings are

provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

This investigation and notice are in accordance with sections 735(d) and 777(i) of the Act.

Dated: June 6, 2002
Faryar Shirzad,
Assistant Secretary for Import Administration.
 [FR Doc. 02-14835 Filed 6-11-02; 8:45 am]
BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

International Trade Administration

[A-475-831]

Structural Steel Beams From Italy; Amended Final Determination of Sales at Not Less Than Fair Value

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

EFFECTIVE DATE: June 12, 2002.

FOR FURTHER INFORMATION CONTACT: Michael Strollo, AD/CVD Enforcement Group I, Office 2, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone (202) 482-0629.

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department of Commerce's (the

Department's) regulations are to 19 CFR part 351 (2001).

Amendment to Final Results

In accordance with section 735(d) of the Act, on May 20, 2002, the Department published the final determination in the less than fair value investigation on structural steel beams from Italy. See *Notice of Final Determination of Sales at Not Less Than Fair Value: Structural Steel Beams from Italy* (67 FR 35481). On May 21, 2002, we received an allegation, timely filed pursuant to 19 CFR 351.224(c)(2), from Duferdofin, S.p.A. (Duferdofin), the respondent, that the Department made certain ministerial errors in its final determination. We did not receive comments from the petitioners, the Committee for Fair Beam Imports and its individual members. After analyzing Duferdofin's submission, we have determined, in accordance with 19 CFR 351.224, that certain ministerial errors were made in our final margin calculation for Duferdofin. Specifically, we find that we: (1) Incorrectly applied a domestic inland freight amount related to shipments to a particular warehouse to all sales to the United States, rather than those sales specifically shipped to the warehouse in question; (2) incorrectly revised international freight expenses based on the shipment date; and (3) inappropriately failed to deduct home market commissions from the home market price.

For a detailed discussion of the ministerial errors noted above, as well as the Department's analysis, see the memorandum to Richard W. Moreland from the team, dated June 4, 2002.

Therefore, in accordance with 19 CFR 351.224(e), we are amending the final determination in the less than fair value investigation on structural steel beams

from Italy. The revised weighted-average dumping margins are as follows:

Exporter/manufacturer	Original Final margin percent-age	Amended Final margin percent-age
Duferdofin, S.p.A.	0.33	0.01
All Others	0.33	0.01

Scope of the Investigation

The scope of this investigation covers doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes. All the products that meet the physical and metallurgical descriptions provided above are within the scope of this investigation unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of this investigation: (1) Structural steel beams greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural steel beams that have additional weldments, connectors, or attachments to I-sections, H-sections, or pilings; however, if the only additional weldment, connector or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector, or attachment.

The merchandise subject to this investigation is classified in the *Harmonized Tariff Schedule of the United States* ("HTSUS") at subheadings 7216.32.0000, 7216.33.0030, 7216.33.0060, 7216.33.0090, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7228.70.3040, and 7228.70.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

This investigation and notice are in accordance with sections 735(d) and 777(i) of the Act.

Dated: June 6, 2002.

Faryar Shirzad,
Assistant Secretary for Import Administration.

[FR Doc. 02-14837 Filed 6-11-02; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-423-810]

**Notice of Amended Final
Determination of Sales at Less Than
Fair Value: Structural Steel Beams
from Luxembourg**

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

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

EFFECTIVE DATE: June 17, 2002.

FOR FURTHER INFORMATION CONTACT:
David J. Goldberger or Margarita Panayi,
Import Administration, International
Trade Administration, U.S. Department
of Commerce, 14th Street and
Constitution Avenue, NW, Washington,
DC 20230; telephone: (202) 482-4136 or
(202) 482-0049, respectively.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended ("the Act"), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act ("URAA"). In addition, unless otherwise indicated, all citations to the Department of Commerce's ("Department's") regulations are references to 19 CFR Part 351 (April 2001).

Scope of the Investigation

The scope of this investigation covers doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes. All the products that meet the physical and metallurgical descriptions provided above are within the scope of this investigation unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of this investigation: (1) Structural steel beams greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural

steel beams that have additional weldments, connectors, or attachments to I-sections, H-sections, or pilings; however, if the only additional weldment, connector or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector, or attachment.

The merchandise subject to this investigation is classified in the *Harmonized Tariff Schedule of the United States* ("HTSUS") at subheadings 7216.32.0000, 7216.33.0030, 7216.33.0060, 7216.33.0090, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7228.70.3040, and 7228.70.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Amendment of Final Determination

In accordance with section 735(a) of the Act, on May 20, 2002, the Department published the final determination in the less-than-fair-value (LTFV) investigation on structural steel beams from Luxembourg. See *Notice of Final Determination of Sales at Less Than Fair Value: Structural Steel Beams from Luxembourg*, 67 FR 35488. On May 22, 2002, we received a submission, timely filed pursuant to 19 CFR 351.224(c)(2), from the respondent, ProfilARBED, S.A. (ProfilARBED), alleging ministerial errors in the Department's final determination with respect to the application of facts available for the ocean freight expense on U.S. sales, the revision of the date of sale for certain U.S. sales, and the failure to convert the normal value to U.S. dollars in the margin calculation programming. On May 28, 2002, the petitioners¹ submitted comments with respect to ProfilARBED's claim regarding ocean freight.

After analyzing ProfilARBED's submission, we agree that the Department made ministerial errors by (1) incorrectly revising the date of sale to U.S. sales made from a warehouse, and (2) failing to convert the third country normal value from Euros to U.S. dollars before making the CEP offset and calculating the per-unit dumping margin. With respect to the first allegation concerning ocean freight

¹ The petitioners in this investigation are the Committee for Fair Beam Imports and its individual members, Northwestern Steel and Wire Company, Nucor Corporation, Nucor-Yamato Steel Company, and TXI-Chaparral Steel Company, domestic manufacturers of Structural Steel Beams.

expense, we have determined that there was no ministerial error in either the Department's decision to apply facts available to the ocean freight expense, or in selecting the facts available rate for the expense. See Memorandum to Richard Moreland from The Team, dated June 5, 2002, for further discussion of ProfilARBED's ministerial errors allegations and the Department's analysis.

Therefore, in accordance with 19 CFR 351.224(e), we are amending the final determination in the LTFV investigation on structural steel beams from Luxembourg.

The revised weighted-average dumping margin is as follows:

Exporter/Manufacturer	Weighted-Average Margin Percentage
ProfilARBED	6.14
All Others	6.14

In accordance with section 735(c)(5)(A), we have based the "all others" rate on the dumping margin found for the sole producer/exporter investigated in this proceeding, ProfilARBED.

Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we are directing the United States Customs Service to continue suspending liquidation on all imports of the subject merchandise from Luxembourg. Customs shall require a cash deposit or the posting of a bond equal to the weighted-average margin shown above. The suspension of liquidation instructions will remain in effect until further notice.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we have notified the International Trade Commission of our amended final determination.

This investigation and notice are in accordance with sections 735(d) and 777(i)(1) of the Act.

DATED: June 7, 2002

Faryar Shirzad,

Assistant Secretary for Import
Administration.

[FR Doc. 02-15206 Filed 6-14-02; 8:45 am]

BILLING CODE 3510-DS-8

antidumping duty margin calculations for Maanshan Iron & Steel Co., Ltd.

EFFECTIVE DATE: June 18, 2002.

FOR FURTHER INFORMATION CONTACT: Lyn Johnson or Richard Rimlinger, AD/CVD Enforcement Group I, Office 3, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-4733.

Period of Investigation

The period of investigation is October 1, 2000, through March 31, 2001.

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Act are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act. In addition, unless otherwise indicated, all citations to the regulations of the Department of Commerce (the Department) are to 19 CFR part 351 (April 2001).

SUPPLEMENTARY INFORMATION:

Background

On May 20, 2002, we published in the *Federal Register* our final determination that structural steel beams from the People's Republic of China (PRC) are being, or are likely to be, sold in the United States at less than fair value (LTFV), as provided in section 735(a) of the Act. See *Final Determination of Sales at Less Than Fair Value: Structural Steel Beams from the People's Republic of China*, 67 FR 35479 (May 20, 2002), and accompanying *Issues and Decision Memorandum (Final Determination)*. Following publication, the Department discovered two ministerial errors it made in the language it used in the notice published in the *Federal Register*. On May 28, 2002, the Committee for Fair Beam Imports and its individual members (the petitioners) filed timely comments on the *Final Determination*. Some of the petitioners' comments were allegations of ministerial errors and others were issues being raised for the first time. On June 3, 2002, the respondent, Maanshan Iron & Steel Co, Ltd. (Maanshan), filed timely rebuttal comments.

Scope of Investigation

The scope of this investigation covers doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether

or not drilled, punched, notched, painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes. All the products that meet the physical and metallurgical descriptions provided above are within the scope of this investigation unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of this investigation: (1) Structural steel beams greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural steel beams that have additional weldments, connectors, or attachments to I-sections, H-sections, or pilings; however, if the only additional weldment, connector or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector, or attachment.

The merchandise subject to this investigation is classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings 7216.32.0000, 7216.33.0030, 7216.33.0060, 7216.33.0090, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7228.70.3040, and 7228.70.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Analysis of Comments Received

The Department's regulations define a ministerial error as one involving "addition, subtraction, or other arithmetic function, clerical error resulting from inaccurate copying, duplication or the like, and any other similar type of unintentional error which the Secretary considers ministerial." See 19 CFR 351.224(f). After reviewing the allegations, we have determined, in accordance with 19 CFR 351.224, that the *Final Determination* includes ministerial errors. Therefore, we have made changes, described in the section below, to the final determination.

Changes Since to Final Determination

We have made the following changes to the notice published in the *Federal Register* and our margin calculations. Please see the *Decision Memorandum* accompanying this notice for a detailed discussion of these changes.

DEPARTMENT OF COMMERCE

International Trade Administration
[A-570-869]

Notice of Amended Final Determination of Sales at Less Than Fair Value: Structural Steel Beams From the People's Republic of China

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

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

SUMMARY: On May 20, 2002, we published in the *Federal Register* our notice of final determination of sales at less than fair value. See *Final Determination of Sales at Less Than Fair Value: Structural Steel Beams from the People's Republic of China*, 67 FR 35479 (May 20, 2002). We are amending our final determination to correct clerical and ministerial errors discovered with respect to the

(1) At 67 FR 35480 of the *Final Determination*, in the "Changes Since the Preliminary Determination" section, the Department stated mistakenly at (6)(c) that " * * * [it] used a brokerage and handling cost based on bulk products instead of stainless steel products." This statement is incorrect and, therefore, the stated cost does not apply to this investigation.

(2) At 67 FR 35481 of the *Final Determination*, in the "Final Determination Margins" section and the "Continuation of Suspension of Liquidation" section, we neglected to identify Ma Steel International (Ma Steel) as the exporter. Also, the language under "Continuation of Suspension of Liquidation" stated incorrectly that the Customs instructions would apply to entries " * * * for consumption on or after the publication date of this final determination in the *Federal Register*." The correct language is " * * * for consumption on or after December 28, 2001, the publication date of the preliminary determination in the *Federal Register*."

(3) We corrected the brokerage and handling amount. We also added a freight amount to the cost of steam coal.

(4) We excluded freight costs from the surrogate values we applied to waste and by-products.

(5) We corrected our calculations of the factory overhead and selling, general, and administrative (SG&A) expense financial ratios as follows: a) We recalculated the overhead and SG&A expenses using the correct amount for "Stores and Spares consumed" based on TATA's 2001 financial statements; b) we moved the amount of "Stores and Spares consumed" from raw materials to overhead expenses; c) we excluded "Freight & Handling" expenses and "Purchases of Finished, Semi-Finished Steel and Other Products" from our calculations of the financial ratios.

Amended Final Determination Margin

In accordance with 19 CFR 351.224(e), we are amending the final determination of the antidumping duty investigation of structural steel beams from the PRC with respect to Maanshan and its affiliated sales entity in the PRC, Ma Steel. The PRC-wide rate has not changed. As a result of correcting ministerial errors, we determine that the following percentage weighted-average amended final margins exist for the period October 1, 2000, through March 31, 2001:

Manufacturer/exporter	Final determination	Amended final determination
Maanshan/Ma Steel ..	0.00	15.23
PRC-Wide Rate	89.17	89.17

Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we are directing the Customs Service to begin suspension of liquidation of all entries of structural steel beams from the PRC that are produced by Maanshan, exported by Maanshan or Ma Steel, and entered, or withdrawn from warehouse, for consumption on or after the date of publication of this amended final determination in the *Federal Register*. We are also directing the Customs Service to continue to suspend liquidation of all entries of structural steel beams from the PRC that are entered, or withdrawn from warehouse, for consumption on or after December 28, 2001, the publication date of the preliminary determination in the *Federal Register* for all other exporters. The Customs Service shall continue to require a cash deposit or the posting of a bond based on the estimated weighted-average dumping margins shown above. The suspension-of-liquidation instructions will remain in effect until further notice.

ITC Notification

In accordance with section 735(d) of the Act, we will notify the International Trade Commission (ITC) of our determination. As our amended final determination is affirmative, the ITC will determine, within 45 days from the date of the publication of the *Final Determination* (May 20, 2002), whether these imports are causing material injury, or threat of material injury, to an industry in the United States. If the ITC determines that material injury or threat of injury does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing Customs officials to assess antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

This notice serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely

written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing this determination and notice in accordance with sections section 735(d) and 777(i) of the Act.

Dated: June 12, 2002.

Richard W. Moreland,
Acting Assistant Secretary for Import Administration.

[FR Doc. 02-15346 Filed 6-17-02; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE
International Trade Administration
[A-821-814]
**Notice of Amended Final
Determination of Sales at Less Than
Fair Value: Structural Steel Beams
from the Russian Federation**
AGENCY: Import Administration,
International Trade Administration,
U.S. Department of Commerce.

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

EFFECTIVE DATE: June 19, 2002.

SUMMARY: We published in the Federal Register our final determination for the investigation of structural steel beams from the Russian Federation on May 20, 2002. We are amending our final determination to correct a ministerial error.

FOR FURTHER INFORMATION CONTACT:
Hermes Pinilla or Richard Rimlinger,
Import Administration, International
Trade Administration, U.S. Department
of Commerce, 14th Street and
Constitution Avenue, NW, Washington,
DC 20230; telephone: (202) 482-3477 or
(202) 482-4477, respectively.

SUPPLEMENTARY INFORMATION:
The Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended ("the Act"), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act ("URAA"). In addition, unless otherwise indicated, all citations

to the Department of Commerce's ("Department's") regulations are references to 19 CFR Part 351 (April 2001).

Background

On May 13, 2002, the Department determined that structural steel beams from the Russian Federation are being, or are likely to be, sold in the United States at less than fair value (67 FR 35490; May 20, 2002).

We disclosed our calculations for the final determination to counsel for petitioners, the Committee for Fair Beam Imports, on May 17, 2002, and to counsel for Nizhny Tagil Iron and Steel Works (Tagil) on May 15, 2002.

On May 23, 2002, we received a submission, timely filed pursuant to 19 CFR 351.224(c)(2), from the petitioners alleging a ministerial error in the Department's final determination. In its submission, the petitioners requested that this error be corrected and an amended final determination be issued reflecting this change.

Scope of Investigation

The scope of this investigation covers doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These structural steel beams include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes. All the products that meet the physical and metallurgical descriptions provided above are within the scope of this investigation unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of this investigation: (1) Structural steel beams greater than 400 pounds per linear foot, (2) structural steel beams that have a web or section height (also known as depth) over 40 inches, and (3) structural steel beams that have additional weldments, connectors, or attachments to I- sections, H-sections, or pilings; however, if the only additional weldment, connector or attachment on the beam is a shipping brace attached to maintain stability during transportation, the beam is not removed from the scope definition by reason of such additional weldment, connector, or attachment.

The merchandise subject to this investigation is currently classified in the *Harmonized Tariff Schedule of the United States* (HTSUS) at subheadings 7216.32.0000, 7216.33.0030,

7216.33.0060, 7216.33.0090, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7228.70.3040, and 7228.70.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Period of Investigation

The period of investigation (POI) is October 1, 2000, through March 31, 2001.

Ministerial Error

The Department's regulations provide that the Department will correct any ministerial error by amending the final determination. See 19 CFR 351.224(e). Examples of ministerial errors according to the Department's regulations include mistakes in "addition, subtraction, or other arithmetic function, clerical error resulting from inaccurate copying, duplication, or the like." See 19 CFR 351.224(f).

Ministerial-Error Allegation

The petitioners allege that the Department erred with respect to the factor the Department used to calculate indirect selling expenses. They argue that the portion attributable to interest expenses should reflect the deduction of interest income and imputed credit expenses. The petitioners argue that in the preliminary determination the Department correctly revised Tagil's indirect selling expense factor to include a figure for interest expense, reduced by amounts for interest income and imputed credit expenses. However, according to the petitioners, during the U.S. sales verification, the verification team found an error with Tagil's original indirect selling expense factor calculation which consequently changed the amount of this factor. The petitioners assert that, as the Department did in the preliminary determination, it should have adjusted Tagil's revised indirect expense selling factor to include a figure for interest expense. Instead, according to the petitioners, the Department simply used the factor reported in the March 22, 2002, sales verification report. The petitioners request that the Department adjust Tagil's indirect selling expense factor to include a figure for interest expense and amend the final determination.

We agree with the petitioners that we made a clerical error with respect to this matter and have recalculated the margin for Tagil. The Department hereby amends its final determination with respect to Tagil to correct this error. For

further details, see the analysis memorandum dated June 11, 2002.

Amended Final Determination

We are amending the final determination of sales at less than fair value for structural steel beams from the Russian Federation to reflect the correction of a ministerial error made in the margin calculations in that determination. We are publishing this amendment to the final determination pursuant to 19 CFR 351.224(e).

The revised weighted-average dumping margins are as follows:

Exporter/Manufacturer	Weighted-Average Margin Percentage
Tagil	239.82
Russia-wide rate	239.82

Because Tagil is the sole respondent in this investigation and the sole Russian producer or exporter with sales or shipments of subject merchandise to the United States during the POI, the recalculated margin for Tagil also applies to the Russia-wide rate. As a result of our amendment, the Russia-wide rate has also been amended and applies to all entries of the subject merchandise except for entries from Tagil.

Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we are directing the Customs Service to continue to suspend liquidation of all entries of structural steel beams from the Russian Federation. The Customs Service shall require a cash deposit or the posting of a bond based on the estimated weighted-average dumping margin shown above. These suspension-of-liquidation instructions will remain in effect until further notice.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we have notified the International Trade Commission of our amended determination.

We are issuing and publishing this determination and notice in accordance with sections section 735(d) and 777(i) of the Act and 19 CFR 351.224(e).

Dated: June 12, 2002

Richard W. Moreland,

Acting Assistant Secretary for Import Administration.

[FR Doc. 02-15480 Filed 6-18-02; 8:45 am]

BILLING CODE 3510-DS-S

APPENDIX B
HEARING WITNESSES

CALENDAR OF PUBLIC HEARING

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

Subject: Certain Structural Steel Beams from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan

Inv. Nos.: 731-TA-935-942 (Final)

Date and Time: May 15, 2002 - 9:30 a.m.

Sessions were held in connection with these investigations in the Main Hearing Room (room 101), 500 E Street, SW, Washington, DC.

CONGRESSIONAL APPEARANCES:

The Honorable Lindsey Graham, U.S. Congressman, 3rd District, State of South Carolina

The Honorable Marion Berry, U.S. Congressman, 1st District, State of Arkansas

OPENING REMARKS:

Petitioners (**Alan H. Price**, Wiley Rein & Fielding LLP)
Respondents (**Peggy A. Clarke**, O'Melveny & Myers LLP)

In Support of the Imposition of Antidumping Duties:

Wiley Rein & Fielding LLP
Washington, DC
on behalf of

Committee for Fair Beam Imports (CFBI)

Michael Kirksey, President and Chief Operating Officer,
Metals USA, Incorporated

- MORE -

**In Support of the Imposition
of Antidumping Duties (continued):**

Thomas Vercillo, President and Chief Executive Officer,
Northwestern Steel & Wire Company

Tommy Valenta, President, Chaparral Steel Company,
and Executive Vice President and Chief Operating
Officer, Steel, Texas Industries, Incorporated

Paul Athens, President, Alpha Steel Corporation

Eugene Grossi, President, Samuel Grossi & Sons

Joe Gnazzo, President, J. Allen Steel Company

Joe Stratman, General Manager and Vice President,
Nucor-Yamato Steel Company

Bill Dickert, Vice President, Marketing and Sales,
Chaparral Steel Company

Ken Allen, Vice President and Treasurer,
Texas Industries, Incorporated

John Nolan, Vice President, Sales and Marketing,
Steel Dynamics, Incorporated

Phillip Sherrill, Executive Vice President and Treasurer,
SteelFab Steel Construction

Mark Petitgoue, Sales Manager, Nucor-Yamato
Steel Company

Seth T. Kaplan, Economic Consultant, Charles River
Associates Incorporated

- MORE -

**In Support of the Imposition
of Antidumping Duties (continued):**

David Riker, Economic Consultant, Charles River
Associates Incorporated

Charles Owen Verrill, Jr.)
Alan H. Price) – OF COUNSEL
John R. Shane)

**In Opposition to the Imposition
of Antidumping Duties:**

O'Melveny & Myers LLP
Washington, DC
on behalf of

ProfilARBED, S.A.
Aceralia Corporacion Siderurgica, S.A.
Stahlwerk Thuringen GmbH
TradeARBED, Incorporated

Fernand Lamesch, Consultant, TradeARBED,
Incorporated

John Reilly, Economist, Nathan Associates,
Incorporated

Peggy A. Clarke) – OF COUNSEL

- MORE -

**In Opposition to the Imposition
of Antidumping Duties (continued):**

Dorsey & Whitney LLP
Washington, DC
on behalf of

Highveld Steel and Vanadium Corporation, Limited

Ricky Richter, President, Newco Steel Trading,
Incorporated

Hannes Visagie, Senior Marketing Manager, Highveld
Steel and Vanadium Corporation, Limited

Philippe M. Bruno) – OF COUNSEL
Victor S. Mroczka

deKieffer & Horgan
Washington, DC
on behalf of

Salzgitter AG and Technologie (“Salzgitter”)

J. Kevin Horgan) – OF COUNSEL

REBUTTAL AND CLOSING REMARKS:

Petitioners (**Charles Owen Verrill, Jr.**, Wiley Rein & Fielding LLP)
Respondents (**Peggy A. Clarke**, O’Melveny & Myers LLP)

-END -

APPENDIX C
SUMMARY DATA

Table C-1
Structural steel beams: Summary data concerning the U.S. market, 1999-2001

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton;
period changes=percent, except where noted)

Item	Reported data			Period changes		
	1999	2000	2001	1999-2001	1999-2000	2000-2001
U.S. consumption quantity:						
Amount	4,958,496	6,229,936	4,813,262	-2.9	25.6	-22.7
Producers' share (1)	81.1	79.8	90.3	9.2	-1.3	10.5
Importers' share (1):						
China	(2)	1.3	1.1	1.1	1.3	-0.2
Germany	1.2	3.0	0.5	-0.7	1.8	-2.5
Luxembourg	0.9	1.4	0.6	-0.2	0.5	-0.7
Russia	0.6	0.7	1.5	0.9	0.1	0.8
South Africa	1.2	1.8	1.3	0.1	0.6	-0.5
Spain	2.8	3.2	1.0	-1.8	0.4	-2.2
Taiwan	0.0	1.1	0.2	0.2	1.1	-0.9
Subtotal	6.7	12.4	6.2	-0.4	5.7	-6.2
All other sources	12.2	7.7	3.4	-8.8	-4.4	-4.3
Total imports	18.9	20.2	9.7	-9.2	1.3	-10.5
U.S. consumption value:						
Amount	1,645,019	2,401,252	1,641,488	-0.2	46.0	-31.6
Producers' share (1)	83.6	80.8	91.0	7.4	-2.8	10.2
Importers' share (1):						
China	(2)	1.1	1.0	1.0	1.1	-0.2
Germany	1.1	2.9	0.5	-0.6	1.8	-2.3
Luxembourg	1.2	1.7	0.9	-0.3	0.5	-0.8
Russia	0.4	0.6	1.1	0.7	0.2	0.5
South Africa	0.9	1.5	1.1	0.2	0.6	-0.4
Spain	2.3	3.1	0.9	-1.4	0.7	-2.2
Taiwan	0.0	1.0	0.1	0.1	1.0	-0.8
Subtotal	6.0	11.8	5.7	-0.3	5.8	-6.2
All other sources	10.4	7.4	3.3	-7.1	-3.1	-4.0
Total imports	16.4	19.2	9.0	-7.4	2.8	-10.2
U.S. imports from--						
China:						
Quantity	145	81,501	53,152	36,653.2	56,256.0	-34.8
Value	131	27,066	15,973	12,109.3	20,588.7	-41.0
Unit value	\$905	\$332	\$301	-66.8	-63.3	-9.5
Ending inventory quantity	***	***	***	***	***	***
Germany:						
Quantity	59,900	185,030	24,018	-59.9	208.9	-87.0
Value	17,969	68,696	8,611	-52.1	282.3	-87.5
Unit value	\$300	\$371	\$359	19.5	23.8	-3.4
Ending inventory quantity	***	***	***	***	***	***
Luxembourg:						
Quantity	43,481	86,249	30,808	-29.1	98.4	-64.3
Value	20,256	40,512	15,335	-24.3	100.0	-62.1
Unit value	\$466	\$470	\$498	6.8	0.8	6.0
Ending inventory quantity	***	***	***	***	***	***
Russia:						
Quantity	29,348	42,526	73,120	149.1	44.9	71.9
Value	6,827	13,773	18,056	164.5	101.7	31.1
Unit value	\$233	\$324	\$247	6.1	39.2	-23.8
Ending inventory quantity	***	***	***	***	***	***
South Africa:						
Quantity	61,727	113,643	64,425	4.4	84.1	-43.3
Value	15,263	36,875	18,080	18.5	141.6	-51.0
Unit value	\$247	\$324	\$281	13.5	31.2	-13.5
Ending inventory quantity	***	***	***	***	***	***
Spain:						
Quantity	136,836	196,518	46,835	-65.8	43.6	-76.2
Value	38,390	73,870	14,597	-62.0	92.4	-80.2
Unit value	\$281	\$376	\$312	11.1	34.0	-17.1
Ending inventory quantity	***	***	***	***	***	***
Taiwan:						
Quantity	0	67,343	7,793	(3)	(3)	-88.4
Value	0	23,254	2,460	(3)	(3)	-89.4
Unit value	(3)	\$345	\$316	(3)	(3)	-8.6
Ending inventory quantity	***	***	***	***	***	***

Table continued on next page.

Table C-1--Continued
Structural steel beams: Summary data concerning the U.S. market, 1999-2001

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton;
period changes=percent, except where noted)

Item	Reported data			Period changes		
	1999	2000	2001	1999-2001	1999-2000	2000-2001
U.S. imports from--						
Subtotal:						
Quantity	331,436	772,809	300,150	-9.4	133.2	-61.2
Value	98,837	284,046	93,111	-5.8	187.4	-67.2
Unit value	\$298	\$368	\$310	4.0	23.3	-15.6
Ending inventory quantity ...	***	***	***	***	***	***
All other sources:						
Quantity	603,784	482,801	164,695	-72.7	-20.0	-65.9
Value	171,147	176,528	54,490	-68.2	3.1	-69.1
Unit value	\$283	\$366	\$331	16.7	29.0	-9.5
Ending inventory quantity ...	***	***	***	***	***	***
All sources:						
Quantity	935,220	1,255,611	464,845	-50.3	34.3	-63.0
Value	269,984	460,574	147,600	-45.3	70.6	-68.0
Unit value	\$289	\$367	\$318	10.0	27.1	-13.4
Ending inventory quantity ...	***	***	***	***	***	***
U.S. producers':						
Average capacity quantity ...	5,711,212	6,934,800	6,708,360	17.5	21.4	-3.3
Production quantity	4,134,723	5,178,779	4,595,943	11.2	25.3	-11.3
Capacity utilization (1)	72.4	74.7	68.5	-3.9	2.3	-6.2
U.S. shipments:						
Quantity	4,023,276	4,974,325	4,348,417	8.1	23.6	-12.6
Value	1,375,035	1,940,678	1,493,888	8.6	41.1	-23.0
Unit value	\$342	\$390	\$344	0.5	14.2	-11.9
Export shipments:						
Quantity	119,325	74,881	112,819	-5.5	-37.2	50.7
Value	39,643	30,696	38,475	-2.9	-22.6	25.3
Unit value	\$332	\$410	\$341	2.7	23.4	-16.8
Ending inventory quantity	372,802	489,438	632,206	69.6	31.3	29.2
Inventories/total shipments (1)	9.0	9.7	14.2	5.2	0.7	4.5
Production workers	3,176	3,532	3,361	5.8	11.2	-4.8
Hours worked (1,000s)	7,449	8,133	7,284	-2.2	9.2	-10.4
Wages paid (\$1,000s)	188,315	218,212	199,371	5.9	15.9	-8.6
Hourly wages	\$25.28	\$26.83	\$27.37	8.3	6.1	2.0
Productivity (tons/1,000 hours)	555.1	636.8	631.0	13.7	14.7	-0.9
Unit labor costs	\$45.54	\$42.14	\$43.38	-4.8	-7.5	3.0
Net sales:						
Quantity	4,169,571	5,046,570	4,457,347	6.9	21.0	-11.7
Value	1,429,856	1,971,090	1,532,703	7.2	37.9	-22.2
Unit value	\$343	\$391	\$344	0.3	13.9	-12.0
Cost of goods sold (COGS) ...	1,233,451	1,600,869	1,375,567	11.5	29.8	-14.1
Gross profit or (loss)	196,405	370,221	157,136	-20.0	88.5	-57.6
SG&A expenses	50,771	63,050	56,485	11.3	24.2	-10.4
Operating income or (loss) ...	145,634	307,171	100,651	-30.9	110.9	-67.2
Capital expenditures	304,287	60,762	33,138	-89.1	-80.0	-45.5
Unit COGS	\$296	\$317	\$309	4.3	7.2	-2.7
Unit SG&A expenses	\$12	\$12	\$13	4.1	2.6	1.4
Unit operating income or (loss)	\$35	\$61	\$23	-35.3	74.3	-62.9
COGS/sales (1)	86.3	81.2	89.7	3.5	-5.0	8.5
Operating income or (loss)/ sales (1)	10.2	15.6	6.6	-3.6	5.4	-9.0

(1) "Reported data" are in percent and "period changes" are in percentage points.

(2) Less than 0.05 percent.

(3) Not applicable.

Note.--Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis. Because of rounding, figures may not add to the totals shown. Unit values and shares are calculated from the unrounded figures.

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

Table C-2

Forklift mast profiles: Summary data concerning the U.S. market, 1999-2001

* * * * *

Table C-3

Structural steel beams (other than forklift mast profiles): Summary data concerning the U.S. market, 1999-2001

* * * * *

APPENDIX D
PRICE AND QUANTITY DATA

Figure D-1

Product 1: Weighted average f.o.b. prices and quantities reported by U.S. producers and importers of structural steel beams from China, Germany, Luxembourg, and Russia, by quarters, January 1999-December 2001

* * * * *

Figure D-2

Product 1: Weighted average f.o.b. prices and quantities reported by U.S. producers and importers of structural steel beams from South Africa, Spain, and Taiwan, by quarters, January 1999-December 2001

* * * * *

Figure D-3

Product 2: Weighted average f.o.b. prices and quantities reported by U.S. producers and importers of structural steel beams from China, Germany, and Luxembourg, by quarters, January 1999-December 2001

* * * * *

Figure D-4

Product 2: Weighted average f.o.b. prices and quantities reported by U.S. producers and importers of structural steel beams from South Africa, Spain, and Taiwan, by quarters, January 1999-December 2001

* * * * *

Figure D-5

Product 3: Weighted average f.o.b. prices and quantities of sales to distributors reported by U.S. producers and importers of structural steel beams from Germany and Luxembourg, by quarters, January 1999-December 2001

* * * * *

Figure D-6

Product 3: Weighted average f.o.b. prices and quantities of sales to distributors reported by U.S. producers and importers of structural steel beams from Spain and Taiwan, by quarters, January 1999-December 2001

* * * * *

Figure D-7

Product 3: Weighted average f.o.b. prices and quantities of sales to end users reported by U.S. producers and importers of structural steel beams from Luxembourg, Spain, and Taiwan, by quarters, January 1999-December 2001

* * * * *

Figure D-8

Product 4: Weighted average f.o.b. prices and quantities reported by U.S. producers and importers of structural steel beams from Spain, by quarters, January 1999-December 2001

* * * * *

Figure D-9

Structural steel beams: Weighted average f.o.b. prices reported by U.S. producers on sales of structural steel beams to distributors and end users, by quarters, January 1999-December 2001

* * * * *

APPENDIX E
LOST SALES AND REVENUES

Table E-1
Structural steel beams: Lost sales allegations

* * * * *

Table E-2
Structural steel beams: Lost revenues allegations

* * * * *

APPENDIX F

**EFFECTS OF IMPORTS ON PRODUCERS'
EXISTING DEVELOPMENT AND PRODUCTION
EFFORTS, GROWTH, INVESTMENT, AND
ABILITY TO RAISE CAPITAL**

Responses of U.S. producers to the following questions:

1. Since January 1, 1999, has your firm experienced any actual negative effects on its return on investment or its growth, investment, ability to raise capital, existing development and production efforts (including efforts to develop a derivative or more advanced version of the product), or the scale of capital investments as a result of imports of structural steel beams from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and/or Taiwan?

Responses of the producers are:

* * * * *

2. Does your firm anticipate any negative impact of imports of structural steel beams from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and/or Taiwan?

Responses of the producers are:

* * * * *

3. Since January 1, 1999, has your firm experienced any actual negative effects on its return on investment or its growth, investment, ability to raise capital, existing development and production efforts (including efforts to develop a derivative or more advanced version of the product), or the scale of capital investments as a result of imports of forklift mast profiles from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and/or Taiwan?

Responses of the producers are:

* * * * *

4. Does your firm anticipate any negative impact of imports of forklift mast profiles from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and/or Taiwan?

Responses of the producers are:

* * * * *