

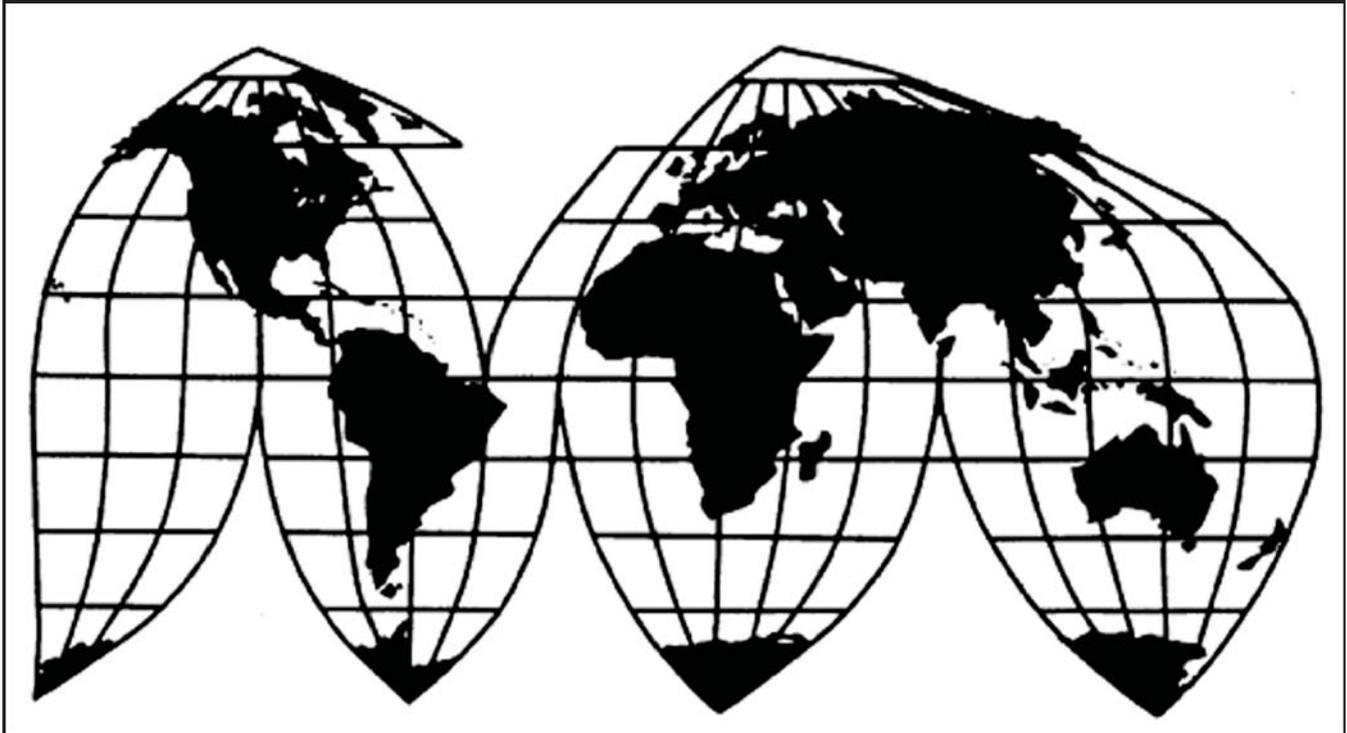
Stainless Steel Wire Rod from India

Investigation No. 638 (Fourth Review)

Publication 4695

June 2017

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

COMMISSIONERS

Rhonda K. Schmittlein, Chairman

David S. Johanson, Vice Chairman

Irving A. Williamson

Meredith M. Broadbent

F. Scott Kieff

Catherine DeFilippo
Director of Operations

Staff assigned

Amelia Shister, Investigator

Gregory LaRocca, Industry Analyst

Luke Tillman, Attorney

Nathanael N. Comly, 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

Stainless Steel Wire Rod from India

Investigation No. 638 (Fourth Review)

Publication 4695



June 2017

CONTENTS

	Page
Determination	1
Views of the Commission	3
Information obtained in these reviews	I-1
Background.....	I-1
Responses to the Commission’s Notice of Institution	I-1
Individual responses	I-1
Party comments on adequacy.....	I-2
Recent developments in the industry	I-2
The product	I-3
Commerce’s scope	I-3
Description and uses	I-3
Manufacturing process.....	I-4
U.S. tariff treatment	I-4
The definition of the domestic like product.....	I-5
The original investigations and subsequent reviews	I-5
The original investigations.....	I-5
The first five-year reviews	I-6
The second five-year reviews	I-6
The third five-year reviews.....	I-7
Prior related investigations	I-7
Stainless steel wire rod.....	I-7
Stainless steel bar and wire.....	I-8
Safeguard investigations	I-9
Actions at Commerce	I-10
Company revocations	I-10
Current five-year reviews	I-11

CONTENTS

	Page
The industry in the United States	I-11
U.S. producers	I-11
Definition of the domestic industry and related party issues.....	I-12
U.S. producers' trade and financial data.....	I-12
U.S. imports and apparent consumption.....	I-13
U.S. importers.....	I-13
U.S. imports.....	I-13
Apparent U.S. consumption and market shares	I-15
The industry in India.....	I-16
Antidumping or countervailing duty orders in third-country markets.....	I-17
The global market	I-17
Appendixes	
A. <i>Federal Register</i> notices	A-1
B. Company-specific data	B-1
C. Summary data compiled in prior investigations	C-1
D. Purchaser questionnaire responses	D-1

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

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation No. 731-TA-638 (Fourth Review)
Stainless Steel Wire Rod from India

DETERMINATION

On the basis of the record¹ developed in the subject five-year review, the United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930 (“the Act”), that revocation of the antidumping duty order on stainless steel wire rod from India would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission, pursuant to section 751(c) of the Act (19 U.S.C. 1675(c)), instituted this review on December 1, 2016 (81 FR 86728) and determined on March 6, 2017 that it would conduct an expedited review (82 FR 16231, April 3, 2017).

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

Contains Business Proprietary Information

Views of the Commission

Based on the record in this five-year review, we determine under section 751(c) of the Tariff Act of 1930, as amended (“the Tariff Act”), that revocation of the antidumping duty order on stainless steel wire rod (SSWR) from India would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.¹

I. Background

Original Investigations. On December 30, 1992, AL Tech Specialty Steel Corp., Armco Stainless & Alloy Products, Inc., Carpenter Technology Corporation (“Carpenter”), Republic Engineered Steels, Inc., Talley Metals Technology, Inc., and the United Steelworkers of America, AFL-CIO/CLC, filed antidumping petitions concerning imports of SSWR from Brazil, France, and India. In November 1993, the Commission determined that an industry in the United States was materially injured by reason of subject imports of SSWR from India.² On December 1, 1993, Commerce issued an antidumping duty order on SSWR from India.³

First reviews. On July 1, 1999, the Commission instituted the first five-year reviews concerning revocation of the antidumping duty orders on imports of SSWR from Brazil, France, India and Spain. It conducted full reviews.⁴

In July 2000, the Commission determined that revocation of the antidumping duty orders on SSWR from Brazil, France, and India would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.⁵ On August 2, 2000,

¹ Commissioner Kieff did not participate in the vote in this review.

² *Stainless Steel Wire Rod from India*, Inv. No 731-TA-638 (Final), USITC Pub. 2704 (“Original Determination”) (November 1993). Commerce postponed its final determinations regarding subject imports from Brazil and France. The Commission subsequently reached affirmative determinations regarding SSWR from Brazil and France in *Stainless Steel Wire Rod from Brazil and France*, Inv. Nos. 731-TA-636 and 637 (Final), USITC Pub. 2721 (Jan. 1994).

³ *Antidumping Duty Order: Certain Stainless Steel Wire Rod from India*, 58 Fed. Reg. 63,335 (December 1, 1993). The U.S. Court of International Trade (CIT) affirmed the Commission’s original determination concerning SSWR from India. See *Mukand Ltd. v. United States*, 937 F. Supp. 910 (Ct. Int’l Trade 1996).

⁴ 64 Fed. Reg. 35697 (July 1, 1999). In addition to the three countries in the original investigation, the Commission included the 1983 CVD order on SSWR from Spain in its transition five-year reviews. Confidential Report (CR) at I-8, Public Report (PR) at I-6.

⁵ *Stainless Steel Wire Rod from Brazil, India, France, and Spain*, Inv. Nos. 701-TA-178 and 731-TA-636-638 (Review), USITC Pub. 3321 at 20, 24 (“First Reviews”) (July 2000).

Contains Business Proprietary Information

Commerce published its notice of continuation of the antidumping duty orders covering SSWR from Brazil, France, and India.⁶

Second Five-Year Reviews. On July 1, 2005, the Commission instituted second five-year reviews of the antidumping duty orders on SSWR from Brazil, France, and India.⁷ The Commission conducted full reviews; however, no producer of SSWR from India responded to the Commission's questionnaires or otherwise participated in the reviews. In July 2006, the Commission determined that revocation of the antidumping duty order on SSWR from India would be likely to lead to continuation or recurrence of material injury, and that revocation of the antidumping duty orders on SSWR from Brazil and France would not be likely to lead to continuation or recurrence of material injury.⁸ On August 8, 2006, Commerce published its notice of continuation of the antidumping duty order covering SSWR from India.⁹

Third Five-Year Review. On July 1, 2011, the Commission instituted its third five-year review of the antidumping duty order on SSWR from India.¹⁰ Following an expedited review, the Commission determined that revocation of the antidumping duty order on SSWR from India would be likely to lead to continuation or recurrence of material injury.¹¹ On January 23, 2012, Commerce published its notice of continuation of the antidumping duty order on SSWR from India.¹²

Current Five-Year Review. On December 1, 2016, the Commission instituted this fourth five-year review of the antidumping duty order on SSWR from India.¹³ The Commission

⁶ Notice of Continuation of Antidumping Duty Orders on Stainless Steel Wire Rod from Brazil, France and India, 65 Fed. Reg. 47403 (Aug. 2, 2000). The Commission also determined that revocation of the countervailing duty order on SSWR from Spain would not be likely to lead to continuation or recurrence of material injury. USITC Pub. 3321 at 3.

⁷ Notice of Institution of a Five-Year Review Concerning the Antidumping Duty Orders on Stainless Steel Wire Rod from Brazil, France, and India, 70 Fed. Reg. 38207 (July 1, 2005); Notice of Commission Determination to Conduct Full Five-Year Reviews Concerning the Antidumping Duty Orders on Stainless Steel Wire Rod from Brazil, France, and India, 70 Fed. Reg. 60109 (Oct. 14, 2005).

⁸ *Stainless Steel Wire Rod from Brazil, France, and India*, Inv. Nos. 731-TA-636-638 (Second Review), USITC Pub. 3866 ("Second Reviews") at 3, (July 2006).

⁹ *Notice of Continuation of Antidumping Duty Orders on Stainless Steel Wire Rod from India*, 71 Fed. Reg. 45023 (Aug. 8, 2006).

¹⁰ Institution of a Five-Year Review Concerning the Antidumping Duty order on Stainless Steel Wire Rod from India, 76 Fed. Reg. 38686 (July 1, 2011); Notice of Commission Determination to Expedite Five-Year Reviews Concerning the Antidumping Duty Order on Stainless Steel Wire Rod from India, 76 Fed. Reg. 64105 (Oct. 17, 2011).

¹¹ *Stainless Steel Wire Rod from India*, Inv. 731-TA-638 (Third Review), USITC Pub. 4300 ("Third Review") (Jan. 2012).

¹² Notice of Continuation of Antidumping Duty Orders on Stainless Steel Wire Rod from India, 77 Fed. Reg. 3231 (Jan. 23, 2012).

¹³ Notice of Institution of a Five-Year Review Concerning the Antidumping Duty Order on Stainless Steel Wire Rod from India, 81 Fed. Reg. 86728 (Dec. 1, 2016).

Contains Business Proprietary Information

received a response on behalf of three U.S. producers of SSWR—Carpenter, North American Stainless (“NAS”), and Universal Stainless & Alloy Products (“Universal”), Inc. (collectively “Domestic Interested Parties”).¹⁴ It did not receive a response to the Notice of Institution from any respondent interested party. On March 6, 2017, the Commission found the domestic interested party group response to be adequate and the respondent interested party group response to be inadequate and did not find any other circumstances that warranted conducting a full review. The Commission therefore determined that it would conduct an expedited review.¹⁵ Domestic Interested Parties filed comments pursuant to Commission Rule 207.62(d).¹⁶

U.S. industry data for this review are based on the information provided by the Domestic Interested Parties in response to the Notice of Institution, and information from the original investigations and prior reviews. Domestic Interested Parties estimate that they were responsible for *** percent of domestic production of SSWR during 2015.¹⁷ No U.S. importer or foreign producer/exporter participated in this review. U.S. import data are based on official import statistics and information from the original investigations and previous five-year reviews.¹⁸ Foreign industry data and related information are based on information from the prior proceedings.

II. Domestic Like Product and Industry

A. Domestic Like Product

In making its determination under section 751(c) of the Tariff Act, the Commission defines the “domestic like product” and the “industry.”¹⁹ The Tariff 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 under this subtitle.”²⁰ The Commission’s practice in five-year reviews is to examine the domestic like product definition from the original

¹⁴ Domestic Interested Parties’ Response to Notice of Institution (“Response”) (Jan. 3, 2016).

¹⁵ Explanation of Commission Determination on Adequacy in Stainless Steel Wire Rod from India Fourth Review (Mar. 14, 2017) (EDIS Doc. 605494).

¹⁶ Domestic Interested Party Comments (Apr. 24, 2017) (“Comments”).

¹⁷ Response at 13; CR at I-2, PR at I-2.

¹⁸ CR/PR at Table I-4.

¹⁹ 19 U.S.C. § 1677(4)(A).

²⁰ 19 U.S.C. § 1677(10); *see, e.g., Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *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); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991); *see also* S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979).

Contains Business Proprietary Information

investigation and consider whether the record indicates any reason to revisit the prior findings.²¹

Commerce has defined the scope of the antidumping duty order in this five-year review as follows:

Certain stainless steel wire rods from India, which are hot-rolled or hot-rolled annealed and/or pickled rounds, squares, octagons, hexagons, or other shapes, in coils. Wire rod are made of alloy steels containing, by weight 1.2 percent or less of carbon and 10.5 percent of chromium, with or without other elements. These products are only manufactured by hot-rolling and are normally sold in coiled form, and are of solid cross-section. The majority of wire rod sold in the United States are round in cross-section shape, annealed, and pickled. The most common size is 5.5 millimeters in diameter.²²

Commerce's scope has remained the same since the original investigations.

SSWR is an intermediate stainless steel product that is used primarily to produce stainless steel wire and stainless steel bar. SSWR is a long product produced in coiled form with no specific size limitation. SSWR is produced at least as large as 39 mm (1.54 inch) in diameter circular cross-section, although the most common size is 5.5 mm (0.217 inch) in diameter. This is the smallest size normally produced on a hot-rolling mill and is the size most commonly used for wire drawing. The primary use for SSWR shipped in the domestic market is for the production of wire which is then used to produce downstream products such as industrial fasteners, springs, medical and dental instruments, automotive parts, and welding electrodes.²³

In the original investigations, the Commission rejected arguments that it find separate like products for specialty and commodity SSWR and that it include stainless steel bar in the like product definition.²⁴ The Commission defined the domestic like product to be all SSWR, coextensive with Commerce's scope.²⁵ In the prior five-year reviews of the orders on SSWR,

²¹ See, e.g., *Internal Combustion Industrial Forklift Trucks from Japan*, Inv. No. 731-TA-377 (Second Review), USITC Pub. 3831 at 8-9 (Dec. 2005); *Crawfish Tail Meat from China*, Inv. No. 731-TA-752 (Review), USITC Pub. 3614 at 4 (July 2003); *Steel Concrete Reinforcing Bar from Turkey*, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 at 4 (Feb. 2003).

²² Certain Stainless Steel Wire Rods From India: Final Results of the Expedited Fourth Sunset Review of the Antidumping Duty Order, 82 Fed. Reg. 16795, 16796 (April 6, 2017); Issues and Decisions Memorandum for the Final Results of the Expedited Fourth Sunset Review of the Antidumping Duty Order on Certain Stainless Steel Wire Rods from India, March 30, 2017.

²³ CR at I-4, PR at I-3-4.

²⁴ USITC Pub. 2704 at I-5-8.

²⁵ USITC Pub. 2704 at I-8.

Contains Business Proprietary Information

the Commission defined the domestic like product as it had in those original investigations to consist of all SSWR, coextensive with Commerce's scope.²⁶

In this current five-year review, Domestic Interested Parties state that they agree with the Commission's definition of domestic like product in prior proceedings.²⁷ Additionally, the record of this expedited fourth review does not contain information that calls into question the Commission's domestic like product definition in the original investigations and prior five-year reviews.²⁸ Therefore, we define a single domestic like product consisting of all SSWR, coextensive with Commerce's scope.

B. Domestic Industry

Section 771(4)(A) of the Tariff Act defines the relevant industry as the domestic "producers as a whole 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."²⁹ In defining the domestic industry, the Commission's general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

In the original investigations, the Commission found a single domestic industry consisting of all domestic producers of SSWR.³⁰ In each of the prior five-year reviews, the Commission found that the record did not contain new information that would suggest any reason for revisiting the definition of the domestic industry made in the original investigations. As a result, the Commission found a single domestic industry consisting of all domestic producers of SSWR in each of the prior reviews.³¹

Domestic Interested Parties agree with the Commission's definition of the domestic industry in the prior proceedings.³² There are no related party or other domestic industry issues in this five-year review.³³ Consequently, we define a single domestic industry consisting of all producers of SSWR.³⁴

²⁶ USITC Pub. 3321 at 6; USITC Pub. 3866 at 6; USITC Pub. 4300 at 5.

²⁷ Response at 14.

²⁸ See *generally* CR at I-6-9, PR at I-5-7.

²⁹ 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 are applicable to the entire subtitle containing the antidumping and countervailing duty laws, including 19 U.S.C. §§ 1675 and 1675a. See 19 U.S.C. § 1677.

³⁰ USITC Pub. 2704 at I-8-11. There were no related parties issues.

³¹ USITC Pub. 3321 at 6; USITC Pub. 3866 at 7; USITC Pub. 4300 at 6.

³² Comments at 14.

³³ CR at I-17, PR at I-12.

³⁴ There are five known domestic producers of SSWR: Allvac Metals Company, Carpenter, NAS, Outokumpu Stainless Bar, Inc., and Universal. CR at I-17, PR at I-12.

Contains Business Proprietary Information

III. Revocation of the Antidumping Order Would Likely Lead to Continuation or Recurrence of Material Injury Within a Reasonably Foreseeable Time

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”³⁵ The Uruguay Round Agreements Act Statement of Administrative Action (“SAA”) states that “under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports.”³⁶ Thus, the likelihood standard is prospective in nature.³⁷ The U.S. Court of International Trade has found that “likely,” as used in the five-year review provisions of the Act, means “probable,” and the Commission applies that standard in five-year reviews.³⁸

The statute states that “the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time.”³⁹ According to the SAA, a “‘reasonably foreseeable time’ will vary from case-to-case, but

³⁵ 19 U.S.C. § 1675a(a).

³⁶ SAA, H.R. Rep. 103-316, vol. I at 883-84 (1994). The SAA states that “[t]he likelihood of injury standard applies regardless of the nature of the Commission’s original determination (material injury, threat of material injury, or material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed.” *Id.* at 883.

³⁷ While the SAA states that “a separate determination regarding current material injury is not necessary,” it indicates that “the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued {sic} prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked.” SAA at 884.

³⁸ See *NMB Singapore Ltd. v. United States*, 288 F. Supp. 2d 1306, 1352 (Ct. Int’l Trade 2003) (“‘likely’ means probable within the context of 19 U.S.C. § 1675(c) and 19 U.S.C. § 1675a(a)”), *aff’d mem.*, 140 Fed. Appx. 268 (Fed. Cir. 2005); *Nippon Steel Corp. v. United States*, 26 CIT 1416, 1419 (2002) (same); *Usinor Industeel, S.A. v. United States*, 26 CIT 1402, 1404 nn.3, 6 (2002) (“more likely than not” standard is “consistent with the court’s opinion;” “the court has not interpreted ‘likely’ to imply any particular degree of ‘certainty’”); *Indorama Chemicals (Thailand) Ltd. v. United States*, 26 CIT 1059, 1070 (2002) (“standard is based on a likelihood of continuation or recurrence of injury, not a certainty”); *Usinor v. United States*, 26 CIT 767, 794 (2002) (“‘likely’ is tantamount to ‘probable,’ not merely ‘possible’”).

³⁹ 19 U.S.C. § 1675a(a)(5).

Contains Business Proprietary Information

normally will exceed the ‘imminent’ timeframe applicable in a threat of injury analysis in original investigations.”⁴⁰

Although the standard in a five-year review is not the same as the standard applied in an original investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to “consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated.”⁴¹ It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).⁴² The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission’s determination.⁴³

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.⁴⁴ In doing so, the Commission must consider “all relevant economic factors,” including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.⁴⁵

In evaluating the likely price effects of subject imports if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the

⁴⁰ SAA at 887. Among the factors that the Commission should consider in this regard are “the fungibility or differentiation within the product in question, the level of substitutability between the imported and domestic products, the channels of distribution used, the methods of contracting (such as spot sales or long-term contracts), and lead times for delivery of goods, as well as other factors that may only manifest themselves in the longer term, such as planned investment and the shifting of production facilities.” *Id.*

⁴¹ 19 U.S.C. § 1675a(a)(1).

⁴² 19 U.S.C. § 1675a(a)(1). Commerce did not make any duty absorption findings. Certain Stainless Steel Wire Rod from India: Final Results of the Expedited Fourth Sunset Review of the Antidumping Duty Order, 82 Fed. Reg. at 16796.

⁴³ 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

⁴⁴ 19 U.S.C. § 1675a(a)(2).

⁴⁵ 19 U.S.C. § 1675a(a)(2)(A-D).

Contains Business Proprietary Information

United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.⁴⁶

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.⁴⁷ All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the order under review and whether the industry is vulnerable to material injury upon revocation.⁴⁸

No respondent interested party participated in this expedited review. The record, therefore, contains limited new information with respect to the SSWR industry in India. There also is limited information on the SSWR market in the United States during the period of review. Accordingly, for our determination, we rely as appropriate on the facts available from the original investigation, prior reviews, and the limited new information on the record in this fourth five-year review.

B. Conditions of Competition and the Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”⁴⁹ The following conditions of competition inform our determinations.

⁴⁶ See 19 U.S.C. § 1675a(a)(3). The SAA states that “[c]onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices.” SAA at 886.

⁴⁷ 19 U.S.C. § 1675a(a)(4).

⁴⁸ The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is revoked, 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 may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.” SAA at 885.

⁴⁹ 19 U.S.C. § 1675a(a)(4).

Contains Business Proprietary Information

1. The Original Investigation and Prior Five-Year Reviews

In the original investigations concerning SSWR from Brazil, France, and India, the Commission found that apparent U.S. consumption increased 11.5 percent between 1990 and 1992.⁵⁰ It highlighted the fact that two-thirds of SSWR production was captively consumed by the domestic industry in the production of wire and small diameter bar.⁵¹ The Commission found that this “shielded” the industry to some extent from the effects of the imports, although it recognized the indirect effect of the subject imports on the domestic industry’s captive consumption.⁵²

In the first five-year reviews, the Commission found that SSWR was produced in a wide variety of sizes and grades, typically in accordance with customer requirements.⁵³ It also observed that overall demand for SSWR did not respond significantly to price changes as there were few substitutes for SSWR. During the first review period, demand for SSWR in the United States increased by approximately 5 to 7 percent annually. The domestic industry had undergone substantial consolidation, and Carpenter and its subsidiary Talley accounted for *** percent of U.S. production of SSWR. While the domestic industry had increased capacity, declining production contributed to significant decreases in its capacity utilization. The Commission further observed that manufacturers could produce products other than SSWR (*e.g.*, bar and wire) using the same equipment and thus were able to switch production among these products. It recognized that nonsubject imports accounted for approximately *** percent of the U.S. market in 1998 and 1999. Finally, the Commission stated that antidumping duty orders had been imposed on SSWR from Italy, Japan, Korea, Spain, Sweden, and Taiwan since the time of the original investigations.⁵⁴

In the second five-year reviews, the Commission determined that demand for SSWR largely depended on demand for downstream products in the automotive, medical instruments, and general manufacturing industries.⁵⁵ Thus, the Commission found that demand for end use applications such as wire bar, screens, antennas, fasteners, wiper blades, and certain types of belts determined demand for SSWR. Apparent U.S. consumption fluctuated but generally fell over the period of review and the Commission attributed this trend to the movement of end use customers overseas, increased imports of finished products, and the substitution of wire for SSWR in downstream applications. The Commission found that raw materials constituted a substantial portion of the cost of producing SSWR and that energy,

⁵⁰ USITC Pub. 2704 at I-12.

⁵¹ USITC Pub. 2704 at I-12.

⁵² USITC Pub. 2704 at I-12.

⁵³ USITC Pub. 3321 at 14-15.

⁵⁴ USITC Pub. 3321 at 14-15; Confidential First Review Opinion, EDIS Doc. 602865 at 18.

⁵⁵ USITC Pub. 3866 at 17.

Contains Business Proprietary Information

particularly natural gas prices, had increased during the period of review. Imports accounted for a substantial, but decreasing, portion of apparent U.S. consumption during the period.⁵⁶

In the third five-year review, the Commission again found that demand, which decreased over the period of review, was driven primarily by demand for downstream products such as industrial fasteners, springs, medical and dental instruments, automotive parts, and welding electrodes. The Commission observed that the domestic industry consisted of five producers, and that in 2010, subject imports accounted for *** percent of apparent U.S. consumption, while nonsubject imports accounted for *** percent of apparent U.S. consumption. Finally, the Commission found that the domestic like product, subject imports, and nonsubject imports were generally substitutable and that price was an important factor in purchasing decisions.⁵⁷

2. The Current Review

a) Demand Conditions

Apparent U.S. consumption of SSWR was *** short tons in 2015, which was significantly higher than the last review at *** short tons in 2010, but still below amounts reported in the original investigations and the first two reviews.⁵⁸ According to Domestic Interested Parties, although market conditions have improved during this period of review, the recovery has been less than robust and demand for SSWR took a significant downturn in 2015.⁵⁹

b) Supply Conditions

Domestic Interested Parties report that there have been no notable changes in the composition of the domestic industry since the third review, with the industry consisting of the same five producers.⁶⁰ As previously stated, the three producers that responded to the notice of institution estimate that they accounted for *** percent of domestic production of SSWR in 2015, and the largest responding producer, ***, accounted for *** percent of the reported 2015 production.⁶¹ The domestic industry's share of apparent U.S. consumption was *** higher in the current review period than during the second and third reviews. Measured by quantity, it was *** percent in 2015, compared to *** percent in 2010 and *** percent in 2005.⁶²

⁵⁶ USITC Pub. 3866 at 17-18.

⁵⁷ USITC Pub. 4300 at 9-10; Confidential Third Review Opinion, EDIS Doc. 602873 at 12.

⁵⁸ CR/PR at Table I-5.

⁵⁹ Response at 8.

⁶⁰ Response at 13; Comments at 5; CR at I-16-17, PR at I-12.

⁶¹ CR at I-17, PR at I-; CR/PR at App. B.

⁶² CR/PR at Table I-5.

Contains Business Proprietary Information

Subject imports have had an extremely limited presence in the U.S. market during the period of review.⁶³ The share of the market held by imports of SSWR from subject producers in India was *** percent by quantity in 2015, which was the same as their share during 2005 and 2010.⁶⁴

The share of the market held by imports from nonsubject sources was *** percent in 2015. This was *** lower than its share of *** percent in 2010 and *** percent in 2005.⁶⁵

c) Substitutability

The information available indicates there have been no changes that would call into question the Commission's prior findings regarding the degree of substitutability between subject imports and the domestic like product and the importance of price in purchasing decisions.⁶⁶ Consequently, we again find that imports of SSWR from India and the domestic like product are generally substitutable and that price continues to be of paramount importance in purchasing decisions.

C. Likely Volume of Subject Imports

1. The Original Investigation and Prior Five-Year Reviews

In the original investigations, in which the Commission cumulated imports of SSWR from Brazil, France, and India, the Commission observed that the market share of cumulated subject imports increased while the domestic producers' market share declined.⁶⁷ The market share of cumulated subject imports increased from 5.7 percent in 1990 to 14.3 percent in 1992.⁶⁸ The domestic producers' market share fell from 79.4 percent in 1990 to 68.0 percent in 1992.⁶⁹ The Commission found the volume of cumulated subject imports, and the increase in that volume, to be significant.⁷⁰

In the first five-year reviews, the Commission found that capacity in India increased from 1997 to 1999 and that unused capacity in India was equivalent to *** percent of U.S. production and *** percent of U.S. apparent consumption in 1999. India's exports of SSWR to

⁶³ CR/PR at Table I-3.

⁶⁴ CR/PR at Table I-5.

⁶⁵ CR/PR at Table I-5.

⁶⁶ See Comments at 9; Response at 7 (asserting that conditions of competition in this respect have not changed since the prior review).

⁶⁷ USITC Pub. 2704 at I-17 to I-18.

⁶⁸ USITC Pub. 2704 at I-17. An alternative analysis concerning subject imports from India evaluated separately joined by three of the four affirmative-voting Commissioners indicated that the market share of subject imports from India increased from 0.1 percent in 1990 to 3.3 percent in 1992. *Id.* at I-19.

⁶⁹ USITC Pub. 2704 at Table I-2.

⁷⁰ USITC Pub. 2704 at I-18.

Contains Business Proprietary Information

the United States also accelerated from 1997 to 1999.⁷¹ Mukand, which estimated that it accounted for *** of Indian production, announced plans in 1999 to increase its exports of stainless steel by 50 percent over the previous year. The Commission indicated that the United States was a particularly attractive market as U.S. prices were higher than anywhere else in the world. Although most of Mukand's production of rod was ***, Mukand stated that ***.⁷² The Commission concluded that the cumulated volume of subject imports from Brazil and India would be significant in the reasonably foreseeable future.⁷³

In the second five-year reviews, in which the Commission considered subject imports from India separately, it found that the industry in India had significant excess capacity available to increase production of SSWR and thereby increase subject exports to the United States in the event of revocation.⁷⁴ The Commission also found that the likely volume of subject imports would be significant absent the order given the significant excess capacity in India, the presence in the U.S. market of SSWR from India during the period of review, and the rapid increase in subject imports during the original investigations.⁷⁵

In the third five-year review, the Commission found that subject producers in India possessed significant excess capacity and remained export oriented. It stated that there was no indication that subject producers in India had reduced their capacity to produce SSWR. In 2010, India's global stainless steel bar and rod exports were valued at \$127.3 million, or the equivalent of *** percent of apparent U.S. consumption of SSWR in that year.⁷⁶ The Commission found that the likely volume of subject imports would be significant were the antidumping duty order to be revoked.⁷⁷

2. The Current Review

Imports from subject producers in India had no more than a minimal presence in the U.S. market during the period of review. The import volume of SSWR from subject producers in India ranged from a period low of *** short tons in 2012 and 2015 to a period high of *** short tons in 2014.⁷⁸

The limited available information on the record of this review indicates that subject producers in India possess significant excess capacity and remain export oriented. The facts

⁷¹ USITC Pub. 3321 at 17; Confidential First Reviews Opinion, EDIS Doc. 602865 at 20.

⁷² USITC Pub. 3321 at 17; Confidential First Reviews Opinion, EDIS Doc. 602865 at 21.

⁷³ USITC Pub. 3321 at 17; Confidential First Reviews Opinion, EDIS Doc. 602865 at 20-21.

⁷⁴ USITC Pub. 3866 at 31-32.

⁷⁵ USITC Pub. 3866 at 32.

⁷⁶ USITC Pub. 4300 at 11; Confidential Third Review Opinion, USITC Pub. 602873 at 15.

⁷⁷ USITC Pub. 4300 at 12.

⁷⁸ CR/PR at Table I-3. While imports of SSWR from subject Indian producers were minimal to zero in the U.S. market during the period of review, we note that imports of SSWR from nonsubject Indian producers increased over the current period of review from *** in 2011 to *** in 2015. CR/PR at Table I-3. Moreover, we also observe that imports of SSWR from nonsubject producers in India increased since the Commission's third five-year review. CR/PR at Table I-4.

Contains Business Proprietary Information

available indicate that Indian producers of SSWR have maintained capacity levels to produce SSWR observed in the last review.⁷⁹ During the most recent period for which producers in India provided data, 1999, unused capacity in India was equivalent to *** percent of U.S. apparent U.S. consumption;⁸⁰ apparent U.S. consumption in 2015 was appreciably lower than it was in 1999.⁸¹

The SSWR producers in India are substantial exporters of SSWR. In 2015, India's global stainless steel bar and rod exports were valued at nearly \$90 million, or the equivalent of nearly *** percent of apparent U.S. consumption of SSWR in that year.⁸² Moreover, there is no available evidence of changes since the past reviews that would suggest that the Indian SSWR industry would no longer find the United States to be an attractive market absent the antidumping duty order.⁸³

Thus, we find that the likely volume of subject imports, both in absolute terms, and relative to consumption in the United States, would be significant if the order were revoked.⁸⁴

D. Likely Price Effects

1. The Original Investigation and Prior Five-Year Reviews

During the original investigations, the Commission observed that prices for the five products for which the Commission made comparisons trended downward, despite an increase in domestic consumption of 11.5 percent between 1990 and 1992.⁸⁵ The U.S. price of the most common grade of SSWR, AISI grade 304, declined by nearly 15 percent during the period of investigation. Price comparisons in the original investigations revealed that subject imports from India undersold domestic SSWR in almost all comparisons.⁸⁶ Prices for subject imports from India declined steadily and were consistently below prices for the domestically produced product during the period.⁸⁷

⁷⁹ Domestic Interested Parties Comments at 7; Domestic Interested Parties Response at 5.

⁸⁰ USITC Pub. 3321 at 17; Confidential First Reviews Opinion, EDIS Doc. 602865 at 20.

⁸¹ CR/PR at Table I-5.

⁸² CR/PR at Tables I-4 and I-6. Available export data concern a product definition broader than the subject merchandise.

⁸³ See USITC Pub. 3321 at 16-17; USITC Pub. 4300 at 11-12. In fact, the record for the current review shows that the Indian SSWR industry remains interested in the U.S. market, as evidenced by the increase in imports of SSWR from nonsubject producers in India since the last five-year review and increases over the current period of review.

⁸⁴ The record does not indicate that there are any barriers to the importation of SSWR from India in third-country markets. CR at I-27; PR at I-17. It also does not provide current information concerning inventories of subject merchandise held by importers or India's producers or about subject producers' potential for product shifting.

⁸⁵ USITC Pub. 2704 at I-18.

⁸⁶ USITC Pub. 2704 at I-18.

⁸⁷ USITC Pub. 2704 at I-18.

Contains Business Proprietary Information

In the first five-year reviews, the Commission found that subject imports were substitutable for the domestic like product and the majority of purchasers reported that purchasing decisions were usually based on price. Additionally, the merchant market was substantial enough for a large volume of domestic production to be affected by the subject imports. Furthermore, demand was relatively inelastic while the domestic elasticity of supply was high in the U.S. market. Prices for domestically produced SSWR were generally flat or fell over the period of review. Based upon the likely significant volume of imports, the substitutability of the subject imports, the underselling with the order in place, and the consistent underselling by the subject imports in the original investigations, the Commission found that, in the absence of the orders, cumulated subject imports from Brazil and India would likely be priced aggressively and have significant depressing and suppressing effects on prices of the domestic like product.⁸⁸

In the second five-year reviews, the Commission determined that subject imports would likely significantly undersell the domestic like product given the likely significant volume of subject imports, the substitutability between subject imports and the domestic like product, evidence in the original investigations of underselling, the importance of price in purchasing decisions, and relatively weak U.S. demand. Given the rising raw material and energy costs experienced by the domestic industry during the period of review, the Commission concluded that revocation of the antidumping duty order would likely lead to significant underselling by the subject imports and significant price depression and suppression.⁸⁹

Due to the expedited nature of the third five-year review, there was no new product-specific pricing information on the record. In the absence of any evidence to the contrary, the Commission adopted findings from the prior five-year reviews that SSWR was a product that competed primarily on the basis of price and that subject imports and the domestic like product were substitutable. The Commission considered the likely significant volume of subject imports, the substitutability between the subject imports and the domestic like product, evidence of underselling in the original investigations and prior reviews, and the importance of price in purchasing decisions. As a result, the Commission found that were the antidumping duty order to be revoked, the likely significant increase in subject import volume, at prices that would likely undersell the domestic like product, would be likely to have significant price effects on the domestic industry.⁹⁰

2. The Current Review

Due to the expedited nature of this review, there is no new product-specific pricing information on the record. In the absence of any evidence to the contrary, we adopt our

⁸⁸ USITC Pub. 3321 at 18.

⁸⁹ USITC Pub. 3866 at 33.

⁹⁰ USITC Pub. 4277 at 17.

Contains Business Proprietary Information

findings from the prior five-year reviews that SSWR is a product that competes primarily on the basis of price and that subject imports and the domestic like product are substitutable.⁹¹

Because of the degree of substitutability between the domestic like product and subject imports and because price continues to be an important factor in purchasing decisions, to gain market share subject imports would likely significantly undersell the domestic like product, as they did during the original investigation. The likely significant volume of low-priced subject imports would likely force the domestic industry either to lower prices or lose sales. In light of these considerations, we conclude that subject imports would likely significantly undersell the domestic like product and have significant depressing or suppressing effects on prices for the domestic like product upon revocation.

E. Likely Impact

1. The Original Investigation and Prior Five-Year Reviews

In the original investigations, the Commission found declining production by the U.S. producers despite increases in apparent consumption and characterized capacity utilization as extremely low.⁹² U.S. producers reported positive operating income in 1990 and 1991, but significant losses in 1992.⁹³ The domestic producers' capital expenditures declined significantly late in the period as well.⁹⁴ The Commission concluded that the lower prices of the cumulated subject imports enabled those imports to increase market share in an expanding market at the expense of the domestic producers, leading to declines in domestic prices, domestic market share, production, shipments, and profitability.⁹⁵

In the first five-year reviews, the Commission found that the condition of the domestic industry, including its financial performance, moderately improved since the original investigations. While production volumes and capacity utilization increased, total capacity was lower. The industry's operating income as a ratio to net sales improved and the domestic industry increased its output.⁹⁶ The Commission found that while some indicators of the industry's performance improved, others had deteriorated. The Commission found that capacity utilization, production, and shipments decreased during the period of review, but that the domestic producers' market share held steady.⁹⁷ Given the mixed picture on indicators of

⁹¹ USITC Pub. 3321 at 18; USITC Pub. 3866 at 33; USITC Pub. 4300 at 10. The Domestic Interested Parties maintain that the SSWR market in the United States remains highly price-sensitive given that SSWR is substitutable. Domestic Interested Parties Comments at 9; Domestic Interested Parties Response at 7.

⁹² USITC Pub. 2704 at I-12.

⁹³ USITC Pub. 2704 at I-13.

⁹⁴ USITC Pub. 2704 at I-13.

⁹⁵ USITC Pub. 2704 at I-18-19; *see also Id.* at I-20 (making similar alternative finding considering subject imports from India separately).

⁹⁶ USITC Pub. 3321 at 19.

⁹⁷ USITC Pub. 3321 at 20.

Contains Business Proprietary Information

the industry's condition, and the generally positive level of profitability, the Commission did not find the industry to be vulnerable.⁹⁸ Nevertheless, the Commission concluded that revocation of the antidumping duty orders on SSWR from Brazil and India would likely lead to a significant increase in the volume of subject imports that would undersell the domestic like product and significantly suppress or depress U.S. prices. It also found that the volume and price effects of the subject imports would likely have a significant adverse impact on the production, shipments, sales, market share, and revenues of the domestic industry.⁹⁹

In the second five-year reviews, the Commission found that the significant increase in subject imports from India would be likely to cause a significant decrease in the volume of the domestic industry's shipments as well as having an impact on prices at a time when the industry faced elevated energy and raw material costs. The Commission determined that this would be likely to have an adverse impact on production, shipments, sales, market share, and revenues of the domestic industry.¹⁰⁰

In the third five-year review, the Commission found that 2010 data on some indicators showed improvements since the original investigations; however, other indicators were worse than before the imposition of the order. Total production declined from *** short tons in 1992 to *** short tons in 2010, gross profits declined from \$5.2 million in the original investigations to a significant loss in 2010, and operating losses *** since 1992.¹⁰¹ The Commission further stated that the limited record information available in the review concerning the domestic industry's condition did not permit it to make a finding as to whether the domestic industry was vulnerable to the continuation or recurrence of material injury in the event the order was revoked.¹⁰²

The Commission found that given the decrease in demand and the importance of price in purchasing decisions, the likely significant increase in subject imports from India would likely cause a significant decline in the volume of domestic producers' shipments as well as an adverse effect on prices. This, in turn, would likely adversely affect the domestic industry's output, sales, revenues, and financial performance. The Commission also considered the role of nonsubject imports, but found that they had decreased since the time of the original investigations and there was no indication on the record that the presence of nonsubject imports in the U.S. market would prevent subject imports from entering the United States at levels and prices that would cause injury to the domestic industry. Consequently, the Commission concluded that revocation of the order would likely lead to a significant impact on the domestic industry.¹⁰³

⁹⁸ USITC Pub. 3321 at 20.

⁹⁹ USITC Pub. 3321 at 20.

¹⁰⁰ USITC Pub. 3866 at 34.

¹⁰¹ USITC Pub. 4300 at 15; Confidential Third Review Opinion, EDIS Doc. 602873 at 20-21.

¹⁰² USITC Pub. 4300 at 15-17.

¹⁰³ USITC Pub. 4300 at 15-16.

Contains Business Proprietary Information

2. The Current Review

Because of the expedited nature of this review, information on the record concerning the recent performance of the domestic industry is limited. This limited information is insufficient for us to make a finding as to whether the domestic industry is vulnerable to continuation or recurrence of material injury in the event of revocation of the order.

The data show that, in 2015, domestic industry capacity was *** short tons, its production was *** short tons, and its capacity utilization was *** percent. The industry's U.S. shipments were *** short tons; its net sales value was ***; its gross profits were over ***; its ratio of cost of goods sold to net sales was *** percent; and its operating income was ***, equivalent to *** percent of net sales. The 2015 data on some of these indicators show improvement since the original investigations, and prior reviews, but other indicators have worsened. Total production in 2015 was roughly comparable to that of 2010 but below the levels reported in the original investigations and first and second reviews. By contrast, capacity utilization in 2015 was below that of 2010 but higher than in the prior proceedings. The industry's operating performance in 2015 was better than that during 1992 or any of the prior reviews.¹⁰⁴

As previously discussed, revocation of the antidumping duty order on SSWR from India would be likely to lead to a significant volume of subject imports that would likely significantly undersell the domestic like product and have significant price effects on the domestic industry. Consequently, given the substitutable nature of subject imports and the domestic like product, the likely significant volume of subject imports would place pricing pressure on domestic producers, forcing them to cut prices or cede market share to subject imports. This likely significant volume of subject imports and their price effects would likely negatively affect the domestic industry's market share, domestic production, capacity utilization, shipments, net sales values and quantities, employment levels, operating income, operating income margins, and capital investments.

We have also considered the role of factors other than subject imports, including the presence of nonsubject imports, so as not to attribute injury from other factors to the subject imports. Although the quantity of nonsubject imports of SSWR increased during the current period of review,¹⁰⁵ their market share showed little change from 2010 to 2015, declining ***.¹⁰⁶ If the antidumping duty order on SSWR from India were revoked, the likely significant increase in volume of subject imports likely would take market share from the nonsubject imports as well as the domestic like product. We consequently have not attributed to the subject imports any likely injury caused by other factors.

¹⁰⁴ CR/PR at Table I-2.

¹⁰⁵ CR/PR at Table I-4.

¹⁰⁶ CR/PR at Table I-5. In 2010, by quantity, imports from nonsubject sources (including imports from nonsubject producers in India) accounted for *** percent of the U.S. market. In 2015, by quantity, the market share of imports from nonsubject sources (including imports from nonsubject producers in India) accounted for *** percent. *Id.*

Contains Business Proprietary Information

Accordingly, we conclude that, if the antidumping duty order on SSWR from India were to be revoked, subject imports would likely have a significant impact on domestic producers of SSWR within a reasonably foreseeable time.

IV. Conclusion

For the above reasons, we determine that revocation of the antidumping duty order on SSWR from India would likely lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

INFORMATION OBTAINED IN THESE REVIEWS

BACKGROUND

On December 1, 2016, the U.S. International Trade Commission (“Commission”) gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”),¹ that it had instituted reviews to determine whether revocation of an antidumping duty order on stainless steel wire rod (“SSWR”) from India would likely lead to the continuation or recurrence of material injury to a domestic industry.² All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.^{3 4} The following tabulation presents information relating to the background and schedule of this proceeding:

Effective or statutory date	Action
December 1, 2016	Notice of initiation and institution by Commerce and Commission
March 6, 2017	Commission vote on adequacy
March 31, 2017	Commerce results of its expedited reviews
May 1, 2017	Commission statutory deadline to complete expedited reviews
November 27, 2017	Commission statutory deadline to complete full reviews

RESPONSES TO THE COMMISSION’S NOTICE OF INSTITUTION

Individual responses

The Commission received one submission in response to its notice of institution in the subject reviews. It was filed on behalf of Carpenter Technology Corporation (“Carpenter”),

¹ 19 U.S.C. 1675(c).

² *Stainless Steel Wire Rod From India; Institution of Five-Year Reviews*, 81 FR 86728, December 1, 2016. In accordance with section 751(c) of the Act, the U.S. Department of Commerce (“Commerce”) published a notice of initiation of five-year reviews of the subject antidumping duty orders concurrently with the Commission’s notice of institution. *Stainless Steel Wire Rod From India; Institution of Five-Year Reviews*, 81 FR 86699, December 1, 2016. Pertinent *Federal Register* notices are referenced in app. A, and may be found at the Commission’s website (www.usitc.gov).

³ As part of their response to the notice of institution, interested parties were requested to provide company-specific information. That information is presented in app. B. Summary data compiled in prior proceedings is presented in app. C.

⁴ Interested parties were also requested to provide a list of three to five leading purchasers in the U.S. market for the subject merchandise. Presented in app. D are the responses received from purchasers, which responded to the purchaser questionnaire, in the adequacy phase of these reviews.

North American Stainless (“NAS”), and Universal Stainless and Alloy Products, Inc. (“Universal”), domestic producers of SSWR (collectively referred to herein as “domestic interested parties”).

A complete response to the Commission’s notice of institution requires that the responding interested parties submit to the Commission all the information listed in the notice. The responding firms were given an opportunity to remedy and explain any deficiencies in their responses. A summary of the number of responses and an estimate of coverage is shown in table I-1.

Table I-1

HSLWs: Summary of responses to the Commission’s notice of institution

Type of interested party	Completed responses	
	Number	Coverage
Domestic:		
U.S. producer	1	***% ¹
Respondent:		
U.S. importer	0	(²)
Foreign producer/exporter	0	(³)

¹ The coverage figure presented, as provided by the domestic interested parties in their response, represents the firms’ share of total U.S. production of SSWR during 2015.

² The Commission did not receive any responses from U.S. importers.

³ The Commission did not receive any responses from foreign producers/exporters.

Party comments on adequacy

The Commission received one submission filed on behalf of Carpenter, NAS, and Universal commenting on the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews. The domestic interested party argues that the Commission should conclude that the response of the domestic industry to the Commission’s notice of institution is adequate. Additionally, in the absence of responses from foreign producers/exporters or U.S. importers of SSWR from the subject country, the domestic interested party argues that the Commission should determine that the respondent interested party group responses are inadequate, and they request that the Commission conduct expedited review of the antidumping order.

RECENT DEVELOPMENTS IN THE INDUSTRY

Since the Commission’s third five-year reviews, the following developments have occurred in the stainless steel wire rod industry.

- In August 2012, Carpenter announced that it would be relocating its specialty wire products business from Orangeburg, SC to Wauseon, Ohio. Carpenter suggested that the relocation will allow them to maximize efficiency and reduce operating costs.⁵
- NAS announced plans to spend \$5 million to expand their production facility in Ghent, Kentucky. NAS will add a fourth steel slitter line and create 15 jobs. The expansion was expected to be finished in early 2017.⁶

THE PRODUCT

Commerce's scope

Commerce has defined the subject merchandise as follows:

Certain stainless steel wire rods (SSWR) from India. SSWR are products which are hot-rolled or hot-rolled annealed and/or pickled rounds, squares, octagons, hexagons, or other shapes, in coils. SSWR are made of alloy steels containing, by weight 1.2 percent or less of carbon and 10.5 percent of chromium with or without other elements. These products are only manufactured by hot-rolling and normally sold in coiled form, and are solid cross-section. The majority of SSWR sold in the United States are round in cross-section shape, annealed, and pickled. The most common size is 5.5 millimeters in diameter.⁷

Description and uses⁸

SSWR is an intermediate stainless steel product that is used primarily to produce stainless steel wire and stainless steel bar. SSWR is a long product produced in coiled form with no specific size limitation. SSWR is produced at least as large as 39 mm (1.54 inch) in diameter circular cross-section, although the most common size is 5.5 mm (0.217 inch) in diameter. This is the smallest size normally produced on a hot-rolling mill and is the size most commonly used for wire drawing. The primary use for SSWR shipped in the domestic market is for the

⁵ "Carpenter Technology closing Orangeburg plant; 26 jobs lost." The Times and Democrat. September 01, 2012. Accessed February 13, 2017. http://thetandd.com/business/carpenter-technology-closing-orangeburg-plant-jobs-lost/article_950f3a88-f3f8-11e1-b6f0-0019bb2963f4.html.

⁶ "NAS spending \$5M to expand Ky. facility." American Metal Market. December 8, 2014. Accessed February 13, 2017. <http://www.amm.com/Article/3408285/NAS-spending-5M-to-expand-Ky-facility.html>.

⁷ *Certain Stainless Steel Wire Rods from India: Continuation of Antidumping Duty Orders*, 77 FR 3231, January 23, 2012.

⁸ Unless otherwise noted, this information is based on *Stainless Steel Wire Rod from India, Inv. No. 731-TA-638 (Third Review)*, USITC Publication 4300, January 2012, pp. I-9.

production of wire which is then used to produce downstream products such as industrial fasteners, springs, medical and dental instruments, automotive parts and welding electrodes.

Manufacturing process⁹

There are three basic steps in SSWR production, regardless of grade or final cross section: (1) the melting of stainless steel and casting of billets, (2) hot-rolling the billets into wire rod and coiling the wire rod, and (3) finishing the wire rod, which includes annealing and pickling. Inspection, packaging, and shipment follow these three stages of production. The production process employed by U.S. producers and by foreign manufacturers is generally the same.

In the first stage, molten stainless steel is produced by melting stainless steel scrap and other raw materials (including chromium, nickel, and molybdenum) in an electric-arc furnace. Molten stainless steel typically is transferred to an argon-oxygen refining vessel, where its chemistry is refined and adjusted through further additions to produce steel with the required chemical composition. The molten steel is then processed through a continuous casting machine to produce billets, which are semifinished long products with a square cross section. Other types of melting equipment, such as a vacuum furnace or an electroslag remelting furnace, may be used to produce special quality SSWR, but these processes are uncommon. When continuous casting is not used, billets may be produced from ingots by rolling or forging.

In the second stage, the surface of the billets may be ground to remove defects, following which the billets are heated to rolling temperature (about 2,200 degrees Fahrenheit) prior to hot rolling. In the hot-rolling mill, the billet passes through a series of rolling operations until it has been reduced to its final diameter or shape, at which point it has the dimensions of wire rod. The wire rod is coiled and then is cooled either by forced air or by water-quenching. Each billet yields a single coil of wire-rod.

In the finishing stage, the coils may be annealed (heat-treated) and mechanically descaled (shotblasted) and/or pickled (dipped in a series of acid baths) to improve surface quality. The coils of wire rod may also be coated with a lubricant containing copper, lime, or oxalate, which facilitates the drawing process.

U.S. tariff treatment

The imported merchandise subject to the order concerning India is currently classified under HTS statistical reporting numbers 7221.00.0005, 7221.00.0015,¹⁰ 7221.00.0030, 7221.00.0045, and 7221.00.0075. The merchandise subject to the scope of the order was

⁹ Unless otherwise noted, this information is based on *Stainless Steel Wire Rod from India, Inv. No. 731-TA-638 (Third Review)*, USITC Publication 4300, January 2012, pp. I-9.

¹⁰ Effective July 2016, 7221.00.0015 was replaced by 7221.00.0017 and 7221.00.0018. Because the period of review ends prior to the replacement, the new HTS statistical reporting numbers are not included in the data for the purposes of this review.

originally classifiable under all of the following HTS statistical reporting numbers: 7221.00.0005, 7221.00.0015, 7221.00.0020, 7221.00.0030, 7221.00.0040, 7221.00.0045, 7221.00.0060, 7221.00.0075, and 7221.00.0080. However, HTS statistical reporting numbers 7221.00.0020, 7221.00.0040, 7221.00.0060, and 7221.00.0080 are no longer contained in the HTS.¹¹ A column-1 general rate of free, is applicable to imports of SSWR from India.

The definition of the domestic like product

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. In its original determinations, its full first and second five-year review determinations, and its expedited third five-year review determination, the Commission defined the domestic like product as all SSWR.¹² The domestic interested parties participating in the adequacy phase of this review indicated in their responses to the Commission's notice of institution that they agree with the Commission's definition of the domestic like product.¹³

THE ORIGINAL INVESTIGATIONS AND SUBSEQUENT REVIEWS

The original investigations

The original investigations resulted from petitions filed on December 30, 1992 with Commerce and the Commission alleging that an industry in the United States was materially injured by reason of less-than-fair value ("LTFV") imports of SSWR from Brazil, France, and India.¹⁴ On October 13, 1993, Commerce made a final affirmative dumping determination for India, calculating an all-inclusive dumping margin of 48.80 percent.¹⁵ On November 23, 1993, the Commission notified Commerce of its final determination and on December 1, 1993,

¹¹ *Certain Stainless Steel Wire Rods From India, Final Results of the Expedited Sunset Review of the Antidumping Duty Order*, 76 FR 67672, November 2, 2011.

¹² *Stainless Steel Wire Rod from India, Inv. No. 731-TA-638 (Third Review)*, USITC Publication 4300, January 2012, pp. 4-6.

¹³ *Domestic Interested Parties' Response to the Notice of Institution*, January 3, 2017, p. 14.

¹⁴ The petitions were filed by AL Tech Specialty Steel Corp., Armco Stainless & Alloy Products, Inc., Carpenter Technology Corp., Republic Engineered Steels, Inc., Talley Metals Technology, Inc., and the United Steelworkers of America, AFL-CIO/CLC. *Stainless Steel Wire Rod from India, Investigation Nos. 731-TA-638 (Final)*, USITC Publication 2704, November 1993, II-3. *Stainless Steel Wire Rod from Brazil and France, Investigation Nos. 731- TA-636 and 637 (Final)*, USITC Publication 2721, January 1994, II-2.

¹⁵ Commerce postponed its final determinations for Brazil and France from October 11, 1993, to December 20, 1993, at the request of respondents. *Notice of Postponement of Final Determinations of Sales at Less Than Fair Value: Certain Stainless Steel Wire Rods from Brazil and France*, 58 FR 44660, August 24, 1993.

Commerce issued an antidumping duty order on imports of SSWR from India on December 1, 1993.¹⁶

The first five-year reviews

On July 1, 1999, the Commission instituted five-year reviews of the 1983 transition countervailing duty order on SSWR from Spain¹⁷ and the 1993-94 transition antidumping duty orders on SSWR from Brazil, France, and India, and on October 1, 1999, the Commission determined it would conduct full reviews.¹⁸ The Commission made affirmative determinations with respect to SSWR from Brazil, France, and India and a unanimous negative determination with respect to SSWR from Spain.^{19 20} Effective August 2, 2000, Commerce issued continuation of the antidumping duty orders on imports of SSWR from Brazil, France, and India.²¹

The second five-year reviews

On July 1, 2005, the Commission instituted second five-year reviews of the antidumping duty orders on SSWR from Brazil, France, and India, and on October 4, 2005, the Commission determined it would conduct full reviews.²² On October 4, 2005, The Commission determined that it would conduct a full review of these orders. The Commission determined that revocation of the antidumping duty orders on SSWR from Brazil and France would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a

¹⁶ *Antidumping Duty Order: Certain Stainless Steel Wire Rods from India*, 58 FR 63335, December 1, 1993. Commerce issued antidumping duty orders on January 28, 1994. Commerce issued antidumping duty orders on imports of SSWR from Brazil and France on January 28, 1994. *Antidumping Duty Order: Certain Stainless Steel Wire Rods from Brazil* 59 FR 4021, January 28, 1994. *Antidumping Duty Order, Certain Stainless Steel Wire Rods from France* 59 FR 4022, January 28, 1994.

¹⁷ See the discussion in *Prior Related Investigations*.

¹⁸ *Stainless Steel Wire Rod from Brazil, France, India, and Spain*, 64 FR 35697, July 1, 1999. *Stainless Steel Wire Rod From Brazil, France, India, and Spain*, 64 FR 55962, October 1, 1999.

¹⁹ Commissioners Koplán and Okun dissenting with respect to SSWR from France, and Commissioner Askey dissenting with respect to SSWR from Brazil, France, and India. *Stainless Steel Wire Rod From Brazil, France, India, and Spain*, 65 FR 45409, July 21, 2000.

²⁰ The French respondent interested parties appealed the Commission's determination with respect to France in the first five-year reviews of the orders under review. Judge Richard Goldberg of the U.S. Court of International Trade affirmed the Commission's determinations with respect to likely volume, price, and impact and Commissioner Bragg's determination to cumulate the subject imports. *See Ugine-Savoie Imphy v. United States*, 248 F. Supp.2d 1208 (Ct. Int'l Trade 2002).

²¹ *Continuation of Antidumping Duty Orders: Stainless Steel Wire Rod From Brazil, France, and India*, 65 FR 47403, August 2, 2000.

²² *Stainless Steel Wire Rod from Brazil, France, and India*, 70 FR 38207, July 1, 2005. *Stainless Steel Wire Rod from Brazil, France, and India*, 70 FR 60109, October 14, 2005.

reasonably foreseeable time.²³ The Commission further determined that revocation of the antidumping duty order on SSWR from India would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time. Effective August 8, 2006, Commerce issued a continuation of the antidumping duty order on imports of SSWR from India.²⁴

The third five-year reviews

On July 1, 2011, the Commission instituted third five-year review of the antidumping duty order on SSWR from India²⁵, and on October 4, 2011 the Commission determined that it would conduct an expedited review on the antidumping duty order. On January 10, 2012, the Commission published its determination that revocation of the antidumping duty order on SSWR from India would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time. Effective January 23, 2012, Commerce issued a continuation of the antidumping duty orders on imports of SSWR from India.²⁶

PRIOR RELATED INVESTIGATIONS

Stainless Steel Wire Rod

As described in greater detail in the tabulation below, the Commission and Commerce have conducted a series of investigations and reviews on stainless steel wire rod. At present, antidumping duty orders remain in effect with respect to stainless steel wire rod from Japan, Korea, and Taiwan.

²³ Commissioners Stephen Koplun and Charlotte R. Lane dissenting with respect to Brazil; Commissioner Charlotte R. Lane dissenting with respect to France. *Stainless Steel Wire Rod from Brazil, France, and India, Investigation Nos. 731-TA-636-638 (Second Review)*, USITC Publication 3866, July 2006.

²⁴ *Continuation of Antidumping Duty Order: Stainless Steel Wire Rods From India*, 71 FR 45023, August 8, 2006. Effective August 2, 2005, Commerce revoked the antidumping duty orders on SSWR from Brazil and France. *Stainless Steel Wire Rods From Brazil and France: Revocation of Antidumping Duty Order*, 71 FR 45030 August 8, 2006.

²⁵ *Stainless Steel Wire Rod From India; Institution of Five-Year Reviews*, 76 FR 38686, July 1, 2011.

²⁶ *Certain Stainless Steel Wire Rods From India: Continuation of Antidumping Duty Order*, 77 FR 3231, January 23, 2012.

Original Investigation				Subsequent actions
Date ¹	Number	Country	Outcome	
1982	701-TA-178	Spain	Affirmative	Negative first review (2000)
1997	731-TA-769	Germany ²	Negative	-
1997	701-TA-373 731-TA-770	Italy	Affirmative	Commerce negative first review (CVD) (2003) Affirmative first review (2004) Affirmative second review (2009) Negative third review (2015)
1997	731-TA-771	Japan	Affirmative	Affirmative first review (2004) Affirmative second review (2009) Affirmative third review (2015)
1997	731-TA-772	Korea	Affirmative	Affirmative first review (2004) Affirmative second review (2009) Affirmative third review (2015)
1997	731-TA-773	Spain	Affirmative	Affirmative first review (2004) Affirmative second review (2009) Negative third review (2015)
1997	731-TA-775	Sweden	Affirmative	Affirmative first review (2004) Commerce revocation (2007)
1997	731-TA-775	Taiwan	Affirmative	Affirmative first review (2004) Affirmative second review (2009) Affirmative third review (2015)
¹ "Date" refers to the year in which the Commission instituted the investigation ² Final determination Source: Compiled from Commission determinations published in the <i>Federal Register</i> .				

Stainless Steel Bar and Wire

As described in greater detail in the tabulation below, the Commission and Commerce have conducted a series of investigations and reviews on both stainless steel bar and stainless steel wire. At present, antidumping duty orders remain in effect with respect to stainless steel bar from Brazil, India, Japan, and Spain. No antidumping or countervailing duty orders are in effect with respect to stainless steel wire.

Original Investigation					Subsequent actions
Date ¹	Product	Number	Country	Outcome	
1993	SS Bar	731-TA-678	Brazil	Affirmative	Affirmative first review (2001) Affirmative second review (2007) Affirmative third review (2012)
1993	SS Bar	731-TA-679	India	Affirmative	Affirmative first review (2001) Affirmative second review (2007) Affirmative third review (2012)
1993	SS Bar	731-TA-680	Italy ²	Negative	-
1993	SS Bar	731-TA-681	Japan	Affirmative	Affirmative first review (2001) Affirmative second review (2007) Affirmative third review (2012)
1993	SS Bar	731-TA-682	Spain	Affirmative	Affirmative first review (2001) Affirmative second review (2007) Affirmative third review (2012)
1998	SS Wire	731-TA-781	Canada ²	Negative	-
1998	SS Wire	731-TA-782	India ²	Negative	-
1998	SS Wire	731-TA-783	Japan ²	Negative	-
1998	SS Wire	731-TA-784	Korea ²	Negative	-
1998	SS Wire	731-TA-785	Spain ²	Negative	-
1998	SS Wire	731-TA-786	Taiwan ²	Negative	-
2000	SS Bar	731-TA-913	France	Affirmative	Negative first review (2008)
2000	SS Bar	731-TA-914	Germany	Affirmative	Negative first review (2008)
2000	SS Bar	701-TA-413 731-TA-915	Italy	Affirmative	Negative first review (2008)
2000	SS Bar	731-TA-916	Korea	Affirmative	Negative first review (2008)
2000	SS Bar	731-TA-917	Taiwan ²	Negative	-
2000	SS Bar	731-TA-918	United Kingdom	Affirmative	Negative first review (2008)
1 "Date" refers to the year in which the Commission instituted the investigation					
2 Final determination					
Source: Compiled from Commission determinations published in the <i>Federal Register</i> .					

Safeguard Investigations

During 1982-83, the Commission conducted a safeguard investigation of stainless steel products that included the SSWR subject to this review. Following affirmative determinations of

serious injury and remedy recommendations by the Commission, President Reagan proclaimed four-year global quotas limiting SSWR imports to 19,100 tons in the first year, increasing to 9,700 tons, 20,300 tons, and 20,900 tons in subsequent years.²⁷

In 2001, the Commission conducted a safeguard investigation of steel products (Inv. No. TA-201-73) that included the SSWR subject to these reviews (as well as downstream products such as stainless steel bar and stainless steel wire). Following affirmative determinations of serious injury and remedy recommendations by the Commission, President Bush issued a proclamation on March 5, 2002, imposing temporary import relief for a period not to exceed three years and one day. Import relief relating to SSWR consisted of an additional tariff of 15 percent ad valorem on imports in the first year, 12 percent in the second year, and 9 percent in the third year.²⁸ On December 4, 2003, President Bush terminated the steel safeguard tariffs.²⁹

ACTIONS AT COMMERCE

Commerce has not issued any duty absorption or anti-circumvention findings with respect to SSWR from the subject country. Additionally, there have not been any critical circumstances or changed circumstances reviews conducted since the third five-year review continuation order, nor has Commerce completed any scope rulings.

Company revocations

On July 13, 2005, Commerce issued a notice revoking the antidumping duty order on SSWR with respect to merchandise produced or exported by Viraj Group. In its notice, Commerce stated, “based on our examination of the sales data submitted by Viraj, we determine that it sold the subject merchandise in the United States in commercial quantities in each of the consecutive years cited by Viraj to support its request for revocation. Thus, we find that Viraj had zero or de minimis dumping margins for its last three administrative reviews and sold in commercial quantities in each of these years. Additionally, we find that the continued application of the antidumping duty order is not otherwise necessary to offset dumping. Therefore, we determine that Viraj qualifies for revocation of the order on SSWR pursuant to 19 CFR 351.222(b)(2) with 19 CFR 351.222(f)(3), we are terminating the suspension of liquidation for any of the merchandise in question that is entered, or withdrawn from warehouse, for

²⁷ *Stainless Steel Wire Rod from India, Inv. No. 731-TA-638 (Third Review)*, USITC Publication 4300, January 2012, p. 5.

²⁸ Additional relief was provided for stainless steel bar and stainless steel wire. Additional tariffs on the former product were to decrease from 15 percent to 12 percent to 9 percent, and on the latter product from 8 percent to 7 percent to 6 percent.

²⁹ *Stainless Steel Wire Rod from India, Inv. No. 731-TA-638 (Third Review)*, USITC Publication 4300, January 2012, pp. 5-6.

consumption on or after December 1, 2003, and will instruct U.S. Customs and Border Protection (CBP) to refund any cash deposits for such entries.”³⁰

Current five-year reviews

Commerce is conducting an expedited fourth five-year review with respect to the antidumping duty order on SSWR from India and intends to issue the final results of these reviews based on the facts available not later than March 31, 2017.³¹

THE INDUSTRY IN THE UNITED STATES

U.S. producers

The original antidumping petition concerning SSWR from India was filed on December 30, 1992, on behalf of AL Tech Specialty Steel Corp. (“AL Tech”); Armco Stainless & Alloy Products, Inc. (“Armco”); Carpenter; Republic Engineered Steels, Inc. (“Republic”); Talley Metals Technology, Inc. (“Talley”)); and the United Steelworkers of America, AFL-CIO/CLA (“USWA”). In addition to the petitioners, there were two other firms that produced SSWR during the original investigations. AL Tech, Armco, and Carpenter together accounted for more than *** percent of U.S. production at that time.

A number of changes concerning the structure of the domestic industry occurred following the original investigations. In 1994, Universal acquired the Stainless & Alloy Products Division of Armco, Inc. in Bridgeville, PA. In early 1998, Carpenter acquired Talley. Both companies’ operations are currently conducted under the name of Carpenter Technology Corp. In ***, Republic exited the SSWR business by closing its plant in Baltimore, MD and has not been involved in any operations concerning SSWR since that time.³²

Following the bankruptcy of its Korean parent company, Sammi, AL Tech reorganized under Chapter 11, emerging in 1999 as Empire Specialty Steel, Inc. (“Empire”), but then shutting down in 2001. Empire’s assets subsequently were purchased by Dunkirk Specialty Steel (a division of Universal) on February 8, 2002, and the plant became operational on March 14, 2002.³³ AvestPolarit, Inc. (“AvestaPolarit”) was formed in January 2001 by the merger of Avest Sheffield and Outkumpu Steel. SSWR is produced for AvestPolarit by Allvac Technologies, Inc.

³⁰ *Stainless Steel Wire Rod from India: Final Results of Antidumping Duty Administrative Review and Determination to Revoke Order in Part*, 70 FR 40318, July 13, 2005.

³¹ Melissa G. Skinner, letter to Michael Anderson, January 23, 2017.

³² *Investigation Nos. 701-TA-178 and 731-TA-636-638 (Review): Stainless Steel Wire Rod from Brazil, India, France, and Spain -- Staff Report*, INV-BB-074, June 16, 2000, p. I-23.

³³ “AL Tech attempts to split from S. Korea Parent”, <http://articles.latimes.com/1998/jan/01/business/fi-3928>, retrieved February 7, 2017. “Universal Stainless Reports First Quarter 2002 Results in Line with Projections,” http://www.irconnect.com/usap/pages/news_printer.html?d=26440&print=1, retrieved February 7, 2017.

("Allvac"), a division of Allegheny Technologies, Inc.³⁴ Charter Specialty Steel ("Charter") and NAS entered the industry and began operations in 2001 and July 2003, respectively.

During the period examined in the first five-year reviews, there were four U.S. producers of SSWR: AL Tech, Carpenter, Republic, and Talley. During the period examined in the second five-year reviews of the order, there were five known U.S. producers of SSWR that accounted for all domestic production and sales of SSWR during 2005: Allvac (tolling for Outokumpu), Carpenter, Charter, NAS, and Universal. As was the case during the first reviews of the orders, Carpenter was the largest producer of SSWR, accounting for well over one-half of domestic production. Carpenter and NAS together accounted for *** percent of U.S. production of SSWR. During the period examined in the third five-year review of the order there were five known U.S. producers of SSWR: Allvac, Carpenter, NAS, Outokumpu, and Universal. Carpenter and NAS together accounted for *** percent of SSWR production in the United States during 2010.³⁵

In this fourth five-year review, the same five U.S. producers of SSWR were identified: Allvac, Carpenter, NAS, Outokumpu, and Universal. Carpenter, NAS, and Universal together are believed to account for *** percent of SSWR production in the United States during 2015.³⁶

Definition of the domestic industry and related party issues

The domestic industry is defined as the U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. In its original investigation and subsequent five-year reviews, the Commission defined the domestic industry as all domestic producers of SSWR.³⁷ The domestic industry takes no issue with this definition of the domestic industry and identified no related party issues.³⁸

U.S. producers' trade and financial data

The Commission asked domestic interested parties to provide trade and financial data in their response to the notice of institution of the current five-year reviews.³⁹ Table I-2 presents a compilation of the data submitted from the responding U.S. producers as well as trade and financial data submitted by U.S. producers in the original investigations and prior five-year reviews. The domestic industry noted in its response to the Commission's notice of institution

³⁴ "AvestaPolarit to enhance stainless steel long products capabilities," <http://www.outokumpu.com/About-us/Business-news/News/Archive/5595>, retrieved February 7, 2017.

³⁵ *Investigation No. 731-TA-638 (Third Review): Stainless Steel Wire Rod from India -- Staff Report*, INV-JJ-118, November 10, 2011, pp. I-15-16.

³⁶ *Domestic Interested Party's Response to the Notice of Institution*, January 3, 2017, p.13.

³⁷ *Stainless Steel Wire Rod from India, Inv. No. 731-TA-638 (Third Review)*, USITC Publication 4300, January 2012, p. 5.

³⁸ *Domestic Interested Party's Response to the Notice of Institution*, January 3, 2017, p.14.

³⁹ Individual company trade and financial data are presented in app. B.

in these fourth five-year reviews that SSWR operations have experienced a decline as a result of a contraction in demand reflecting downturns in the industrial market. Furthermore, the domestic industry noted that the U.S. SSWR market remains competitive and is price-sensitive.⁴⁰

Table I-2

SSWR: Trade and financial data submitted by U.S. producers, 1992, 1999, 2005, 2010, and 2015

* * * * *

U.S. IMPORTS AND APPARENT CONSUMPTION

U.S. importers

During the original investigations, five firms accounted for the majority of the U.S. imports of subject merchandise from India. In the first full five-year review, the Commission received questionnaires with useable data from nine firms, however only two firms, *** and *** reported importing subject merchandise from India.⁴¹ During the second full five-year review, the domestic interested parties identified six importers of SSWR from India: ABB Trading (U.S.) Inc.; Comprador Inoxidable Inc.; Kurt Orban Partners, LLC; Lambro Industries, Inc; Pegasus Maritime, Inc.; and Precision Metals Services. However, none of the U.S. importers that provided responses to the Commission’s questionnaire in the first and second full five-year reviews reported subject imports of SSWR from India. In the third expedited five-year review, domestic interested parties identified the same six importers of subject merchandise; whereas Indian producer Mukand was unable to identify any currently operating U.S. importers of the subject merchandise from India.⁴²

In their response to the Commission’s notice of institution in this fourth five-year review, the domestic industry identified seven importers of SSWR from India: Acme Wire Products, LLC; Coppersmith Global Logistics, Inc.; Kurt Orban Partners, LLC; Techniweld USA, LLC; Tristar Metals, Inc.; Weldwire Co.; and Wire World, Inc.⁴³

U.S. imports

Import data for SSWR are presented in table I-3.

⁴⁰ *Domestic Interested Party’s Response to the Notice of Institution*, January 3, 2017, p. 13.

⁴¹ *Investigation Nos. 701-TA-178 and 731-TA-636-638 (Review): Stainless Steel Wire Rod from Brazil, France, India, and Spain—Staff Report*, INV-X-133, June 16, 2000, p. I-20.

⁴² *Stainless Steel Wire Rod from India, Inv. No. 731-TA-638 (Third Review)*, USITC Publication 4300, January 2012, p. I-13.

⁴³ *Domestic Interested Party’s Response to the Notice of Institution*, January 3, 2017, p. 10.

Table I-3
HSLWs: U.S. imports, 2011-15

Item	2011	2012	2013	2014	2015
	Quantity (short tons)				
India (subject)	***	***	***	***	***
India (nonsubject)	***	***	***	***	***
China	3,194	3,193	3,405	5,931	9,576
France	4,164	4,482	4,607	5,507	5,550
Italy	673	628	730	624	1,043
Sweden	3,565	4,871	4,198	4,502	4,351
Taiwan	8,193	8,912	10,107	13,377	11,790
United Kingdom	7,026	5,266	5,565	6,439	6,612
All other imports (nonsubject)	487	154	265	536	456
Total imports	***	***	***	***	***
	Landed, duty-paid value (\$1,000)				
India (subject)	***	***	***	***	***
India (nonsubject)	***	***	***	***	***
China	7,413	7,119	6,879	12,644	20,968
France	21,195	20,069	16,246	22,157	24,616
Italy	2,962	5,158	4,988	3,692	4,883
Sweden	20,243	25,374	19,412	24,194	20,126
Taiwan	32,261	27,780	26,853	36,638	31,125
United Kingdom	32,354	20,860	20,614	24,970	23,255
All other imports (nonsubject)	3,920	1,327	1,452	2,405	1,966
Total imports	***	***	***	***	***

Continued on next page

Table I-3—Continued
HSLWs: U.S. imports, 2011-15

Item	2011	2012	2013	2014	2015
	Unit value (dollars per short tons)				
India (subject)	***	***	***	***	***
India (nonsubject)	***	***	***	***	***
China	2,328	2,229	2,020	2,132	2,190
France	5,090	4,477	3,527	4,023	4,436
Italy	4,402	8,218	6,837	5,912	4,683
Sweden	5,679	5,209	4,624	5,374	4,627
Taiwan	3,938	3,117	2,657	2,739	2,640
United Kingdom	4,605	3,962	3,704	3,878	3,517
All other imports (nonsubject)	8,045	8,609	5,485	4,491	4,312
Total imports	***	***	***	***	***

Note.--Because of rounding, figure may not add to total shown. Unit values are calculated from unrounded data.

Note.--Commerce revoked the antidumping duty order on SSWR manufactured and exported by the Viraj Group and terminated suspension of liquidation for entries on or after December 1, 2003.

Note.--***

Source: Official statistics of Commerce for HTS statistical reporting numbers 7221.00.0005, 7221.00.0015, 7221.00.0017, 7221.00.0018, 7221.00.0020, 7221.00.0030, 7221.00.0040, 7221.00.0045, 7221.00.0060, 7221.00.0075, and 7221.00.0080 and proprietary data from ***.

The total level of imports into the United States of SSWR from all sources in 1992, prior to the imposition of the antidumping duty orders under review, was 42,100 short tons, and total imports from India were 4,344 short tons. Data shows that after the imposition of the antidumping duty orders on India, the quantity of subject imports declined by 85.4 percent from 1992 to 1999. By 2005, however, subject import levels were *** and for much of the period during the third reviews remained in the *** range.⁴⁴ During the period in question of this fourth five-year review, subject imports of SSWR from India have remained ***.

Apparent U.S. consumption and market shares

Table I-4 presents data on U.S. producers' U.S. shipments, U.S. imports, and apparent U.S. consumption, while table I-5 presents data on U.S. market shares of U.S. apparent consumption. Subject imports of SSWR from India were equivalent to *** percent of reported U.S. production in 2015. The ratio of imports of SSWR from nonsubject sources to domestic production was *** percent in 2015.

⁴⁴ *Investigation No. 731-TA-638 (Third Review): Stainless Steel Wire Rod from India—Staff Report*, INV-JJ-118, November 10, 2011, pp. I-20-21.

Table I-4

SSWR: U.S. producers' U.S. shipments, U.S. imports, and apparent U.S. consumption, 1992, 1999, 2005, 2010, and 2015

* * * * *

Table I-5

SSWR: Apparent U.S. consumption and U.S. market shares, 1992, 1999, 2005, 2010, and 2015

* * * * *

THE INDUSTRY IN INDIA

Mukand was the only producer in India that provided information to the Commission during the original investigation. During its full first five-year reviews of the orders, the Commission received questionnaire responses from four of the five firms known to be producing SSWR in India: ***. In its questionnaire response, *** estimated that it accounted for *** percent of total SSWR production in India during 1999.

During its full second five-year reviews of the orders, the Commission identified the following 16 companies as producers of SSWR in India: Ambica Steels, Bhansali Bright Bars, BP Steel Industries, Chandan Steel, D.H. Exports, GL Engineering Industries, Grand Foundry, India Steel Works (formerly Isibars), Mohan Steels, Mukand, Panchmahal Steel, Raajratna Metal Industries, Sunflag Iron and Steel, Sunstar Metals, Venus Wire Industries, and Viraj Alloy.⁴⁵ However, none of these companies provided a response to the Commission's questionnaire in the full second five-year review. The same companies identified during the previous five-year reviews were listed by the domestic interested parties in the expedited third five-year review. In this fourth five-year review, the domestic industry listed the same firms as the prior two reviews and added Precision Metals, Rajputana Stainless Ltd., Rimjhim Ispat, and Superon Schweisstechnik India, Ltd. The domestic industry also noted Commerce's exclusion of the Viraj Group effective December 1, 2003.⁴⁶

The potential production capability of these firms was not submitted by the domestic interested party and is not available from public sources. However, in the previous five-year review, Indian producer Mukand identified five firms as "major" producers of the subject merchandise in India: Mukand, Panchmahal Steel, Sunflag Steel, Rimjhim Ispat, and India Steel Works. Mukand also indicated that it last exported SSWR to the United States in 2005. As of September 2011, Mukand estimated that it had the capacity to produce 12,000 short tons of

⁴⁵ *Stainless Steel Wire Rod from Brazil, France, and India, Investigation Nos. 731-TA-636-638 (Second Review)*, USITC Publication 3866, July 2006, citing *Iron and Steel Works of the World*, 16th edition (2004). Commerce revoked the order with respect to the Viraj Group effective December 1, 2003. 70 FR 40318, July 13, 2005.

⁴⁶ *Domestic Interested Party's Response to the Notice of Institution*, January 3, 2017, p. 11.

SSWR per year and that it produced 10,790 short tons of SSWR, accounting for 10-12 percent of total SSWR production in India during 2010.⁴⁷

ANTIDUMPING OR COUNTERVAILING DUTY ORDERS IN THIRD-COUNTRY MARKETS

There are no known antidumping duty actions or orders in place on SSWR from India outside the United States.

THE GLOBAL MARKET

Table I-6 presents the largest global export sources of stainless steel bars and rod, including SSWR, during 2011-15. According to Global Trade Atlas, Taiwan was the world's largest exporter of stainless steel bars and rod in 2015, 48 exporting over \$377 million. India was the eighth largest global exporter at \$89.6 million of stainless steel bars and rod and the United States was the fourteenth largest exporter of stainless steel bars and rod, exporting \$21.5 million.

According to Global Trade Atlas, India's leading export markets for stainless steel bars and rod in 2015 included, in descending order, Nepal (14.9 thousand short tons), Netherlands (10.4 thousand short tons), Italy (9.3 thousand short tons), and Vietnam (5.0 thousand short tons).

⁴⁷ *Stainless Steel Wire Rod from India, Inv. No. 731-TA-638 (Third Review)*, USITC Publication 4300, January 2012, pp. I-23-24.

⁴⁸ Stainless steel wire rods (HS 7221.00) includes all long-rolled products of stainless steel.

Table I-6**SSWR: Global exports of stainless steel bars and rod by major sources, by value, 2011-15.**

SS Wire Rod	2011	2012	2013	2014	2015
Value (thousand dollars)					
Taiwan	377,260	305,097	244,982	278,969	292,366
Japan	355,349	290,297	259,518	271,025	248,891
France	294,525	254,680	235,151	265,765	215,433
Italy	284,886	215,274	223,618	237,551	209,446
China	290,463	189,750	194,577	303,325	190,205
Spain	157,130	156,570	133,384	139,824	110,233
Sweden	189,189	154,433	127,241	145,357	104,088
India	140,655	94,397	96,465	108,307	89,645
Austria	21,700	20,621	14,675	14,376	70,647
South Korea	162,833	138,408	188,993	197,685	62,145
All other	266,174	153,555	190,386	224,387	186,148
Total	2,540,164	1,973,082	1,908,990	2,186,571	1,779,247

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheadings 7221.00. These data may be overstated as this HTS may contain products outside the scope of this review.

APPENDIX A

FEDERAL REGISTER NOTICES

The Commission makes available notices relevant to its investigations and reviews on its website, www.usitc.gov. In addition, the following tabulation presents, in chronological order, *Federal Register* notices issued by the Commission and Commerce during the current proceeding.

Citation	Title	Link
81 FR 86728, December 1, 2016	<i>Stainless Steel Wire Rod From India; Institution of Five-Year Reviews</i>	https://www.gpo.gov/fdsys/pkg/FR-2016-12-01/pdf/2016-28489.pdf
81 FR 86699, December 1, 2016	<i>Stainless Steel Wire Rod From India; Institution of Five-Year Reviews</i>	https://www.gpo.gov/fdsys/pkg/FR-2016-12-01/pdf/2016-28994.pdf

APPENDIX B
COMPANY-SPECIFIC DATA

RESPONSE CHECKLIST FOR U.S. PRODUCERS

* * * * *

APPENDIX C

SUMMARY DATA COMPILED IN PRIOR PROCEEDINGS

Table I-1

SSWR: U.S. producers' trade and financial data, 1992, 1999, 2005, and 2010

* * * * *

Table I-3

SSWR: U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and U.S. market shares, 1992, 1999, 2005, and 2010

* * * * *

Table C-1

SSWR: Summary data from the original investigations, the first reviews, and the second reviews, 1990-92, 197-99, and 2000-05

* * * * *

APPENDIX D

PURCHASER QUESTIONNAIRE RESPONSES

As part of their response to the notice of institution, interested parties were asked to provide a list of three to five leading purchasers in the U.S. market for the domestic like product. A response was received from domestic interested parties and it named the following three firms as the top purchasers of stainless steel wire rod: ***. Purchaser questionnaires were sent to these three firms and one firm (***) provided responses which are presented below.

1. a.) Have any changes occurred in technology; production methods; or development efforts to produce stainless steel wire rod that affected the availability of stainless steel wire rod in the U.S. market or in the market for stainless steel wire rod in India since 2012?
- b.) Do you anticipate any changes in technology; production methods; or development efforts to produce stainless steel wire rod that will affect the availability of stainless steel wire rod in the U.S. market or in the market for stainless steel wire rod in India within a reasonably foreseeable time?

Purchaser	Changes that have occurred	Anticipated changes
Arcos	No.	No.

2. a.) Have any changes occurred in the ability to increase production of stainless steel wire rod (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production) that affected the availability of stainless steel wire rod in the U.S. market or in the market for stainless steel wire rod in India since 2012?
- b.) Do you anticipate any changes in the ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production) that will affect the availability of stainless steel wire rod in the U.S. market or in the market for stainless steel wire rod in India within a reasonably foreseeable time?

Purchaser	Changes that have occurred	Anticipated changes
Arcos	No.	No.

3. a.) Have any changes occurred in factors related to the ability to shift supply of stainless steel wire rod among different national markets (including barriers to importation in foreign markets or changes in market demand abroad) that affected the availability of stainless steel wire rod in the U.S. market or in the market for stainless steel wire rod in India since 2012?
- b.) Do you anticipate any changes in factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market

demand abroad) that will affect the availability of stainless steel wire rod in the U.S. market or in the market for stainless steel wire rod in India within a reasonably foreseeable time?

Purchaser	Changes that have occurred	Anticipated changes
Arcos	No.	No.

4. a.) Have there been any changes in the end uses and applications of stainless steel wire rod in the U.S. market or in the market for stainless steel wire rod in India since 2012?

b.) Do you anticipate any changes in the end uses and applications of stainless steel wire rod in the U.S. market or in the market for stainless steel wire rod in India within a reasonably foreseeable time?

Purchaser	Changes that have occurred	Anticipated changes
Arcos	No.	No.

5. a.) Have there been any changes in the existence and availability of substitute products for stainless steel wire rod in the U.S. market or in the market for stainless steel wire rod in India since 2012?

b.) Do you anticipate any changes in the existence and availability of substitute products for stainless steel wire rod in the U.S. market or in the market for stainless steel wire rod in India within a reasonably foreseeable time?

Purchaser	Changes that have occurred	Anticipated changes
Arcos	No.	No.

6. a.) Have there been any changes in the level of competition between stainless steel wire rod produced in the United States, stainless steel wire rod produced in India, and such merchandise from other countries in the U.S. market or in the market for stainless steel wire rod in India since 2012?

b.) Do you anticipate any changes in the level of competition between stainless steel wire rod produced in the United States, stainless steel wire rod produced in India, and such merchandise from other countries in the U.S. market or in the market for stainless steel wire rod in India within a reasonably foreseeable time?

Purchaser	Changes that have occurred	Anticipated changes
Arcos	No.	No.

7. a.) Have there been any changes in the business cycle for stainless steel wire rod in the U.S. market or in the market for stainless steel wire rod in India since 2012?

b.) Do you anticipate any changes in the business cycle for stainless steel wire rod in the U.S. market or in the market for stainless steel wire rod in India within a reasonably foreseeable time?

Purchaser	Changes that have occurred	Anticipated changes
Arcos	No.	No.