Stainless Steel Bar from Brazil, India, Japan, and Spain

Investigation Nos. 731-TA-678, 679, 681, and 682 (Fourth Review)

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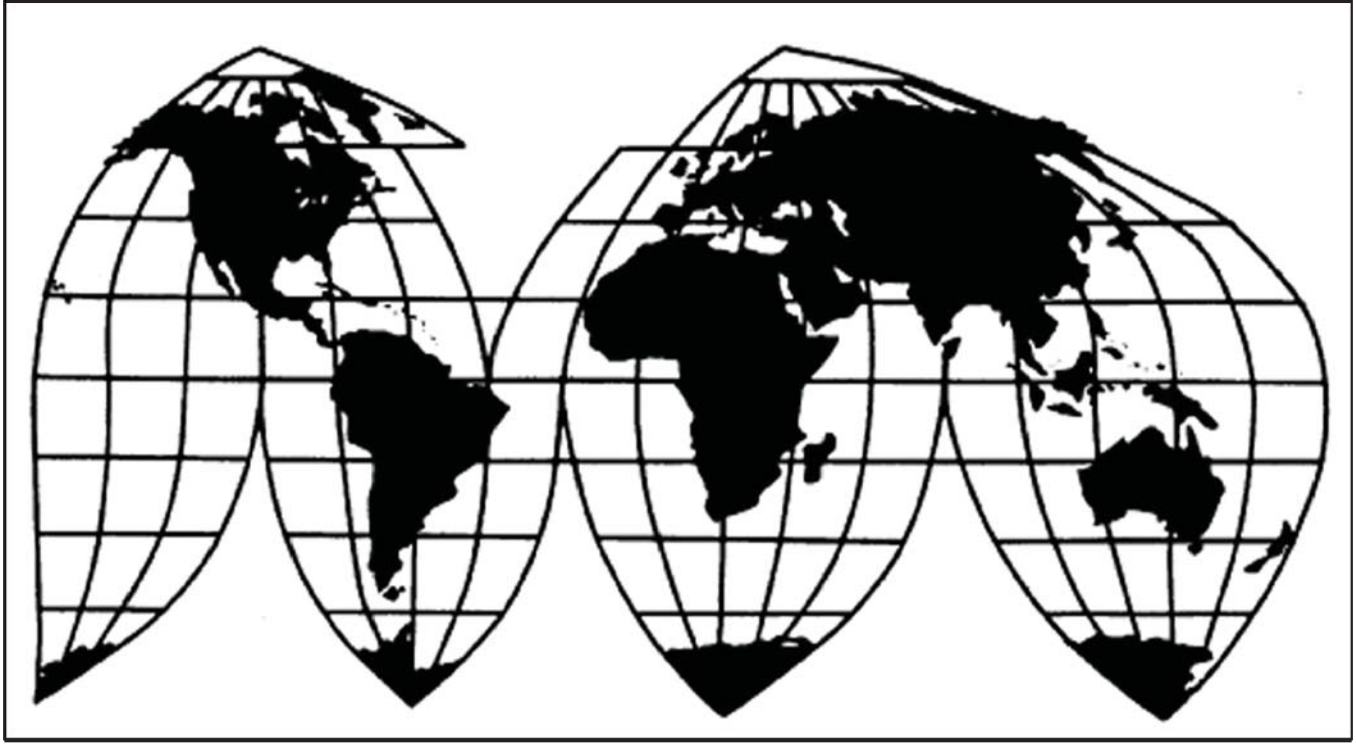

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Note.—Information that would reveal confidential operations of individual concerns may not be published. Such information is identified by brackets or by parallel lines in confidential reports and is deleted and replaced with asterisks in public reports.

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 731-TA-678, 679, 681, and 682 (Fourth Review)

Stainless Steel Bar from Brazil, India, Japan, and Spain

DETERMINATIONS

On the basis of the record[1] developed in the subject five-year reviews, 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 bar 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. The Commission further determines that revocation of the antidumping duty orders on stainless steel bar from Brazil, Japan, and Spain would not 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 these reviews on July 3, 2017 (82 F.R. 30905) and determined on October 6, 2017 that it would conduct full reviews (82 F.R. 48527, October 17, 2017). Notice of the scheduling of the Commission's reviews and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* on March 23, 2018 (83 F.R. 12814). The hearing was held in Washington, DC, on July 12, 2018, and all persons who requested the opportunity were permitted to appear in person or by counsel.

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

Views of the Commission

Based on the record in these five-year reviews, 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 bar 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. We also determine that revocation of the antidumping duty orders on stainless steel bar from Brazil, Japan, and Spain would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. Background

Original Investigations. In response to a petition filed on December 30, 1993, by seven U.S. producers of stainless steel bar and the United Steelworkers of America, the Commission determined on February 10, 1995, that an industry in the United States was materially injured by reason of imports of stainless steel bar from Brazil, India, Japan, and Spain.[1] The U.S. Department of Commerce ("Commerce") issued antidumping duty orders with respect to stainless steel bar from Brazil, India, and Japan on February 21, 1995, and an antidumping duty order with respect to stainless steel bar from Spain on March 2, 1995.[2]

Prior Reviews. In December 1999 and March 2006, the Commission instituted first and second five-year reviews, respectively, of the antidumping duty orders on stainless steel bar from Brazil, India, Japan, and Spain.[3] The Commission conducted full reviews and determined in each of those reviews that revocation of the orders would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[4]

In December 2011, the Commission instituted third five-year reviews of the orders.[5] The Commission conducted expedited reviews and determined that revocation of the orders

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[1] *Stainless Steel Bar From Brazil, India, Japan, and Spain*, Inv. Nos. 731-TA-678, 679, 681, and 682 (Final), USITC Pub. 2856 (Feb. 1995) ("Original Determinations"). The petition also alleged that an industry in the United States was being materially injured or threatened with material injury by reason of imports of stainless steel bar from Italy sold at less than fair value. Following a negative final determination by the U.S. Department of Commerce, the Commission terminated its investigation concerning imports from Italy on January 23, 1995. 60 Fed. Reg. 6291 (Feb. 1, 1995).

[2] 60 Fed. Reg. 9661 (Feb. 21, 1995), 60 Fed. Reg. 11656 (Mar. 2, 1995).

[3] 64 Fed. Reg. 73579 (Dec. 30, 1999) (first reviews); 71 Fed. Reg. 10552 (Mar. 1, 2006) (second reviews).

[4] *Stainless Steel Bar From Brazil, India, Japan, and Spain*, Inv. Nos. 731-TA-678–679 and 681–682 (Review), USITC Pub. 3404 (Mar. 2001) at 20 ("First Five-Year Reviews"); *Stainless Steel Bar From Brazil, India, Japan, and Spain*, Inv. Nos. 731-TA-678, 679, 681, and 682 (Second Review), USITC Pub. 3895 (Jan. 2007) at 20 ("Second Five-Year Reviews"). *See* 66 Fed. Reg. 17927 (Apr. 4, 2001); 72 Fed. Reg. 1243 (Jan. 10, 2007).

[5] 76 Fed. Reg. 74807 (Dec. 1, 2011).

would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[6]

Current Reviews. On July 3, 2017, the Commission instituted the instant five-year reviews to determine whether revoking the antidumping duty orders on stainless steel bar from Brazil, India, Japan, and Spain would be likely to lead to continuation or recurrence of material injury to a domestic industry.[7] The Commission received one response to its notice of institution filed on behalf of domestic interested parties and four responses filed on behalf of producers and exporters of subject merchandise from Japan and Spain.[8] The Commission determined to conduct full reviews for each of the antidumping duty orders.[9]

Domestic producers Carpenter Technology ("Carpenter"), Crucible Industries, Electralloy, North American Stainless ("NAS"), Outokumpu Stainless Bar ("Outokumpu"), Universal Stainless and Alloy Products, and Valbruna Slater Stainless ("Valbruna") (collectively "domestic industry") jointly filed prehearing and posthearing briefs with the Commission.[10] The Commission also received prehearing and posthearing submissions from (1) Brazilian producer and exporter Villares Metals ("Brazilian respondent" or "Villares"); (2) Spanish producers Aceria de Alava ("Aceralava") and Aceros Inoxidables Olarra ("Olarra") (collectively "Spanish respondents"); (3) Spanish producer and exporter Sidenor Aceros Especiales ("Sidenor"); and (4) Japanese producers and exporters Daido Steel ("Daido"), Aichi Steel, and Sanyo Special Steel (collectively "Japanese respondents").[11] Representatives of each of the parties above appeared at the Commission's hearing accompanied by counsel.

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[6] *Stainless Steel Bar From Brazil, India, Japan, and Spain*, Inv. Nos. 731-TA-678, 679, 681, and 682 (Third Review), USITC Pub. 4341 (July 2012) at 17 ("Third Five-Year Reviews"). *See* 77 Fed. Reg. 45653 (Aug. 1, 2012).

[7] 82 Fed. Reg. 30905 (July 3, 2017). Commerce initiated its five-year reviews on the same date. *Initiation of Five-Year (Sunset) Reviews*, 82 Fed. Reg. 30844 (July 3, 2017). It issued the results of its expedited reviews thereafter. *Stainless Steel Bar From Brazil, India, Japan, and Spain: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 82 Fed. Reg. 51393 (Nov. 6, 2017).

[8] Domestic producers submitted a joint response to the notice of institution. Three producers and exporters of stainless steel bar from Japan submitted a joint response, and three producers and exporters of stainless steel bar from Spain submitted responses individually.

[9] On October 6, 2017, the Commission found that the domestic interested party group response and the respondent interested party group responses with respect to the orders on subject imports from Japan and Spain were adequate and determined to conduct full reviews pursuant to section 751(c)(5) of the Tariff Act. Explanation of Commission Determinations on Adequacy, EDIS Doc. 625737 (Oct. 13, 2017). It further found that the respondent interested party group responses with respect to the orders on subject imports from Brazil and India were inadequate, but determined to conduct full reviews of these orders to promote administrative efficiency in light of its decision to conduct full reviews of the orders on subject imports from Japan and Spain. *Id.*

[10] Domestic Industry's Prehearing Brief, July 2, 2018 ("Domestic Industry's Prehear. Br."); Domestic Industry's Posthearing Brief, July 24, 2018 ("Domestic Industry's Posthear. Br.").

[11] Brazilian Respondent's Prehearing Brief, July 2, 2018 ("Brazilian Respondent's Prehear. Br."); Brazilian Respondent's Posthearing Brief, July 24, 2018 ("Brazilian Respondent's Posthear. Br."); Sidenor's Prehearing Brief, July 2, 2018 ("Sidenor's Prehear. Br."); Sidenor's Posthearing Brief, July 24, (Continued…)

U.S. industry data are based on the questionnaire responses of eight U.S. producers that are believed to account for virtually all domestic production of stainless steel bar in 2017.[12] U.S. import data and related information are based on official Commerce import statistics and the questionnaire responses of 32 U.S. importers of stainless steel bar that accounted for more than 80 percent of subject imports during 2017 and more than 50 percent of U.S. imports of stainless steel bar from nonsubject sources during that year.[13]

Foreign industry data and related information are based on the questionnaire responses of one responding producer in Brazil accounting for 100 percent of subject production in 2017 and whose exports accounted for approximately *** percent of subject imports from Brazil in 2017, nine producers in India accounting for an estimated 13 to 24 percent of subject production in 2017 and whose exports accounted for approximately *** percent of subject imports from India in 2017, four producers in Japan accounting for an estimated 84 percent of subject production in 2017 and whose exports accounted for approximately *** percent of subject imports from Japan in 2017, and three producers in Spain accounting for an estimated 49 percent of subject production in 2017 and whose exports accounted for approximately *** percent of subject imports from Spain in 2017.[14] Exports to the United States reported in

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2018 ("Sidenor's Posthear. Br."); Spanish Respondents' Prehearing Brief, July 2, 2018 ("Spanish Respondents' Prehear. Br."); Spanish Respondents' Posthearing Brief, July 25, 2018 ("Spanish Respondents' Posthear. Br."); Japanese Respondents' Prehearing Brief, July 2, 2018 ("Japanese Respondents' Prehear. Br."); Japanese Respondents' Posthearing Brief, July 24, 2018 ("Japanese Respondents' Posthear. Br.").

The Commission also received a joint prehearing brief on behalf of all Spanish and Japanese respondents. Joint Respondents' Prehearing Brief on Behalf of Spanish and Japanese Respondents, July 2, 2018 ("Joint Japanese and Spanish Respondents' Prehear. Br.").

[12] Confidential Report, Memorandum INV-QQ-090 (Aug. 8, 2018) as revised by Memorandum INV-QQ-094 (Aug. 22, 2018) ("CR") at III-1; Public Report, *Stainless Steel Bar From Brazil, India, Japan, and Spain*, Inv. Nos. 731-TA-678, 679, 681, and 682 (Fourth Review), USITC Pub. 4820 (Sept. 2018) ("PR") at III-1.

[13] CR at I-18 to I-19, PR at I-15. Importer questionnaire responses accounted for the following shares of individual subject country's U.S. imports during 2017: 100 percent of subject imports from Brazil, *** percent of subject imports from India, *** percent of subject imports from Japan; and 100 percent of subject imports from Spain. CR/PR at IV-1.

[14] CR at I-18 to I-19, IV-27 n.17, IV-38 n.29, IV-50 n.39, and IV-60 n.55; PR at I-15, IV-15 n.17, IV-21 n.29, IV-29 n.39, and IV-37 n.55. The estimate of the share of Indian production is for the responding Indian producers that were subject during the period for which data were collected. It does not include data received from Viraj Alloys, Ltd.; Viraj Forgings, Ltd.; and Viraj Impoexpo, Ltd. (collectively "Viraj"), which was a nonsubject producer until April 2018. *See Stainless Steel Bar From India: Final Results of Changed Circumstances Review and Reinstatement of Certain Companies in the Antidumping Duty Order*, 83 Fed. Reg. 17529, 17530 (April 20, 2018) (reinstating Viraj and Venus Wire Industries Pvt. Ltd.; Precision Metals; Sieves Manufacturers {India} Pvt., Ltd.; and Hindustan Inox, Ltd. {collectively "Venus"} in the antidumping duty order on stainless steel bar from India, effective April 20, 2018). The estimate incorporates a wide range of individual Indian-company estimates of total Indian production. The lower end of the range is the estimated share of Indian production submitted by six of (Continued…)

foreign producers' questionnaire responses accounted for 86 percent of subject imports in 2017.[15]

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."[16] 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."[17] The Commission's practice in five-year reviews is to examine the domestic like product definition from the original investigation and consider whether the record indicates any reason to revisit the prior findings.[18]

Commerce has defined the imported merchandise within the scope of the orders under review as follows:

> {A}rticles of stainless steel in straight lengths that have been either hot-rolled, forged, turned, cold-drawn, cold-rolled or otherwise cold-finished, or ground, having a uniform solid cross section along their whole length in the shape of circles, segments of circles, ovals, rectangles (including squares), triangles, hexagons, octagons or other convex polygons. {Stainless steel bar} includes cold-finished SSBs that are turned or ground in straight lengths, whether produced from hot-rolled bar or from straightened and cut rod or wire, and reinforcing bars that have indentations, ribs, grooves, or other deformations produced during the rolling process.
>
> Except as specified above, the term does not include stainless steel semi-finished products, cut-length flat-rolled products (i.e., cut-length rolled products which if less than 4.75 mm in thickness have a width measuring at least 10 times

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(…Continued)
nine Indian producers in their questionnaire responses. *See* CR/PR at Table IV-13. The upper end of the range is calculated from data submitted by the domestic industry, ***. *See* Domestic Industry's Posthear. Br. at Exhibit 6.

[15] CR at I-19, PR at I-15.

[16] 19 U.S.C. § 1677(4)(A).

[17] 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).

[18] *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).

the thickness, or if 4.75 mm or more in thickness having a width which exceeds 150 mm and measures at least twice the thickness), wire (i.e., cold-formed products in coils, of any uniform solid cross section along their whole length, which do not conform to the definition of flat-rolled products), and angles, shapes and sections. The SSB subject to the order is currently classifiable under subheadings 7222.10.00, 7222.11.00, 7222.19.00, 7222.20.00, 7222.30.00 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.[19]

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[19] 82 Fed. Reg. 51393 (referencing the detailed description found in Commerce's *Issues and Decision Memorandum for the Expedited Sunset Reviews of the Antidumping Duty Orders on Stainless Steel Bar from Brazil, India, Japan, and Spain*, Oct. 31, 2017, pp. 2–4).

On June 27, 2012, Commerce published its final results of the changed circumstances review of the order on subject imports from Japan and revoked the order in part with regard to three products, as described below.

> Furthermore, effective for entries entered, or withdrawn for warehouse, for consumption on or after February 1, 2010, the term does not include one SSB product under Grade 304 and two types of SSB products under Grade 440C. (1) The Grade 304 product meets the following descriptions: round cross-section, cold finished, chrome plated (plating thickness 10 microns or greater), hardness of plating a minimum 750 HV on the Vickers Scale, maximum roundness deviation of 0.020 mm (based on circularity tolerance described in JIS B 0021 (1984)), in actual (measured) lengths from 2000 mm to 3005 mm, in nominal outside diameters ranging from 6 mm to 30 mm (diameter tolerance for any size from minus 0.010 mm to minus 0.053 mm). Tolerance can be defined as the specified permissible deviation from a specified nominal dimension; for example if the nominal outside diameter of the product entering is 6 mm, then the actual measured sizes should fall within 5.947 mm to 5.990 mm; (2) The first Grade 440C product meets the following descriptions: round cross-section, cold finished, heat treated through induction hardening, minimum Rockwell hardness of 56 Hardness of 56 HRC, maximum roundness deviation of 0.007 mm (based on circularity tolerance described in JIS B 0021 (1984)), in actual (measured) lengths from 500 mm to 3005 mm, in nominal outside diameters ranging from 3 mm to 38.10 mm (diameter tolerance for any size from 0.00 mm to minus 0.150 mm). Tolerance can be defined as the specified permissible deviation from a specified nominal dimension; for example if the nominal outside diameter of the product entering is 3 mm, then the actual measured sizes should fall within 2.850 mm to 3.000 mm; (3) The second Grade 440C product meets the following descriptions: round cross-section, cold finished, chrome plated (plating thickness 5 microns or greater), heat treated through induction hardening, minimum Rockwell Hardness of 56 HRC, maximum roundness deviation of 0.007 mm (based on circularity tolerance described in JIS B 0021 (1984)), in actual (measured) lengths from 2000 mm to minus 3005 mm, (diameter tolerance for any size from minus 0.004 mm to minus 0.020 mm). Tolerance can be defined as the specified permissible deviation from a specified nominal dimension; for example if the nominal outside diameter of the

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Stainless steel bar and articles produced from stainless steel bar are used in applications in which the products' corrosion resistance, heat resistance, surface condition, appearance, and finish are important.[20] They are used in the automotive, chemical, dairy, food, and pharmaceutical industries, as well as in marine applications and in pumps and connectors for fluid-handling systems.[21] Stainless steel concrete reinforcing bar is used in construction projects in which its noncorrosive and nonmagnetic properties are desired.[22]

Prior Proceedings. In the original investigations, the Commission defined the domestic like product to be all stainless steel bar within Commerce's scope definition.[23] The Commission rejected arguments that it should find cold-finished and hot-formed stainless steel bar to be separate like products.[24] In all prior five-year reviews, the Commission defined the domestic like product in the same manner that it did in the original investigations.[25]

Current Reviews. In the current five-year reviews, the domestic industry urges the Commission again to define the domestic like product as it had in the original investigations and the prior reviews.[26] Among respondents, only Sidenor addressed this issue, and it agreed with the Commission's definition in its notice of institution.[27] There is no new information obtained during these reviews that would suggest any reason for revisiting the Commission's domestic like product definition in the original investigations and the prior reviews. Based on the analysis in the original investigations, the record in these reviews, and the lack of any contrary argument, we again define a single domestic like product encompassing all stainless steel bar coextensive with Commerce's definition of the scope of the reviews.

(…Continued)

> product entering is 6 mm, then the actual measured sizes should fall within 5.980 mm to 5.996 mm.

77 Fed. Reg. 38271 (June 27, 2012). *See* 82 Fed. Reg. 51393 (referencing the detailed description found in Commerce's *Issues and Decision Memorandum for the Expedited Sunset Reviews of the Antidumping Duty Orders on Stainless Steel Bar from Brazil, India, Japan, and Spain*, Oct. 31, 2017, pp. 2–4).

[20] CR at I-34, PR at I-29.

[21] CR at I-34, PR at I-29.

[22] CR at I-34 to I-35, PR at I-29.

[23] Original Determinations, USITC Pub. 2856 at I-7.

[24] Original Determinations, USITC Pub. 2856 at I-7 to 1-9 (applying the five-factor, semifinished products analysis).

[25] First Five-Year Reviews, USITC Pub. 3404 at 5; Second Five-Year Reviews, USITC Pub. 3895 at 6; Third Five-Year Reviews, USITC Pub. 4341 at 6. In each review, the Commission stated that no party had argued for a different domestic like product definition and that there was no new information obtained during the respective reviews that suggested a reason for departing from the Commission's original definition of the domestic like product. First Five-Year Reviews, USITC Pub. 3404 at 5; Second Five-Year Reviews, USITC Pub. 3895 at 6; Third Five-Year Reviews, USITC Pub. 4341 at 5–6.

[26] Domestic Industry's Prehear. Br. at 4–5.

[27] Sidenor's Response to the Notice of Institution, Aug. 2, 2017, at 9.

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."[28] 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.

We must determine whether any producer of the domestic like product should be excluded from the domestic industry pursuant to section 771(4)(B) of the Tariff Act. This provision allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise or which are themselves importers.[29] Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each investigation.[30]

Prior Proceedings. In the original investigations and the prior reviews, the Commission found a single domestic industry, consisting of all U.S. producers of stainless steel bar.[31] In the first reviews, Carpenter was related to an importer of subject merchandise because of Carpenter's *** during the period of review ("POR").[32] Another domestic producer, Hi Specialty, was related to Hitachi Metals, a manufacturer of stainless steel bar in Japan.[33] The

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[28] 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.

[29] *See Torrington Co v. United States*, 790 F. Supp. 1161, 1168 (Ct. Int'l Trade 1992), *aff'd without opinion*, 991 F.2d 809 (Fed. Cir. 1993); *Sandvik AB v. United States*, 721 F. Supp. 1322, 1331–32 (Ct. Int'l Trade 1989), *aff'd mem.,* 904 F.2d 46 (Fed. Cir. 1990); *Empire Plow Co. v. United States*, 675 F. Supp. 1348, 1352 (Ct. Int'l Trade 1987).

[30] The primary factors the Commission has examined in deciding whether appropriate circumstances exist to exclude a related party include the following:

(1) the percentage of domestic production attributable to the importing producer;

(2) the reason the U.S. producer has decided to import the product subject to investigation (whether the firm benefits from the LTFV sales or subsidies or whether the firm must import in order to enable it to continue production and compete in the U.S. market);

(3) whether inclusion or exclusion of the related party will skew the data for the rest of the industry;

(4) the ratio of import shipments to U.S. production for the imported product; and

(5) whether the primary interest of the importing producer lies in domestic production or importation. *Changzhou Trina Solar Energy Co. v. USITC*, 100 F. Supp.3d 1314, 1326–31 (Ct. Int'l. Trade 2015); *see also Torrington Co. v. United States*, 790 F. Supp. at 1168.

[31] Original Determinations, USITC Pub. 2856 at I-9; First Five-Year Reviews, USITC Pub. 3404 at 6; Second Five-Year Reviews, USITC Pub. 3895 at 6; Third Five-Year Reviews, USITC Pub. 4341 at 7.

[32] First Five-Year Reviews, USITC Pub. 3404 at 6; Confidential First Five-Year Reviews Views of the Commission, EDIS Doc. 622463 at 8.

[33] First Five-Year Reviews, USITC Pub. 3404 at 6.

Commission concluded that appropriate circumstances did not exist to exclude either company.[34] In the second and third reviews, the Commission stated that NAS was a related party because NAS and Roldan (a subject producer in Spain) were owned by the Acerinox Group, a Spanish holding company.[35] The Commission concluded in each review that appropriate circumstances did not exist to exclude NAS.[36]

Current Reviews. NAS is again a related party in these reviews because it and Spanish producer Roldan were owned by the Acerinox Group during the POR.[37] NAS, however, reported no subject imports.[38] The domestic industry urges the Commission again to define the domestic industry as it did in the original investigations and the prior reviews and to conclude that appropriate circumstances do not exist to exclude NAS.[39]

NAS was the *** domestic producer each year during the POR, accounting for *** percent of domestic production during 2017.[40] NAS ***.[41] Its principal interest lies in domestic production; it had no subject imports. There is no indication that NAS's domestic production operations benefited from its corporate relationship with a subject producer. Therefore, we find that appropriate circumstances do not exist to exclude NAS from the domestic industry as a related party. Accordingly, in light of the definition of the domestic like product and the above analysis, we define a single domestic industry encompassing all U.S. producers of stainless steel bar.

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[34] First Five-Year Reviews, USITC Pub. 3404 at 6.

[35] Second Five-Year Reviews, USITC Pub. 3895 at 6 n.34; Third Five-Year Reviews, USITC Pub. 4341 at 6–7.

[36] Second Five-Year Reviews, USITC Pub. 3895 at 6 n.34 (noting the lack of evidence that NAS was shielded from the effects of the subject imports, NAS's heavy investment in modern production facilities in the United States, and its dedication to serving the U.S. market as a producer); Third Five-Year Reviews, USITC Pub. 4341 at 7.

[37] CR at I-46, PR at I-36. *See* 19 U.S.C. § 1677(4)(B)(ii)(III). In these determinations, we refer to the POR as the period for which we collected data—calendar years 2015, 2016, and 2017 and the January–March periods in 2017 ("interim 2017") and 2018 ("interim 2018")—but we considered information for all years following the end of the third five-year reviews in 2011.

[38] CR at III-21, PR at III-14.

[39] Domestic Industry's Prehear. Br. at 5–6. No respondent party commented on the definition of the domestic industry or the status of NAS as a related party.

[40] Hearing Tr. at 24; CR/PR at Tables I-9 and III-3.

[41] CR/PR at Table I-9.

III. Cumulation

A. Legal Standard and the Prior Proceedings

> With respect to five-year reviews, section 752(a) of the Tariff Act provides as follows: the Commission may cumulatively assess the volume and effect of imports of the subject merchandise from all countries with respect to which reviews under section 1675(b) or (c) of this title were initiated on the same day, if such imports would be likely to compete with each other and with domestic like products in the United States market. The Commission shall not cumulatively assess the volume and effects of imports of the subject merchandise in a case in which it determines that such imports are likely to have no discernible adverse impact on the domestic industry.[42]

Cumulation therefore is discretionary in five-year reviews, unlike original investigations, which are governed by section 771(7)(G)(i) of the Tariff Act.[43] The Commission may exercise its discretion to cumulate, however, only if the reviews are initiated on the same day, the Commission determines that the subject imports are likely to compete with each other and the domestic like product in the U.S. market, and imports from each such subject country are not likely to have no discernible adverse impact on the domestic industry in the event of revocation. Our focus in five-year reviews is not only on present conditions of competition, but also on likely conditions of competition in the reasonably foreseeable future.

In the original investigations, the Commission cumulated subject imports from all subject countries for its material injury analysis.[44] The Commission found that subject imports were fungible with the domestic like product and each other.[45] The Commission also found that the domestic like product and subject imports from each subject source were sold nationwide and primarily to service center distributors and were simultaneously present in the U.S. market throughout the period of investigation ("POI").[46] Accordingly, the Commission found a reasonable overlap of competition among subject imports and between such imports and the domestic like product.[47]

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[42] 19 U.S.C. § 1675a(a)(7).

[43] 19 U.S.C. § 1677(7)(G)(i); *see also*, *e.g.*, *Nucor Corp. v. United States*, 601 F.3d 1291, 1293 (Fed. Cir. 2010) (Commission may reasonably consider likely differing conditions of competition in deciding whether to cumulate subject imports in five-year reviews); *Allegheny Ludlum Corp. v. United States*, 475 F. Supp. 2d 1370, 1378 (Ct. Int'l Trade 2006) (recognizing the wide latitude the Commission has in selecting the types of factors it considers relevant in deciding whether to exercise discretion to cumulate subject imports in five-year reviews); *Nucor Corp. v. United States*, 569 F. Supp. 2d 1328, 1337–38 (Ct. Int'l Trade 2008).

[44] Original Determinations, USITC Pub. 2856 at I-15.

[45] Original Determinations, USITC Pub. 2856 at I-13 to I-14.

[46] Original Determinations, USITC Pub. 2856 at I-14.

[47] Original Determinations, USITC Pub. 2856 at I-15.

In the first five-year reviews, the Commission rejected an argument that imports from Spain were likely to have no discernible adverse impact on the domestic industry if the corresponding order were revoked and found that subject imports from all subject countries should be cumulated.[48] In the second and third five-year reviews, the Commission found that subject imports from each of the subject countries would not be likely to have no discernible adverse impact on the domestic industry upon revocation of the orders.[49] The Commission also found a likely reasonable overlap of competition among subject imports and between subject imports and the domestic like product and cumulated subject imports from all subject countries in each review.[50]

The statutory threshold for cumulation is satisfied in these reviews because all reviews were initiated on the same day: July 3, 2017.[51]

B. Parties' Arguments

Domestic Industry. The domestic industry argues that the Commission should cumulate subject imports from Brazil, India, Japan, and Spain for purposes of its material injury analysis on the basis that if the orders were revoked, there is no indication that subject imports from each country are likely to have no discernible adverse impact on the domestic industry and there would likely be a reasonable overlap of competition between subject imports from each country and between subject imports and the domestic like product.[52] It argues that no other differences in conditions of competition warrant not cumulating subject imports.[53]

Regarding Brazil, the domestic industry argues that the Brazilian industry continues to be export oriented and that the U.S. market has become the largest export market for stainless steel bar from Brazil despite the order.[54] It contends that the U.S. market has stronger demand and higher prices than the Brazilian market.[55]

Regarding India, the domestic industry argues that the Indian industry has grown in the number of producers and capacity since the last review and has substantial excess capacity.[56] It argues that the Indian industry remains highly export oriented and that the presence of U.S. sales offices indicates it has the ability to increase exports to the U.S. market if the order were

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[48] First Five-Year Reviews, USITC Pub. 3404 at 8–11.

[49] Second Five-Year Reviews, USITC Pub. 3895 at 7–8; Third Five-Year Reviews, USITC Pub. 4341 at 8.

[50] Second Five-Year Reviews, USITC Pub. 3895 at 9–11; Third Five-Year Reviews, USITC Pub. 4341 at 9. *See also* Second Five-Year Reviews, USITC Pub. 3895 at 25–26; Third Five-Year Reviews, USITC Pub. 4341 at 19–22.

[51] 82 Fed. Reg. 30905.

[52] Domestic Industry's Prehear. Br. at 7 and 30–35; Domestic Industry's Posthear. Br. at 2–4.

[53] Domestic Industry's Prehear. Br. at 7 and 36; Domestic Industry's Posthear. Br. at 4–6.

[54] Domestic Industry's Prehear. Br. at 11–12; Domestic Industry's Posthear. Br. at 3.

[55] Domestic Industry's Prehear. Br. at 12–13.

[56] Domestic Industry's Prehear. Br. at 15–17.

revoked.[57] It points to the Indian industry's underselling during the POR and contends that prices of stainless steel bar are higher in the U.S. market than in the Indian and third-country markets and that Indian producers face tariff barriers in Korea and the European Union ("EU").[58]

Regarding Japan, the domestic industry argues that the production capacity of the responding Japanese producers was greater in 2017 than during the original investigation, these producers have excess capacity, and one producer plans to expand its production capacity.[59] It argues that the Japanese industry continues to export significant volumes of stainless steel bar.[60] It contends that Japanese producers have an incentive to operate at the highest capacity possible in order to achieve a better return on investment and to offset fixed overhead costs, and that prices are relatively higher in the U.S. market compared to other major markets.[61]

Regarding Spain, the domestic industry argues that there are now at least ***, with a commensurate increase in production capacity, a significant amount of excess capacity, and capital investments to expand production.[62] It contends that the Spanish industry is export oriented and has *** to produce other products on the equipment on which it produces stainless steel bar.[63] It highlights the existence of an antidumping order in Korea on imports of Spanish stainless steel bar.[64]

Brazilian Respondent. The Brazilian respondent argues that subject imports from Brazil are likely to have no discernible adverse impact on the domestic industry if the order were revoked.[65] It contends that, under the Section 232 product-specific quota that became effective June 1, 2018,[66] subject imports from Brazil cannot exceed 1,650 short tons in any calendar year, which is less than the annual volume of subject imports from Brazil for each full year of the current POR.[67] It further contends that, among the subject countries in these reviews, only imports from Brazil are subject to a Section 232 quota and these imports would likely compete under different conditions of competition than subject imports from India,

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[57] Domestic Industry's Prehear. Br. at 18.

[58] Domestic Industry's Prehear. Br. at 18–20.

[59] Domestic Industry's Prehear. Br. at 21–22.

[60] Domestic Industry's Prehear. Br. at 22–23.

[61] Domestic Industry's Prehear. Br. at 23–24.

[62] Domestic Industry's Prehear. Br. at 26–27.

[63] Domestic Industry's Prehear. Br. at 27–28.

[64] Domestic Industry's Prehear. Br. at 29.

[65] Brazilian Respondent's Prehear. Br. at 2.

[66] For a detailed discussion of the trade action under section 232 of the Trade Expansion Act of 1962, as amended, 19 U.S.C. § 1862 ("Section 232"), *see* Section IV.C.4, *infra*.

[67] Brazilian Respondent's Prehear. Br. at 3–4; Brazilian Respondent's Posthear. Br. at 2–4. The Brazilian respondent asserts that the Section 232 quota will remain in effect "on a long-term basis" and therefore should be presumed to last for the foreseeable future. Brazilian Respondent's Prehear. Br. at 4; Brazilian Respondent's Posthear. Br. at 2–3.

Japan, and Spain.[68] The Brazilian respondent argues that the Commission should therefore not exercise its discretion to cumulate subject imports from Brazil with those from the other countries.[69]

Japanese Respondents. The Japanese respondents argue that subject imports from Japan are likely to have no discernible adverse impact on the domestic industry if the order were revoked, and therefore should not be cumulated with subject imports from the other countries. They argue that the Japanese industry exports small volumes of subject merchandise to the U.S. market, its capacity is almost entirely committed to serving the Japanese home market and other Asian countries, and it has no reason to increase its production capacity for stainless steel bar by decreasing its capacity to produce other steel products.[70] They maintain that Japanese stainless steel bar serves a distinctive market niche for which U.S.-produced stainless steel bar does not meet the required standards.[71] They contend that because of multiple constraints on the Japanese industry's ability to increase production capacity in the future, such increases are unlikely.[72]

Sidenor. Sidenor argues that subject imports from Spain will not have a discernible impact on the U.S. industry if the order were revoked, and therefore should not be cumulated with subject imports from the other countries in these reviews. Sidenor asserts that subject imports from Spain do not and will not comprise a meaningful part of the U.S. market.[73] It argues that Spanish producers are primarily focused on the Spanish home market and other EU markets and are unlikely to increase exports of stainless steel bar to the U.S. market.[74] It maintains that because Roldan, Spain's largest producer of stainless steel bar, has a corporate relationship with U.S. stainless steel producer NAS, Roldan does not and will not export stainless steel bar to the U.S. market, as evidenced by its cessation of exports almost immediately after becoming affiliated with NAS in 2003.[75]

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[68] Brazilian Respondent's Prehear. Br. at 5–7. The Brazilian respondent also argues that the Brazilian industry is substantially smaller than the industries in the other subject countries and is a *** smaller exporter. *Id.* at 6–7.

[69] Brazilian Respondent's Prehear. Br. at 5.

[70] Japanese Respondents' Prehear. Br. at 16–18, 22–25, and 30–31; Japanese Respondents' Posthear. Br. at 3 and 5.

[71] Japanese Respondents' Prehear. Br. at 18–21, 26–28, and 30; Japanese Respondents' Posthear. Br. at 5 and 8.

[72] Japanese Respondents' Prehear. Br. at 25; Japanese Respondents' Posthear. Br. at 8.

[73] Sidenor's Prehear. Br. at 4; Sidenor's Posthear Br. at 1.

[74] Sidenor's Prehear. Br. at 4; Sidenor's Posthear Br. at 1–2. It contends that the focus on the EU market, including Spain, stems from the proximity of the EU market, long-standing relationships with EU clients, duty-free treatment for shipments to the EU (in contrast to the imposition of an indefinite 25 percent tariff on stainless steel bar imports in the United States under the Section 232 trade action), and the development of new applications for stainless steel bar in the EU market. Sidenor's Posthear Br. at 3.

[75] Hearing Tr. at 170; Sidenor's Prehear. Br. at 4–5; Sidenor's Posthear Br. at 1–2.

Spanish Respondents. Spanish respondents argue that Spanish producers have no incentive to ship large amounts of stainless steel bar to the U.S. market because of related affiliates that already serve the U.S. market, and they would not change their business structure to begin selling large volumes of stainless steel bar in the U.S. market even if it were technically possible for them to do so.[76] Spanish respondents also argue that subject imports from India would likely compete under different conditions of competition than would subject imports from Brazil, Japan, and Spain, and therefore should not be cumulated with those subject imports.[77] They assert that the *** capacity utilization rate of the subject industry in India ***.[78] They contend that the Indian industry is a much larger exporter of stainless steel bar than the other subject countries.[79] They argue that the Commission's pricing data show *** and that the average unit values ("AUVs") of stainless steel bar exports from India are *** than from the other subject countries.[80]

C. Likelihood of No Discernible Adverse Impact

The statute precludes cumulation if the Commission finds that subject imports from a country are likely to have no discernible adverse impact on the domestic industry.[81] Neither the statute nor the Uruguay Round Agreements Act ("URAA") Statement of Administrative Action ("SAA") provides specific guidance on what factors the Commission is to consider in determining that imports "are likely to have no discernible adverse impact" on the domestic industry.[82] With respect to this provision, the Commission generally considers the likely volume of subject imports and the likely impact of those imports on the domestic industry within a reasonably foreseeable time if the orders were to be revoked. Our analysis for each of the subject countries takes into account, among other things, the nature of the product and the behavior of subject imports in the original investigations.

Based on the record in these reviews, we find that imports from Brazil would likely have no discernible adverse impact on the domestic industry if the order were revoked. We do not find, however, that imports from Japan, Spain, and India would likely have no discernible adverse impact on the domestic industry if the orders on subject imports from those countries were revoked.

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[76] Spanish Respondents' Prehear. Br. at 3–7.

[77] Spanish Respondents' Prehear. Br. at 2 and 17; Spanish Respondents' Posthear. Br. at 7–8; Sidenor's Posthear Br. at 15.

[78] Spanish Respondents' Prehear. Br. at 17–18; Spanish Respondents' Posthear. Br. at 7–8; Sidenor's Posthear Br. at 15.

[79] Spanish Respondents' Prehear. Br. at 18; Sidenor's Posthear Br. at 15.

[80] Spanish Respondents' Prehear. Br. at 18–19.

[81] 19 U.S.C. § 1675a(a)(7).

[82] SAA, H.R. Rep. No. 103-316, vol. I at 887 (1994); *see Stainless Steel Wire Rod from Italy, Japan, Korea, Spain, and Taiwan, Inv. Nos. 731-TA-770-773 and 775 (Third Review)*, USITC Pub. 4623 (July 2016).

Brazil. During the original POI, subject imports from Brazil were 3,334 short tons in 1991, 4,209 short tons in 1992, and 4,594 short tons in 1993; their market share was 1.8 percent in 1991, 2.3 percent in 1992, and 2.3 percent in 1993.[83] During the current POR, the Commission received usable data from one producer in Brazil, respondent Villares, which states that it accounts for all stainless steel bar production in Brazil and was responsible for all exports of subject merchandise from Brazil to the U.S. market.[84] Its capacity and total shipments declined over the full-year POR, as did Brazilian global exports, while its excess capacity increased.[85] Subject imports from Brazil maintained a presence in the U.S. market during the POR but at relatively small volumes; they were 2,499 short tons in 2015, 2,165 short tons in 2016, and 2,380 short tons in 2017, with a market share of 0.8 percent in 2015, 0.8 percent in 2016, and 0.7 percent in 2017.[86]

In the reasonably foreseeable future, however, we find that this absolute volume and market share will decline. Subject imports from Brazil are subject to an absolute quota limit imposed under Section 232 of 1,645 short tons per year as of June 1, 2018.[87] This annual limit is less than the level of subject imports from Brazil during each year of the original investigation and of the current POR. Even if the quota is filled, annual subject imports from Brazil would be equivalent to just 0.5 percent of apparent U.S. consumption in 2017, which is less than the actual market share of subject imports from Brazil during each year of the original investigation

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[83] CR/PR at C-6.

[84] CR at IV-25, PR at IV-14; Hearing Tr. at 183; Domestic Industry Prehear. Br. at 9. Although the domestic industry concurred that Villares was the sole producer at the hearing, in its posthearing brief it asserted that there were two additional possible subject producers in Brazil. Hearing Tr. at 87; Domestic Industry's Posthear. Br. at 9 n.11. One of these late-identified producers ***, and the other listed only sales agents in Brazil and thus is not likely to export stainless steel bar. CR at IV-25 to IV-26 and n.14, PR at IV-14 to IV-15 and n.14.

[85] Villares' capacity to produce stainless steel bar declined steadily from *** short tons in 2015 to *** short tons in 2017; it was *** short tons in interim 2017 and *** short tons in interim 2018. CR/PR at Table IV-10. Villares' total shipments of stainless steel bar declined steadily from *** short tons in 2015 to *** short tons in 2017; they were *** short tons in interim 2017 and *** short tons in interim 2018. *Id.* According to official Brazilian statistics, exports of stainless steel bar from Brazil decreased from 6,911 short tons in 2015 to 5,935 short tons in 2017. CR/PR at Table IV-12. Villares' capacity utilization rate was *** percent in 2015, *** percent in 2016, and *** percent in 2017; it was *** percent in interim 2017 and *** percent in interim 2018. CR/PR at Table IV-10.

[86] CR/PR at Tables I-13 and IV-1. Their market share in interim 2018 was 0.5 percent. CR/PR at Table I-13.

[87] CR at I-9, PR at I-7 to I-8 (citing U.S. Customs and Border Protection, "QB 18-126 Absolute Quota for Steel Mill Articles: Argentina, Brazil and South Korea," July 5, 2018). *See Proclamation 9759 of May 31, 2018 (Adjusting Imports of Steel Into the United States)*, 83 Fed. Reg. 25857 (June 5, 2018). The Brazilian respondent calculates the quota amount to be 1,650 short tons. Brazilian Respondent's Prehear. Br. at 3. We consider the difference of 5 short tons to be inconsequential to our determination. For the discussion of Section 232 trade actions affecting the subject countries, *see* section IV.C.4, *infra*.

and of the current POR.[88] We also observe that demand for stainless steel bar increased in 2017 and in the January–March ("interim") 2018 period and is expected to continue to increase.[89] As a result, subject imports from Brazil are likely to account for an even lower share of apparent U.S. consumption in the future. Therefore, under the quota, Brazil's import level and market share will decrease from their currently low amounts. Additionally, given the limited volume of U.S. exports available to the Brazilian industry, we see no incentive for Villares to price aggressively to win sales and market share; on the contrary, it would likely seek to maximize profits on this limited quota amount.

Nothing in the record of these reviews indicates that the Section 232 trade action as it relates to imports of stainless steel bar from Brazil will be terminated in the reasonably foreseeable future. Although the President can alter, terminate, or replace the absolute quota, the President stated in the May 2018 Proclamation his "determination to exclude, on a long-term basis," these imports of steel products from Brazil from the tariffs originally imposed in March 2018 and instead impose the quota.[90] Therefore, we conclude that the Section 232 trade action, as currently structured and enforced, likely will continue through the reasonably foreseeable future.

Based on the record, in particular the low import levels of stainless steel bar from Brazil that are allowed under the Section 232 trade action and the related decline in the market share of those imports, we find that subject imports from Brazil would likely have no discernible adverse impact on the domestic industry if the order were revoked.[91] Accordingly, we do not cumulate subject imports from Brazil with other subject imports for purposes of our analysis in these reviews.[92]

Japan, Spain, and India. We do not find that subject imports from Japan, Spain, and India would likely have no discernible adverse impact on the domestic industry if the orders on subject imports from these countries were revoked. Each of these subject countries produces

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[88] Derived from CR/PR at Table I-13.

[89] Apparent U.S. consumption was 23.2 percent higher in 2017 than in 2016 and was 17.5 percent higher in interim 2018 than in interim 2017. CR/PR at C-3. A clear majority of market participants anticipate future demand growth in the United States. CR at II-18, PR at II-12; CR/PR at Table II-4. *See also* Domestic Industry Prehear. Br. at 39 (citing the higher apparent U.S. consumption figure during interim 2018 when compared with interim 2017).

[90] 83 Fed. Reg. 25857, 25858. *See Proclamation 9705 of March 8, 2018 (Adjusting Imports of Steel Into the United States)*, 83 Fed. Reg. 11625 (March 15, 2018).

[91] The domestic industry contends that the volume of subject imports from Brazil is currently having an adverse impact on domestic producers of stainless steel bar and therefore will continue to have an adverse impact in the reasonably foreseeable future. Domestic Industry's Posthear. Br. at Exhibit 1, pp. 17–18. As discussed above, however, the volume of subject imports from Brazil will decline as a result of the absolute quota, which means that additional sales volume will become available to other suppliers, including domestic producers. Therefore, even if subject imports from Brazil were currently having an adverse impact on the domestic industry, they are unlikely to do so in the reasonably foreseeable future.

[92] 19 U.S.C. § 1675a(a)(7).

substantial quantities of subject merchandise.[93] They have available unused capacity in varying amounts and have maintained at least some interest in the U.S. market throughout the POR.[94] The industries in each of these subject countries also export an appreciable volume of subject merchandise.[95] For the subject countries for which there is pricing data in the current POR, i.e., Spain and India, subject imports undersold U.S. product in the majority of comparisons.[96]

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[93] The reported capacity of the Japanese industry increased steadily from 200,713 short tons in 2015 to 206,840 short tons in 2017; it was 51,966 short tons in interim 2017 and 54,341 short tons in interim 2018. CR/PR at Table IV-19. The Commission received usable questionnaire data from four firms that accounted for an estimated 84.0 to 95.3 percent of subject production in 2017. CR at IV-46 to IV-47, PR at IV-27 to IV-28.

The reported capacity of the Spanish industry declined steadily from *** short tons in 2015 to *** short tons in 2017; it was *** short tons in interim 2017 and *** short tons in interim 2018. CR/PR at Table IV-23. The Commission received usable questionnaire data from three firms, which accounted for a reported 49 percent of subject production in 2017. CR at IV-58 to IV-59, PR at IV-35 to IV-36. The largest Spanish producer, Roldan, did not submit a questionnaire response, but it is related to the *** U.S. producer, NAS, and stopped exporting to the United States shortly after NAS began production in 2003. Hearing Tr. at 170; CR at IV-58, PR at IV-35.

The reported capacity of subject Indian producers increased steadily from 134,904 short tons in 2015 to 149,906 short tons in 2017; it was 32,387 short tons in interim 2017 and 33,778 short tons in interim 2018. CR/PR at Table IV-15. The Commission received usable questionnaire data from nine subject firms in India, which accounted for a reported 13 to 24 percent of subject production in 2017. CR at IV-35 and IV-38 n.29, PR at IV-20 and IV-21 n.29. The largest Indian producer, Viraj, was a nonsubject producer until reinstated in the antidumping duty order effective April 20, 2018. 83 Fed. Reg. 17529. Including Viraj, the reported capacity of the Indian industry in 2017 was *** short tons. CR/PR at Table F-2.

[94] CR/PR at Tables IV-15, IV-19, and IV-23. U.S. imports of subject merchandise from Japan declined irregularly from *** short tons in 2015 to *** short tons in 2017; they were *** short tons in interim 2017 and *** short tons in interim 2018. CR/PR at Table IV-1. U.S. imports of subject merchandise from Spain increased from 472 short tons in 2015 to 2,256 short tons in 2016, then declined to 1,196 short tons in 2017; they were 450 short tons in interim 2017 and 5 short tons in interim 2018. CR/PR at Table IV-1. U.S. imports of subject merchandise from India increased irregularly from *** short tons in 2015 to *** short tons in 2017; they were *** short tons in interim 2017 and *** short tons in interim 2018. CR/PR at Table IV-1. During the POR, the share of apparent U.S. consumption for each of these subject countries was ***. CR/PR at Table I-13.

[95] According to official Japanese statistics, Japan's global exports of stainless steel bar decreased irregularly from 54,019 short tons in 2015 to 52,186 short tons in 2017. CR/PR at Table IV-21. According to official Eurostat statistics, Spain's global exports of stainless steel bar decreased irregularly from 116,479 short tons in 2015 to 115,455 short tons in 2017. CR/PR at Table IV-25. According to official Indian statistics, India's global exports of stainless steel bar increased steadily from 218,831 short tons in 2015 to 239,378 short tons in 2017. CR/PR at Table IV-17.

[96] Subject imports from Spain undersold the domestic like product in 19 of 34 instances by an average margin of *** percent. CR/PR at Table V-8; CR at V-22, PR at V-10. Subject imports from India undersold the domestic like product in 15 of 18 instances by an average margin of *** percent. CR/PR (Continued…)

Additionally, unlike Brazil, the Section 232 trade action imposes a 25 percent *ad valorem* tariff on subject imports from each of these countries, with no quota limit to act as an absolute cap on volume.[97] Based on the record in these reviews, we do not find that subject imports from Japan, Spain, and India would likely have no discernible adverse impact on the domestic industry if the orders were revoked.

D. Likelihood of a Reasonable Overlap of Competition

The Commission generally has considered four factors intended to provide a framework for determining whether subject imports compete with each other and with the domestic like product.[98] Only a "reasonable overlap" of competition is required.[99] In five-year reviews, the relevant inquiry is whether there likely would be competition even if none currently exists because the subject imports are absent from the U.S. market.[100]

In the original investigations, the Commission found that all four factors indicated a likely reasonable overlap of competition.[101] Similarly, in all prior reviews, the Commission concluded that there likely would be a reasonable overlap of competition between the subject

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(…Continued)
at Table V-8; CR at V-22, PR at V-10. There are no available pricing data for subject imports from Japan. CR/PR at Table V-7 note.

[97] 83 Fed. Reg. 11625, 83 Fed. Reg. 25857.

[98] The four factors generally considered by the Commission in assessing whether imports compete with each other and with the domestic like product are as follows: (1) the degree of fungibility between subject imports from different countries and between subject imports and the domestic like product, including consideration of specific customer requirements and other quality-related questions; (2) the presence of sales or offers to sell in the same geographical markets of imports from different countries and the domestic like product; (3) the existence of common or similar channels of distribution for subject imports from different countries and the domestic like product; and (4) whether subject imports are simultaneously present in the market with one another and the domestic like product. *See, e.g., Wieland Werke, AG v. United States*, 718 F. Supp. 50 (Ct. Int'l Trade 1989).

[99] *See Mukand Ltd. v. United States*, 937 F. Supp. 910, 916 (Ct. Int'l Trade 1996); *Wieland Werke,* 718 F. Supp. at 52 ("Completely overlapping markets are not required."); *United States Steel Group v. United States,* 873 F. Supp. 673, 685 (Ct. Int'l Trade 1994), *aff'd*, 96 F.3d 1352 (Fed. Cir. 1996). We note, however, that there have been investigations where the Commission has found an insufficient overlap in competition and has declined to cumulate subject imports. *See, e.g*., *Live Cattle from Canada and Mexico*, Inv. Nos. 701-TA-386 and 731-TA-812–13 (Preliminary), USITC Pub. 3155 at 15 (Feb. 1999), *aff'd sub nom, Ranchers-Cattlemen Action Legal Foundation v. United States*, 74 F. Supp. 2d 1353 (Ct. Int'l Trade 1999); *Static Random Access Memory Semiconductors from the Republic of Korea and Taiwan*, Inv. Nos. 731-TA-761-62 (Final), USITC Pub. 3098 at 13–15 (Apr. 1998).

[100] *See generally*, *Chefline Corp. v. United States*, 219 F. Supp. 2d 1313, 1314 (Ct. Int'l Trade 2002).

[101] Original Determinations, USITC Pub. 2856 at I-14 to I-15.

imports and the domestic like product, and among the subject imports themselves, if the orders were revoked.[102]

Fungibility. The record in the current reviews indicates that there is a moderate degree of substitutability between domestically produced stainless steel bar and subject imports from Japan, Spain, and India.[103] All U.S. producers reported that stainless steel bar from these sources is always or frequently interchangeable for all comparisons between countries.[104] A majority of importers reported that stainless steel bar from these sources can always or frequently be used interchangeably.[105] Purchaser responses were mixed, with majorities or pluralities finding products from these sources frequently or sometimes interchangeable; no purchaser found products from these sources never to be interchangeable.[106] In comparing stainless steel bar from domestic, Japanese, Spanish, and Indian sources across a variety of factors considered in purchasing decisions, most purchasers rated stainless steel bar from these sources as comparable with regard to most of the 15 factors listed.[107]

Geographic Overlap. In the current reviews, domestic producers and importers of subject imports from India reported selling stainless steel bar in all regions in the contiguous United States, and importers of subject imports from Spain reported selling stainless steel bar in almost every region.[108] Subject imports from Japan were reportedly sold in multiple regions of the United States in which domestic producers and importers of subject imports from Spain and India also sold stainless steel bar.[109]

Channels of Distribution. During the POR, domestic producers sold primarily to distributors, with the remainder being sold to end users and fabricators or finishers.[110] Japan, Spain, and India also sold stainless steel bar into one or more of these channels, with differing concentrations.[111]

Simultaneous Presence in Market. During the 41-month period from January 2015 to May 2018, subject imports from Japan were present in the U.S. market in 40 months, subject imports from Spain were present in 38 months, and subject imports from India were present each month.[112]

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[102] First Five-Year Reviews, USITC Pub. 3404 at 9–11; Second Five-Year Reviews, USITC Pub. 3895 at 9–10; Third Five-Year Reviews, USITC Pub. 4341 at 9–10.

[103] CR at II-19, PR at II-12 to II-13.

[104] CR/PR at Table II-10.

[105] CR/PR at Table II-10.

[106] CR/PR at Table II-10.

[107] CR/PR at Table II-9; CR at II-29, PR at II-18.

[108] Subject imports from Spain were sold in all regions of the continental United States except ***. CR/PR at Table II-2.

[109] Subject imports from Japan were reportedly sold in the *** regions. CR/PR at Table II-2.

[110] CR/PR at Table II-1.

[111] Shipments of stainless steel bar from India and Spain went *** to distributors, and shipments from Japan went *** to fabricators or finishers. CR/PR at Table II-1; CR at II-1 to II-2, PR at II-1.

[112] CR/PR at Table IV-6.

Conclusion. We find that the domestic like product and imports from Japan, Spain, and India are fungible, have geographic overlap, compete in common channels of distribution, and have been simultaneously present in the market. In light of these factors, we find that there will likely be a reasonable overlap of competition between the domestic like product and imports from Japan, Spain, and India and among imports from these subject countries, should the orders be revoked.

E. Likely Conditions of Competition

In determining whether to exercise our discretion to cumulate the subject imports, we assess whether subject imports from Japan, Spain, and India would likely compete under similar or different conditions of competition. We determine that subject imports from each country would likely compete under different conditions of competition.

Each of the subject countries has a distinct, established shipment pattern that we find likely to continue if the orders are revoked. The subject industry in Japan displays a persistent focus on its domestic market, and the large majority of its export shipments go to regional markets in East and Southeast Asia.[113] The subject industry in Spain focuses its exports on countries within the common market and customs union of the EU, with its domestic market as the second-largest destination.[114] Given the degree of internal integration inherent to the EU common market and customs union, these exports face fewer trade barriers than Spanish exports to non-EU markets. In contrast, the subject industry in India ships approximately one-

[113] CR/PR at Table IV-19. Over the POR, between *** percent and *** percent of the Japanese industry's shipments were to the home market, and this share increased from 2015 to 2017. *Id.* The Japanese industry's exports to Asian markets accounted for between *** percent and *** percent of total export shipments, and this share increased from 2015 to 2017. Derived from CR/PR at Table IV-19. The top eight export markets for Japanese stainless steel bar are other markets in Asia. CR/PR at Table IV-21. This regional focus of the Japanese industry's export shipments has existed for a longer period than the current POR. Third Five-Year Reviews, USITC Pub. 4341 at Table I-10; Second Five-Year Reviews, USITC Pub. 3895 at Table IV-13. Japanese producers reported that the share of their total shipments shipped to non-Japanese, non-Asian countries totaled *** percent in 2015, *** percent in 2016, and *** percent in 2017 and interim 2018. CR/PR at Table IV-19. Japanese producers submitted affidavits with additional information regarding the concentration on their domestic and regional markets. Japanese Respondents' Posthear. Br. at Exhibits 4, 6, and 7.

[114] CR/PR at Table IV-23. Over the POR, between *** percent and *** percent of the Spanish industry's exports were to the EU. Derived from CR/PR at Table IV-23. The EU and home markets accounted for between *** percent and *** percent of total shipments. *Id.* All but two of the top eight export markets for Spanish stainless steel bar are other markets within the EU (and one of those two is Switzerland). CR/PR at Table IV-25. The focus of the Spanish industry's export shipments on other EU countries has existed for a longer period than the current POR. Third Five-Year Reviews, USITC Pub. 4341 at Table I-11; Second Five-Year Reviews, USITC Pub. 3895 at Table IV-17. Only *** percent of Spanish producers' reported shipments were exported outside of the EU in 2017. CR/PR at Table IV-23.

half of its shipments to the domestic market and the other half as export shipments broadly distributed to markets worldwide.[115]

Certain Spanish producers' global corporate relationships are likely to affect export patterns if the orders are revoked; Japanese and Indian producers do not have similar relationships. Roldan, the largest Spanish producer, and NAS, the *** U.S. producer, are owned by the Acerinox Group, a Spanish holding company.[116] Similarly, Spanish producer Olarra, the *** Spanish producer, is owned by Rodacciai, an Italian company that ships stainless steel bar from nonsubject countries to the U.S. market.[117] Roldan has not shipped stainless steel bar to the United States since 2003, when NAS began production in the United States.[118] We find it unlikely that Roldan will export substantial volumes of stainless steel bar to the United States if the order were revoked, and the domestic industry has not argued that it would. Similarly, Olarra would likely have no incentive to ship substantial volumes of stainless steel bar to the U.S. market if the orders were revoked because its corporate family already has access to the U.S. market through Rodacciai.[119]

Japanese producers focus on higher-value stainless steel bar products than Spain or India. The Japanese respondents assert that this a concerted strategy, a contention supported by the relatively higher AUVs for their shipments.[120] The Indian producers ship a range of products, including low-value stainless steel bar, and reported the lowest AUVs of these three subject countries, while Spanish producers export a range of products with AUVs largely between those of Japanese and Indian producers.[121] Relatedly, Spanish producers stated that

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[115] CR/PR at Table IV-15. The top export markets for Indian stainless steel bar are in Europe, Asia, and South America. CR/PR at Table IV-17. We note that when incorporating the export patterns of Viraj, Indian producers reported exporting *** percent of their total shipments in 2017, with *** percent of total shipments exported to the EU, *** percent exported to Asia, *** percent exported to the United States, and *** percent exported to all other markets. CR/PR at Table F-1.

[116] CR at I-46, PR at I-36. *See* CR/PR at Table III-3.

[117] Hearing Tr. at 158; Spanish Respondents' Prehear. Br. at 5–7.

[118] CR at IV-57 to IV-58, PR at IV-35.

[119] Spanish Respondents' Prehear. Br. at 5–7.

[120] The AUVs of responding Japanese producers' total shipments per short ton were $3,306 in 2015, $3,371 in 2016, and $3,459 in 2017; they were $3,344 in interim 2017 and $3,685 in interim 2018. CR/PR at Table IV-19. Global Trade Atlas ("GTA") data show that the AUVs of Japan's global exports per short ton were $3,973 in 2015, $4,187 in 2016, and $4,586 in 2017. CR/PR at Table IV-21.

We are mindful that the use of AUVs for establishing price trends or comparisons may present product mix issues in that divergent values may reflect different merchandise rather than differences in price. *Accord Allegheny Ludlum Corp. v. United States*, 287 F.3d 1365, 1373–74 (Fed. Cir. 2002). Consistent and substantial differences in AUVs between two countries, however, provides an indication of likely differing product mixes.

[121] The AUVs of responding Spanish producers' total shipments per short ton were $*** in 2015, $*** in 2016, and $*** in 2017; they were $*** in interim 2017 and $*** in interim 2018. CR/PR at Table IV-23. GTA data show that the AUVs of Spain's global exports per short ton were $2,653 in 2015, $2,169 in 2016, and $2,657 in 2017. CR/PR at Table IV-25.

(Continued…)

they do not have the necessary equipment to participate in the premium remelting segment of the U.S. market and therefore cannot compete with U.S. producers that have this capability.[122] Importantly, Indian producers reported a substantially lower capacity utilization rate than the Japanese and Spanish producers, which creates a strong incentive for Indian producers to increase production and shipments if provided the opportunity; Japanese and Spanish producers do not have such an ability.[123]

Based on these considerations, including the Japanese industry's home market focus and shipments of higher-value products, the Spanish industry's orientation toward the EU market and corporate relationships, and the Indian industry's global export patterns, which do not show a focus on any particular market or region, and its excess capacity, we find that subject imports from Japan, Spain, and India would likely compete under different conditions of competition if the orders were revoked.

F. Conclusion

In sum, we determine that if the orders were revoked, subject imports from India, Japan, and Spain are not likely to have no discernible adverse impact on the domestic industry; there would likely be a reasonable overlap of competition between the subject imports from each of these countries and the domestic like product and among the subject imports from these countries; and subject imports from each of these countries would be likely to compete under different conditions of competition. Accordingly, for the reasons discussed above, we do not exercise our discretion to cumulate subject imports from India, Japan, and Spain for purposes of these reviews. We also determine that subject imports from Brazil are likely to have no discernible adverse impact on the domestic industry if the order were revoked. Therefore, we do not cumulate imports from Brazil with imports from any of the other subject countries.

(…Continued)

The AUVs of responding Indian producers' total shipments per short ton were $2,238 in 2015, $1,950 in 2016, and $2,266 in 2017; they were $2,125 in interim 2017 and $2,559 in interim 2018. CR/PR at Table IV-15. GTA data show that the AUVs of India's global exports per short ton were $2,209 in 2015, $1,706 in 2016, and $2,002 in 2017. CR/PR at Table IV-17.

[122] Spanish Respondents' Prehear. Br. at 16; Sidenor's Prehear. Br. at 32 and 55–56; Hearing Tr. at 172.

[123] The capacity utilization rate of the responding Indian producers was 38.2 percent in 2015, 32.6 percent in 2016, and 38.7 percent in 2017; it was 30.0 percent in interim 2017 and 33.7 percent in interim 2018. CR/PR at Table IV-15. The capacity utilization rate of the responding Japanese producers was 92.4 percent in 2015, 93.0 percent in 2016, and 94.1 percent in 2017; it was 95.3 percent in interim 2017 and 92.8 percent in interim 2018. CR/PR at Table IV-19. The capacity utilization rate of the responding Spanish producers was *** percent in 2015, *** percent in 2016, and *** percent in 2017; it was *** percent in interim 2017 and *** percent in interim 2018. CR/PR at Table IV-23.

IV. Whether Revocation of the Antidumping Duty Orders 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."[124] The 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."[125] Thus, the likelihood standard is prospective in nature.[126] 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.[127]

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."[128] According to the SAA, a "'reasonably foreseeable time' will vary from case-to-case, but

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[124] 19 U.S.C. § 1675a(a).

[125] SAA at 883–84. 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.

[126] 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.

[127] *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'").

[128] 19 U.S.C. § 1675a(a)(5).

normally will exceed the 'imminent' timeframe applicable in a threat of injury analysis in original investigations."[129]

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."[130] 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).[131] 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.[132]

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.[133] 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.[134]

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

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[129] 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*.

[130] 19 U.S.C. § 1675a(a)(1).

[131] 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings since the imposition of the orders. *See Issues and Decision Memorandum for the Expedited Sunset Reviews of the Antidumping Duty Orders on Stainless Steel Bar from Brazil, India, Japan, and Spain*, Oct. 31, 2017; Staff Report for the Adequacy Phase, Memorandum INV-PP-129, EDIS Doc. 623741 (Sept. 25, 2017) at I-17.

[132] 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

[133] 19 U.S.C. § 1675a(a)(2).

[134] 19 U.S.C. § 1675a(a)(2)(A–D).

compared to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.[135]

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.[136] 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 orders under review and whether the industry is vulnerable to material injury upon revocation.[137]

B. Findings in the Original Investigations and Prior Reviews

1. The Original Investigations

Conditions of Competition. The Commission noted that all parties agreed that there was a business cycle for the stainless steel bar industry that tracked general economic conditions.[138] It further noted that the channels of distribution for imported and domestically produced stainless steel bar were generally the same, with 70 percent of imported and domestic shipments made to service centers.[139] Shipments and apparent U.S. consumption increased during the POI, but increases in value lagged increases in volume.[140] The capacity of the domestic industry decreased while total production increased.[141]

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[135] *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.

[136] 19 U.S.C. § 1675a(a)(4).

[137] 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.

[138] Original Determinations, USITC Pub. 2856 at I-9.

[139] Original Determinations, USITC Pub. 2856 at I-10.

[140] Original Determinations, USITC Pub. 2856 at I-10.

[141] Original Determinations, USITC Pub. 2856 at I-10.

Volume. The Commission found subject import volumes to be significant.[142] The cumulated subject import volume for the four subject countries was 25,983 short tons in 1991 and 31,687 short tons in 1993.[143] By 1993, the cumulated share of apparent U.S. consumption for these four countries had increased by 1.4 percentage points, to 15.7 percent.[144]

Price Effects. The Commission found that subject imports undersold the domestic like product in 292 of 518 price comparisons (56.4 percent of comparisons) and that underselling margins averaged 11.2 percent.[145] The Commission also found that subject imports had depressed or suppressed domestic prices to a significant degree.[146]

Impact. The Commission found that increased subject imports and the declines in prices from 1991 to 1993 had a significant adverse impact on the domestic industry.[147] The Commission cited, among other things, operating losses, reduced investment, and stagnant shipments in a growing market.[148]

2. The First Reviews

Conditions of Competition. The Commission found that although there had been an increase in demand for stainless steel generally, apparent U.S. consumption of stainless steel bar declined from 1995 to 1999.[149] The Commission noted that demand for stainless steel bar is largely driven by demand for the end-use products in which it is incorporated.[150] It further found that purchasers generally require certification or prequalification of their suppliers and, once a product is qualified, price becomes an important factor in purchasing decisions.[151] It noted that the price of important raw materials, such as nickel, had an impact on prices.[152]

The Commission also found that the domestic industry had increased its capacity over the POR and that stainless steel bar can be produced on the same equipment used to produce other products, such as stainless steel angle and wire rod.[153] The Commission observed that the vast majority of domestic producers' shipments were through service centers, although a fraction of shipments were to end users.[154] Subject imports were also sold to service centers, as well as to master distributors (mill depots), cold finishers, and end users.[155]

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[142] Original Determinations, USITC Pub. 2856 at I-15.
[143] Original Determinations, USITC Pub. 2856 at I-15.
[144] Original Determinations, USITC Pub. 2856 at I-15.
[145] Original Determinations, USITC Pub. 2856 at I-17.
[146] Original Determinations, USITC Pub. 2856 at I-17.
[147] Original Determinations, USITC Pub. 2856 at I-17.
[148] Original Determinations, USITC Pub. 2856 at I-17.
[149] First Five-Year Reviews, USITC Pub. 3404 at 13.
[150] First Five-Year Reviews, USITC Pub. 3404 at 13.
[151] First Five-Year Reviews, USITC Pub. 3404 at 13.
[152] First Five-Year Reviews, USITC Pub. 3404 at 14.
[153] First Five-Year Reviews, USITC Pub. 3404 at 14.
[154] First Five-Year Reviews, USITC Pub. 3404 at 14.
[155] First Five-Year Reviews, USITC Pub. 3404 at 14.

Likely Volume. The Commission found that the volume of subject imports was likely to be significant based on several factors, including significant unused capacity in the subject countries, the export orientation of the subject producers, and the ability to shift production and exports from other stainless steel products.[156] There were U.S. antidumping duty orders or cash deposit requirements in place on two other stainless steel products—stainless steel wire rod and stainless steel angle—and the Commission found that subject producers had an incentive to shift production from those products to stainless steel bar if the orders were revoked.[157]

Likely Price Effects. The Commission found that domestically produced stainless steel bar and subject imports were generally substitutable, that most domestic and subject producers met purchasers' qualification requirements, and that price was an important factor in purchasing decisions.[158] Prices for stainless steel bar in the U.S. market generally trended downward during the POR.[159] The limited available data reflected underselling by subject imports from two of the four subject countries.[160] Given the substitutability of the subject imports for domestically produced stainless steel bar and the likely significant volume of subject imports, the Commission found that subject imports would be likely to have significant depressing and suppressing effects on the prices of the domestic like product.[161]

Likely Impact. The Commission found that the domestic industry's condition had improved since the original POI, but had declined over the POR.[162] Production and capacity utilization declined from 1997 to 1999.[163] Operating income and the industry's market share also fell, and the industry was barely profitable at the end of the POR.[164] Therefore, the Commission found the industry to be in a vulnerable condition.[165] Given the generally substitutable nature of the subject imports and domestically produced stainless steel bar, the Commission concluded that the likely significant volume of low-priced subject imports, when combined with the expected negative price effects of those imports, would likely have a significant adverse impact on the production, shipments, sales, and revenues of the domestic industry.[166]

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[156] First Five-Year Reviews, USITC Pub. 3404 at 15–17.
[157] First Five-Year Reviews, USITC Pub. 3404 at 16.
[158] First Five-Year Reviews, USITC Pub. 3404 at 17.
[159] First Five-Year Reviews, USITC Pub. 3404 at 18.
[160] First Five-Year Reviews, USITC Pub. 3404 at 17 and n.91.
[161] First Five-Year Reviews, USITC Pub. 3404 at 18.
[162] First Five-Year Reviews, USITC Pub. 3404 at 19.
[163] First Five-Year Reviews, USITC Pub. 3404 at 19.
[164] First Five-Year Reviews, USITC Pub. 3404 at 19.
[165] First Five-Year Reviews, USITC Pub. 3404 at 20.
[166] First Five-Year Reviews, USITC Pub. 3404 at 20.

3. The Second Reviews

Conditions of Competition. The Commission noted that apparent U.S. consumption increased irregularly from 279,543 short tons in 2000 to 295,751 short tons in 2005.[167] The Commission noted that although the number of domestic producers had declined from 12 during the first review to eight in the second review, the domestic industry had added about 50 percent more capacity.[168] The domestic industry's production also increased but not by as much as its capacity.[169] The Commission further noted that subject imports were generally highly substitutable for domestically produced stainless steel bar, although subject imports from India were viewed as lower quality by certain purchasers.[170] Quality and price were the most important factors in purchasing decisions.[171]

Likely Volume. The Commission again found that the volume of cumulated subject imports would likely be significant if the orders were revoked.[172] It based this conclusion on a number of factors, particularly the significant production capacity and excess capacity in the subject countries, the export orientation of the subject producers, subject imports' continued presence in the U.S. market with the orders in place, the attractiveness of the U.S. market, and the stated interest of stainless steel bar purchasers in subject imports.[173]

Likely Price Effects. There was limited information with respect to subject imports' relative pricing in the U.S. market.[174] The Commission found that, given the likely significant volume of subject imports, the substitutability between the subject imports and domestic like product, and the importance of price in purchasing decisions, subject imports would, in the absence of the orders, likely significantly undersell the U.S. product in order to gain market share.[175] The Commission also noted that the domestic industry was facing elevated raw material and energy costs toward the end of the POR and that growth in domestic demand was forecast to be weak.[176] It concluded that the likely underselling by the subject imports would therefore likely suppress price increases or depress domestic prices to a significant degree, causing the domestic industry to have difficulty recovering its costs.[177]

Likely Impact. The Commission noted that the domestic industry's performance improved in certain respects during the POR and found that the domestic industry was not

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[167] Second Five-Year Reviews, USITC Pub. 3895 at 13.
[168] Second Five-Year Reviews, USITC Pub. 3895 at 13–14.
[169] Second Five-Year Reviews, USITC Pub. 3895 at 14.
[170] Second Five-Year Reviews, USITC Pub. 3895 at 14.
[171] Second Five-Year Reviews, USITC Pub. 3895 at 14.
[172] Second Five-Year Reviews, USITC Pub. 3895 at 17.
[173] Second Five-Year Reviews, USITC Pub. 3895 at 16–17.
[174] Second Five-Year Reviews, USITC Pub. 3895 at 18.
[175] Second Five-Year Reviews, USITC Pub. 3895 at 18.
[176] Second Five-Year Reviews, USITC Pub. 3895 at 18.
[177] Second Five-Year Reviews, USITC Pub. 3895 at 18.

vulnerable.[178] The Commission nonetheless concluded that revocation of the orders likely would have a significant adverse impact on the domestic industry.[179]

4. The Third Reviews

Conditions of Competition. The Commission observed that demand largely tracked general trends in the U.S. economy and that apparent U.S. consumption was 165,936 short tons in 2010.[180] The Commission stated that there were at least nine domestic producers, five of which responded to the notice of institution.[181] Because of the expedited nature of the third five-year reviews, the Commission adopted several findings from the second five-year reviews: subject imports were generally highly substitutable for domestically produced stainless steel bar;[182] quality and price were the most important factors in purchasing decisions, and most purchasers required prequalification of their suppliers;[183] substitutes for stainless steel bar tended to be much more expensive;[184] and domestic producers sold predominantly to service centers, but also to end users, while importers' shipments of subject imports were solely to service centers and master distributors rather than end users.[185]

Likely Volume. The Commission observed that cumulated subject import volume increased from 2006 to 2011 and that cumulated subject imports accounted for 10.9 percent of apparent U.S. consumption in 2009.[186] Because no respondent interested party participated in the reviews, there was limited evidence on the capacity and production of the subject foreign industries, although responding domestic producers noted capacity expansions in Brazil, India, and Spain.[187] The Commission found that subject imports would be able to rapidly increase their share of the U.S. market if the orders were revoked based on substitutability, their continued presence in the U.S. market, and existing channels of distribution.[188] Given the size of the U.S. market and the export orientation of the subject producers, the Commission concluded that the likely volume of subject imports from Brazil, India, Japan, and Spain, in absolute terms and relative to production and consumption in the United States, would be significant if the orders were revoked.[189]

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[178] Second Five-Year Reviews, USITC Pub. 3895 at 19–20.
[179] Second Five-Year Reviews, USITC Pub. 3895 at 20.
[180] Third Five-Year Reviews, USITC Pub. 4341 at 11.
[181] Third Five-Year Reviews, USITC Pub. 4341 at 12.
[182] Third Five-Year Reviews, USITC Pub. 4341 at 12.
[183] Third Five-Year Reviews, USITC Pub. 4341 at 12.
[184] Third Five-Year Reviews, USITC Pub. 4341 at 12.
[185] Third Five-Year Reviews, USITC Pub. 4341 at 12.
[186] Third Five-Year Reviews, USITC Pub. 4341 at 13.
[187] Third Five-Year Reviews, USITC Pub. 4341 at 14.
[188] Third Five-Year Reviews, USITC Pub. 4341 at 14.
[189] Third Five-Year Reviews, USITC Pub. 4341 at 14.

Likely Price Effects. There was limited information with respect to subject imports' relative pricing in the U.S. market.[190] The Commission found that, given the likely significant volume of subject imports, the substitutability between the subject imports and domestic like product, and the importance of price in purchasing decisions, subject imports would, in the absence of the orders, likely significantly undersell the U.S. product in order to gain market share.[191] It concluded that the likely underselling by the subject imports would therefore likely suppress price increases or depress domestic prices to a significant degree, causing the domestic industry to have difficulty recovering its costs.[192]

Likely Impact. The Commission observed that the record information on the domestic industry's condition was limited but that most available indicators were significantly lower in 2010 than in any prior period examined.[193] The limited evidence was insufficient for the Commission to make a finding on whether the domestic industry was vulnerable.[194] The Commission found that the likely volume and price effects of the subject imports would likely have a significant adverse impact on the industry's production, sales, and revenue levels and would likely have a direct adverse impact on the industry's profitability and employment levels, as well as its ability to raise capital and make and maintain necessary capital investments.[195] The Commission concluded that if the orders were revoked, subject imports would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.[196]

C. 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."[197] The following conditions of competition inform our determinations. Many of the conditions of competition that were relevant in the original investigations and the prior reviews remain pertinent in the current reviews.

1. Demand Conditions

As stainless steel bar is used in many sectors of the economy, including the aerospace, automotive, oil, and energy industries, demand for stainless steel bar largely depends on the

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[190] Third Five-Year Reviews, USITC Pub. 4341 at 15.
[191] Third Five-Year Reviews, USITC Pub. 4341 at 15.
[192] Third Five-Year Reviews, USITC Pub. 4341 at 15.
[193] Third Five-Year Reviews, USITC Pub. 4341 at 16.
[194] Third Five-Year Reviews, USITC Pub. 4341 at 16–17.
[195] Third Five-Year Reviews, USITC Pub. 4341 at 17.
[196] Third Five-Year Reviews, USITC Pub. 4341 at 17.
[197] 19 U.S.C. § 1675a(a)(4).

level of general economic activity.[198] Apparent U.S. consumption during the POR was 309,668 short tons in 2015, 259,418 short tons in 2016, and 319,604 short tons in 2017, an increase of 23.2 percent from 2016 to 2017.[199] It was 17.5 percent higher in interim 2018 (85,575 short tons) than in interim 2017 (72,847 short tons).[200] Apparent U.S. consumption in 2017 was the highest of any year on record since and including the original POI.[201] Half of responding domestic producers and a majority of responding purchasers expect demand to increase over the next two years.[202]

2. Supply Conditions

The domestic industry and imports were roughly equal as sources of supply to the U.S. market during the POR. The domestic industry's market share increased from 48.1 percent in 2015 to 52.4 percent in 2016, and then decreased to 49.8 percent in 2017; it was 52.1 percent in interim 2017 and 50.1 percent in interim 2018.[203] The domestic industry's capacity increased steadily from 384,180 short tons in 2015 to 393,755 short tons in 2017; it was 97,729 short tons in interim 2017 and 97,184 short tons in interim 2018.[204] The industry's reported capacity utilization ranged from 37.9 percent to 50.1 percent.[205] Most U.S. producers and the majority of responding purchasers reported no supply constraints since January 2012.[206]

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[198] CR at II-1 and II-18, PR at II-1 and II-12. The majority of firms reported that the stainless steel bar market was not subject to business cycles or unique conditions of competition. CR at II-15, PR at II-9.

[199] CR/PR at C-3 and Table I-12.

[200] CR/PR at C-3 and Table I-12.

[201] CR/PR at C-6, C-8, C-10, and C-13. Global consumption of all stainless steel products rose 4.2 million metric tons (67 percent) from 2010 to 2016, increasing from approximately 6.3 million metric tons in 2010 to more than 10.5 million metric tons in 2016. CR at IV-78, PR at IV-49. China accounted for the largest share of this increase, with consumption rising 3 million metric tons (150 percent) to 5 million metric tons in 2016. *Id.* Stainless steel consumption in Asia, excluding China, increased by 500,000 metric tons. *Id.*

[202] CR at II-18, PR at II-12; CR/PR at Table II-4. Twenty-four of 29 responding importers and 9 of 15 responding foreign producers expect demand to fluctuate or increase over the next two years. CR/PR at Table II-4.

[203] CR/PR at Table I-13.

[204] CR/PR at Table III-3.

[205] CR/PR at Table III-3.

[206] CR at II-11 to II-12, PR at II-7. The domestic industry states that it sells "every type and major grade" of stainless steel bar. Domestic Industry's Prehear. Br. at 31. *See* CR/PR at Tables IV-3 and IV-4. Respondents argue that the domestic industry cannot ***. Japanese Respondents' Prehear. Br. at 21 and 28; Spanish Respondents' Prehear. Br. at 5–6. The record shows that when purchasers compared domestically produced stainless steel bar and subject imports in terms of product range, five purchasers rated U.S. product superior, seven purchasers rated U.S. product and subject imports comparable, and five purchasers rated subject imports superior. CR/PR at Table II-9.

Nonsubject imports were the largest segment of import supply to the U.S. market during the POR and at times accounted for a larger share of the market than the domestic industry. Nonsubject imports' market share decreased irregularly from *** percent in 2015 to *** percent in 2017; it was *** percent in interim 2017 and *** percent in interim 2018.[207] The largest sources of nonsubject imports throughout the POR were, in descending order of volume, Italy, Taiwan, and Germany.[208]

Subject imports from each subject country were present in the U.S. market during each year of the POR and were the smallest source of supply. The market share of subject imports from Brazil was 0.8 percent in 2015, 0.8 percent in 2016, 0.7 percent in 2017, 0.8 percent in interim 2017, and 0.5 percent in interim 2018.[209] The market share of subject imports from India was *** percent in 2015, *** percent in 2016, *** percent in 2017, *** percent in interim 2017, and *** percent in interim 2018.[210] The market share of subject imports from Japan was *** percent in 2015, *** percent in 2016, and ***.[211] The market share of subject imports from Spain was 0.2 percent in 2015, 0.9 percent in 2016, 0.4 percent in 2017, 0.6 percent in interim 2017, and 0.0 percent in interim 2018.[212]

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[207] CR/PR at Table I-13.

[208] CR/PR at Table IV-2.

[209] CR/PR at Table I-13.

[210] CR/PR at Table I-13. As explained above, Indian producers Viraj and Venus were nonsubject producers during the POR, but were reinstated in the antidumping duty order effective April 20, 2018. 83 Fed. Reg. 17529, 17530.

Subject imports produced by Viraj, the largest Indian producer, are subject to a limited exclusion order issued by the Commission under section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337. The order resulted from a complaint brought by three Valbruna companies alleging that Viraj (and others) violated section 337 by importing into the United States certain stainless steel products manufactured using misappropriated trade secrets of Valbruna. *Certain Stainless Steel Products, Certain Processes for Manufacturing or Relating to Same and Certain Products Containing Same; Notice of Institution of Investigation*, 79 Fed. Reg. 61339 (Oct. 10, 2014). The Commission found Viraj in default due to its spoliation of evidence, found a violation of section 337 as to Viraj, and issued a limited exclusion order prohibiting, for 16.7 years, importation of stainless steel products produced by Viraj using Valbruna's trade secrets. *Certain Stainless Steel Products, Certain Processes for Manufacturing or Relating to Same, and Certain Products Containing Same Commission's Final Determination Finding a Violation of Section 337; Issuance of a Limited Exclusion Order and Cease and Desist Order; Termination of the Investigation*, 81 Fed. Reg. 35058 (June 1, 2016). The exclusion order also requires Viraj to obtain a ruling from the Commission before importing any stainless steel product that may be covered by the exclusion order. *Certain Stainless Steel Products, Certain Processes for Manufacturing or Relating to Same and Certain Products Containing Same*, Inv. No. 337-TA-933, Comm'n Op. at 32 (June 9, 2016); Limited Exclusion Order (May 25, 2016), para. 3. On September 11, 2017, the U.S. Court of Appeals for the Federal Circuit issued a summary affirmance of the Commission's determination. *Viraj Profiles Ltd. v. Int'l Trade Comm'n*, Court No. 2016-2482, 2017 WL 3980535 (Fed. Cir. Sept. 11, 2017).

[211] CR/PR at Table I-13.

[212] CR/PR at Table I-13.

3. Substitutability and Other Conditions

Most responding purchasers reported that domestically produced stainless steel bar and imports from each subject country were comparable on most purchasing factors.[213] Responding purchasers ranked price as one of the most important factors in purchasing decisions, along with quality, reliability of supply, consistency, and availability.[214] Fifteen of 16 responding purchasers reported that price was a very important factor in purchasing decisions and that they sometimes or usually purchase the lowest-price product.[215] Accordingly, we find that price is an important factor in purchasing decisions for stainless steel bar and that there is a moderate degree of substitutability between domestically produced stainless steel bar and subject imports.[216]

The primary raw materials used in the production of stainless steel bar include alloy materials (particularly chromium, nickel, and molybdenum) and stainless steel scrap.[217] The ratio of domestic producers' raw material costs to the cost of goods sold ("COGS") was 60.6 percent in 2015, 56.5 percent in 2016, and 60.5 percent in 2017; it was 60.1 percent in interim 2017 and 61.9 percent in interim 2018.[218] Prices for the primary raw materials used in the production of stainless steel bar fluctuated widely, but prices of stainless steel scrap and chromium increased substantially during 2015–2018.[219] Prices for stainless steel bar generally consist of a surcharge and a base price.[220] Surcharges reflect the price of alloying materials, and prices of all other inputs to produce stainless steel bar are included in the base prices.[221]

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[213] CR at II-24 to II-25, PR at II-16 to II-17; CR/PR at Table II-9.

[214] CR/PR at Table II-7.

[215] CR at II-21, PR at II-14; CR/PR at Table II-7.

[216] When asked to compare the interchangeability between product pairings from the domestic industry and each subject country, all U.S. producers reported that stainless steel bar from these sources is always or frequently interchangeable for all comparisons between countries. CR/PR at Table II-10. A majority of importers reported that stainless steel bar from these sources can always or frequently be used interchangeably. *Id.* Purchaser responses were mixed, with majorities or pluralities finding products from these sources frequently or sometimes interchangeable; no purchaser found products from these sources never to be interchangeable. *Id.* In comparing stainless steel bar from domestic, Japanese, Spanish, and Indian sources across a variety of factors considered in purchasing decisions, most purchasers rated stainless steel bar from these sources as comparable to product from other sources with regard to most of the 15 factors listed. CR/PR at Table II-9; CR at II-29, PR at II-21.

In finding a moderate degree of substitutability, we recognize that most stainless steel bar products meeting industry standards are highly substitutable for products meeting the same standards, but there is a range of stainless steel bar products with different characteristics, and products with different characteristics are less substitutable. *See* CR/PR at Table II-10.

[217] CR/PR at V-1.

[218] CR/PR at Table III-10.

[219] CR at V-1 to V-4, PR at V-1 to V-2.

[220] CR at V-5, PR at V-3.

[221] CR at V-5, PR at V-3.

4. Section 232 Trade Action

On April 19, 2017, the Secretary of Commerce initiated an investigation under Section 232 to assess the impact of steel imports on the national security of the United States.[222] On March 8, 2018, following delivery of the investigative report, the President exercised his authority under Section 232 to impose a 25 percent *ad valorem* tariff on all steel mill products, including stainless steel bar from the subject countries, effective July 1, 2018.[223] Section 232 tariffs are supplemental to any duties already in place, and the March 8 Proclamation did not indicate the duration of trade actions undertaken pursuant to Section 232.[224]

On May 31, 2018, the President announced that Brazil had agreed to the imposition of an absolute quota effective June 1, 2018, on its steel mill products, including stainless steel bar,

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[222] CR at I-6, PR at I-5 to I-6. *See* 19 U.S.C. § 1862.

[223] 83 Fed. Reg. 11625. *See* 83 Fed. Reg. 25857 (effective date).

[224] Under 19 U.S.C. § 1862(c)(1)(A)(ii), the President is to "determine the nature and duration of the action that, in the judgment of the President, must be taken to adjust the imports of the article and its derivatives so that such imports will not threaten to impair the national security."

In the Proclamation establishing the tariff, the President authorized the Secretary of Commerce to provide tariff relief for any steel articles determined "not to be produced in the United States in a sufficient and reasonably available amount or of a satisfactory quality and is also authorized to provide such relief based upon specific national security considerations. Such relief shall be provided for a steel article only after a request for exclusion is made by a directly affected party located in the United States." 83 Fed. Reg. 11625, 11627. Approved exclusions are made on a product-specific basis and are limited to the individual or organization that submits the specific exclusion request, unless Commerce approves a broader application to additional importers. *Requirements for Submissions Requesting Exclusions From the Remedies Instituted in Presidential Proclamations Adjusting Imports of Steel Into the United States and Adjusting Imports of Aluminum Into the United States; and the Filing of Objections to Submitted Exclusion Requests for Steel and Aluminum*, 83 FR 12106, March 19, 2018. Commerce has indicated that its processing of product exclusion requests normally will not exceed 90 days from when the exclusion requests are submitted. *Id.* at 12,111. On June 20, 2018, Commerce announced its first set of product exclusions from the Section 232 tariffs. CR at I-11, PR at I-8 to I-9 (citing U.S. Department of Commerce, "Department of Commerce Grants First Product Exclusion Requests from Section 232 Tariffs on Steel Imports," June 20, 2018). Forty-two exclusion requests were granted, covering seven companies importing steel products from Japan, Sweden, Belgium, Germany, and China. *Id.* The exempted products were not specified. *Id.* Additionally, Commerce denied 56 steel exclusion requests from 11 different companies. *Id.* The domestic industry stated that more than 23,000 exclusion requests have been filed on steel products, including more than 700 referencing stainless steel bar. Hearing Tr. at 21. The domestic industry also stated that U.S. steel producers have been objecting to exclusion requests. *Id.* at 115–116. *See* 83 FR 12106, 12107 (stating that "{a}ny individual or organization in the United States" may object to an exclusion request). Evidence in the record of these reviews indicates that none of the product exclusions granted include stainless steel bar from any of the subject countries. Japanese Respondents' Posthear. Br. at pp. A-18 and A-71.

as an alternative to the 25 percent tariff.[225] The annual quota for stainless steel bar from Brazil is 1,645 short tons.[226]

D. Revocation of the Antidumping Order on Subject Imports from India Is Likely to Lead to the Continuation or Recurrence of Material Injury to the Domestic Industry Within a Reasonably Foreseeable Time

1. Likely Volume of Subject Imports

Subject imports from India have remained in the U.S. market consistently and in appreciable volumes even with the order in place. During the full years of the current POR, the volume of subject imports increased irregularly and was higher in interim 2018 than in interim 2017. The volume of subject imports from India decreased from *** short tons in 2015 to *** short tons in 2016, then increased to *** short tons in 2017; it was *** short tons in interim 2017 and *** short tons in interim 2018.[227] The market share of subject imports from India was fairly steady from year to year. These subject imports accounted for *** percent of apparent U.S. consumption in 2015, *** percent in 2016, *** percent in 2017, *** percent in interim 2017, and *** percent in interim 2018.[228]

Questionnaire responses for the stainless steel bar industry in India, as explained above, represented only an estimated 13 to 24 percent of subject production during the POR. In addition, only nine subject producers responded to the Commission's questionnaire, and the domestic industry has variously stated that the Indian industry consists of 24 to 36 producers.[229]

The information available indicates that the subject industry in India has substantial production capacity and considerable unused capacity, and that it exports substantial volumes of stainless steel bar. Production capacity increased steadily over the POR, from 134,904 short tons in 2015 to 149,906 short tons in 2017; it was 32,387 short tons in interim 2017 and 33,778

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[225] 83 Fed. Reg. 25857.

[226] CR at I-9, PR at I-7 to I-8.

[227] CR/PR at Table I-12.

[228] CR/PR at Table I-13.

[229] In its posthearing brief, the domestic industry increased its estimate of the number of Indian producers by 50 percent over the number provided in its response to the notice of institution. CR at IV-35, PR at IV-19; Domestic Industry's Posthear. Br. at 10 n.12. We recognize that because the questionnaire responses provide only limited coverage of the Indian industry, the data we have analyzed for that industry presumably underreport the actual figures.

We received a questionnaire response from Viraj, which was a nonsubject producer during the period for which we collected data in these reviews, and did not receive a questionnaire from Venus, which was similarly a nonsubject producer. Both Indian producers were reinstated in the order effective April 20, 2018. 83 Fed. Reg. 17529, 17530. Although both are subject producers for the purposes of our prospective analysis in these reviews, imports of stainless steel bar from Viraj are otherwise barred from the U.S. market by a limited exclusion order, as explained above. Viraj reported ***. CR/PR at Table E-3. Therefore, all cited figures represent the nine responding subject producers in India.

short tons in interim 2018.[230] Production increased irregularly, from 51,558 short tons in 2015 to 57,939 short tons in 2017; it was 9,725 short tons in interim 2017 and 11,372 short tons in interim 2018.[231] The subject industry's capacity utilization rate remained consistently low during the POR. It was 38.2 percent in 2015, 32.6 percent in 2016, and 38.7 percent in 2017; it was 30.0 percent in interim 2017 and 33.7 percent in interim 2018.[232] Consequently, the responding producers alone had almost 92,000 short tons of unused capacity in 2017.[233] We find that, should the order be revoked, the subject producers have the ability to significantly increase their production of stainless steel bar.

The subject industry in India is heavily export oriented and exports substantial volumes of stainless steel bar. Exports accounted for 68.6 percent of its total shipments in 2015, 67.0 percent in 2016, and 59.1 percent in 2017; the share was 68.1 percent in interim 2017 and 72.0 percent in interim 2018.[234] The Indian industry was the world's second-largest exporter of stainless steel bar each year from 2015 to 2017 and accounted for 15.9 percent of global exports in 2017.[235] The Indian industry exports to multiple countries and regions, maintaining a presence in the U.S., EU, and Asian markets during the POR, among others, and has shifted an increasing amount of subject merchandise from the Asian market to the EU market.[236]

Given the Indian industry's large and growing capacity, its significant excess capacity and the incentive that Indian producers would have to utilize that excess capacity, and the large volume of exports by producers that have the ability to shift exports between markets, we conclude that the volume and market share of subject imports from India would likely be significant within a reasonably foreseeable time if the order were revoked.[237]

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[230] CR/PR at Table IV-15.

[231] CR/PR at Table IV-15.

[232] CR/PR at Table IV-15.

[233] Derived from CR/PR at Table IV-15.

[234] CR/PR at Table IV-15.

[235] CR at IV-73, PR at IV-45; CR/PR at Table IV-28 (GTA data).

[236] CR/PR at Table IV-15. The share of subject Indian shipments going to the EU market increased over the POR from 31.3 percent in 2015 to 35.2 percent in 2017; it was 35.4 percent in interim 2017 and 47.5 percent in interim 2018. *Id.* By contrast, the share of subject Indian shipments going to Asian markets decreased over the POR from 23.9 percent in 2015 to 12.5 percent in 2017; it was 19.8 percent in interim 2017 and 11.5 percent in interim 2018. *Id.*

[237] Evidence on the record of these reviews indicates that the 25 percent tariff on stainless steel bar from India imposed under the Section 232 trade action likely would not by itself deter a significant volume of subject imports from India entering the U.S. market if the order were revoked, in light of the other factors discussed above.

2. Likely Price Effects

As previously stated, we find that price is an important factor in purchasing decisions for stainless steel bar and that there is a moderate degree of substitutability between the domestic like product and subject imports from India.

The Commission requested pricing data for four pricing products in these reviews.[238] Three U.S. producers and four importers provided usable pricing data for sales of the requested products, although not all firms reported pricing data for all products for all quarters. Pricing data reported by these firms accounted for approximately 2.9 percent of U.S. producers' shipments of stainless steel bar and 32.4 percent of U.S. shipments of subject imports from India during January 2015–March 2018. Price comparisons were available for 18 quarters across all four pricing products. Subject imports from India undersold the domestic like product in 15 of 18 quarterly comparisons (there were *** short tons of subject imports in the underselling quarters and *** short tons of subject imports in the quarters where they oversold the domestic product); margins of underselling ranged from *** percent and averaged *** percent.[239]

Given the incentive for Indian producers to ship significant volumes of subject imports to the U.S. market upon revocation, subject imports from India would likely undersell the U.S. product to increase sales and gain market share. We consequently conclude that there will likely be significant price underselling should the order be revoked.

Because price is important to purchasing decisions for stainless steel bar, the presence of significant quantities of subject imports from India that are likely to enter the United States after revocation of the order and that are likely to undersell the domestically produced product will force U.S. producers to cut prices or risk losing sales to subject import competition. In light of these considerations and the price-sensitive nature of the market for stainless steel bar, we conclude that the subject imports from India will also likely have significant price-depressing or price-suppressing effects.

We consequently find that absent the disciplining effects of the order, significant volumes of subject imports from India would likely significantly undersell the domestic like

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[238] The Commission requested pricing data on the following products:

> **Product 1.**-- Stainless steel bar, grade AISI 304/304L, 3.000 inch in diameter, annealed, cold-finished, of round shape.
> **Product 2.**-- Stainless steel bar, grade AISI 303, 1.000 inch in diameter, annealed, cold-finished, of round shape.
> **Product 3.**-- Stainless steel bar, grade AISI 303, 2.000 inch in diameter, annealed, cold-finished, of round shape.
> **Product 4.**-- Stainless steel bar, grade AISI 316, 3.000 inch in diameter, annealed, cold-finished, of round shape.

CR at V-9 to V-10, PR at V-6.

[239] CR/PR at Tables V-3 to V-6 and V-8.

product to gain market share and likely would have significant depressing and/or suppressing effects on prices of the domestic like product.

3. Likely Impact

The condition of the domestic industry in terms of production, capacity, market share, and financial performance improved over the POR. The domestic industry's capacity increased steadily from 2015 to 2017; it was slightly lower in interim 2018 than in interim 2017.[240] Production decreased from 2015 to 2016, then increased in 2017 to its highest level during the POR; it was higher in interim 2018 than in interim 2017.[241]

Capacity utilization increased overall, declining from 2015 to 2016, then increasing in 2017 to its highest level during the POR; it was higher in interim 2018 than in interim 2017.[242] U.S. shipments followed the same trend as production and capacity utilization.[243] The domestic industry's share of apparent U.S. consumption fluctuated but increased overall from 2015 to 2017, increasing from 48.1 percent in 2015 to 52.4 percent in 2016, then decreasing to 49.8 percent in 2017; its share of apparent U.S. consumption was 52.1 percent in interim 2017 and 50.1 percent in interim 2018.[244]

Employment indicators were mixed over the POR. The number of production and related workers declined from 2015 to 2017, but the number of hours worked and wages paid increased from 2015 to 2017; these three indicators were higher in interim 2018 than in interim

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[240] The domestic industry's capacity was 384,180 short tons in 2015, 384,578 short tons in 2016, and 393,755 short tons in 2017; it was 97,729 short tons in interim 2017 and 97,184 short tons in interim 2018. CR/PR at Table III-3.

[241] The domestic industry's production was 160,825 short tons in 2015, 145,647 short tons in 2016, and 179,506 short tons in 2017; it was 44,600 short tons in interim 2017 and 48,716 short tons in interim 2018. CR/PR at Table III-3.

[242] Capacity utilization was 41.9 percent in 2015, 37.9 percent in 2016, and 45.6 percent in 2017; it was 45.6 percent in interim 2017 and 50.1 percent in interim 2018. CR/PR at Table III-3. Allocated capacity reported by several U.S. producers exceeded the share of production on shared equipment for which stainless steel bar accounted. CR at III-15, PR at III-10. The domestic industry was asked to review its questionnaire responses regarding overall and average production capacities, and ***. CR at III-15 n.15, PR at III-10 n.15. We note that if capacity is allocated to match the ratio of total stainless steel production to total overall production using the same machinery, the domestic industry's capacity was 281,888 short tons in 2015, 272,499 short tons in 2016, 286,352 short tons in 2017, 71,347 short tons in interim 2017, and 73,364 short tons in interim 2018. CR at III-16, PR at III-10. Under these adjusted figures, the domestic industry's capacity utilization was 57.1 percent in 2015, 53.4 percent in 2016, and 62.7 percent in 2017; it was 62.5 percent in interim 2017 and 66.4 percent in interim 2018. *Id.* Thus, under either capacity measure, the domestic industry had substantial available unused capacity.

[243] The domestic industry's U.S. shipments were 148,898 short tons in 2015, 135,876 short tons in 2016, and 159,287 short tons in 2017; they were 37,954 short tons in interim 2017 and 42,876 short tons in interim 2018. CR/PR at Table III-5.

[244] CR/PR at Table I-13.

2017.[245] Productivity fluctuated but increased from 2015 to 2017; it was higher in interim 2017 than in interim 2018.[246]

The domestic industry's total net sales irregularly increased and total COGS irregularly decreased over the full years of the POR; each was higher in interim 2018 than in interim 2017.[247] The domestic industry's performance in terms of gross profit and operating and net income improved substantially over the full-year POR, shifting from a ***.[248]

Due to the domestic industry's improvements from 2015 to 2017, particularly in production, U.S. shipments, and profitability, we do not find that the domestic industry is in a vulnerable condition. Demand for stainless steel bar is rising, as evidenced by the increase in apparent U.S. consumption since 2016, and the domestic industry expects demand to continue to increase.[249] Prices for stainless steel bar have continued to rise since 2016, with some indication that recent increases have been influenced by the Section 232 trade action.[250]

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[245] CR/PR at Table III-9. The average number of production and related workers ("PRWs") was 1,440 in 2015, 1,375 in 2016, and 1,336 in 2017; it was 1,280 in interim 2017 and 1,386 in interim 2018. *Id.* The number of hours worked in thousands of hours was 2,981 hours in 2015, 2,934 hours in 2016, and 3,085 hours in 2017; it was 729 hours in interim 2017 and 832 hours in interim 2018. *Id.* Wages paid were $84.9 million in 2015, $85.3 million in 2016, and $93.7 million in 2017; they were $22.0 million in interim 2017 and $25.4 million in interim 2018. *Id.*

[246] CR/PR at Table III-9. Productivity in short tons per 1,000 hours was 54.0 in 2015, 49.6 in 2016, and 58.2 in 2017; it was 61.2 in interim 2017 and 58.6 in interim 2018. *Id.*

[247] CR/PR at Table III-10. Total net sales were $798 million in 2015, $623 million in 2016, and $813 million in 2017; they were $191 million in interim 2017 and $234 million in interim 2018. *Id.* Total COGS was $737 million in 2015, $573 million in 2016, and $718 million in 2017; it was $167 million in interim 2017 and $212 million in interim 2018. *Id.* The average ratio of COGS to net sales value for the domestic industry was 92.3 percent in 2015, 92.0 percent in 2016, and 88.4 percent in 2017; it was 87.4 percent in interim 2017 and 90.6 percent in interim 2018. CR/PR at Table III-12.

[248] CR/PR at Table III-10. The domestic industry had an operating loss of $10.7 million in 2015 and positive operating income of $379,000 in 2016 and $39.0 million in 2017; its operating income was $11.3 million in interim 2017 and $6.8 million in interim 2018. *Id.* The domestic industry had a net loss of $*** in 2015 and $*** in 2016 and a positive net income of $*** in 2017; its net income was $*** in interim 2017 and $*** in interim 2018. *Id.* The domestic industry's gross profits were $*** in 2015, $*** in 2016, and $*** in 2017; they were $*** in interim 2017 and $*** in interim 2018. *Id.* Capital expenditures increased irregularly over the POR, while research and development expenses declined steadily. CR/PR at Table III-13. Total capital expenditures were $*** in 2015, $*** in 2016, and $*** in 2017; they were $*** in interim 2017 and $*** in interim 2018. *Id.* Research and development expenses were $*** in 2015, $*** in 2016, and $*** in 2017; they were $*** in interim 2017 and $*** in interim 2018. *Id.*

[249] CR/PR at Tables I-13 and II-4; CR at II-18, PR at II-12. *See also* Domestic Industry Prehear. Br. at 39.

[250] CR/PR at Figures IV-6 and IV-7; MEPS International pricing spreadsheet, EDIS Doc. 651795 (Aug. 1, 2018) (covering pricing data through June 2018). *See* Domestic Industry's Posthear. Br. at Exhibit 16.

As discussed above, however, we conclude that revocation of the antidumping duty order on imports of stainless steel bar from India would likely lead to a significant increase in the volume of subject imports from India that would likely undersell the domestic like product and significantly suppress and/or depress prices for the domestic like product. We find that the likely volume and price effects of subject imports from India would likely have a significant impact on the production, shipments, sales, market share, and revenue of the domestic industry. These reductions would have a direct adverse impact on the domestic industry's profitability and employment, as well as its ability to raise capital and make and maintain necessary capital investments.

We have also considered the role of nonsubject imports in the U.S. market. We observe that nonsubject imports accounted for a sizeable share of apparent U.S. consumption during the POR and that their market penetration has increased since the original investigation. Nevertheless, the domestic industry and nonsubject imports each supplied approximately one-half of the U.S. market during the POR.[251] There is no indication or argument on the record that the presence of nonsubject imports would prevent subject imports from India from significantly increasing their presence in the U.S. market in the event of revocation of the order, given the excess capacity and export orientation of the Indian industry. Given the substitutability of subject imports from India and the domestic like product, an appreciable share of additional subject imports upon revocation will likely come at the expense of the domestic industry, even if subject imports also take some market share from nonsubject imports.

Accordingly, we find that revocation of the antidumping duty order on stainless steel bar from India would likely have a significant impact on the domestic industry.

[251] CR/PR at Table I-13.

E. Revocation of the Antidumping Order on Subject Imports from Japan Is Not Likely to Lead to the Continuation or Recurrence of Material Injury to the Domestic Industry Within a Reasonably Foreseeable Time

1. Likely Volume of Subject Imports

During the POR, subject imports from Japan were present only in minimal volumes.[252] The share of apparent U.S. consumption accounted for by subject imports from Japan was *** in each year and interim period examined.[253]

The Japanese stainless steel bar industry has a clear and increasing focus on serving its domestic market. The share of the Japanese industry's total shipments that were shipped to its home market increased over the POR,[254] while the comparatively small share of total shipments that were exported further declined over the POR.[255] These exports were overwhelmingly shipped to nearby markets in East and Southeast Asia.[256] As noted earlier, the regional focus of the Japanese industry's export shipments has existed for a longer period than the current POR.[257]

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[252] Subject imports from Japan were *** short tons in 2015, *** short tons in 2016, and *** short tons in 2017; they were *** short tons in interim 2017 and *** short tons in interim 2018. CR/PR at Table I-12.

[253] CR/PR at Table I-13.

[254] Home market shipments as a share of total shipments by the Japanese industry was *** percent in 2015, *** percent in 2016, and *** percent in 2017; they accounted for *** percent of total shipments in interim 2017 and *** percent in interim 2018. CR/PR at Table IV-19.

[255] Export shipments as a share of total shipments by the Japanese industry was *** percent in 2015, *** percent in 2016, and *** percent in 2017; they were *** percent in interim 2017 and *** percent in interim 2018. CR/PR at Table IV-19.

[256] The share of the Japanese industry's exports that were shipped to Asia rose from *** percent in 2015 to *** percent in 2017; it was *** percent in interim 2018. Derived from CR/PR at Table IV-19. In 2017, the industry shipped only *** short tons to markets other than those in Asia and the home market (0.5 percent of total shipments). *Id.* GTA data show that the top five markets for Japanese exports of stainless steel bar in 2017 were Thailand, China, Korea, Vietnam, and Taiwan. CR/PR at Table IV-21. As noted earlier, the regional focus of the Japanese industry's export shipments has existed for a longer period than the current POR. Third Five-Year Reviews, USITC Pub. 4341 at Table I-10; Second Five-Year Reviews, USITC Pub. 3895 at Table IV-13. Korea was one of the Japanese industry's top three export markets during the POR despite the existence of long-standing antidumping duties on exports of some Japanese stainless steel bar to Korea. CR at IV-54, PR at IV-32. *See* Japanese Respondents' Posthear. Br. at 4.

[257] Third Five-Year Reviews, USITC Pub. 4341 at Table I-10; Second Five-Year Reviews, USITC Pub. 3895 at Table IV-13.

The Japanese industry has limited ability to increase its production of stainless steel bar as its capacity utilization rate exceeded 92 percent throughout the POR.[258] Moreover, the Japanese industry's overall capacity utilization rate for the same equipment used to produce subject imports and other products remained at high levels throughout the POR.[259] Although the industry's capacity and production of stainless steel bar increased over the POR, its production was increasingly focused on serving the Japanese home market and other Asian markets, as discussed above.[260] Despite the existence of some limited available capacity during the POR, the Japanese industry did not increase shipments to markets outside of Asia; in fact, the industry's total export shipments declined.[261] This supports the conclusion that producers in Japan are not globally export oriented.

Data in the record of these reviews show that the AUVs for the Japanese industry's domestic shipments are higher than for their export shipments, further demonstrating the attractiveness of its home market.[262] Although the AUVs for exports to the United States are as much as 50 percent higher than for exports to other markets,[263] this reflects the Japanese producers' focus on exporting higher-value, niche products to the U.S. market.[264] Indeed, as noted above, AUVs for Japan's shipments to all markets were notably higher than the AUVs for shipments by other subject countries, which supports the Japanese producers' contentions that

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[258] The Japanese industry's capacity utilization rate was 92.4 percent in 2015, 93.0 percent in 2016, and 94.1 percent in 2017; it was 95.3 percent in interim 2017 and 92.8 percent in interim 2018. CR/PR at Table IV-19.

[259] The Japanese industry's overall capacity utilization rate on such equipment was 86.6 percent in 2015, 91.3 percent in 2016, and 97.7 percent in 2017; it was 97.6 percent in interim 2017 and 98.3 percent in interim 2018. CR/PR at Table IV-20.

[260] The Japanese industry's production capacity increased from 200,713 short tons in 2015 to 200,820 short tons in 2016 to 206,840 short tons in 2017; it was 51,966 short tons in interim 2017 and 54,341 short tons in interim 2018. CR/PR at Table IV-19. Its production was 185,549 short tons in 2015, 186,804 short tons in 2016, and 194,671 short tons in 2017; it was 49,541 short tons in interim 2017 and 50,434 short tons in interim 2018. *Id.* Its total exports were *** short tons in 2015, *** short tons in 2016, and *** short tons in 2017; they were *** short tons in interim 2017 and *** short tons in interim 2018. *Id.* Its ratio of inventories to production declined irregularly from 4.4 percent in 2015 to 3.9 percent in 2017; it was 3.8 percent in interim 2017 and 3.4 percent in interim 2018. *Id.*

[261] CR/PR at Table IV-19.

[262] The AUVs per short ton for the Japanese industry's home market shipments were $*** in 2015, $*** in 2016, and $*** in 2017; they were $*** in interim 2017 and $*** in interim 2018. CR/PR at Table IV-19. The AUVs per short ton for the Japanese industry's total export shipments were $*** in 2015, $*** in 2016, and $*** in 2017; they were $*** in interim 2017 and $*** in interim 2018. *Id.*

[263] The AUVs per short ton for the Japanese industry's U.S. export shipments were $*** in 2015, $*** in 2016, and $*** in 2017; they were $*** in interim 2017 and $*** in interim 2018. CR/PR at Table IV-19.

[264] GTA data also show that AUVs for Japanese exports to the United States were higher than for Japanese exports to other markets. CR/PR at Table IV-21. The differing makeup of Japanese stainless steel bar shipments to the U.S. market was originally recognized during the final phase of these investigations in 1995. Original Determinations, USITC Pub. 2856 at I-16 n.85.

their industry generally focuses on higher-value stainless steel bar products.[265] In terms of relative prices, the U.S. market is not a particularly attractive market for Japanese producers. Published MEPS International ("MEPS") data do not show that, in the latter portion of the POR, the U.S. price of common stainless steel bar products was significantly higher priced on a consistent basis than in other markets, particularly in the EU.[266] Indeed, MEPS data show that prices for these products were fairly close in range in multiple markets throughout the POR.[267] The continued application of the 25 percent tariff imposed under the Section 232 trade action, as discussed earlier, could serve as an additional deterrent for Japanese producers when considering the U.S. market. Therefore, it is unlikely that Japanese producers will increase exports to the United States at the expense of their domestic and regional export shipments, which have long been the destination for the vast majority of the industry's total shipments, a trend likely to continue in light of demand growth in those markets.[268]

Given the Japanese industry's focus on its home market, the minimal level of Japanese exports outside of Asia, its growing home market, and its limited excess capacity, we do not find that the Japanese industry would likely return to exporting significant volumes of stainless steel bar to the U.S. market if the order were revoked. Accordingly, we find that the likely volume of subject imports from Japan, in absolute terms and relative to U.S. consumption, would not be significant in the event of revocation.

2. Likely Price Effects

In considering the likely price effects of subject imports from Japan if the order were revoked, we acknowledge, as discussed above, that subject imports from Japan and the domestic like product generally are interchangeable and that price is important in purchasing decisions. In these reviews, there are no pricing data specific to stainless steel bar from Japan.

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[265] *See, e.g.*, Japanese Respondents' Posthear. Br. at A-13.

[266] CR/PR at Figures IV-6 and IV-7; MEPS International pricing spreadsheet, EDIS Doc. 651795 (Aug. 1, 2018) (covering pricing data through June 2018). *See* Domestic Industry's Posthear. Br. at Exhibit 16.

[267] We note that U.S. prices were generally slightly higher in the last few months of data in the record compared to prices in Spain and Germany and the EU average price. CR/PR at Figures IV-6 and IV-7; MEPS International pricing spreadsheet, EDIS Doc. 651795 (Aug. 1, 2018) (covering pricing data through June 2018). MEPS stated in its June 2018 report that U.S. prices for stainless steel products "continue" to increase following the Section 232 trade action "and the consequent reduction in competition from imports." Domestic Industry's Posthear. Br. at Exhibit 16. Given that the price increases have been attributed to the 25 percent tariff imposed under the Section 232 trade action, the recent, slightly higher prices in the U.S. market do not provide a substantial incentive for increased exports to the United States.

[268] Hearing Tr. at 178 and 220.

In the original investigations, pricing data regarding subject imports from Japan showed overselling in 62 percent of the comparisons.[269]

Given our finding that the volume of subject imports from Japan upon revocation is not likely to be significant, any likely volume of subject imports from Japan would be too small to have a significant effect on prices for the domestic like product. As discussed above, the Japanese industry is focused primarily on supplying its home market and the majority of its exports are destined for regional Asian markets, with less than one percent of Japanese producers' shipments of stainless steel bar destined for markets outside of the home market or Asia since 2016.[270] Additionally, Japanese producers focus on higher-value stainless steel bar products, particularly in their limited exports to the United States. Given these focuses and the industry's limited unused capacity, the Japanese industry has no incentive to ship large volumes of aggressively priced subject product into the U.S. market.

Accordingly, we find that revocation of the antidumping duty order on stainless steel bar from Japan would not be likely to lead to significant underselling or significant price depression or suppression within a reasonably foreseeable time.

3. Likely Impact

In evaluating the likely impact of subject imports from Japan on the domestic industry, we reiterate our finding that the domestic industry is not in a vulnerable condition, as discussed in section IV.D.3 above. Given that we do not find it likely that there would be a significant volume of subject imports from Japan or that any such imports likely would have significant price effects, we find that revocation of the antidumping duty order on subject imports from Japan would not likely lead to a significant impact on the domestic industry. For all of these reasons, we conclude that revocation of the antidumping duty order on subject imports of stainless steel bar from Japan would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

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[269] In the original investigations, "{o}f the total number of quarterly price comparisons, 89 showed that the imported Japanese products were priced less than the domestic products, by an average margin of underselling of 7.1 percent…. One-hundred-and-forty-eight price comparisons showed the imported Japanese products were priced higher than the domestic products, by an average of 10.1 percent." Original Determinations, USITC Pub. 2856 at II-96.

[270] CR/PR at Table IV-19.

F. Revocation of the Antidumping Order on Subject Imports from Spain Is Not Likely to Lead to the Continuation or Recurrence of Material Injury to the Domestic Industry Within a Reasonably Foreseeable Time

1. Likely Volume of Subject Imports

During the POR, subject imports from Spain were present in the U.S. market only in small volumes.[271] Their share of apparent U.S. consumption was less than one percent in each year and interim period examined.[272]

The Spanish industry consists of four producers: Olarra, Sidenor, Aceralava, and Roldan.[273] Roldan is the largest Spanish producer of stainless steel bar and was the *** producer and largest source of subject imports from Spain during the original investigations.[274] Roldan ceased exporting subject product to the U.S. market once its affiliate, U.S. producer NAS, began production of stainless steel bar in 2003.[275] Of the four Spanish producers, only Roldan did not respond to the Commission's questionnaire, but there is no indication that Roldan is likely to resume exports of subject product to the U.S. market if the order were revoked, and the domestic industry does not argue that it is likely to do so.

The Spanish stainless steel bar industry has a clear focus on serving its home market and the other countries within the EU, where the Spanish industry faces no trade barriers and enjoys eased common market logistical access. The share of the industry's shipments to other EU countries remained fairly consistent over the POR.[276] A smaller share of shipments were consistently devoted to the Spanish domestic market, with these shipments ranging between

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[271] Subject imports from Spain were 472 short tons in 2015, 2,256 short tons in 2016, and 1,196 short tons in 2017; they were 450 short tons in interim 2017 and 5 short tons in interim 2018. CR/PR at Table I-12.

[272] CR/PR at Table I-13.

[273] The domestic industry identified the same four Spanish producers as the Commission. Domestic Industry's Prehear. Br. at 26; Domestic Industry's Posthear. Br. at 21.

[274] CR at IV-56 to IV-57, PR at IV-35; Spanish Respondents' Prehear. Br. at 3–4; Hearing Tr. at 150, 158–159, 170, and 228.

[275] CR at IV-57 to IV-58, PR at IV-35.

[276] Shipments to other EU countries as a share of total shipments by the Spanish industry were *** percent in 2015, *** percent in 2016, and *** percent in 2017; they were *** percent in interim 2017 and *** percent in interim 2018. CR/PR at Table IV-23. GTA data show that the top five markets for Spanish exports of stainless steel bar each year from 2015 to 2017 were Germany, Italy, the United Kingdom, France, and Canada. CR/PR at Table IV-25. We note the increase in export shipments to Canada in 2017, but even so, these exports accounted for only 2.1 percent of Spain's total exports. *Id.* All of Spain's other top export markets have been and continue to be in Europe. *Id.* As noted earlier, the focus of the Spanish industry's export shipments on other EU countries has existed for a longer period than the current POR. Third Five-Year Reviews, USITC Pub. 4341 at Table I-11; Second Five-Year Reviews, USTIC Pub. 3895 at Table IV-17.

*** and *** percent of the industry's total shipments during the POR.[277] Together, the Spanish industry's shipments to other EU countries and its domestic market were *** percent of its total shipments in 2015, *** percent in 2016, and *** percent in 2017; they were *** percent in interim 2017 and *** percent in interim 2018.[278]

The Spanish industry's capacity to produce stainless steel bar decreased steadily during the POR, and its production increased irregularly.[279] Its capacity utilization increased over the POR and was at its highest point of *** percent in interim 2018.[280] Moreover, the Spanish industry's overall capacity utilization rate for the same equipment used to produce subject imports and other products was at high levels, and generally higher than the reported capacity utilization for stainless steel bar, throughout the POR.[281] Despite the existence of some available capacity during the POR, the Spanish industry did not significantly increase shipments outside of its EU and home markets. This supports the conclusion that producers in Spain are not globally export oriented.

In addition to focusing on its EU and home markets, the Spanish producers' corporate affiliations and business strategies demonstrate limited incentive to significantly increase shipments to the United States. For Roldan, largely owing to the long-standing corporate structure in which NAS supplies the U.S. market and any subject imports from Roldan likely would compete with stainless steel bar produced by NAS, there is no indication that Roldan is likely to resume exports of subject product to the U.S. market if the order were revoked. Olarra, the *** subject producer in Spain, operates under the corporate structure of Rodacciai, a company in Italy, which is not subject to any U.S. antidumping or countervailing duty orders on stainless steel bar and currently supplies stainless steel bar to the U.S. market.[282] Similar to

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[277] Home market shipments as a share of total shipments by the Spanish industry were *** percent in 2015, *** percent in 2016, and *** percent in 2017; they were *** percent in interim 2017 and *** percent in interim 2018. CR/PR at Table IV-23.

[278] Derived from CR/PR at Table IV-23.

[279] The Spanish industry's production capacity decreased from *** short tons in 2015 to *** short tons in 2016 and to *** short tons in 2017; it was *** short tons in interim 2017 and *** short tons in interim 2018. CR/PR at Table IV-23. Its production was *** short tons in 2015, *** short tons in 2016, and *** short tons in 2017; it was *** short tons in interim 2017 and *** short tons in interim 2018. *Id.* Its total exports were *** short tons in 2015, *** short tons in 2016, and *** short tons in 2017; they were *** short tons in interim 2017 and *** short tons in interim 2018. *Id.* Its ratio of inventories to production declined steadily from *** percent in 2015 to *** percent in 2017; it was *** percent in interim 2017 and *** percent in interim 2018. *Id.*

[280] The Spanish industry's capacity utilization rate was *** percent in 2015, *** percent in 2016, and *** percent in 2017; it was *** percent in interim 2017 and *** percent in interim 2018. CR/PR at Table IV-23.

[281] The Spanish industry's overall capacity utilization rate on such equipment was *** percent in 2015, *** percent in 2016, and *** percent in 2017; it was *** percent in interim 2017 and *** percent in interim 2018. CR/PR at Table IV-24.

[282] CR/PR at Table D-1. *See Stainless Steel Wire Rod from Italy, Japan, Korea, Spain, and Taiwan*, USITC Pub. 4623 at 19 (tracing the corporate history of Olarra and Rodacciai).

Roldan, there is no indication that Olarra is likely to ship substantial volumes of subject product to the U.S. market and supplant shipments from its parent company if the order were revoked. Indeed, Olarra stated that if the order were revoked, ***.[283] Consequently, the two *** producers in Spain already have established advantageous supply relationships with the U.S. market through corporate affiliations.

The remaining two producers have significantly smaller production capacity for stainless steel bar and are focused primarily on producing nonsubject products. Sidenor reported that ***.[284] Similar to Sidenor, Aceralava stated that its core business, representing 90 percent of its capacity, is the production of nonsubject billets for its corporate parent, the Tubacex group, in the EU and that its stainless steel bar production is concentrated on larger sizes used primarily in the oil and gas sectors in the EU.[285] Aceralava also stated that if the order were revoked, it "would expect to sell small quantities of value-added products to the U.S. market; particularly, large sizes and special grades of bars … that are not produced by U.S. mills."[286]

Data in the record of these reviews show that the AUVs for Spanish stainless steel bar sold to other EU markets are higher than for stainless steel bar sold to the U.S. market.[287] In addition, as discussed above, published price data do not demonstrate consistently higher prices in the United States, particularly with respect to EU prices.[288] The continued application of the 25 percent tariff imposed under the Section 232 trade action, as discussed earlier, could serve as an additional deterrent to Spanish producers considering the U.S. as a potential export market. By comparison, the EU market is likely to be even more attractive for Spanish stainless steel bar exports following the EU's announcement on July 6, 2018, of the imposition of safeguard measures on stainless steel bar to prevent any negative effects of trade diversion to

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[283] Spanish Producers' Prehear. Br. at 7.

[284] CR/PR at Table D-1.

[285] Hearing Tr. at 161–162.

[286] Hearing Tr. at 163. As with Spanish producers Olarra and Sidenor, Aceralava says it does not have the capability to remelt stainless steel and could not compete for U.S. sales in the market segment requiring such capability. *Id.*

[287] The AUVs per short ton for the Spanish industry's shipments to the EU market were $*** in 2015, $*** in 2016, and $*** in 2017; they were $*** in interim 2017 and $*** in interim 2018. CR/PR at Table IV-23. The AUVs per short ton for the Spanish industry's shipments to the U.S. market were $*** in 2015, $*** in 2016, and $*** in 2017; they were $*** in interim 2017, and *** in interim 2018. *Id.* GTA data show that the AUVs for Spanish exports to the United States were lower than the AUVs for all stainless steel bar exports from Spain. CR/PR at Table IV-25.

[288] CR/PR at Figures IV-6 and IV-7; MEPS International pricing spreadsheet, EDIS Doc. 651795 (Aug. 1, 2018) (covering pricing data through June 2018). *See* Domestic Industry's Posthear. Br. at Exhibit 16. As discussed earlier, the generally slightly higher U.S. prices for stainless steel products in the last few months of data in the record compared to prices in Spain and Germany and the EU average price do not provide a substantial incentive for increased exports to the United States given that they have been attributed to the 25 percent tariff imposed under the Section 232 trade action. *See* fn. 267, *supra*.

the EU market following the implementation of the Section 232 trade action in the United States.[289]

Given the dedicated focus of the Spanish industry on its home market and other EU markets, its limited excess capacity, its existing corporate supply relationships, and more attractive pricing in the EU, the Spanish industry has little incentive to return to exporting significant volumes of stainless steel bar to the U.S. market if the order were revoked. Accordingly, we find that the likely volume of subject imports from Spain, in absolute terms and relative to U.S. consumption, would not be significant in the event of revocation.

2. Likely Price Effects

In considering the likely price effects of subject imports from Spain if the order were revoked, we acknowledge, as discussed above, that subject imports from Spain and the domestic like product generally are interchangeable and the general importance of price in purchasing decisions. In these reviews, the limited pricing data specific to stainless steel bar from Spain consists of small volumes that we do not find to be particularly useful to our analysis.[290]

Given our finding that the volume of subject imports from Spain upon revocation is not likely to be significant, any likely volume of subject imports from Spain would be too small to have a significant effect on prices for the domestic like product. As discussed above, the Spanish industry's primary commercial focus is exporting to other EU countries, and the Spanish industry has no incentive to ship large volumes of aggressively priced subject product into the U.S. market, particularly given that the market is already served by several existing corporate affiliates.

Accordingly, we find that revocation of the antidumping duty order on stainless steel bar from Spain would not be likely to lead to significant underselling or significant price depression or suppression within a reasonably foreseeable time.

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[289] CR at IV-65, PR at IV-38. *** reported that Korea has an antidumping duty order in place on stainless steel bar from Spain, but Korea is not an important market for Spanish stainless steel bar. *** foreign producers'/exporters' questionnaire, EDIS Doc. *** at question II-7; *** foreign producers'/exporters' questionnaire, EDIS Doc. *** at question II-7; CR/PR at Table IV-25.

[290] The pricing data show that prices for stainless steel bar imported from Spain were below those for U.S.-produced product in 19 of 34 instances (with a total quantity of *** short tons of subject imports from Spain). CR/PR at Table V-8. In the remaining 15 instances, prices for stainless steel bar from Spain were higher than prices for the domestic product (with a total quantity of *** short tons of subject imports from Spain). *Id.* In most quarters in which a comparison was possible, the volume from Spain was less than 10 short tons. CR/PR at Tables V-3 to V-6.

3. Likely Impact

In evaluating the likely impact of subject imports from Spain on the domestic industry, we reiterate our finding that the domestic industry is not in a vulnerable condition, as discussed in section IV.D.3 above. Given that we do not find it likely that there would be a significant volume of subject imports from Spain or that any such imports likely would have significant price effects, we find that revocation of the antidumping duty order on subject imports from Spain would not likely lead to a significant impact on the domestic industry. For all of these reasons, we conclude that revocation of the antidumping duty order on subject imports of stainless steel bar from Spain would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[291]

G. Revocation of the Antidumping Order on Subject Imports from Brazil Is Not Likely to Lead to the Continuation or Recurrence of Material Injury to the Domestic Industry Within a Reasonably Foreseeable Time

As discussed in our no discernible adverse impact finding above, the volume of subject imports from Brazil upon revocation of the order would likely be small, limited by an annual absolute quota to a level that would not be significant and would be lower than current import volumes for the reasonably foreseeable future. Therefore, the likely volume of subject imports from Brazil would be too small to have a significant effect on the domestic industry's prices and would not likely lead to a significant impact on the domestic industry.[292] For all of these reasons, we conclude that revocation of the antidumping duty order on subject imports of stainless steel bar from Brazil would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

V. Conclusion

For the foregoing reasons, we determine that revocation of the antidumping duty order on stainless steel bar 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. We also determine that revocation of the antidumping duty orders on stainless steel bar from Brazil, Japan, and Spain would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

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[291] In the event that we had exercised our discretion to cumulate subject imports from Japan and Spain for the purposes of our analysis, we similarly would have determined that revocation of the antidumping duty orders on stainless steel bar from Japan and Spain would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time, based on the analyses above for each country.

[292] In evaluating the likely impact of subject imports from Brazil on the domestic industry, we reiterate our finding that the domestic industry is not in a vulnerable condition. *See* section IV.D.3, *supra*.

PART I: INTRODUCTION

BACKGROUND

On July 3, 2017, the U.S. International Trade Commission ("Commission" or "USITC") 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 the antidumping duty orders on stainless steel bar from Brazil, India, Japan, and Spain would likely lead to the continuation or recurrence of material injury to a domestic industry.[2] [3] On October 18, 2017, the Commission determined that it would conduct full reviews pursuant to section 751(c)(5) of the Act.[4] The following tabulation presents information relating to the background and schedule of this proceeding:[5]

[1] 19 U.S.C. 1675(c).

[2] *Stainless Steel Bar from Brazil, India, Japan, and Spain; Institution of Five-Year Reviews,* 82 FR 30905, July 3, 2017. All interested parties were requested to respond to this notice by submitting the information requested by the Commission.

[3] 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. *Initiation of Five-Year (Sunset) Reviews*, 82 FR 30844, July 3, 2017.

[4] *Stainless Steel Bar From Brazil, India, Japan, and Spain; Notice of Commission Determination To Conduct Full Five-Year Reviews,* 82 FR 48527, October 18, 2017. The Commission found the domestic interested party group response to the notice of institution to be adequate. The Commission found the respondent interested party group responses with regard to Japan and Spain to be adequate and determined to proceed to full reviews of the orders. With regard to the orders on subject merchandise from Brazil and India, the Commission determined that the respondent interested party group responses to the notice of institution were inadequate, but determined to conduct full reviews to promote administrative efficiency.

[5] The Commission's notice of institution, notice to conduct full reviews, scheduling notice, and statement on adequacy are referenced in appendix A and may also be found at the Commission's web site (internet address *www.usitc.gov*). Commissioners' votes on whether to conduct expedited or full reviews may also be found at the web site. Appendix B presents the witnesses appearing at the Commission's hearing.

Effective date	Action
February 21, 1995	Commerce's antidumping duty orders on stainless steel bar from Brazil, India, and Japan (60 FR 9661)
March 2, 1995	Commerce's antidumping duty order on stainless steel bar from Spain (60 FR 11656)
July 3, 2017	Commission's institution of five-year reviews (82 FR 30905)
July 3, 2017	Commerce's initiation of five-year reviews (82 FR 30844)
October 6, 2017	Commission's determinations to conduct full five-year reviews (82 FR 48527)
November 6, 2017	Commerce's final results of expedited five-year reviews of the antidumping duty orders (82 FR 51393)
March 23, 2018	Commission's scheduling of the reviews (83 FR 12814)
July 12, 2018	Commission's hearing
August 24, 2018	Commission's vote
September 17, 2018	Commission's determinations and views

THE ORIGINAL INVESTIGATIONS AND SUBSEQUENT REVIEWS

The original investigations

The original investigations resulted from petitions filed on December 30, 1993 with Commerce and the Commission on behalf of AL Tech Specialty Steel Corp., Dunkirk, New York; Carpenter Technology Corp., Reading, Pennsylvania; Republic Technologies International/ Republic Engineered Steels, Inc., Massillon, Ohio; Slater Steels Corp., Fort Wayne, Indiana; Talley Metals Technology, Inc., Hartsville, South Carolina; Electralloy Corp., Oil City, Pennsylvania; Crucible Specialty Metals Division, Syracuse, New York; and the United Steelworkers of America, AFL-CIO/CLC, alleging that an industry in the United States was materially injured or threatened with material injury by reason of less-than-fair-value ("LTFV") imports of stainless steel bar from Brazil, India, Japan, and Spain.[6] Following notification of a final determination by Commerce that imports of stainless steel bar from Brazil, India, Japan, and Spain were being sold at LTFV, the Commission determined in February 1995 that a domestic industry was materially injured by reason of LTFV imports of stainless steel bar from Brazil, India, Japan, and Spain.[7] Commerce issued antidumping duty orders on imports of

[6] The petitions also alleged material injury or threat of material injury by reason of LTFV imports of stainless steel bar from Italy. Commerce, however, made a negative final LTFV determination with respect to Italy and, on January 23, 1995, the Commission terminated its investigation (Investigation No. 731-TA-680 (Final)) concerning imports of stainless steel bar from Italy.

[7] *Stainless Steel Bar from Brazil, India, Japan, and Spain, lnvestigation Nos. 731-TA-678, 679, 681, and 682 (Final),* USITC Publication 2856, February 1995, p. I-3.

stainless steel bar from Brazil, India, and Japan on February 21, 1995.[8] Commerce issued an antidumping duty order on stainless steel bar from Spain on March 2, 1995.[9]

As discussed in greater detail in Part III, four of the original petitioners have since been acquired by other firms, three of which are domestic interested parties in these fourth reviews. The acquired firms include Talley Metals Technology, Inc., AL Tech Specialty Steel Corp., Slater Steel Corp., and Republic Technologies International/Republic Engineered Steels, Inc.

The first five-year reviews

In March 2001, the Commission completed its full first five-year reviews of the subject orders and determined that revocation of the antidumping duty orders on stainless steel bar from Brazil, India, Japan, and Spain would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[10] Following affirmative determinations in the first five-year reviews by Commerce and the Commission,[11] Commerce issued a continuation of the antidumping duty orders on imports of stainless steel bar from Brazil, India, Japan, and Spain, effective April 18, 2001.[12]

The second five-year reviews

In June 2006, the Commission completed its full second five-year reviews of the subject orders and determined that revocation of the antidumping duty orders on stainless steel bar from Brazil, India, Japan, and Spain would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[13] Following affirmative determinations in the second five-year reviews by Commerce and the

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[8] *Notice of Antidumping Duty Orders: Stainless Steel Bar from Brazil, India, and Japan,* 60 FR 9661, February 21, 1995.

[9] *Amended Final Determination and Antidumping Duty Order: Stainless Steel Bar from Spain,* 60 FR 11656, March 2, 1995.

[10] *Stainless Steel Bar from Brazil, India, Japan, and Spain, Investigation Nos. 731-TA-678, 679, 681, and 682 (Review),*USITC Publication 3404, March 2001, p. 1.

[11] *Stainless Steel Bar From Brazil, India, Japan, and Spain,* 66 FR 17927, April 4, 2001; *Stainless Steel Bar From Brazil, India, Japan, and Spain; Final Results of Antidumping Duty Expedited Sunset Reviews*, 65 FR 25909, May 4, 2000.

[12] *Continuation of Antidumping Duty Orders: Stainless Steel Bar From Brazil, India, Japan, and Spain*, 66 FR 19919, April 18, 2001.

[13] *Stainless Steel Bar from Brazil, India, Japan, and Spain, Investigation Nos. 731-TA-678, 679, 681, and 682 (Second Review),* USITC Publication 3895, January 5, 2007.

Commission,[14] Commerce issued a continuation of the antidumping duty orders on imports of stainless steel bar from Brazil, India, Japan, and Spain, effective January 23, 2007.[15]

The third five-year reviews

In July 2012, the Commission completed its expedited third five-year reviews of the subject orders and determined that revocation of the antidumping duty orders on stainless steel bar from Brazil, India, Japan, and Spain would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[16] Following affirmative determinations in the third five-year reviews by Commerce and the Commission,[17] Commerce issued a continuation of the antidumping duty orders on imports of stainless steel bar from Brazil, India, Japan, and Spain, effective August 9, 2012.[18]

PREVIOUS AND RELATED INVESTIGATIONS

Commission and Commerce investigations

Stainless steel bar has been the subject of several previous Commission investigations. The following tabulation presents a summary of previous investigations.

[14] *Stainless Steel Bar From Brazil, India, Japan, and Spain,* 72 FR 1243, January 10, 2007; *Stainless Steel Bar From Brazil, India, Japan, and Spain; Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders,* 71 FR 38372, July 6, 2006.

[15] *Stainless Steel Bar from Brazil, India, Japan, and Spain: Continuation of Antidumping Duty Orders,* 72 FR 2858, January 23, 2007.

[16] *Stainless Steel Bar from Brazil, India, Japan, and Spain, Investigation Nos. 731-TA-678, 679, 681, and 682 (Third Review),* USITC Publication 4341, July 2012.

[17] *Stainless Steel Bar From Brazil, India, Japan, and Spain; Determination,* 77 FR 45653, August 1, 2012; *Stainless Steel Bar From Brazil, India, Japan, and Spain: Final Results of the Expedited Third Sunset Reviews of the Antidumping Duty Orders,* 77 FR 16207, March 20, 2012.

[18] *Stainless Steel Bar from Brazil, India, Japan, and Spain: Continuation of Antidumping Duty Orders,* 77 FR 47595, August 9, 2012.

Source	Investigation numbers	Year	Original determination	Publication number	Current status of the orders
Brazil	701-TA-179-181[1]	1983	Affirmative	USITC 1398	Terminated (1988)[2]
Spain	701-TA-176-178[1]	1983	Negative	USITC 1333	NA
France, Germany, Italy, Korea, and the United Kingdom	701-TA-413 and 731-TA-913-916 and 918	2002	Affirmative	USITC 3488	Revoked (2008)[3]
Taiwan	731-TA-917	2002			Terminated (2002)[4]

[1] Investigations included stainless steel wire rod.
[2] Suspension agreements in 1983 and 1986.
[3] *Revocation of Antidumping Duty Orders on Stainless Steel Bar From France, Germany, Italy, South Korea, and the United Kingdom and the Countervailing Duty Order on Stainless Steel Bar From Italy*, 73 FR 2758, February 2, 2008.
[4] *Termination of Investigation on Stainless Steel Bar From Taiwan,* 67 FR 4745, January 31, 2002.

Source: *Stainless Steel Bar from Brazil, India, Japan, and Spain Investigation Nos. 731-TA-678, 679, 681, and 682 (Third Review)*, USITC Publication 4341, July 2012, p. I-7.

In addition, in 2001, the Commission conducted a global safeguard investigation of steel products that included stainless steel bar. With regard to stainless steel bar, the Commission made an affirmative determination.[19] The ensuing Presidential Proclamation included an increase in duties on stainless steel bar of 15 percent *ad valorem* in the first year of the safeguard measure (March 20, 2002 through March 19, 2003), reduced to 12 percent in the second year, and reduced to 9 percent in the third year. Following receipt of the Commission's mid-term monitoring report in September 2003, and after seeking information from the U.S. Secretary of Commerce and U.S. Secretary of Labor, President George W. Bush determined that the effectiveness of the action taken had been impaired by changed circumstances. Therefore, he terminated the U.S. measure with respect to increased tariffs on December 4, 2003.[20]

Section 232 investigation (Commerce)

On April 19, 2017, the Secretary of Commerce initiated an investigation under section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. § 1862), to assess the impact of

[19] *Steel, Investigation No. TA-201-73,* USITC Publication 3479, Volume 1, December 2001, p. 205.
[20] *Presidential Proclamation 7741 of December 4, 2003, To Provide for the Termination of Action Taken With Regard to Imports of Certain Steel Products*, 68 FR 68483, December 8, 2003. Import licensing, however, remained in place through March 21, 2005, and continues in modified form at this time.

steel imports on the national security of the United States.[21] Commerce submitted the findings from its investigation to the President on January 11, 2018, and by law, the President had 90 days to decide on any potential trade remedies.[22] In its report, Commerce recommended the following:

* A global tariff of at least 24 percent on all steel imports from all countries, or
* A tariff of at least 53 percent on all steel imports from 12 countries (Brazil, China, Costa Rica, Egypt, India, Malaysia, Republic of Korea, Russia, South Africa, Thailand, Turkey and Vietnam) with a quota by product on steel imports from all other countries equal to 100 percent of their 2017 exports to the United States, or
* A quota on all steel products from all countries equal to 63 percent of each country's 2017 exports to the United States.[23]

On March 8, 2018, the President announced his decision to impose 25-percent ad valorem duties on all steel mill products[24] (including stainless steel bar) from all U.S. trading partners, except Canada and Mexico.[25] On March 22, 2018, the President authorized the suspension of tariffs on steel and aluminum imports from the following countries: Argentina, Australia, Brazil, Canada, Mexico, member countries of the European Union, and Korea.[26] On April 30, 2018, the President announced the expiration of exemptions on tariffs on steel and aluminum imports from Canada, the European Union member states, and Mexico would occur on May 31, 2018.[27] The President also announced the exemptions were extended permanently

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[21] U.S. Department of Commerce website: https://www.commerce.gov/page/section-232-investigation-effect-imports-steel-us-national-security (accessed January 29, 2018).

[22] U.S. Department of Commerce website: https://www.commerce.gov/news/pressreleases/2018/01/statement-department-commerce-submission-steel-section-232-report (accessed January 23, 2018).

[23] Commerce, The Effect of Imports of Steel on the National Security, an Investigation Conducted Under Section 232 of the Trade Expansion Act of 1962, as Amended, January 11, 2018, pp. 58-61, https://www.commerce.gov/sites/commerce.gov/files/the_effect_of_imports_of_steel_on_the_national_security_-_with_redactions_-_20180111.pdf (accessed February 23, 2018). See also: Commerce, "Secretary Ross Releases Steel and Aluminum 232 Reports in Coordination with White House," Press Release, February 16, 2018, https://www.commerce.gov/news/press-releases/2018/02/secretary-rossreleases-steel-and-aluminum-232-reports-coordination (accessed February 23, 2018).

[24] See paragraph 8 and proclamation paragraph (1) of The White House, "Presidential Proclamation on Adjusting Imports of Steel into the United States," March 8, 2018. https://www.whitehouse.gov/presidential-actions/presidential-proclamation-adjusting-imports-steel-united-states/ (accessed March 16, 2018).

[25] See paragraph 10 and proclamation paragraph (2), Ibid.

[26] https://www.whitehouse.gov/briefings-statements/president-trump-approves-section-232-tariffmodifications/ (accessed March 26, 2018).

[27] See paragraphs 6 and 7 of The White House, "Presidential Proclamation on Adjusting Imports of Steel into the United States," April 30, 2018, https://www.whitehouse.gov/presidential-actions/presidentialproclamation-adjusting-imports-steel-united-states-3/ (accessed May 7, 2018).

for Korea in return for agreeing to product-specific quotas beginning on January 1, 2019.[28] Exemptions for Argentina, Australia, and Brazil were also extended until alternative means could be finalized.[29]

On May 31, 2018, under a Presidential Proclamation issued under Section 232 of the Trade Expansion Act of 1962, the President announced tariffs will no longer be suspended for steel and aluminum imports from Mexico, Canada, and the European Union, effective July 1, 2018. Steel products from these countries, including stainless steel bar, will be subject to a 25 percent ad valorem duty.[30]

A subsequent Presidential proclamation established absolute quotas for Argentina, Brazil, and Korea as an alternative to the 25-percent ad valorem duty for imports of steel mill articles, effective June 1, 2018, (leaving Australia as the only country exempt from both the tariff and the quota).[31] Brazil agreed to limit its U.S.-bound exports of finished steel products, including stainless steel bar, to 70 percent of the 2015-17 average, and 100 percent of the 2015-17 average for semifinished steel products.[32] Stainless steel bar subject to the Section 232 investigation is imported under HTS chapter 99 subheadings 9903.80.37 (cold-finished, stainless steel bars and rods) and 9903.80.38 (hot-rolled, stainless steel bars and rods). U.S. imports of

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[28] See paragraph 4 of The White House, "Presidential Proclamation on Adjusting Imports of Steel into the United States," April 30, 2018, https://www.whitehouse.gov/presidential-actions/presidential-proclamation-adjusting-imports-steel-united-states-3/ (accessed May 7, 2018); Annex, section B, South Korea, quantitative limitations, in 83 FR 20682, "Presidential Documents, Proclamation 9740 of April 30, 2018, Adjusting Imports of Steel Into the United States," May 7, 2018, https://www.gpo.gov/fdsys/pkg/FR-2018- 05-07/pdf/2018-09841.pdf (accessed May 8, 2018); Office of the United States Trade Representative (USTR), "Joint Statement by the United States Trade Representative Robert E. Lighthizer and Republic of Korea Minister for Trade Hyun Chong Kim," Press Release, March 28, 2018, https://ustr.gov/about-us/policy-offices/press-office/press-releases/2018/march/joint-statement-united-states-trade (accessed May 7, 2018); USTR, "New U.S. Trade Policy and National Security Outcomes with the Republic of Korea," Fact Sheet, March 28, 2018, https://ustr.gov/about-us/policy-offices/press-office/fact-sheets/2018/march/new-us-trade-policy-and-national (accessed May 7, 2018); and Coyne, Justine, "US Reaches Agreement on Steel, Aluminum Tariffs with 3 Countries," Platts, April 30, 2018, https://www.platts.com/latest-news/metals/washington/us-reaches-agreement-on-steel-aluminum-tariffs-27964478 (accessed May 7, 2018).

[29] See paragraph 5 of The White House, "Presidential Proclamation on Adjusting Imports of Steel into the United States," April 30, 2018, https://www.whitehouse.gov/presidential-actions/presidential-proclamation-adjusting-imports-steel-united-states-3/ (accessed May 7, 2018).

[30] See paragraph 2 of The White house, "President Donald J. Trump Approves Section 232 Tariff Modifications," May 31, 2018, https://www.whitehouse.gov/briefings-statements/president-donald-j-trump-approves-section-232-tariff-modifications-2/, (accessed June 1, 2018).

[31] U.S. Customs and Border Protection, "QB 18-126 Absolute Quota for Steel Mill Articles: Argentina, Brazil and South Korea," https://www.cbp.gov/trade/quota/bulletins/qb-18-126-absolute-quota-aluminum-products-argentina-brazil-south-korea, (accessed July 18, 2018).

[32] American Metal Market (AMM), "Brazilian Steel Producers Accept 232 Quota," May 3, 2018, http://www.amm.com/Article/3804618/Brazilian-steel-producers-accept-232-quota.html, (accessed July 13, 2018).

stainless steel bar from Brazil classified under HTS subheading 9903.80.37 are subject to an absolute annual quota of 152 short tons (142,452 kilograms), and U.S. imports of stainless steel bar from Brazil classified under HTS subheading 9903.80.38 are subject to an absolute annual quota of 1,493 short tons (1,354,481 kilograms).[33] U.S. imports of stainless steel bar from Korea classified under HTS subheading 9903.80.37 are subject to an annual quota of 247.6 short tons (224,622 kilograms), while stainless steel bar imports from Korea classified under HTS subheading 9903.80.38 are subject to an annual quota of 50 short tons (45,391 kilograms). For imports of stainless steel bar imports from Argentina, the annual quotas under both HTS subheadings are zero.[34]

In President Trump's proclamation establishing the tariff under Section 232, the President authorized the Secretary of Commerce to provide relief from the 25-percent ad valorem duties for any steel articles determined "not to be produced in the United States in a sufficient and reasonably available amount or of a satisfactory quality and is also authorized to provide such relief based upon specific national security considerations. Such relief shall be provided for any article only after a request for exclusion is made by a directly affected party located in the United States."[35] Approved exclusions are made on a product basis and are limited to the individual or organization that submitted the specific exclusion request, unless Commerce approves a broader application of the product based exclusion request to apply to additional importers.[36] The product exclusion process does not apply to imports from countries that have a quota rather than the tariff.[37]

On June 20, 2018, Commerce announced its first set of product exclusions granted from Section 232 tariffs on steel imports. Forty-two exclusion requests were granted, covering seven companies importing steel products from Japan, Sweden, Belgium, Germany, and China. The seven companies receiving the exclusions are: Schick Manufacturing, Inc. of Shelton, Connecticut; Nachi America Inc. of Greenwood, Indiana; Hankev International of Buena Park, California; Zapp Precision Wire of Summerville, South Carolina; U.S. Leakless, Inc. of Athens, Alabama; Woodings Industrial Corporation of Mars, Pennsylvania; and PolyVision Corporation

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[33] U.S. Customs and Border Protection, "QB 18-126 Absolute Quota for Steel Mill Articles: Argentina, Brazil and South Korea," https://www.cbp.gov/trade/quota/bulletins/qb-18-126-absolute-quota-aluminum-products-argentina-brazil-south-korea, (accessed July 18, 2018).

[34] Ibid.

[35] U.S. Department of Commerce, Bureau of Industry and Security, "Section 232 National Security Investigation of Steel Imports Information on the Exclusion and Objection Process," https://www.bis.doc.gov/232-steel, (accessed July 23, 2018).

[36] *Requirements for Submissions Requesting Exclusions From the Remedies Instituted in Presidential Proclamations Adjusting Imports of Steel Into the United States and Adjusting Imports of Aluminum Into the United States; and the Filing of Objections to Submitted Exclusion Requests for Steel and Aluminum,* 83 FR 12106, March 19, 2018.

[37] *Requirements for Submissions Requesting Exclusions From the Remedies Instituted in Presidential Proclamations Adjusting Imports of Steel Into the United States and Adjusting Imports of Aluminum Into the United States; and the Filing of Objections to Submitted Exclusion Requests for Steel and Aluminum,* 83 FR 12106, March 19, 2018.

of Atlanta, Georgia.[38] The exempted products were not specified. [39] Additionally, Commerce denied 56 steel exclusion requests from 11 different companies.[40]

Section 337 investigation

On September 5, 2014, Valbruna Slater Stainless, Inc., *et. al.* ("Valbruna") filed a complaint against several respondents that alleged violations of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337, in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain stainless steel products, certain processes for manufacturing or relating to same, and certain products containing same by reason of the misappropriation of trade secrets, the threat or effect of which is to destroy or substantially injure an industry in the United States.[41]

On December 8, 2015, the presiding administrative law judge ("ALJ") issued an initial determination finding respondent Viraj Profiles Limited (an Indian producer of stainless steel bar) in default for spoliation of evidence.[42] The Commission upheld the ALJ's initial determination, finding a violation of Section 337 as to Viraj[43] and issuing a limited exclusion order with regard to stainless steel products using Valbruna's trade secrets imported by Viraj or its affiliated companies, subsidiaries, parents, or other related business entities for a period of 16.7 years.[44] On September 11, 2017, the U.S. Court of Appeals for the Federal Circuit issued a summary affirmance of the Commission's determination.[45]

SUMMARY DATA

Table I-1 presents a summary of data from the final years of the original investigations (1993), as well as the first (1999), second (2005), third (2010), and current five-year reviews (2017). Two Indian companies were subject to the order on subject imports from India at different times. During and following the original investigations and first reviews, all stainless steel bar from India was subject to the order. In 2003, the order for India was revoked for Viraj

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[38] U.S. Department of Commerce, "Department of Commerce Grants First Product Exclusion Requests from Section 232 Tariffs on Steel Imports," https://www.commerce.gov/news/press-releases/2018/06/department-commerce-grants-first-product-exclusion-requests-section-232, (accessed July 23, 2018).

[39] Japanese respondents report none of the product exclusions include stainless steel bar from the countries subject to these reviews. Japanese respondents posthearing brief, p. A-18 and A-71.

[40] Ibid.

[41] *Certain Stainless Steel Products, Certain Processes for Manufacturing or Relating to Same and Certain Products Containing Same (337-TA-933)*; Complaint, pp. 18–19, September 5, 2014.

[42] 337-TA-933; Order No. 17, p. 41, December 8, 2015.

[43] 337-TA-933; Commission Opinion, p. 56, June 9, 2016.

[44] 337-TA-933; Limited Exclusion Order, p. 2, May 25, 2016.

[45] *Viraj Profiles Ltd. v. Int'l Trade C'mmn,* Court No. 2016-2482, 2017 WL 3980535 (Fed. Cir. Sept. 11, 2017).

Alloys, Ltd., Viraj Forgings, Ltd., and Viraj Impoexpo, Ltd. (collectively "Viraj"). In 2011, the order on subject imports from India was also revoked for Venus Wire Industries Pvt. Ltd., Precision Metals, Sieves Manufacturers (India) Pvt., Ltd., and Hindustan Inox, Ltd. (collectively "Venus"). Effective June 26, 2016, Viraj was issued a limited exclusion order for stainless steel products for a period of 16.7 years, so no imports of stainless steel bar from Viraj were imported into the United States in 2017.

Table I-1
Stainless steel bar: Comparative data from the original investigations, and subsequent reviews, 1993, 1999, 2005, 2010, and 2017

Item	Original investigations	First reviews	Second reviews	Third reviews	Fourth reviews
	1993	1999	2005	2010	2017
	Quantity (short tons)				
U.S. consumption quantity	202,375	236,927	295,751	165,936	319,604
	Share of quantity (percent)				
Share of U.S. consumption: U.S. producers' share	70.8	63.1	57.9	34.5	49.8
U.S. importers' share: Brazil	2.3	0.6	0.1	0.5	0.7
India, subject[1]	2.1	1.1	***	10.2	***
Japan[2]	7.7	0.1	0.1	0.1	***
Spain	3.6	1.0	---	0.1	0.4
Subject sources	15.7	2.8	***	10.9	***
Nonsubject sources	13.5	34.1	***	54.6	***
All import sources	29.2	36.9	42.1	65.5	50.2
Apparent U.S. consumption	100.0	100.0	100.0	100.0	100.0
	Value (1,000 dollars)				
U.S. consumption	599,309	672,804	1,214,279	819,514	1,315,390
	Share of value (percent)				
Share of U.S. consumption: U.S. producers' share	76.4	70.5	62.3	43.3	56.1
U.S. importers' share: Brazil	1.5	0.4	0.1	0.5	0.7
India, subject[1]	1.5	0.6	***	7.1	***
Japan[2]	6.7	0.1	0.3	0.2	***
Spain	2.9	0.7	0.0	0.1	0.2
Subject sources	12.7	1.8	***	7.9	***
Nonsubject sources	10.9	27.7	***	48.9	***
All import sources	23.6	29.5	37.7	56.7	43.9
Apparent U.S. consumption	100.0	100.0	100.0	100.0	100.0

Table continued on next page.

Table I-1 -- Continued
Stainless steel bar: Comparative data from the original investigations, and subsequent reviews, 1993, 1999, 2005, 2010, and 2017

Item	Original investigations	First reviews	Second reviews	Third reviews	Fourth reviews
	1993	1999	2005	2010	2017
	Quantity (short tons); Value (1,000 dollars); and Unit Value (dollars per short ton)				
U.S. imports.--					
Brazil					
Quantity	4,594	1,355	373	786	2,380
Value	9,267	2,386	1,414	4,354	9,631
Unit value	$2,017	$1,762	$3,789	$5,539	$4,046
India, subject:[1]					
Quantity	4,243	2,626	***	16,937	***
Value	9,089	4,238	***	57,986	***
Unit value	$2,142	$1,614	***	$3,424	***
Japan:[2]					
Quantity	15,515	164	384	222	***
Value	40,160	593	3,080	1,588	***
Unit value	$2,588	$3,605	$8,006	$7,153	***
Spain:					
Quantity	7,335	2,401	140	119	1,196
Value	17,508	4,622	483	488	3,243
Unit value	$2,387	$1,925	$3,458	$4,101	$2,712
Subject sources:					
Quantity	31,687	6,546	***	18,064	***
Value	76,024	11,839	***	64,416	***
Unit value	$2,399	$1,609	***	$3,566	***
Nonsubject sources:					
Quantity	27,368	80,774	***	90,624	***
Value	65,426	186,436	***	400,405	***
Unit value	$2,391	$2,308	***	$4,418	***
All import sources:					
Quantity	59,055	87,320	124,496	108,688	160,317
Value	141,450	198,275	458,037	464,821	577,148
Unit value	$2,395	$2,271	$3,679	$4,277	$3,600

Table continued on next page.

Table I-1 -- Continued
Stainless steel bar: Comparative data from the original investigations, and subsequent reviews, 1993, 1999, 2005, 2010, and 2017

Item	Original investigations	First reviews	Second reviews	Third reviews	Fourth reviews
	1993	1999	2005	2010	2017
	Quantity (short tons); Value (1,000 dollars); and Unit Value (dollars per short ton)				
U.S. industry:					
Capacity (quantity)	262,483	304,777	337,296	164,160	393,755
Production (quantity)	138,284	154,711	175,507	75,891	179,506
Capacity utilization (percent)	52.6	50.8	52.0	46.2	45.6
U.S. shipments:					
Quantity	143,320	149,607	171,255	57,248	159,287
Value	457,859	474,529	756,242	354,693	738,242
Unit value	$3,195	$3,172	$4,416	$6,196	$4,635
Ending inventory	21,659	24,407	19,517	(3)	31,086
Inventories/total shipments	***	***	10.8	(3)	18.0
Production workers	2,159	1,873	1,257	(3)	1,336
Hours worked (1,000)	4,281	3,939	2,640	(3)	3,085
Wages paid (1,000 dollars)	115,190	85,906	61,444	(3)	93,665
Hourly wages	$26.91	$21.81	$23.27	(3)	$30.36
Productivity (short tons per 1,000 hours)	31.4	39.3	71.4	(3)	58.2
Financial data:					
Net sales:					
Quantity	146,135	161,733	178,404	(3)	173,098
Value	462,166	584,213	858,652	498,506	812,540
Unit value	$3,163	$3,612	$4,813	(3)	$4,694
Cost of goods sold	432,112	500,240	716,096	450,258	717,884
Gross profit or (loss)	30,054	83,973	142,556	48,248	94,656
SG&A expense	33,514	58,091	60,281	41,016	55,636
Operating income or (loss)	(3,460)	25,882	82,275	7,232	39,020
Unit COGS	$2,957	$3,093	$4,014	(3)	$4,147
Unit operating income	($24)	$160	$461	(3)	$225
COGS/ Sales (percent)	93.5	85.6	83.4	90.3	88.4
Operating income or (loss)/ Sales (percent)	(6.9)	4.4	9.6	1.5	4.8

[1] For the original investigations and first reviews, all imports of stainless steel bar from India are in the *India, subject* line. For the second and third reviews, the *India, subject* line excludes stainless steel bar imports from Viraj, which are included in the *Nonsubject sources* line. For the fourth reviews, the *India, subject* line excludes stainless steel bar imports from Venus, which are included in the *Nonsubject sources* line.
[2] Data under the 2017 fourth reviews have been adjusted to remove certain stainless steel bar products imported from Japan that are excluded from the subject order. These excluded products are included in the *Nonsubject sources* line.
[3] No data available due to expedited review.

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent

Source: Office of Investigations memorandum INV-X-160 (July 18, 2000), memorandum INV-DD-073 (May 30, 2006), memorandum INV-KK-084 (May 3, 2012), official U.S. import statistics, and compiled from data submitted in response to Commission questionnaires.

Figure I-1
Stainless steel bar: U.S. imports and U.S. producers' U.S. shipments, 2012-17

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STATUTORY CRITERIA AND ORGANIZATION OF THE REPORT

Statutory criteria

Section 751(c) of the Act requires Commerce and the Commission to conduct a review no later than five years after the issuance of an antidumping or countervailing duty order or the suspension of an investigation to determine whether revocation of the order or termination of the suspended investigation "would be likely to lead to continuation or recurrence of dumping or a countervailable subsidy (as the case may be) and of material injury."

Section 752(a) of the Act provides that in making its determination of likelihood of continuation or recurrence of material injury—

> *(1) IN GENERAL.-- . . . the Commission shall determine whether revocation of an order, or termination of a suspended investigation, would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. The Commission shall consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the order is revoked or the suspended investigation is terminated. The Commission shall take into account--*
>
> > *(A) its prior injury determinations, including the volume, price effect, and impact of imports of the subject merchandise on the industry before the order was issued or the suspension agreement was accepted,*
> >
> > *(B) whether any improvement in the state of the industry is related to the order or the suspension agreement,*
> >
> > *(C) whether the industry is vulnerable to material injury if the order is revoked or the suspension agreement is terminated, and*
> >
> > *(D) in an antidumping proceeding . . ., (Commerce's findings) regarding duty absorption . . ..*
>
> *(2) VOLUME.--In evaluating the likely volume of imports of the subject merchandise if the order is revoked or the suspended investigation is terminated, the Commission shall consider whether the likely volume of imports of the subject merchandise would be significant if the order is revoked or the suspended investigation is terminated, either in absolute terms or relative to production or consumption in the United States. In so doing, the Commission shall consider all relevant economic factors, including--*

(A) any likely increase in production capacity or existing unused production capacity in the exporting country,

(B) existing inventories of the subject merchandise, or likely increases in inventories,

(C) the existence of barriers to the importation of such merchandise into countries other than the United States, and

(D) 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.

(3) PRICE.--In evaluating the likely price effects of imports of the subject merchandise if the order is revoked or the suspended investigation is terminated, the Commission shall consider whether--

(A) there is likely to be significant price underselling by imports of the subject merchandise as compared to domestic like products, and

(B) imports of the subject merchandise are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of domestic like products.

(4) IMPACT ON THE INDUSTRY.--In evaluating the likely impact of imports of the subject merchandise on the industry if the order is revoked or the suspended investigation is terminated, the Commission shall consider all relevant economic factors which are likely to have a bearing on the state of the industry in the United States, including, but not limited to–

(A) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity,

(B) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment, and

(C) 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.

The Commission shall evaluate all such relevant economic factors . . . within the context of the business cycle and the conditions of competition that are distinctive to the affected industry.

Section 752(a)(6) of the Act states further that in making its determination, "the Commission may consider the magnitude of the margin of dumping or the magnitude of the net countervailable subsidy. If a countervailable subsidy is involved, the Commission shall consider information regarding the nature of the countervailable subsidy and whether the subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement."

Organization of report

Information obtained during the course of the reviews that relates to the statutory criteria is presented throughout this report. A summary of trade and financial data for stainless steel bar as collected in the reviews is presented in appendix C. U.S. industry data are based on the questionnaire responses of eight U.S. producers of stainless steel bar that are believed to have accounted for virtually all domestic production of stainless steel bar in 2017. U.S. import data and related information are based on Commerce's official import statistics and the questionnaire responses of 32 U.S. importers of stainless steel bar that are believed to have accounted for more than 50 percent of total U.S. imports, more than 80 percent of total subject imports, and more than 50 percent of nonsubject U.S. imports during 2017. Foreign industry data and related information are based on the questionnaire responses of 18 producers of stainless steel bar. One responding producer in Brazil accounted for 100 percent of confirmed production in 2017, nine subject producers in India accounted for an estimated 13 to 24 percent of total production, four producers in Japan accounted for an estimated 84 percent of total production, and three producers in Spain accounted for an estimated 49 percent of total production. Exports reported in foreign producer questionnaires accounted for 86 percent of total subject imports. Responses by U.S. producers, importers, purchasers, and foreign producers of stainless steel bar to a series of questions concerning the significance of the existing antidumping duty orders and the likely effects of revocation of such orders are presented in appendix D.

COMMERCE'S REVIEWS

Administrative reviews

Commerce has completed a series of antidumping administrative reviews with regard to subject imports of stainless steel bar from Brazil, India, Japan, and Spain. The results of the administrative reviews are shown in tables I-2 (Brazil), I-3 (India), I-4 (Japan), and I-5 (Spain).[46]

Brazil

Commerce has completed eight antidumping duty administrative reviews with regard to subject imports of stainless steel bar from Brazil. The results of the administrative reviews are shown in table I-2.

[46] For previously reviewed or investigated companies not included in an administrative review, the cash deposit rate continues to be the company-specific rate published for the most recent period.

Table I-2
Stainless steel bar: Administrative reviews of the antidumping duty order for Brazil

Date results published	Period of review	Producer or exporter	Margin (percent)
July 14, 2009 (74 FR 33996)	February 1, 2007 to January 31, 2008	Villares Metals S.A.	4.96
		All others	19.43
July 12, 2010 (75 FR 39663)	February 1, 2008 to January 31, 2009	Villares Metals S.A.	3.70
		All others	19.43
January 11, 2011 (76 FR 1599)	February 1, 2009 to January 31, 2010	Villares Metals S.A.	4.07
		All others	19.43
April 15, 2013 (78 FR 2227)	February 1, 2011 to January 31, 2012	Villares Metals S.A.	0.00
		All others	19.43
August 13, 2014 (79 FR 47437)	February 1, 2012 to January 31, 2013	Villares Metals S.A.	0.64
		All others	19.43
March 11, 2015 (80 FR 12805)	February 1, 2013 to January 31, 2014	Villares Metals S.A.	0.00
		All others	19.43
June 22, 2016 (81 FR 40670)	February 1, 2014 to January 31, 2015	Villares Metals S.A.	0.00
		All others	19.43
June 16, 2017 (82 FR 27691)	February 1, 2015 to January 31, 2016	Villares Metals S.A.	0.00
		All others	19.43

Source: Cited Federal Register notices.

India

Commerce has completed 24 antidumping duty administrative reviews with regard to subject imports of stainless steel bar from India. The results of the administrative reviews are shown in table I-3.

Table I-3
Stainless steel bar: Administrative reviews of the antidumping duty order for India

Date results published	Period of review	Producer or exporter	Margin (percent)
January 28, 1997 (62 FR 4029)	February 1, 1995 to July 31, 1995	Akaj[1]	4.83
		Viraj Impoexpo Ltd.[1]	0.00
		All others	12.45
July 10, 1997 (62 FR 37030)	August 4, 1994 to January 31, 1996	Isibars Ltd.	0.00
		All others	12.45
March 20, 1998 (63 FR 13622)	February 1, 1996 to January 31, 1997	Mukand Ltd.	5.53
		All others	12.45
April 21, 1998 (63 FR 19712)	February 1, 1996 to January 31, 1997	Panchmahal Steel Ltd. and Ferro Alloys Corp. Ltd.[1]	0.00
		All others	12.45
March 22, 1999 (64 FR 13771)	February 1, 1997 to January 1, 1998	Bhansali Bright Bars Pvt. Ltd.	0.00
		Venus Wire Industries, Ltd.	0.23
		Sindia Steels Ltd.[1]	0.19
		Chandan Steel Ltd.[1]	0.00
		Madhya Pradesh Iron & Steel Co.[1]	12.45
		All others	12.45
January 24, 2000 (65 FR 3662)	February 1, 1998 to July 31, 1998	Jyoti Steel Industries[1]	0.00
		Parekh Bright Bars Pvt. Ltd. and Shah Alloys Ltd.[1]	21.02
		All others	12.45

Table continued on next page.

Table I-3--Continued
Stainless steel bar: Administrative reviews of the antidumping duty order for India

Date results published	Period of review	Producer or exporter	Margin (percent)
		Chandan Steel Ltd.	0.00
		Ferro Alloys Crop. Ltd.	19.54
		Isibars Ltd. and Venus Wire Industries, Ltd.	*de minimis*
		Panchmahal Steel Ltd.	10.24
		Parekh Bright Bars Pvt. Ltd.	21.02
		Sindia Steels Ltd.	1.33
		Viraj Impoexpo Ltd.	2.50
		Meltroll Engineering Pvt. Ltd.	0.00
August 10, 2000 (65 FR 48965)	February 1, 1998 to January 31, 1999	All others	12.45
		Atlas Stainless Corp.	0.00
December 5, 2000 (65 FR 75923)	February 1, 1999 to January 31, 2000	All others	12.45
		Panchmahal Steel, Ltd.	19.54
June 11, 2001 (66 FR 31208)	February 1, 1999 to January 31, 2000	All others	12.45
		Viraj Group, Ltd.	0.47
August 15, 2002 (67 FR 533336)	February 1, 2000 to January 31, 2001	All others	12.45
		Isibars Ltd.	4.59
		Mukand, Ltd.	21.02
		Venus Wire Industries, Ltd.	0.02
		Viraj Group, Ltd.	0.00
August 11, 2003 (68 FR 47543)	February 1, 2001 to January 31, 2002	All others	12.45

Table continued on next page.

Table I-3--Continued
Stainless steel bar: Administrative reviews of the antidumping duty order for India

Date results published	Period of review	Producer or exporter	Margin (percent)
		Chandan Steel, Ltd.	21.02
		Isibars, Ltd.	21.02
		Jyoti Steel Industries	21.02
		Venus Wire Industries, Ltd.	0.06
		Viraj Group, Ltd.	0.00
September 14, 2004 (69 FR 55409)	February 1, 2002 to January 31, 2003	All others	12.45
		Chandan Steel, Ltd.	19.80
September 13, 2005 (70 FR 54023)	February 1, 2003 to January 31, 2004	All others	12.45
		Chandan Steel, Ltd.	21.02
July 3, 2006 (71 FR 37905)	February 1, 2004 to January 31, 2005	All others	12.45
		Bhansali Bright Bars Pvt. Ltd.	02.01
		Venus Wire Industries Pvt. Ltd.	0.03 (*de minimis*)
		Isibars Ltd., Grand Foundry, Ltd., Sindia Steels, Ltd., Snowdrop Trading Pvt., Ltd., Facor Steels, Ltd., and Mukand, Ltd.	2.01
September 10, 2007 (72 FR 51595)	February 1 2005 to January 31, 2006	All others	12.45
		Ambica Steels Ltd.[1]	22.63
December 21, 2007 (72 FR 72671)	February 1, 2006 to July 31, 2006	All others	12.45

Table continued on next page.

Table I-3--Continued
Stainless steel bar: Administrative reviews of the antidumping duty order for India

Date results published	Period of review	Producer or exporter	Margin (percent)
September 9, 2008 (73 FR 52294)	February 1, 2006 to January 31, 2007	D.H. Exports Pvt. Ltd.	10.21
		Sunflag Iron & Steel Co. Ltd.	6.08
		All others	12.45
September 15, 2009 (74 FR 47198)	February 1, 2007 to January 31, 2008	Venus Wire Industries Pvt. Ltd./Precision Metals/Sieves Manufacturing Pvt. Ltd.	0.09 (*de minimis*)
		All others	12.45
September 3, 2010 (75 FR 54090)	February 1, 2008 to January 31, 2009	Ambica Steels Ltd.	0.00
		Venus Wire Industries Pvt. Ltd.	0.42 (*de minimis*)
		All others	12.45
September 13, 2011 (76 FR 56401)	February 1, 2009 to January 31, 2010	Facor Steels Ltd./Ferro Alloys Corporation, Ltd.	9.86
		Mukand, Ltd.	21.02
		Venus Wire Industries Pvt. Ltd./Precision Metal/Sieves Manufacturing (India) Pvt. Ltd./Hindustan Inox Ltd.	0.07
		All others	12.45
July 3, 2012 (77 FR 39467)	February 1, 2010 to January 31, 2011	Mukand, Ltd.	30.92
		Chandan Steel Limited	30.92
		All others	12.45
June 7, 2013 (78 FR 34337)	February 1, 2011 to January 31, 2012	Ambica Steels Limited	0.00
		All others	12.45

Table continued on next page.

Table I-3--Continued
Stainless steel bar: Administrative reviews of the antidumping duty order for India

Date results published	Period of review	Producer or exporter	Margin (percent)
July 28, 2014 (79 FR 43712)	February 1, 2012 to January 31, 2013	Ambica Steels Limited	0.00
		All others	12.45
September 15, 2015 (80 FR 55332)	February 1, 2014 to January 31, 2014	Bhansali Bright Bars Pvt. Ltd.	0.00
		All others	12.45
September 8, 2016 (81 FR 62086)	February 1, 2014 to January 31, 2015	Bhansali Bright Bars Pvt. Ltd.	0.00
		Ambica Steels Limited	0.00
		All others	12.45
June 12, 2017 (82 FR 26916)	February 1, 2015 to January 31, 2016	Bhansali Bright Bars Pvt. Ltd.	(2)
		Ambica Steels Limited	(3)
		All others	12.45
February 15, 2018 (83 FR 6840)	February 1, 2016 to January 31, 2017	Bhansali Bright Bars Pvt. Ltd.	(2)
		Ambica Steels Limited	(2)
		All others	12.45

[1] Firm(s) examined in a new shipper administrative review.

[2] Final determination of no shipments by the respondent.

[3] Final Results of one suspended entry of subject merchandise during the period of review by the respondent. The Department of Commerce determined the specific assessment rate calculated in the 2014-15 review would be applied to this suspended entry. All other entries of subject merchandise attributed to the respondent would be liquidated at the all others rate.

Source: Cited Federal Register notices.

Japan

Commerce has completed three antidumping duty administrative reviews with regard to subject imports of stainless steel bar from Japan. The results of the administrative reviews are shown in table I-4.

Table I-4
Stainless steel bar: Administrative reviews of the antidumping duty order for Japan

Date results published	Period of review	Producer or exporter	Margin (percent)
July 6, 1999 (64 FR 36333)	February 1, 1997 to January 31, 1998	Aichi Steel Works, Ltd.	6.62
		All others	61.47
March 14, 2000 (65 FR 13717)	February 1, 1998 to January 31, 1999	Aichi Steel Works, Ltd.	1.24
		All others	61.47
October 4, 2002 (67 FR 62227)	February 1, 2001 to January 31, 2002	Aichi Steel Works, Ltd.	61.47
		All others	61.47

Source: Cited Federal Register notices.

Spain

Commerce has completed five antidumping duty administrative reviews with regard to subject imports of stainless steel bar from Spain. The results of the administrative reviews are shown in table I-5.

Table I-5
Stainless steel bar: Administrative reviews of the antidumping duty order for Spain

Date results published	Period of review	Producer or exporter	Margin (percent)
August 2, 2007 (72 FR 42395)	March 1, 2005 to February 28, 2006	Sidenor Aceros Especiales S.L.	62.85
		All others	25.77
October 22, 2014 (79 FR 63081)	March 1, 2012 to February 28, 2013	Gerdau Aceros Especiales Europa, S.L.	0.00
		All others	25.77
March 11, 2015 (80 FR 12798)	March 1, 2013 to February 28, 2014	Gerdau Aceros Especiales Europa, S.L.	(1)
		All others	25.77
June 30, 2017 (82 FR 29826)	March 1, 2015 to February 29, 2016	Gerdau Aceros Especiales Europa, S.L.	62.85
		All others	25.77
April 3, 2018 (83 FR 14252)	March 1, 2016 to February 28, 2017	Sidenor Aceros Especiales S.L.	3.81
		All others	25.77

[1] Final Determination of no shipments by the respondent.

Source: Cited Federal Register notices.

Company revocations

Commerce has issued two company revocations since the imposition of the orders. Effective February 1, 2003, Commerce revoked the order on stainless steel bar from India with respect to subject merchandise produced and/or exported by Viraj Alloys, Ltd., Viraj Forgings, Ltd., and Viraj Impoexpo, Ltd. (collectively "Viraj").[47] Effective September 13, 2011, Commerce revoked the order on stainless steel bar from India with respect to subject merchandise produced and/or exported by Venus Wire Industries Pvt. Ltd., Precision Metals, Sieves Manufacturers (India) Pvt., Ltd., and Hindustan Inox, Ltd. (collectively "Venus").[48]

Both companies have since been reinstated in the order on April 20, 2018 (see *Changed circumstances reviews* below for additional details). Moreover, as detailed under *Previous and related investigations*, the Commission issued a limited exclusion order for stainless steel products utilizing Valbruna's trade secrets imported by Viraj, or its affiliated companies, subsidiaries, parents, or other related business entities for a period of 16.7 years.

Changed circumstances reviews

Commerce has conducted changed circumstances reviews with respect to the antidumping duty orders on imports of stainless steel bar from Japan (3), India (2), and Spain (1). The results of the changed circumstances reviews are shown in table I-6.

Table I-6
Stainless steel bar: Changed circumstances reviews

Publication date (FR cite)	Requestor	Final result
September 16, 1999 (64 FR 50273)	Tohuku Steel Co., Ltd.	Commerce determined that imports of K-M35FL steel bar manufactured by Tohoku and exported from Japan should be excluded from the scope of the antidumping duty order on stainless steel bar from Japan. Tohoku indicated to Commerce that the leaded steel product in question is not produced in commercial quantities in the United States; petitioners agreed to Tohoku's request.
December 7, 2006 (71 FR 70959)	TRW Fuji Valve, Inc.	Commerce concluded that, absent comments by domestic producers and a statement of no interest in the continuation of the order by petitioners and other domestic interested parties, that it would revoke the antidumping duty order on stainless steel bar from Japan on 21-2N modified valve/stem stainless steel round bar.

Table continued on next page.

[47] *Stainless Steel Bar From India; Final Results, Rescission of Antidumping Duty Administrative Review in Part, and Determination To Revoke in Part*, 69 FR 55409, September 14, 2004.

[48] *Stainless Steel Bar from India: Final Results of the Antidumping Duty Administrative Review, and Revocation of the Order, in Part*, 76 FR 56401, September 13, 2011.

Table I-6 – Continued
Stainless steel bar: Changed circumstances reviews

Publication date (FR cite)	Requestor	Final result
November 6, 2008 (73 FR 66011)	India Steel Works Limited	Commerce determined that India Steel Works Limited ("India Steel") is the successor-in-interest to to Isibars Limited ("Isibars").
June 27, 2012 (77 FR 38271)	Suruga USA Corp.	Commerce published its final results of the changed circumstances review of the antidumping duty order on stainless steel bar from Japan and revoked the order in part to exclude three products under Grades 304 and 440c, effective February 1, 2010.
December 2, 2016 (81 FR 87021)	Sidenor	Commerce determined that Sidenor is the successor-in-interest to Gerdau Aceros Especiales Europa, S.L. ("Gerdau").
April 20, 2018 (83 FR 17529)	Petitioners	Commerce initiated a changed circumstances review of the antidumping duty order on stainless steel bar from India to determine whether to reinstate the order with respect to Viraj Profiles Ltd. (Viraj) and Venus Wire Industries Pvt. Ltd. and its affiliates Hindustan Inox, Precision Metals and Sieves Manufacturers (India) Pvt. Ltd. (collectively, Venus). Commerce determined that Viraj and Venus made sales of subject merchandise at less than normal value (NV) during the period of review (POR) July 1, 2015, through June 30, 2016. Accordingly, they were reinstated in the order, each with a weighted-average dumping margin (percent) of 30.92 for the period July 1, 2015, through June 30, 2016.

Source: Cited *Federal Register* notices.

Scope inquiry reviews

Commerce has conducted three scope rulings concerning the antidumping duty orders on imports of stainless steel bar since the imposition of the orders. On October 15, 1997, Commerce determined that "Keystone 2000," a specialty stainless steel bar product, is within the scope of the antidumping duty order on stainless steel bar from Japan.[49] On May 23, 2005, Commerce issued a scope ruling in which it determined that stainless steel bar manufactured in the United Arab Emirates out of stainless steel wire rod that is manufactured in India is not included in the scope of the antidumping duty order on stainless steel bar from India.[50] On May 12, 2015, Commerce ruled that cold-finished stainless steel bar manufactured through cold-drawing and other finishing steps in Italy using stainless steel wire rod imported from Spain is not within the scope of the antidumping duty order on stainless steel bar from Spain.[51]

[49] *Notice of Scope Rulings,* 63 FR 6722, February 10, 1998.
[50] *Notice of Scope Rulings,* 70 FR 55110, September 20, 2005.
[51] *Notice of Scope Rulings*, 80 FR 57339, September 23, 2015.

Five-year reviews

Commerce has issued the final results of its expedited reviews with respect to all subject countries.[52] Commerce determined that revocation of the antidumping duty orders on stainless steel bar from Brazil, India, Japan, and Spain would be likely to lead to continuation or recurrence of dumping, and that the magnitude of the dumping margins likely to prevail would be weighted-average margins up to: 19.43 percent for Brazil, 21.02 percent for India, 61.47 percent for Japan, and 62.85 percent for Spain. Table I-7 presents the dumping margins calculated by Commerce in its original investigations and subsequent reviews.

Table I-7
Stainless steel bar: Commerce's original investigations and, first, second, and third five-year reviews weighted-average dumping margins by country and firm

Country and Producer/exporter	Original margins (percent)	First five-year reviews margins (percent)	Second five-year reviews margins (percent)	Third five-year reviews margins (percent)	Fourth five-year reviews margins (percent)
Brazil:					
Acos Villares, S.A.	19.43	19.43	19.43	19.43	(2)
All others	19.43	19.43	19.43	19.43	(2)
India:					(2)
Grand Foundry, Ltd.	3.87	3.87	3.87	3.87	(2)
Mukand, Ltd.	21.02	21.02	21.02	21.02	(2)
All others	12.45	12.45	12.45	12.45	(2)
Japan:					(2)
Aichi Steel Works, Ltd.	61.47	61.47	61.47	61.47	(2)
Daido Steel Co., Ltd.	61.47	61.47	61.47	61.47	(2)
Sanyo Special Steel Co., Ltd.	61.47	61.47	61.47	61.47	(2)
All others	61.47	61.47	61.47	61.47	(2)
Spain:					(2)
Acenor, S.A.[1]	62.85	62.85	62.85	62.85	(2)
Roldan, S.A.	7.72	7.72	7.72	7.72	(2)
All others	25.77	25.77	25.77	25.77	(2)

[1] Including all successor companies, including Digeco, S.A. and Clorimax, SRL.
[2] As a result of these reviews, the Department determined that revocation of the antidumping duty orders on stainless steel bar from Brazil, India, Japan, and Spain would be likely to lead to continuation or recurrence of dumping and that the magnitude of the dumping margins likely to prevail would be

[52] *Stainless Steel Bar From Brazil, India, Japan, and Spain: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 82 FR 51393, November 6, 2017.

weighted-average margins up to: 19.43 percent for Brazil, 21.02 percent for India, 61.47 percent for Japan, and 62.85 percent for Spain.

Source: *Antidumping Duty Orders: Stainless Steel Bar from Brazil, India and Japan,* 60 FR 9661, February 21, 1995; *Stainless Steel Bar From Brazil, India, Japan, and Spain; Final Results of Antidumping Duty Expedited Sunset Reviews,* 65 FR 25909, May 4, 2000; *Stainless Steel Bar from Brazil, India, Japan, and Spain; Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders,* 71 FR 38372, June 6, 2006; and *Stainless Steel Bar from Brazil, India, Japan, and Spain: Final Results of the Expedited Third Sunset Reviews of the Antidumping Duty Orders*, 77 FR 16207, March 20, 2012.

THE SUBJECT MERCHANDISE

Commerce's scope

In the current proceeding, Commerce has defined the scope as follows:

Brazil, India, and Spain

The merchandise subject to the order is SSB. The term SSB with respect to the order means articles of stainless steel in straight lengths that have been either hot-rolled, forged, turned, cold-drawn, cold-rolled or otherwise cold-finished, or ground, having a uniform solid cross section along their whole length in the shape of circles, segments of circles, ovals, rectangles (including squares), triangles, hexagons, octagons or other convex polygons. SSB includes cold-finished SSBs that are turned or ground in straight lengths, whether produced from hot-rolled bar or from straightened and cut rod or wire, and reinforcing bars that have indentations, ribs, grooves, or other deformations produced during the rolling process.

Except as specified above, the term does not include stainless steel semi-finished products, cut-length flat-rolled products (i.e., cut-length rolled products which if less than 4.75 mm in thickness have a width measuring at least 10 times the thickness, or if 4.75 mm or more in thickness having a width which exceeds 150 mm and measures at least twice the thickness), wire (i.e., cold-formed products in coils, of any uniform solid cross section along their whole length, which do not conform to the definition of flat-rolled products), and angles, shapes and sections. The SSB subject to the order is currently classifiable under subheadings 7222.10.00, 7222.11.00, 7222.19.00, 7222.20.00, 7222.30.00 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.

Japan

The merchandise subject to the order is SSB. The term SSB with respect to the order means articles of stainless steel in straight lengths that have been either hot-rolled, forged, turned, cold-drawn, cold-rolled or otherwise cold-finished, or ground, having a uniform solid cross section along their whole length in the shape of circles, segments of circles, ovals, rectangles (including squares), triangles, hexagons, octagons or other convex polygons. SSB includes cold finished SSBs that are turned or ground in straight lengths, whether produced from hot-rolled bar or from straightened and cut rod or wire, and reinforcing bars that have indentations, ribs, grooves, or other deformations produced during the rolling process.

Furthermore, effective for entries entered, or withdrawn for warehouse, for consumption on or after February 1, 2010, the term does not include one SSB product under Grade 304 and two types of SSB products under Grade 440C. (1) The Grade 304 product meets the following descriptions: round cross-section, cold finished, chrome plated (plating thickness 10 microns or greater), hardness of plating a minimum 750 HV on the Vickers Scale, maximum roundness deviation of 0.020 mm (based on circularity tolerance described in JIS B 0021 (1984)), in actual (measured) lengths from 2000 mm to 3005 mm, in nominal outside diameters ranging from 6 mm to 30 mm (diameter tolerance for any size from minus 0.010 mm to minus 0.053 mm). Tolerance can be defined as the specified permissible deviation from a specified nominal dimension; for example if the nominal outside diameter of the product entering is 6 mm, then the actual measured sizes should fall within 5.947 mm to 5.990 mm; (2) The first Grade 440C product meets the following descriptions: round cross-section, cold finished, heat treated through induction hardening, minimum Rockwell hardness of 56 Hardness of 56 HRC, maximum roundness deviation of 0.007 mm (based on circularity tolerance described in JIS B 0021 (1984)), in actual (measured) lengths from 500 mm to 3005 mm, in nominal outside diameters ranging from 3 mm to 38.10 mm (diameter tolerance for any size from 0.00 mm to minus 0.150 mm). Tolerance can be defined as the specified permissible deviation from a specified nominal dimension; for example if the nominal outside diameter of the product entering is 3 mm, then the actual measured sizes should fall within 2.850 mm to 3.000 mm; (3) The second Grade 440C product meets the following descriptions: round cross-section, cold finished, chrome plated (plating thickness 5 microns or greater), heat treated through induction hardening, minimum Rockwell Hardness of 56 HRC, maximum roundness deviation of 0.007 mm (based on circularity tolerance described in JIS B 0021 (1984)), in actual (measured) lengths from 2000 mm to minus 3005 mm, (diameter tolerance for any size from minus 0.004 mm to minus 0.020 mm). Tolerance can be defined as the specified permissible deviation from a specified nominal dimension; for example if the nominal outside diameter of the product entering is 6 mm, then the actual measured sizes should fall within 5.980 mm to 5.996 mm.

Except as specified above, the term does not include stainless steel semi-finished products, cut-length flat-rolled products (i.e., cut-length rolled products which if

less than 4.75 mm in thickness have a width measuring at least 10 times the thickness, or if 4.75 mm or more in thickness having a width which exceeds 150 mm and measures at least twice the thickness), wire (i.e., cold-formed products in coils, of any uniform solid cross section along their whole length, which do not conform to the definition of flat-rolled products), and angles, shapes and sections. The SSB subject to the order is currently classifiable under subheadings 7222.10.00,[53] 7222.11.00, 7222.19.00, 7222.20.00, 7222.30.00 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.[54]

Tariff treatment

Stainless steel bar is classifiable in the Harmonized Tariff Schedule of the United States ("HTS") under subheadings 7222.11.00, 7222.19.00, 7222.20.00, and 7222.30.00 and reported for statistical purposes under statistical reporting numbers 7222.11.0001, 7222.11.0006, 7222.11.0057, 7222.11.0059, 7222.11.0082, 7222.11.0084, 7222.19.0001, 7222.19.0006, 7222.19.0052, 7222.19.0054, 7222.20.0001, 7222.20.0006, 7222.20.0041, 7222.20.0043, 7222.20.0062, 7222.20.0064, 7222.20.0067, 7222.20.0069, 7222.20.0071, 7222.20.0073, 7222.30.0001, 7222.30.0012, 7222.30.0022, 7222.30.0024, 7222.30.0082, and 7222.30.0084.[55] Imports from the subject countries enter the U.S. market at a column 1-general duty rate of "free." Because of its classification in heading 7222, the subject merchandise falls within the scope of the coverage of heading 9903.80.01, pursuant to U.S. note 16(b)(v) to subchapter III of chapter 99. Accordingly, in addition to any antidumping duties or other charges, imports that are the product of the respondent countries are currently subject to a duty of 25 percent ad valorem, unless individual imports are covered by an exclusion that may be granted by the Department of Commerce.[56] Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

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[53] The original scope included HTS subheading 7222.10. However, on January 1, 1996, because of changes in the international Harmonized System, subheading 7222.10 was subdivided into new subheadings 7222.11 and 7222.19. This change was made by Presidential Proclamation 6857, To Modify the Harmonized Tariff Schedule of the United States, To Provide Rules of Origin Under the North American Free Trade Agreement for Affected Goods, and for Other Purposes, 60 FR 64817, December 15, 1995.

[54] *Issues and Decision Memorandum for the Expedited Sunset Reviews of the Antidumping Duty Orders on Stainless Steel Bar from Brazil, India, Japan, and Spain*, November 6, 2017.

[55] From January 1, 2014 to January 1, 2016, stainless steel bar could also be reported under HTS statistical reporting numbers 7222.20.0047, 7222.20.0049, 7222.20.0082, 7222.20.0084, 7222.20.0087, and 7222.20.0089.

[56] *Presidential Proclamation 9705 of March 8, 2018, Adjusting Imports of Steel Into the United States,* 83 FR 11625, March 8, 2018, effective March 23, 2018.

THE PRODUCT

Description and applications[57]

Stainless steel bars are articles of stainless steel[58] in straight lengths having a uniform solid cross section along their whole length, in the shape of circles, segments of circles, ovals, rectangles (including squares), triangles, hexagons, or other convex polygons. The subject product includes stainless steel concrete reinforcing bar, which has indentations, ribs, grooves, or other deformations produced during the rolling process.

Stainless steel bar is used to produce a wide variety of products for use where its corrosion resistance, heat resistance, and/or appearance are desired. Applications include, but are not limited to, the automotive industry; the aerospace industry; chemical and petrochemical processing equipment; dairy, food processing, and pharmaceutical equipment; marine applications such as shafts and propellers; pumps and connectors for fluid handling systems; and medical products. Stainless steel concrete reinforcing bar is used in highly corrosive environments such as bridges and highway systems where road salts are used for ice control. Stainless steel concrete reinforcing bar is also used where nonmagnetic reinforcing bars are needed, such as military applications.

Bar is distinguished from rod and wire in that bar is cut in straight lengths as opposed to being coiled. However, small-diameter bar can be produced from rod or wire by the processes of straightening and cutting-to-length. Although there are no dimensional limitations of the subject product specified in the scope, round bar is generally available from approximately 0.032 inch (1/32 inch (0.8128 mm)) through 25 inches (635 mm) in diameter. Flat (rectangular) bar is available in thicknesses from approximately 0.125 inch (3.175 mm) through approximately 10 inches (254 mm).[59] Square, octagonal, and hexagonal bar is available as cold-drawn bar in sizes from approximately 0.125 inch (3.175 mm) up to approximately 3 inches (76.2 mm).

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[57] Unless otherwise noted, the information in this section of the report is derived from *Stainless Steel Bar from Brazil, India, Japan, and Spain, Investigation Nos. 731-TA-678, 679, 681, and 682 (Third Review)*, USITC Publication 4341, July 2012, pp. I-9 through I-10.

[58] Stainless steel is defined as alloy steel containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements. Stainless steel is distinguished from carbon steel and alloy steels chiefly by its superior resistance to corrosion, which is achieved through the addition of chromium. Stainless steel is produced in many grades, each containing a different combination of chemical elements. In addition to chromium, other alloying elements commonly used in stainless steel include nickel, molybdenum, and manganese, which are added based on the desired physical and mechanical properties of the end-use product.

[59] Products in straight lengths that are less than 4.75 mm (3/16 inch) in thickness and have a width at least 10 times the thickness, as well as products having a width of 150 mm (6 inches) that measure at least twice the thickness, are considered to be flat-rolled product and are specifically excluded from these investigations.

Stainless steel bar is available in several finishes, which are (a) scale not removed (excluding spot conditioning); (b) rough turned, in which the skin of the bar is removed as the bar rotates in a process similar to that of a lathe; (c) pickled (bathed in an acid solution) or blast cleaned (shot with a solution or steel pellets) to remove surface imperfections; (d) cold-drawn or cold-rolled to reduce bar diameter and to achieve closer dimensional tolerances; (e) centerless ground; and (f) polished (polished on rolls).[60] Product produced to finishes (a), (b), or (c) is considered to be "hot-finished." However, because the corrosion-resistant property of stainless steel is derived from descaling the product in some manner, the only potential uses for product in condition (a) would be for further processing into one of the other finishes, or for reheating and forging into a nonsubject product. Product produced to finishes (d), (e), or (f) is considered to be "cold-finished" and has a smoother surface finish and closer dimensional tolerance than does hot-finished stainless steel bar.

As a practical matter, all stainless steel bar is descaled in some manner. Hot-finished product is principally limited to large diameter (over approximately 8 inches (203.2 mm)) bar, which is usually rough-turned, and to flats and reinforcing bar, which are blasted and/or pickled to remove surface imperfections. Most domestically produced hot-finished stainless steel bar is an intermediate product used in integrated manufacturing operations to produce cold-finished stainless steel bar. Hot-finished stainless steel bar, which is sold on the open market, is used for applications where surface appearance is not critical or where the cold-finishing steps will be performed by end users during downstream fabrication processing.

Table I-8 presents a list of common stainless steel grades by chemical composition, physical and chemical properties, and intended end uses.

Table I-8

Stainless steel bar: Common stainless steel American Iron and Steel Institute (AISI) grades, by composition, properties, and end uses

Grade	Chemical composition	Chemical properties	End uses
303	Chromium: 17-19% Nickel: 8-10% Molybdenum: 0.75% Carbon: 0.15% max. Silicon: 1% max. Manganese: 2% max. Phosphorous: 0.20% max. Sulfur: 0.15% min.	Exhibits improved machinability, and good mechanical and corrosion resistant properties. Lower corrosion resistance compared to 304 due to higher sulfur content.	Nuts and bolts, aircraft fittings, gears, screws, shafts, electrical shiftgear components, bushings, etc.
304	Chromium: 18-20% Nickel: 8-10.5% Carbon: 0.07% max. Silicon: .75% max. Manganese: 2% max. Phosphorous: 0.045% max. Sulfur: 0.03% max.	Exhibits excellent corrosion resistance, high ease of fabrication, and formability.	Food processing equipment, automotive and aerospace structural uses, chemical containers, construction material, heat exchangers, and other home and commercial applications, etc.

Table continued on next page.

[60] Finishes (b), (e), and (f) are applicable only to round bars.

Table I-8 – Continued

Stainless steel bar: Common stainless steel American Iron and Steel Institute (AISI) grades, by composition, properties, and end uses

Grade	Chemical composition	Chemical properties	End uses
304L	Chromium: 18-20% Nickel: 8-12% Carbon: 0.03% max. Silicon: 0.75% max. Manganese: 2% max. Phosphorous: 0.045% max. Sulfur: 0.03 max. Nitrogen: 0.10% max.	Exhibits excellent corrosion resistance, high ease of fabrication, and formability.	Food processing equipment, automotive and aerospace structural uses, chemical containers, construction material, heat exchangers, and other home and commercial applications, etc.
316	Chromium: 16-18% Nickel: 10-14% Molybdenum: 2-3% Carbon: 0.08% max. Silicon: 0.75% max. Manganese: 2% max. Phosphorous: 0.045% max. Sulfur: 0.03% min. Nitrogen: 0.10% max.	Higher molybdenum and nickel content improves overall corrosion resistance (particularly for pitting and crevice corrosion in chloride environments) compared to 304.	Food preparation equipment, chemical processing equipment, heat exchangers, pharmaceutical and textile industries, pollution control equipment, etc.
316L	Chromium: 16-18% Nickel: 10-14% Molybdenum: 2-3% Carbon: 0.03% max. Silicon: 0.75% max. Manganese: 2% max. Phosphorous: 0.045% max. Sulfur: 0.03% min. Nitrogen: 0.10% max.	Higher molybdenum and nickel content improves overall corrosion resistance (particularly for pitting and crevice corrosion in chloride environments) compared to 304.	Food preparation equipment, chemical processing equipment, heat exchangers, pharmaceutical and textile industries, pollution control equipment, etc.
410	Chromium: 11.5-13.5% Nickel: 0.5% max. Carbon: 0.15% max. Silicon: 1% max. Manganese: 1% max. Phosphorous: 0.04% max. Sulfur: 0.03% max.	Good corrosion resistance, high strength and hardness. Used in applications where high strength and moderate corrosion and heat resistance are desired.	Cutlery, steam and gas turbine blades, kitchen utensils, bolts/nuts/screws, pump and valve shafts, dental and surgical equipment, hardened steel balls and seats for oil well pumps, etc.
416	Chromium: 12-14% Carbon: 0.15% max. Silicon: 1% max. Manganese: 1.25% max. Phosphorous: 0.06% max. Sulfur: 0.15% max.	High machinability, not as resistant as other types of stainless steel (austenitic or ferritic), but demonstrates good corrosion and oxidation resistance in hardened or tempered condition.	Electric motors, nuts and bolts, pumps, valves, washing machine components, gears, studs, etc.
440C	Chromium: 16-18% Molybdenum: 0.75% max. Carbon: 0.95-1.2% max. Silicon: 1% max. Manganese: 1% max. Phosphorous: 0.04% max. Sulfur: 0.03% max.	High strength, good hardness and wear resistance, and moderate corrosion resistance.	Rolling element bearings, valve seats, high quality knives, surgical instruments, chisels, etc.

Source: Penn Stainless Products, Inc., "Stainless Grades," http://www.pennstainless.com/stainless-grades/ (accessed June 1, 2018).

Manufacturing process[61]

The material inputs for the production of stainless steel bars are semi-finished stainless steel billets. Most manufacturers of stainless steel bars follow an integrated production process that consists of three stages: (1) melting and casting; (2) hot-forming; and (3) finishing. Some manufacturers purchase stainless steel billets on the open market for transformation into bar.

Melting and casting

The melting of stainless steel takes place in an electric-arc furnace ("EAF"). Raw materials that are charged in the EAF for melting include stainless steel scrap, carbon steel scrap, and alloy materials. Nickel, chromium, and molybdenum alloys, as well as stainless steel scrap, are the most important cost elements among the raw materials. *** ***.[62] ***.[63] The cost of nickel is the most important element for "nickel-chromium grades" that contain high amounts of nickel.[64] For "straight chromium grades" that do not contain high amounts of nickel, the cost of the chromium is most significant.[65]

After melting, the molten steel is refined in an argon-oxygen-decarburization vessel, in which the carbon content is reduced to very low levels, and final additions of alloys are made.[66] The steel is then either continuous cast into billets or cast into ingots in cast iron ingot molds. Ingots are reheated[67] and rolled into billets on a primary rolling mill. Once the steel is cast, its essential chemical characteristics are fixed.

Several special melting methods are used to produce stainless steel of higher purity or lower nonmetallic inclusion content than conventional EAF when the demands of the application justify the added costs. These methods include melting under vacuum (vacuum induction melting), electron beam melting, or vacuum arc remelting or under a blanket of molten slag (electroslag remelting).

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[61] Unless otherwise noted, this information is based on *Stainless Steel Bar from Brazil, India, Japan, and Spain, Investigation Nos. 731-TA-678, 679, 681, and 682 (Third Review)*, USITC Publication 4341, July 2012, pp. I-10 through I-12.

[62] ***.

[63] ***.

[64] An example of a nickel-chromium grade is type 316, which contains 18 percent chromium, 8 percent nickel, and 2 percent molybdenum.

[65] An example of a straight chromium grade is type 430, which contains 16 to 18 percent chromium and no nickel.

[66] ***.

[67] ***.

Hot forming

Billets are reheated to more than 2,000 degrees Fahrenheit and hot rolled on a multi-stand bar mill. Depending on the bar diameter of the final size to be produced, the product of each billet may be cut to length and discharged from the bar mill in straight lengths for larger diameters, or formed into a coil and discharged from the mill in that form (known as wire rod) for smaller diameters. Depending on the capabilities of each mill and its finishing equipment, product smaller than approximately 1 inch in diameter is coiled, and larger product is discharged in straight lengths. The bar mills have rolls with grooves that form the desired shapes. Successive passes through the mill stands, which contain grooved rolls, progressively change the bar to the desired shape. When producing stainless steel concrete reinforcing bar, rolls in the final mill have special patterns in the grooves to form the ridges or deformations on the surface of the bars. The bar mills may also be used to produce nonsubject product such as stainless steel angle and wire rod, as well as products of other (non-stainless steel) alloys.

While most stainless steel bar is hot-formed by hot rolling on a bar mill, other methods of hot forming may be used to produce special sizes that may be too large to roll, or to form certain high-strength stainless steel grades that are difficult to roll. Large diameter rounds and large flat bars may be forged directly from an ingot or from a continuous cast billet on a forging press. Forging may be performed on either a forging press or a rotary forge. In a forging press, the steel is pressed repeatedly between a moving die and a fixed die, while the material is held in place by a manipulating machine. The steel is advanced and rotated to gradually form the desired shape. In a rotary forge, four hammers set at 90-degree angles simultaneously strike the steel. The steel is held by a manipulating machine while the forging machine rapidly and repeatedly strikes the steel with blows alternating between the two pairs of opposed hammers.

Regardless of the hot-forming method chosen, the hot-formed product, termed “black bar,” has a tight, dark oxide scale on the surface that must be removed for the steel to have the corrosion resistance of stainless steel. Hot-finished bar is transformed by several different finishing operations, which are discussed below.

Finishing

Flat bars, concrete reinforcing bars, and large hexagons are finished by descaling and straightening. The descaling is a combination of grit blasting and pickling (dipping in an acid solution) to remove the scale. Large diameter round bars are straightened and rough turned or peeled to remove surface scale. These products are considered to be hot-finished.

Round bars are cold-finished by either bar-to-bar processing or coil-to-bar processing, depending upon the diameter. Bar-to-bar processing, used for bar larger than approximately 1 inch in diameter, consists of straightening, turning, and either planishing[68] and centerless grinding, or belt polishing to yield a bright finish and close dimensional tolerance. Coil-to-bar

[68] Planishing is the smoothing of the surface by rolling with polished rolls. The resulting product is referred to as “smooth-turned.”

processing includes straightening the product and cutting to length, followed by turning, planishing, centerless grinding, or polishing. To produce round bars smaller than those that can be rolled, coiled product is descaled by blasting or pickling and cold-drawn through dies to reduce the bar diameter, followed by straightening, cutting to length, and centerless grinding, or polishing. Hexagonal and square bars are often cold-drawn in cut lengths, as are round bars in some cases.

Product that is either cold-drawn or centerless ground or polished is called cold-finished and has a bright, smooth surface finish and close dimensional tolerance, as well as improved mechanical properties. Some grades of stainless steel require annealing before cold finishing. In addition, some stainless steel bar products are sold in a hardened and tempered condition, which requires special heat-treatment.

DOMESTIC LIKE PRODUCT ISSUES

In its original determinations, the Commission defined the domestic like product as all stainless steel bar corresponding to Commerce's scope definition. The only domestic like product issue raised in the original investigations was whether hot-formed stainless steel bar and cold-finished stainless steel bar constituted separate like products. After conducting a semifinished product analysis, the Commission concluded that there existed no clear dividing line between hot-formed and cold-finished stainless steel bar and, thus, determined that there was one like product consisting of all stainless steel bar.[69] In the first, second, and third five-year reviews, the Commission determined that the domestic like product consisted of all stainless steel bar coextensive with Commerce's scope of the orders.[70]

In its notice of institution in these current five-year reviews, the Commission solicited comments from interested parties regarding the appropriate domestic like product and domestic industry.[71] According to their response to the notice of institution, the domestic interested parties agreed with the Commission's definition of the domestic like product as stated in prior reviews.[72] The Japanese respondent interested parties and Spanish respondent interested parties Acelarava and Olarra took no position at the time regarding the domestic like

[69] *Stainless Steel Bar from Brazil, India, Japan, and Spain, Investigation Nos. 731-TA-678, 679, 681, and 682 (Final),* USITC Publication 2856, February 1995, pp. I-5-I-9.

[70] *Stainless Steel Bar from Brazil, India, Japan, and Spain, Investigation Nos. 731-TA-678-679 and 68I-682 (Review),* USITC Publication 3404, March 2001, pp. 5-6; *Stainless Steel Bar From Brazil, India, Japan, and Spain, Investigation Nos. 731-TA-678, 679, 681, and 682 (Second Review),* USITC Publication 3895, January 2007, pp. 5-6; *Stainless Steel Bar from Brazil, India, Japan, and Spain, Investigation Nos. 731-TA-678, 679, 681, and 682 (Third Review),* USITC Publication 4341, July 2012, pp. 4-5.

[71] *Stainless Steel Bar From Brazil, India, Japan, and Spain; Institution of Five-Year Reviews,* 82 FR 30905, July 3, 2017.

[72] *Domestic Interested Parties' Response to the Notice of Institution,* August 2, 2017, p. 20.

product definition.[73] Spanish respondent interested party Sidenor agreed with the Commission's definition of the domestic like product.[74] No party requested that the Commission collect data concerning other possible domestic like products in their comments on the Commission's draft questionnaires. In their prehearing brief, domestic interested parties agreed with the definition of the domestic like product set forth in the original investigations.[75] No other interested party provided further comment on the domestic like product.

U.S. MARKET PARTICIPANTS

U.S. producers

During the final phase of the original investigations, the Commission received U.S. producer questionnaires from 11 firms. In 1993, Carpenter was the largest U.S. producer of stainless steel bar, with a *** percent share, by value, of U.S. shipments in that year. During the first five-year reviews, 12 firms supplied the Commission with information on their U.S. operations, which accounted for almost all production of stainless steel bar in the United States during 1999. During the second five-year reviews, eight firms, believed to account for the majority of U.S. production in 2005, provided the Commission with information on their U.S. operations with respect to stainless steel bar. During the third five-year reviews, the Commission received responses to the notice of institution from five firms, which accounted for approximately *** percent of production of stainless steel bar in the United States during 2010.[76]

In these current proceedings, the Commission issued U.S. producers' questionnaires to ten firms, eight of which provided the Commission with information on their stainless steel bar operations. These firms are believed to account for virtually all of U.S. production of stainless steel bar in 2017. Presented in tables I-9 and I-10 is a list of current domestic producers of stainless steel bar and each company's position on continuation of the orders, production locations, related and/or affiliated firms, and share of reported production of stainless steel bar in 2017.

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[73] *Japanese Respondent Interested Parties' Response to the Notice of Institution*, August 2, 2017, p. 20; *Acelarava Respondent Interested Party's Response to the Notice of Institution*, August 2, 2017, p. 14; and *Olarra Respondent Interested Party's Response to the Notice of Institution*, August 2, 2017, p. 10.

[74] *Sidenor Respondent Interested Party's Response to the Notice of Institution*, August 2, 2017, p. 9.

[75] Prehearing brief of domestic interested parties, pp. 4-5.

[76] *Investigation Nos. 731-TA-678, 679, 681, and 682 (Third Review): Stainless Steel Bar From Brazil, India, Japan, and Spain—Staff Report*, INV-DD-055, May 8, 2012, pp. I-18—I-20.

Table I-9
Stainless steel bar: U.S. producers, their position on continuation of the orders, location of production, and share of reported production, 2017

Firm	Position on continuation of the orders	Production location(s)	Share of production (percent)
Carpenter	***	Reading, PA Latrobe, PA McBee, SC Tanner, AL	***
Crucible	***	Solvay, NY	***
Electralloy	***	Oil City, PA Rouseville, PA Titusville, PA Watervliet, NY	***
Ellwood	***	Ellwood City, PA Corry, PA New Castle, PA New Castle, PA Irvine, PA	***
NAS	***[1]	Ghent, KY	***
Outokumpu	***	OS Bar Crenshaw Site, Richburg, SC OS Bar Colonels Point Site, Richburg, SC	***
Universal	***	Bridgeville, PA North Jackson, OH Dunkirk, NY	***
Valbruna	***	Fort Wayne, IN	***
Total			100.0

[1] ***.

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

Table I-10
Stainless steel bar: U.S. producers' ownership, related and/or affiliated firms

* * * * * * *

As indicated in table I-10, one U.S. producer is related to a foreign producer of stainless steel bar from a subject country. NAS is related to foreign Spanish producer Roldan through their parent company Acerinox.[77] As discussed in Part III, no U.S. producer reported either direct imports or purchases of stainless steel bar from subject countries.

[77] Acerinox website: http://www.acerinox.com/en/grupo-acerinox/quienes-somos/ (accessed June 26, 2018).

U.S. importers

During the final phase of the original investigations, the Commission received U.S. importer questionnaires from 40 firms, which accounted for more than 81 percent of total U.S. imports, by volume, of stainless steel bar from Brazil, India, Japan, and Spain during 1993.[78] During the first five-year reviews, the Commission received U.S. importer questionnaires from 17 firms, which accounted for "the great majority" of stainless steel bar imports from Brazil and Spain, and less than half of total U.S. imports of stainless steel bar from India and Japan during 1999.[79] During the second five-year reviews, the Commission received U.S. importer questionnaires from eight firms.[80] Although the Commission did not receive responses from any respondent interested parties in its third five-year reviews, the domestic interested parties provided a list of 22 firms that were believed to be possible importers of stainless steel bar from Brazil, India, Japan, and Spain in 2010.[81]

In the current proceedings, the Commission issued U.S. importers' questionnaires to 66 firms believed to be importers of stainless steel bar, as well as to U.S. producers of stainless steel bar. Usable questionnaire responses were received from 32 firms, representing 55.8 percent of total U.S. imports, and 80.7 percent of subject imports, during 2017. Table I-11 lists all responding U.S. importers of stainless steel bar from Brazil, India, Japan, Spain and other sources, their locations, and their shares of U.S. imports in 2017.

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[78] *Investigation Nos. 731-TA-678, 679, 681, and 682 (Final): Stainless Steel Bar From Brazil, India, Japan, and Spain—Staff Report*, INV-S-011, January 24, 1994, p. I-44.

[79] *Investigation Nos. 731-TA-678-679 and 681-682 (Review): Stainless Steel Bar From Brazil, India, Japan, and Spain—Staff Report*, INV-Y-034, February 23, 2001, pp. I-29—I-32.

[80] *Investigation Nos. 731-TA-678, 679, 681, and 682 (Second Review): Stainless Steel Bar From Brazil, India, Japan, and Spain—Staff Report*, INV-DD-157, November 14, 2006, pp. I-25—I-26.

[81] *Stainless Steel Bar from Brazil, India, Japan, and Spain, Investigation Nos. 731-TA-678, 679, 681, and 682 (Third Review),* USITC Publication 4341, July 2012, pp. 6-7.

Table I-11
Stainless steel bar: U.S. importers, sources of imports, U.S. headquarters, and shares of imports in 2017

Firm	Headquarters	Share of imports by source (percent)				
		Brazil	India, subject	Japan	Spain	Subject sources
Autocam	Kentwood, MI	***	***	***	***	***
A-Val	Mississauga, ON	***	***	***	***	***
Bosch	Farmington Hills, MI	***	***	***	***	***
Cogne	Fairfield, NJ	***	***	***	***	***
Comprinox	Petaluma, CA	***	***	***	***	***
Daido	Schaumburg, IL	***	***	***	***	***
DSS	Chicago, IL	***	***	***	***	***
Eaton	Cleveland, OH	***	***	***	***	***
Energy Steel	Houston, TX	***	***	***	***	***
Excel	Warrenville, IL	***	***	***	***	***
GE Steam	Schenectady, NY	***	***	***	***	***
Howco	Houston, TX	***	***	***	***	***
Kopo	Hazlet, NJ	***	***	***	***	***
Liaison	Norcross, GA	***	***	***	***	***
Magellan	Deerfield, IL	***	***	***	***	***
Outokumpu	Richburg, SC	***	***	***	***	***
Precision	Mumbai, India,	***	***	***	***	***
Roda	Buffalo Grove, IL	***	***	***	***	***
Sandvik	Clarks Summit, PA	***	***	***	***	***
Schmolz	Carol Stream, IL	***	***	***	***	***
Scot Industries	Lone Star, TX	***	***	***	***	***
SSA	Fife, WA	***	***	***	***	***
Tata	Schaumburg, IL	***	***	***	***	***
Toyota Tsusho	Georgetown, KY	***	***	***	***	***
TW Metals	Exton, PA	***	***	***	***	***
Ugitech France	Ugine - France,	***	***	***	***	***
Ugitech Italy	Peschiera Borromeo, IT	***	***	***	***	***
Valbruna	Fort Wayne, IN	***	***	***	***	***
Villares	Sumaré, SP	***	***	***	***	***
Viraj	New York, NY	***	***	***	***	***
Voestalpine Böhler	Kapfenberg,	***	***	***	***	***
Voestalpine High Performance	Elgin, IL	***	***	***	***	***
Total		***	***	***	***	***

Table continued on next page.

Table I-11 -- Continued
Stainless steel bar: U.S. importers, sources of imports, U.S. headquarters, and shares of imports in 2017

Firm	Share of imports by source (percent)			
	India, nonsubject	All other sources	Nonsubject sources	All import sources
Autocam	***	***	***	***
A-Val	***	***	***	***
Bosch	***	***	***	***
Cogne	***	***	***	***
Comprinox	***	***	***	***
Daido	***	***	***	***
DSS	***	***	***	***
Eaton	***	***	***	***
Energy Steel	***	***	***	***
Excel	***	***	***	***
GE Steam	***	***	***	***
Howco	***	***	***	***
Kopo	***	***	***	***
Liaison	***	***	***	***
Magellan	***	***	***	***
Outokumpu	***	***	***	***
Precision	***	***	***	***
Roda	***	***	***	***
Sandvik	***	***	***	***
Schmolz	***	***	***	***
Scot Industries	***	***	***	***
SSA	***	***	***	***
Tata	***	***	***	***
Toyota Tsusho	***	***	***	***
TW Metals	***	***	***	***
Ugitech France	***	***	***	***
Ugitech Italy	***	***	***	***
Valbruna	***	***	***	***
Villares	***	***	***	***
Viraj	***	***	***	***
Voestalpine Böhler	***	***	***	***
Voestalpine High Performance	***	***	***	***
Total	***	***	***	***

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

U.S. purchasers

The Commission received 16 questionnaire responses from purchasers of stainless steel bar.[82] Twelve responding purchasers are distributors, three are end users, and one is an end user and fabricator/finisher. In general, responding U.S. purchasers were located in the Midwest and Southern regions. Two firms indicated that they produce automotive components, one firm reported that it produces marine propulsion equipment, and one firm reported that it produces industrial valves and fittings. Large purchasers of stainless steel bar include ***.

APPARENT U.S. CONSUMPTION

Data concerning apparent U.S. consumption of stainless steel bar are shown in table I-12 and figure I-2.

Table I-12
Stainless steel bar: Apparent U.S. consumption, 2015-17, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Quantity (short tons)				
U.S. producers' U.S. shipments	148,898	135,876	159,287	37,954	42,876
U.S. imports from.--					
Brazil	2,499	2,165	2,380	549	412
India, subject	***	***	***	***	***
Japan[1]	***	***	***	***	***
Spain	472	2,256	1,196	450	5
Subject sources	***	***	***	***	***
India, nonsubject[2]	***	***	***	***	***
All other sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	160,770	123,542	160,317	34,893	42,699
Apparent consumption	309,668	259,418	319,604	72,847	85,575

Table continued on next page.

[82] Of the sixteen responding purchasers, fifteen purchased the domestic product, one purchased imports of the subject merchandise from Brazil, six purchased subject merchandise from India, two purchased subject merchandise from Japan, three purchased subject merchandise from Spain, and twelve purchased imports of product from other sources.

Table I-12 -- Continued
Stainless steel bar: Apparent U.S. consumption, 2015-17, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Value (1,000 dollars)				
U.S. producers' U.S. shipments	727,367	569,515	738,242	173,059	211,671
U.S. imports from.--					
Brazil	11,230	8,392	9,631	2,221	1,760
India, subject	***	***	***	***	***
Japan[1]	***	***	***	***	***
Spain	1,366	5,930	3,243	1,185	42
Subject sources	***	***	***	***	***
India, nonsubject[2]	***	***	***	***	***
All other sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	622,186	414,934	577,148	123,723	163,825
Apparent consumption	1,349,553	984,449	1,315,390	296,782	375,496

[1] Data have been adjusted to remove certain stainless steel bar products imported from Japan that are excluded from the subject order. These excluded products are included in the *All other sources* line.
[2] Includes imports from Venus and Viraj, which were excluded from the *India, subject* line.

Source: Compiled from data provided in response to Commission questionnaires, and from official U.S. import statistics and proprietary Customs records using HTS statistical reporting numbers 7222.11.0001, 7222.11.0006, 7222.11.0057, 7222.11.0059, 7222.11.0082, 7222.11.0084, 7222.19.0001, 7222.19.0006, 7222.19.0052, 7222.19.0054, 7222.20.0001, 7222.20.0006, 7222.20.0041, 7222.20.0043, 7222.20.0047, 7222.20.0049, 7222.20.0062, 7222.20.0064, 7222.20.0067, 7222.20.0069, 7222.20.0071, 7222.20.0073, 7222.20.0082, 7222.20.0084, 7222.20.0087, 7222.20.0089, 7222.30.0001, 7222.30.0012, 72223.00.022, 7222.30.0024, 7222.30.0082, and 7222.30.0084, accessed July 24, 2018. .

Figure I-2
Stainless steel bar: Apparent U.S. consumption, 2015-17, January to March 2017, and January to March 2018

* * * * * * *

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U.S. MARKET SHARES

U.S. market share data are presented in table I-13.

Table I-13
Stainless steel bar: Market shares, 2015-17, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Quantity (short tons)				
Apparent consumption	309,668	259,418	319,604	72,847	85,575
	Share of quantity (percent)				
U.S. producers' U.S. shipments	48.1	52.4	49.8	52.1	50.1
U.S. imports from.--					
Brazil	0.8	0.8	0.7	0.8	0.5
India, subject	***	***	***	***	***
Japan[1]	***	***	***	***	***
Spain	0.2	0.9	0.4	0.6	0.0
Subject sources	***	***	***	***	***
India, nonsubject[2]	***	***	***	***	***
All other sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	51.9	47.6	50.2	47.9	49.9
	Value (1,000 dollars)				
Apparent consumption	1,349,553	984,449	1,315,390	296,782	375,496
	Share of value (percent)				
U.S. producers' U.S. shipments	53.9	57.9	56.1	58.3	56.4
U.S. imports from.--					
Brazil	0.8	0.9	0.7	0.7	0.5
India, subject	***	***	***	***	***
Japan[1]	***	***	***	***	***
Spain	0.1	0.6	0.2	0.4	0.0
Subject sources	***	***	***	***	***
India, nonsubject[2]	***	***	***	***	***
All other sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	46.1	42.1	43.9	41.7	43.6

[1] Data have been adjusted to remove certain stainless steel bar products imported from Japan that are excluded from the subject order. These excluded products are included in the All other sources line.
[2] Includes imports from Venus and Viraj, which were excluded from the *India, subject* line.

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

Source: Compiled from data provided in response to Commission questionnaires, and from official U.S. import statistics and proprietary Customs records using HTS statistical reporting numbers 7222.11.0001, 7222.11.0006, 7222.11.0057, 7222.11.0059, 7222.11.0082, 7222.11.0084, 7222.19.0001, 7222.19.0006, 7222.19.0052, 7222.19.0054, 7222.20.0001, 7222.20.0006, 7222.20.0041, 7222.20.0043, 7222.20.0047, 7222.20.0049, 7222.20.0062, 7222.20.0064, 7222.20.0067, 7222.20.0069, 7222.20.0071, 7222.20.0073, 7222.20.0082, 7222.20.0084, 7222.20.0087, 7222.20.0089, 7222.30.0001, 7222.30.0012, 72223.00.022, 7222.30.0024, 7222.30.0082, and 7222.30.0084, accessed July 24, 2018.

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

U.S. MARKET CHARACTERISTICS

Stainless steel bar is used in a wide variety of industrial and specialized sectors including automotive, aerospace, oil and energy, and dairy and food processing. As a result of such widespread usage, demand for stainless steel bar is determined in large part by the level of general economic activity.

Despite a large decline in 2016, apparent U.S. consumption in 2017 was 3.2 percent higher than in 2015, and 17.5 percent higher in interim 2018 than in interim 2017. Apparent consumption of stainless steel bar has increased since the original investigations.[1] The share of imports in the U.S. market has increased from 29.2 percent of the U.S. market during the original investigations in 1993 to 50.2 percent of the U.S. market in 2017.[2]

CHANNELS OF DISTRIBUTION

In the original investigations and last full five-year reviews, both domestic and imported stainless steel bar was sold through distributors.[3] During the current reviews, U.S. producers continued to sell primarily to distributors (table II-1).[4] Stainless steel bar from Brazil was sold *** to end users, shipments from India went *** to distributors, shipments from Japan went *** to fabricators or finishers, and shipments from Spain went *** to distributors.

Table II-1
Stainless steel bar: U.S. producers' and importers' share of reported U.S. commercial shipments, by sources and channels of distribution, 2015-17, January - March 2017, and January - March 2018

* * * * * * *

[1] Apparent U.S. consumption was 202,375 short tons in 1993, 236,927 short tons in 1999, 295,751 short tons in 2005, 165,936 short tons in 2010, and 319,604 short tons in 2017. See table I-1.

[2] The share of total imports in the U.S. market was 36.9 percent in 1999, 42.1 percent in 2005, 65.5 percent in 2010, and 50.2 percent in 2017. See table I-1.

[3] *Stainless Steel Bar from Brazil, India, Japan, and Spain, Invs. Nos. 731-TA-678, 679, 681 and 682 (Final), USITC Publication 2856*, February 1995, p. II-29.

[4] *Stainless Steel Bar from Brazil, India, Japan, and Spain, Invs. Nos. 731-TA-678, 679, 681 and 682 (Second Review), USITC Publication 3895*, January 2007, p. II-1.

GEOGRAPHIC DISTRIBUTION

U.S. producers and importers of Indian product reported selling stainless steel bar to all regions in the continental United States whereas importers of product from Brazil, Japan, and Spain reported selling to more limited regions (table II-2). Imports from Brazil was reportedly sold to *** regions, imports from Japan were sold to the *** regions, and imported from Spain were sold to ***.

For U.S. producers, 5.7 percent of sales were within 100 miles of their production facility, 71.8 percent were between 101 and 1,000 miles, and 22.5 percent were over 1,000 miles. Importers sold 23.4 percent within 100 miles of their U.S. point of shipment, 38.7 percent between 101 and 1,000 miles, and 37.9 percent over 1,000 miles.

Table II-2
Stainless steel bar: Geographic market areas in the United States served by U.S. producers and importers

Region	U.S. producers	Subject U.S. importers			
		Brazil	India	Japan	Spain
Northeast	7	***	6	***	***
Midwest	8	***	6	***	***
Southeast	7	***	6	***	***
Central Southwest	7	***	7	***	***
Mountains	6	***	4	***	***
Pacific Coast	6	***	6	***	***
Other[1]	---	***	1	***	***
All regions (except Other)	6	***	4	***	***
Reporting firms	8	***	7	***	***

[1] All other U.S. markets, including AK, HI, PR, and VI.

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

SUPPLY AND DEMAND CONSIDERATIONS

U.S. supply

Eight U.S. producers and imports from Brazil, India, Japan, Spain, and nonsubject countries supply stainless steel bar to the U.S. market. Table II-3 provides a summary of the supply factors regarding stainless steel bar from U.S. producers and from subject countries.

Table II-3
Stainless steel bar: Supply factors that affect the ability to increase shipments to the U.S. market

Item	Capacity (1,000 short tons)		Capacity utilization (percent)		Inventories as a ratio to total shipments (percent)		Home market shipments in 2017 (percent)	Export shipments other than to the United States 2017 (percent)	Ability to shift to alternate products (number of firms reporting yes)
	2015	2017	2015	2017	2015	2017			
United States	***	***	***	***	***	***	***	***	4 of 8
Brazil	***	***	***	***	***	***	***	***	*** of 1
India[1]	135	150	38.2	38.7	5.9	6.3	40.9	57.4	6 of 9
Japan	***	***	***	***	***	***	***	***	4 of 4
Spain	***	***	***	***	***	***	***	***	2 of 3

[1] Nonsubject producer *** is not included in the data for India.

Note.-- Responding U.S. producers accounted for more than *** of U.S. production of stainless steel bar in 2017. Responding foreign producer/exporter firms accounted for virtually all of U.S. imports of stainless steel bar from Brazil and Spain during 2017, and less than half of U.S. imports of stainless steel bar from India and Japan during 2017. For additional data on the number of responding firms and their share of U.S. production and of U.S. imports from each subject country, please refer to Part I, "Summary Data and Data Sources."

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

Domestic production

Based on available information, U.S. producers of stainless steel bar have the ability to respond to changes in demand with moderate-to-large changes in the quantity of shipments of U.S.-produced stainless steel bar to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity and inventories, and the ability to shift production to or from alternate products. Factors mitigating responsiveness of supply include limited ability to shift shipments from alternate markets.

Although domestic capacity utilization increased by 3.7 percentage points during 2015-2017, the relatively low level of capacity utilization suggests that U.S. producers may have substantial ability to increase production of stainless steel bar in response to an increase in prices. U.S. producers' exports, as a percentage of total shipments, increased during 2015-17 but remained less than 10 percent of total shipments. Six of eight U.S. producers reported exports during 2015-17 and identified their primary export markets as Canada, China, Europe (including Italy and the United Kingdom), Japan, and Mexico.

Half of responding U.S. producers stated that they could switch production from stainless steel bar to other products. Other products that producers reportedly can produce on the same equipment as stainless steel bar include stainless steel billet, plate, forgings, wire rod,

and other nickel based alloy. Factors affecting U.S. producers' ability to shift production include business conditions, customer requirements, market demand for various products, and profitability of forging products.

Purchasers were asked to identify improvements or changes in the U.S. stainless steel bar industry since January 1, 2012. *** reported unspecified improvements in ***. *** reported that the U.S. industry has enhanced its metal seam detection by improving NDT equipment and processes. *** reported that the U.S. industry has added capacity for heat treating, forging, finishing, and ultrasonic inspection.

Subject imports from Brazil

Based on available information, producers of stainless steel bar from Brazil have the ability to respond to changes in demand with moderate changes in the quantity of shipments of stainless steel bar to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the ability to shift shipments from alternate markets, ***, and some inventories. A factors mitigating responsiveness of supply include relatively small overall capacity.

The sole responding Brazilian producer was Villares Metals SA ("Villares"). Villares' capacity *** from 2015 to 2017,[5] while its capacity utilization ***.[6] Villares' shipments to the Brazilian home market *** absolutely and as a share of total shipments from 2015 to 2017.[7] The share of shipments to the *** from 2015 to 2017. In 2017, Villares' largest export market for stainless steel bar was ***. GTA data indicates that the U.S. market is the largest export destination for Brazilian steel and that Argentina is the second largest export destination. Villares stated that it ***. Additionally, Villares reported a ***.

Villares stated that ***.

Subject imports from India

Based on available information, producers of stainless steel bar from India have the ability to respond to changes in demand with large changes in the quantity of shipments of stainless steel bar to the U.S. market. The main contributing factors to this degree of

[5] Villares Metals SA's capacity was *** percent *** in interim 2018 relative to interim 2017, while capacity utilization *** percentage points in interim 2018 relative to interim 2017.

[6] Domestic interested parties estimate that actual Brazilian capacity is larger by *** short tons than that reported in questionnaire responses. Hearing transcript, p. 52 and confidential hearing presentation, slide 4.

[7] The share of Brazilian producers' total shipments to the Brazilian home market decreased from *** percent in 2015 to *** percent in 2017, and was *** percentage points higher in interim 2018 relative to interim 2017.

responsiveness of supply are increasing capacity, the availability of unused capacity,[8] ability to shift shipments from alternate markets, and the ability to shift production to or from alternate products. Factors mitigating responsiveness of supply include limited availability of inventories.

Indian producers' capacity and capacity utilization increased from 2015 to 2017.[9] Indian producers' shipments to the Indian home market increased both absolutely and as a share of total shipments from 2015 to 2017.[10] Shipments to the European Union showed the largest growth 2015 to 2017. In 2017, the largest export market for stainless steel bar produced in India was Germany followed by Italy. Most Indian producers stated that they could not easily shift shipments to the U.S. market because of several factors. *** stated that its firm has no intention to sell in the U.S. market due to the 232 tariffs, which makes its price uncompetitive in the United States, as well as an inability to shift production capacity between other products, such as forgings and seamless pipe, without incurring substantial costs and idle machine time. *** reported that it would be difficult to establish business in the United States because it has lost contact with former customers in the United States and the 232 tariffs make it difficult to sell product in the U.S. market. ***, however, reported that it has served the U.S. market since 2015 and is slowly increasing its reach to U.S. customers.

Six of the nine responding Indian producers stated that they could switch production from stainless steel bar to other products. Other products that responding Indian producers reportedly can produce on the same equipment as stainless steel bar are steel alloy bars, steel wires, carbon and alloy steel bright round bars. Factors effecting Indian producers' ability to shift production include: global demand, capacity constraints, melting capacity limitations that make it difficult to shift production between downstream products without incurring substantial costs, idle machine time for other products such as forgings, and additional labor costs.

Subject imports from Japan

Based on available information, producers of stainless steel bar from Japan have the ability to respond to changes in demand with small-to-moderate changes in the quantity of shipments of stainless steel bar to the U.S. market. The main contributing factors to this degree of responsiveness of supply is the ability to shift production to or from alternate products.

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[8] Domestic interested parties estimate that Indian capacity is larger by *** short tons than that reported in questionnaire responses. Hearing transcript, p. 53 and confidential hearing presentation, slide 9.

[9] Indian producers' capacity was *** percent higher in interim 2018 relative to interim 2017, while capacity utilization increased by *** percentage points in interim 2018 relative to interim 2017.

[10] The share of Indian producers' total shipments to the Indian home market increased from *** percent in 2015 to *** percent in 2017, and was *** percentage points lower in interim 2018 relative to interim 2017.

Factors mitigating responsiveness of supply include limited availability of unused capacity and inventories, and limited ability to shift shipments from alternate markets.[11]

Japanese producers' capacity and capacity utilization increased from 2015 to 2017.[12] Japanese shipments to the Japanese home market increased both absolutely and as a share of total shipments from 2015 to 2017.[13] Shipments to all export markets declined from 2015 to 2017. In 2017, the largest export market for stainless steel bar produced in Japan was Thailand followed by China. Japanese producers stated that they could not easily shift shipments to the U.S. market because of high levels of domestic demand, a priority to supply long-term customers in Asian markets rather than establishing new customers in the U.S. market, limited manufacturing capability, and third-country trade actions.[14]

All four responding Japanese producers stated that they could switch production from stainless steel bar to other products. Other products that responding Japanese producers reportedly can produce on the same equipment as stainless steel bar are stainless steel shapes, round bar, carbon steel, alloy steel, and high carbon chrome bearing steel. Factors affecting Japanese producers' ability to shift production include the limited melting capacity that inhibits switching between out-of-scope products which are the firms' primary business focus and stainless steel bar, which is a secondary product line.

Subject imports from Spain

Based on available information, producers of stainless steel bar from Spain have the ability to respond to changes in demand with moderate changes in the quantity of shipments of stainless steel bar to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity, the ability to shift shipments from alternate markets, and the ability to shift production to or from alternate products.[15] Factors mitigating responsiveness of supply include limited availability of inventories.

Spanish producers' capacity decreased while capacity utilization increased from 2015 to 2017.[16] Spanish shipments to the Spanish home market fluctuated in absolute terms, but

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[11] Domestic interested parties estimate that actual Japanese capacity is larger by *** than reported in questionnaire responses. Hearing transcript, p. 54 and confidential hearing presentation, slide 15.

[12] Japanese producers' capacity was *** percent higher in interim 2018 relative to interim 2017, while capacity utilization decreased by *** percentage points in interim 2018 relative to interim 2017.

[13] The share of Japanese producers' total shipments to the Japanese home market *** percent in 2015 to *** percent in 2017, and was *** percentage points higher in interim 2018 relative to interim 2017.

[14] *** reported that Korea maintains antidumping duties on stainless steel bar at 15.39 percent.

[15] Domestic interested parties estimates that Spanish capacity is larger by *** short tons than what was reported in questionnaire responses. Hearing transcript, p. 55 and confidential hearing presentation, slide 19.

[16] Spanish producers' capacity was *** percent *** in interim 2018 relative to interim 2017, while capacity utilization *** percentage points in interim 2018 relative to interim 2017.

decreased as a share of total shipments from 2015 to 2017.[17] Shipments to markets other than *** showed the largest growth from 2015 to 2017. In 2017, the largest export market for stainless steel bar produced in Spain was Germany followed by Italy. Spanish producer *** stated that while it has the ability to shift shipments to the U.S. market, its production capacity is limited and it has a stable customer base primarily in Europe. *** reported that it ***. *** reported that ***.

Two of the three responding Spanish producers stated that they could switch production from stainless steel bar to other products. *** reported that it could switch to the production of ***. *** stated, ***. An additional factor affecting foreign producers' ability to shift production includes overall demand for stainless steel bar.

Imports from nonsubject sources

Nonsubject imports accounted for *** percent of total U.S. imports in 2017. The largest sources of nonsubject imports during 2017 were Italy, Taiwan, and Germany. Combined, these countries accounted for *** percent of nonsubject imports in 2017.

Supply constraints

The majority of responding purchasers reported no supply constraints since January 2012. However, purchaser *** reported that since the announcement of the section 232 investigations, domestic mills are running at capacity, and purchaser *** stated that firms were not able to meet its quality requirements.

Most U.S. producers reported no supply constraints since January 2012, although *** reported that *** and temporarily constrained its available supply. Most (19 of 27) importers also reported no supply constraints since January 2012. However, *** reported that it has fewer supply sources due to strategic changes in supplier marketing. U.S. importer *** reported that depending on the end-use, stainless steel bars may have to meet complex and multiple quality specifications; therefore, products which fail final inspection that result in scrapping a portion of the order or reproduction means that deliveries can be pushed out by half a year. *** reported that it cannot supply the U.S. market from its mill in *** due to the antidumping orders, but it does supply stainless steel bar to the United States from producers in nonsubject countries. *** reported delayed lead times contributed to supply constraints.

New suppliers

The majority of purchasers (13 of 16) indicated that no new suppliers have entered the U.S. market since January 1, 2015 nor did they anticipate new suppliers in the near future.

[17] The share of Spanish producers' total shipments to the Spanish home market *** percent in 2017, and was *** in interim 2018 relative to interim 2017.

However, three purchasers identified new entrants, including Jindal, Laxcon, Ambica (located in India), and Sidenor (located in Spain). Purchaser *** stated that new suppliers from Slovenia may enter the market since the country qualified as a Defense Federal Acquisition Regulation Supplement (DFARS)[18] country in 2016.

232 investigation

As discussed in Parts I and III, Section 232 tariffs (or quotas) apply to imports of steel articles, including stainless steel bar. Purchasers were asked if the 232 investigation and tariffs impacted the conditions of competition for stainless steel bar. Ten of 16 responding purchasers reported that the announcement of the 232 investigation in April 2017 impacted the conditions of competition for stainless steel bar, and 13 of 16 responding purchasers reported the imposition of 232 tariffs in March 2018 impacted the conditions of competition. Purchasers were also asked how the imposition of tariffs have affected or will affect their' sourcing decisions for stainless steel bar. Eight of 16 responding purchasers reported the imposition of tariffs would have no effect on their decision to purchase from domestic sources. Other purchasers reported that the market price of stainless steel bar would increase or that they would increase domestic purchases as long as lead times did not increase. The majority of responding purchasers reported that their firms did not purchase stainless steel bar from Brazil, Japan, India, or Spain, or that the tariffs would have no effect. One purchaser *** reported that the 232 tariffs would remove Indian stainless steel bar from the U.S. market, and another purchaser *** reported that it would still purchase Indian product but at a reduced level.

U.S. demand

Based on available information, the overall demand for stainless steel bar is likely to experience small changes in response to changes in price. The main contributing factors are the limited range of substitute products and the small-to-moderate cost share of stainless steel bar in most of its end-use products.

End uses and cost share

U.S. demand for stainless steel bar depends on the demand for U.S.-produced downstream products. Reported end uses include oil and gas equipment, aerospace

[18] The Department of Defense amended the DFARS to add Japan and Slovenia as qualifying countries. The Secretary of Defense signed reciprocal defense procurement agreements with Japan and Slovenia which were placed into force on June 4, 2016, for Japan and June 21, 2016, for Slovenia. The agreements remove discriminatory barriers to procurements of supplies and services produced by industrial enterprises of the other country to the extent mutually beneficial and consistent with national laws, regulations, policies, and international obligations. These agreements do not cover construction or construction material. Japan and Slovenia are already designated countries under the World Trade Organization Government Procurement Agreement. *Defense Federal Acquisition Regulation Supplement: New Qualifying Countries-Japan and Slovenia (DFARS Case 2016-D023)*, 81 FR 50650, August 2, 2016.

components, fire arms, industrial fitting and valves, hydraulic and pneumatic cylinders, aircraft, boat and automotive parts. The vast majority of U.S. producers, importers, and purchasers reported no changes in end uses since 2012 and did not anticipate any changes in end uses. Only two importers indicated changes in end uses, noting an increase in stainless steel bar use in aerospace and oil and gas applications. One importer stated that the demand for gasoline direct injection has increased since 2012 which has resulted in domestic production of component machinery that use stainless steel bar. Three importers anticipated increased demand for stainless steel bar.

Stainless steel bar generally accounts for a small-to-moderate share of the cost of most of the end-use products in which it is used, although the share can vary considerably depending on the end use. Reported cost shares for some end uses were as follows:

- 25 to 60 percent for oil and gas applications
- 5 to 30 percent for aerospace components
- 25 percent for fire arms
- 28 to 31 percent for fittings and valves
- 50 to 98 percent for engine valves

Business cycles

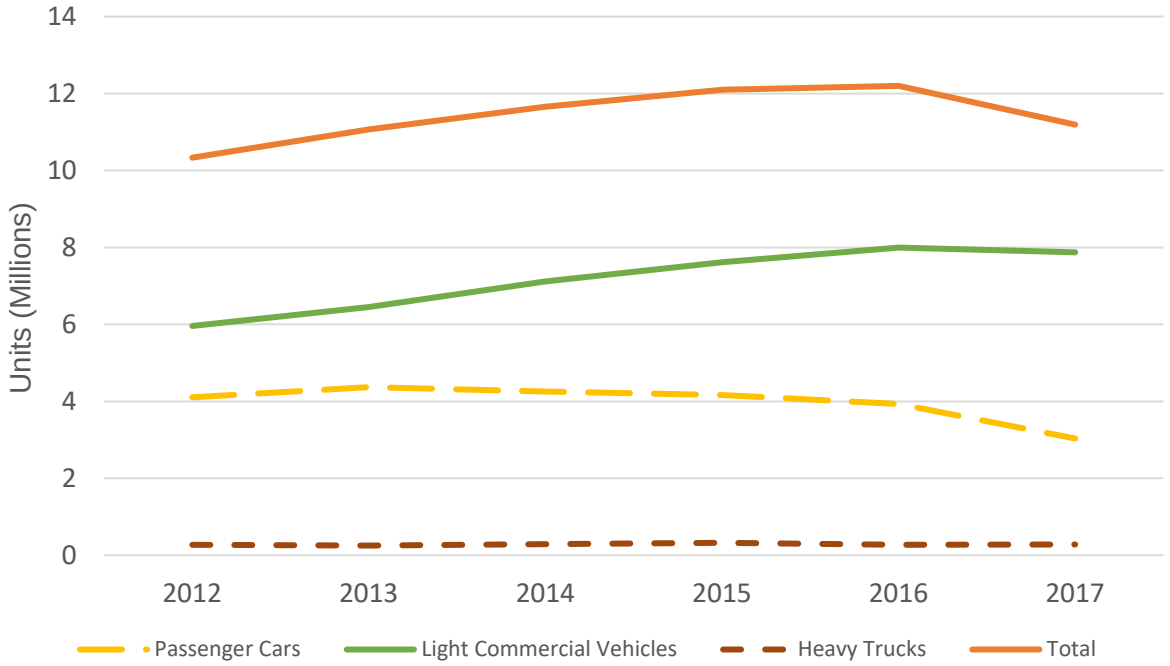
The majority firms reported that stainless steel bar market was not subject to business cycles or unique conditions of competition. However, 1 of 8 U.S. producers, 14 of 29 responding importers, and 5 of 16 purchasers indicated that there were business cycles or conditions of competition in the market. Specifically, firms reported that demand for automotive parts and oil and gas products was seasonal, but also dependent on the trends within the transportation industry.

Demand trends

U.S. demand for stainless steel bar depends primarily on the level of demand for downstream products using stainless steel bar. Stainless steel bars are used to make cylinders, shafts, fittings, fasteners, and other parts used in a variety of industries including automotive, aerospace, dairy, food processing, energy, and chemical.

Between 2012 and 2017, overall U.S. vehicle production increased by 8.3 percent, with increases in each year from 2012 to 2016, and a decrease in 2017. U.S. passenger car production decreased by 26.1 percent, U.S. light commercial vehicle production increased by 32.1 percent, and U.S. truck production increased by 4.8 percent (figure II-1).

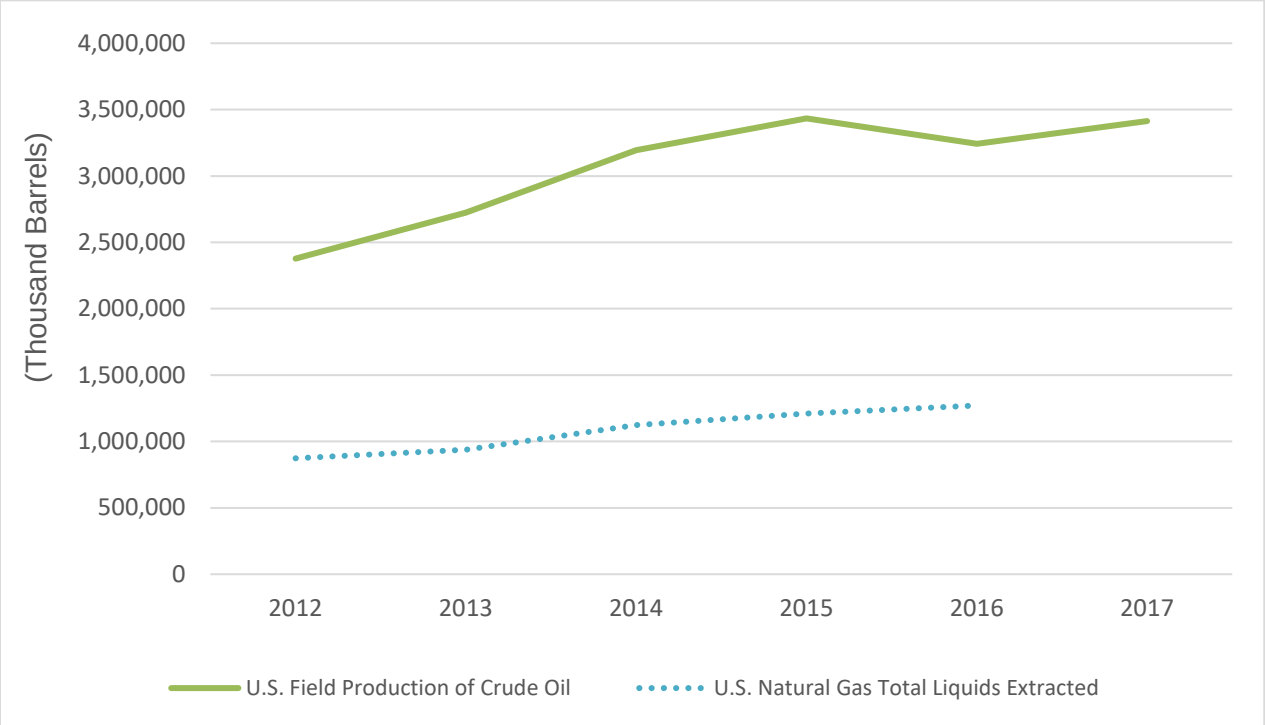
Figure II-1
Annual U.S. passenger car and truck production, 2012-17



Source: International Organization of Motor Vehicle Manufacturers, retrieved June 12, 2018.

The oil and natural gas sectors experienced steady growth, with crude oil production increasing by 44 percent during 2012-17 and natural gas extraction increasing by 46 percent during 2012-16 (figure II-2). The number of oil and gas production rigs declined from 2,007 in January 2012 to 1,048 in July 2018. This represented a decrease of 91 percent in the total number of active oil and gas producing rigs in the United States (figure II-3).

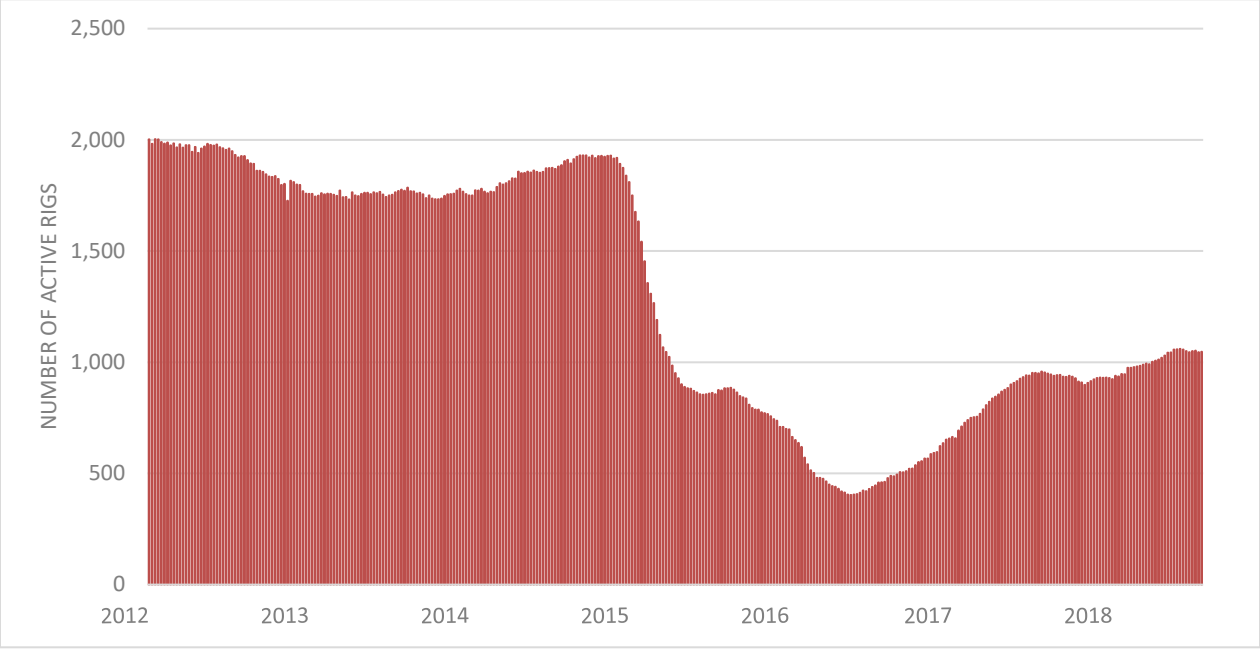
Figure II-2
Annual U.S. crude oil and natural gas production, 2012-17



Note.--2017 natural gas extraction data not available.

Source: Energy Information Administration, retrieved June 12, 2018.

Figure II-3
Annual number of active U.S. oil and gas production rigs, January 2012-July 2018



Source: American Oil and Gas Reporter, retrieved July 31, 2018.

Most firms reported an increase in U.S. demand for stainless steel bar since January 1, 2012 (table II-4). Firms expect demand to increase over the next two years. Domestic interested parties stated that demand for stainless steel bar generally follows the general trends of the overall U.S. economy, but specifically the aerospace, automotive, industrial, and consumer sectors.[19] Respondent interested parties Daido Steel Co., Ltd., Aichi Steel Corporation, and Sanyo Special Steel Co., Ltd. noted that demand for stainless steel bar is expected to increase overall due to anticipated growth in the automotive, consumer goods, and oil and gas sectors.[20]

Table II-4
Stainless steel bar: Firms' responses regarding U.S. demand

Item	Number of firms reporting (count)			
	Increase	No change	Decrease	Fluctuate
Demand in the United States:				
U.S. producers	4	---	---	4
Importers	20	---	2	7
Purchasers	6	3	2	3
Foreign producers	5	5	1	4
Anticipated future demand in the United States:				
U.S. producers	4	1	---	3
Importers	14	4	1	10
Purchasers	8	3	---	3
Foreign producers	4	5	1	5
Demand for purchasers' final products:				
Purchasers	5	---	1	1

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

Substitute products

Substitutes for stainless steel bars are limited. All responding U.S. producers and most responding importers and purchasers reported that there were no substitutes and did not anticipate any changes in substitutes. A few firms stated that alloy steel bars were a substitute.

SUBSTITUTABILITY ISSUES

The degree of substitution between domestic and imported stainless steel bar depends upon such factors as relative prices, quality (e.g., grade standards, defect rates, etc.), and conditions of sale (e.g., price discounts/rebates, lead times between order and delivery dates, reliability of supply, product services, etc.). Based on available data, staff believes that there is a

[19] Domestic interested parties' response to the notice of institution, p. 19.
[20] Respondent interested parties Daido Steel Co., Ltd., Aichi Steel Corporation, and Sanyo Special Steel Co., Ltd. response to the notice of institution, p. 11.

moderate degree of substitutability between domestically produced stainless steel bar and stainless steel bar imported from subject sources.

Lead times

Most U.S.-produced stainless steel bar is produced-to-order, whereas most subject imports were sold from inventory. U.S. producers reported that 82.7 percent of their commercial shipments were produced-to-order, with lead times averaging 75 days. The remainder came from inventories, with lead times averaging 3.1 days. Importers reported that 87.6 percent of their commercial shipments were from U.S. inventories, with lead times averaging 3 days. Importers reported that 9.6 percent of their commercial shipments were produced-to-order, with lead times averaging 139 days and the remaining 2.8 percent from foreign inventories with lead times of 80 days.

Knowledge of country sources

All 16 responding purchasers indicated they had marketing/pricing knowledge of domestic product, 2 of product from India, and 9 of product from nonsubject countries.[21]

As shown in table II-5, most purchasers and their customers sometimes make purchasing decisions based on the producer or country of origin. Of the five purchasers that reported that they always make decisions based on the manufacturer, *** stated that it considers quality, *** reported that it always wants to know the producing mill, and *** stated that it purchases from its related companies in ***. *** reported that it bases its decision on attributes of the producer rather than the country of origin.

Table II-5
Stainless steel bar: Purchasing decisions based on producer and country of origin

Decision	Always	Usually	Sometimes	Never
Purchases based on producer: Purchaser's decision	5	2	6	3
Purchaser's customer's decision	---	1	11	2
Purchases based on country of origin: Purchaser's decision	2	3	5	6
Purchaser's customer's decision	---	1	10	3

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

[21] Firms did not report having marketing/pricing knowledge of Brazilian, Spanish, or Japanese product.

Factors affecting purchasing decisions

The most often cited top three factors firms consider in their purchasing decisions for stainless steel bar were price (14 firms), quality (13 firms), and lead time/delivery (9 firms) as shown in table II-6. Quality was the most frequently cited first-most important factor (cited by 9 firms), followed by price (2 firms); price was the most frequently reported second-most important factor (8 firms), followed by quality/performance (4 firms); and lead time/delivery was the most frequently reported third-most important factor (6 firms), followed by price (4 firms).

Table II-6
Stainless steel bar: Ranking of factors used in purchasing decisions as reported by U.S. purchasers, by factor

Decision	1st	2nd	3rd	Total
	Number of firms			
Price/cost	2	8	4	14
Quality/performance	9	4	---	13
Availability/supply	1	1	1	3
Lead time/delivery	---	3	6	9
Other factors[1]	4	---	5	9

[1] Other factors include the range of a supplier's product lines and contracts.

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

The majority of purchasers (10 of 16) reported that they sometimes purchase the lowest-priced product, five reported that they usually do, and one purchaser reported that it never purchases the lowest-priced product. Six of 16 purchasers reported that certain grades/types/sizes of stainless steel bar were only available from certain country sources. One purchaser identified Cronidur 30, .200 thru 10" but did not identify the country source. One purchaser stated that the availability of hot-rolled bar and CD flats are limited in the United States. One purchaser reported the stainless steel Duplex grades that are NORSOK approved are only available in the EU. One purchaser reported that not all domestic suppliers are qualified to make all sizes of 316 stainless steel bar.

Importance of specified purchase factors

Purchasers were asked to rate the importance of 15 factors in their purchasing decisions (table II-7). The factors rated as very important by more than half of responding purchasers were quality meets industry standards and reliability of supply (16 each); availability, price, and product consistency (15 each); delivery time and quality exceeds industry standards (12 each).

Table II-7
Stainless steel bar: Importance of purchase factors, as reported by U.S. purchasers, by factor

Factor	Number of firms reporting		
	Very important	Somewhat important	Not important
Availability	15	1	---
Delivery terms	9	6	1
Delivery time	12	4	---
Discounts offered	4	10	2
Extension of credit	5	3	8
Minimum quantity requirements	4	8	4
Packaging	7	4	5
Price	15	1	---
Product consistency	15	1	---
Product range	8	7	1
Quality meets industry standards	16	---	---
Quality exceeds industry standards	12	4	---
Reliability of supply	16	---	---
Technical support/service	9	7	---
U.S. transportation costs	7	9	---

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

Supplier certification

All responding purchasers require their suppliers to become certified or qualified to sell stainless steel bar to their firm. Purchasers reported that the time to qualify a new supplier ranged from 3 to 180 days.[22] One *** of sixteen purchasers reported that a domestic or foreign supplier had failed in its attempt to qualify product, or had lost its approved status since January 1, 2012.

Changes in purchasing patterns

Purchasers were asked about changes in their purchasing patterns from different sources since 2012 (table II-8); most firms reported that their purchases from all country sources have remained unchanged since 2012. Reasons reported for changes in sourcing included: market growth, increased demand in aerospace market, desire for supply diversification to decrease supply chain risk, and inability to meet specifications.

[22] *** reported a longer than average length qualification process. The firm explained ***. See email to staff from ***, May 30, 2018.

Table II-8
Stainless steel bar: Changes in purchase patterns from U.S., subject, and nonsubject countries

Factor	Did not purchase	Decreased	Increased	Constant	Fluctuated
United States	---	---	5	9	2
Brazil	12	1	---	1	---
India	9	1	---	4	---
Japan	11	1	---	2	---
Spain	11	1	---	2	---
All other countries	4	---	4	9	1
Sources unknown	5	---	---	4	---

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

Six of 16 responding purchasers reported that they had changed suppliers since January 1, 2012. One purchaser added or increased purchases from Universal Stainless and Alloy Products for purchases of high purity commodities in order to diversify its supply chain and one purchaser added Valbruna Steel as part of a new program. One purchaser stopped purchasing from Indian nonsubject producer *** due to poor quality and delivery issues. Two purchasers reported that they periodically reevaluate suppliers and make changes based on price, quantity, and delivery performance.

Importance of purchasing domestic product

Fourteen of the 16 responding purchasers reported that most or all of their purchases did not require purchasing U.S.-produced product. Eight firms reported that domestic product was required by law (for 5 to 30 percent of their purchases), nine reported it was required by their customers (for 1 to 50 percent of their purchases), and four reported other preferences for domestic product. One purchaser stated that only domestic producers are qualified to make its product.

Comparisons of domestic products, subject imports, and nonsubject imports

Purchasers were asked a number of questions comparing stainless steel bar produced in the United States, subject countries, and nonsubject countries. First, purchasers were asked for a country-by-country comparison on the same 15 factors (table II-9) for which they were asked to rate the importance.

Most purchasers reported that U.S. and Brazilian product were comparable on all factors except for availability, delivery terms, delivery time, minimum quantity requirements (for which most purchasers rated domestic product superior), and price (for which most purchasers rated Brazilian product superior). Purchasers' responses were split for discounts and product range.

Most purchasers reported that U.S. and Indian product were comparable on most factors. Purchasers' responses were mixed for minimum availability, delivery time, product range, and quantity requirements.

Most purchasers reported that U.S. and Japanese product were comparable on all factors except for availability, delivery time, and product range (for which most purchasers rated domestic product superior). Purchasers' responses were split for discounts offered, minimum quantity requirements, and technical service.

Most purchasers reported that U.S. and Spanish product were comparable on all factors except for availability for which purchasers' responses were split.

Most purchasers reported that stainless steel bar from subject countries were comparable on all factors. Most purchasers reported that U.S. product and product from nonsubject sources were comparable on all factors.

Table II-9
Stainless steel bar: Purchasers' comparisons between U.S.-produced and imported product

Factor	Number of firms reporting								
	U.S. vs. Brazil			U.S. vs. India			U.S. vs. Japan		
	S	C	I	S	C	I	S	C	I
Availability	3	1	---	3	3	1	2	1	1
Delivery terms	2	1	1	1	5	1	1	2	1
Delivery time	3	1	---	3	3	1	2	1	1
Discounts offered	---	2	2	---	5	2	---	2	2
Extension of credit	---	3	---	1	5	1	---	4	---
Minimum quantity requirements	2	1	---	3	3	1	2	2	---
Packaging	1	2	---	1	4	1	1	3	---
Price[1]	---	1	2	1	3	3	---	3	1
Product consistency	1	2	---	1	5	---	1	3	---
Product range	1	1	1	1	3	3	2	1	1
Quality meets industry standards	---	3	---	---	6	1	---	4	---
Quality exceeds industry standards	1	2	---	1	4	2	1	3	---
Reliability of supply	1	2	---	2	3	1	1	2	---
Technical support/service	1	2	---	1	4		2	2	---
U.S. transportation costs[1]	---	3	1	---	6	1	1	2	1
Factor	**U.S. vs. Spain**			**Brazil vs India**			**Brazil vs Japan**		
	S	C	I	S	C	I	S	C	I
Availability	1	1	1	---	2	---	---	2	---
Delivery terms	1	2	---	---	2	---	---	2	---
Delivery time	1	2	---	---	2	---	---	2	---
Discounts offered	---	2	1	---	2	---	---	2	---
Extension of credit	---	3	---	---	2	---	---	2	---
Minimum quantity requirements	1	2	---	---	2	---	---	2	---
Packaging	1	2	---	---	2	---	---	2	---
Price[1]	---	2	1	---	2	---	---	2	---
Product consistency	1	2	---	---	2	---	---	2	---
Product range	1	2	---	---	2	---	---	2	---
Quality meets industry standards	---	3	---	---	2	---	---	2	---
Quality exceeds industry standards	1	2	---	---	2	---	---	2	---
Reliability of supply	1	2	---	---	2	---	---	2	---
Technical support/service	1	2	---	---	2	---	---	2	---
U.S. transportation costs[1]	---	3	---	---	2	---	---	2	---

Table continued on next page.

Table II-9 – Continued
Stainless steel bar: Purchasers' comparisons between U.S.-produced and imported product

Factor	Number of firms reporting								
	Brazil vs. Spain			India vs. Japan			India vs. Spain		
	S	C	I	S	C	I	S	C	I
Availability	---	2	---	1	2	---	---	2	---
Delivery terms	---	2	---	---	2	---	---	2	---
Delivery time	---	2	---	---	2	---	---	2	---
Discounts offered	---	2	---	---	2	---	---	2	---
Extension of credit	---	2	---	---	2	---	---	2	---
Minimum quantity requirements	---	2	---	---	2	---	---	2	---
Packaging	---	2	---	---	2	---	---	2	---
Price[1]	---	2	---	---	2	---	---	2	---
Product consistency	---	2	---	---	2	1	---	2	---
Product range	---	2	---	---	2	---	---	2	---
Quality meets industry standards	---	2	---	---	2	1	---	2	---
Quality exceeds industry standards	---	2	---	---	1	1	---	2	---
Reliability of supply	---	2	---	---	2	---	---	2	---
Technical support/service	---	2	---	---	2	---	---	2	---
U.S. transportation costs[1]	---	2	---	---	2	---	---	2	---

Factor	Japan vs. Spain			United States vs. Nonsubject			Brazil vs. Nonsubject		
	S	C	I	S	C	I	S	C	I
Availability	---	2	---	2	6	---	---	2	---
Delivery terms	---	2	---	3	5	---	---	2	---
Delivery time	---	2	---	4	4	---	---	2	---
Discounts offered	---	2	---	1	6	1	---	2	---
Extension of credit	---	2	---	2	5	1	---	2	---
Minimum quantity requirements	---	2	---	1	6	1	---	2	---
Packaging	---	2	---	1	7	---	---	2	---
Price[1]	---	2	---	1	5	2	---	2	---
Product consistency	---	2	---	1	6	1	---	2	---
Product range	---	2	---	1	6	1	---	2	---
Quality meets industry standards	---	2	---	---	8	---	---	2	---
Quality exceeds industry standards	---	2	---	1	7	---	---	2	---
Reliability of supply	---	2	---	3	5	---	---	2	---
Technical support/service	---	2	---	3	5	---	---	2	---
U.S. transportation costs[1]	---	2	---	1	7	---	---	2	---

Table continued on next page.

Table II-9 -- Continued
Stainless steel bar: Purchasers' comparisons between U.S.-produced and imported product

Factor	Number of firms reporting								
	India vs. Nonsubject			Japan vs. Nonsubject			Spain vs. Nonsubject		
	S	C	I	S	C	I	S	C	I
Availability	---	4	---	---	2	---	---	2	---
Delivery terms	---	3	---	---	2	---	---	2	---
Delivery time	---	3	1	---	2	---	---	2	---
Discounts offered	---	4	---	---	2	---	---	2	---
Extension of credit	---	4	---	---	2	---	---	2	---
Minimum quantity requirements	1	3	---	---	2	---	---	2	---
Packaging	---	4	---	---	2	---	---	2	---
Price[1]	2	2	---	---	2	---	---	2	---
Product consistency	---	4	---	---	2	---	---	2	---
Product range	---	4	---	---	2	---	---	2	---
Quality meets industry standards	---	3	1	---	2	---	---	2	---
Quality exceeds industry standards	---	2	2	---	2	---	---	2	---
Reliability of supply	---	3	1	---	2	---	---	2	---
Technical support/service	---	3	1	---	2	---	---	2	---
U.S. transportation costs[1]	---	4	---	---	2	---	---	2	---

[1] A rating of superior means that price/U.S. transportation costs is generally lower. For example, if a firm reported "U.S. superior," it meant that the U.S. product was generally priced lower than the imported product.

Note.--S=first listed country's product is superior; C=both countries' products are comparable; I=first list country's product is inferior.

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

Comparison of U.S.-produced and imported stainless steel bar

In order to determine whether U.S.-produced stainless steel bar can generally be used in the same applications as imports from Brazil, India, Japan, and Spain, U.S. producers, importers, and purchasers were asked whether the products can always, frequently, sometimes, or never be used interchangeably. As shown in table II-10, the majority of U.S. producers reported that domestic product and stainless steel bar from subject countries were always interchangeable, while importers' responses varied by country comparisons and purchasers reported product as frequently or sometimes interchangeable.

Table II-10
Stainless steel bar: Interchangeability between stainless steel bar produced in the United States and in other countries, by country pair

Country pair	U.S. producers				U.S. importers				U.S. purchasers			
	A	F	S	N	A	F	S	N	A	F	S	N
United States vs. Brazil	6	2	---	---	4	5	5	---	---	2	2	---
United States vs. India	6	2	---	---	6	6	5	1	---	4	4	---
United States vs. Japan	6	2	---	---	4	4	7	---	---	3	2	---
United States vs. Spain	6	2	---	---	4	5	5	1	---	2	3	---
Brazil vs. India	6	2	---	---	4	4	2	3	2	1	---	---
Brazil vs. Japan	6	2	---	---	3	4	5	---	1	2	---	---
Brazil vs. Spain	6	2	---	---	3	4	1	4	1	2	---	---
India vs. Japan	6	2	---	---	3	3	3	3	1	1	2	---
India vs. Spain	6	2	---	---	3	6	2	1	1	1	2	---
Japan vs. Spain	6	2	---	---	3	4	2	3	2	1	1	---
Brazil vs. Other	6	2	---	---	3	9	4	---	1	1	---	---
India vs. Other	6	2	---	---	3	8	3	2	1	2	1	---
Japan vs. Other	6	2	---	---	3	9	4	---	1	1	1	---

Note.-- A=Always, F=Frequently, S=Sometimes, N=Never.

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

U.S. importers *** indicated that U.S. product and that from Brazil, India, Japan, and Spain are sometimes interchangeable depending on customer requirements including requirements for DFAR certified material and OEM requirements. Additionally, several firms noted that Austria and Brazil produce material to meet rigorous global OEM customer specifications, for use in oil and gas, aircraft, and automotive end uses, whereas India and Spain produce commodity grade products. U.S. importer *** reported that U.S. product and Japanese product were sometimes interchangeable but that Spanish product were never interchangeable with U.S. or Japanese product due to better melt practices in the U.S. and Japan with fewer additives that make the product easier to machine without reducing corrosion resistance. *** indicated that U.S. product and Indian product were never interchangeable

due to different mechanical properties. *** reported that U.S. product did not meet its customers' standards and was rarely interchanged with Japanese product.

As can be seen from table II-11, all purchasers reported that domestically produced product always or usually met minimum quality specifications. Purchasers' responses for Brazil and Spain were split with half reporting that product from these countries usually met minimum quality specifications and half reporting that product from these countries sometimes met minimum quality specifications. Most responding purchasers reported that stainless steel bar from Japan and India usually met minimum quality specifications.

Table II-11
Stainless steel bar: Ability to meet minimum quality specifications, by source[1]

Factor	Always	Usually	Sometimes	Rarely or never
United States	7	9	---	---
Brazil	---	1	1	---
India	---	4	3	---
Japan	---	3	1	---
Spain	---	2	2	---
Other	2	10	1	---

[1] Purchasers were asked how often domestically produced or imported stainless steel bar meets minimum quality specifications for their own or their customers' uses.

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

In addition, producers, importers, and purchasers were asked to assess how often differences other than price were significant in sales of stainless steel bar from the United States, subject, or nonsubject countries. As seen in table II-12, most U.S. producers reported that differences other than price were never significant in sales of stainless steel bar from the United States, subject, or nonsubject countries. Importers' responses varied by country comparisons. Most purchasers reported that differences other than price were sometimes significant in purchases of stainless steel bar from the United States, subject, or nonsubject countries.

Table II-12
Stainless steel bar: Significance of differences other than price between stainless steel bar produced in the United States and in other countries, by country pair

Country pair	U.S. producers				U.S. importers				U.S. purchasers			
	A	F	S	N	A	F	S	N	A	F	S	N
United States vs. Brazil	---	---	2	6	1	4	4	3	1	1	2	---
United States vs. India	---	---	2	6	1	4	6	7	1	2	4	---
United States vs. Japan	---	---	2	6	2	1	8	2	1	---	2	1
United States vs. Spain	---	---	2	6	1	2	4	6	1	---	3	1
Brazil vs. India	---	---	2	6	1	3	2	5	1	---	2	1
Brazil vs. Japan	---	---	2	6	---	4	4	2	1	---	2	---
Brazil vs. Spain	---	---	2	6	3	3	2	2	1	---	2	1
India vs. Japan	---	---	2	6	2	3	3	2	1	1	2	---
India vs. Spain	---	---	2	6	1	2	2	5	1	1	2	---
Japan vs. Spain	---	---	2	6	2	3	3	2	1	---	2	1
Brazil vs. Other	---	---	2	6	2	5	5	2	1	---	2	---
India vs. Other	---	---	2	6	4	5	3	2	1	1	3	---
Japan vs. Other	---	---	2	6	2	5	5	2	1	---	3	---

Note.--A = Always, F = Frequently, S = Sometimes, N = Never.

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

ELASTICITY ESTIMATES

This section discusses elasticity estimates. Parties did not comment on these estimates.

U.S. supply elasticity

The domestic supply elasticity[23] for stainless steel bar measures the sensitivity of the quantity supplied by U.S. producers to changes in the U.S. market price of stainless steel bar. The elasticity of domestic supply depends on several factors including the level of excess capacity, the ease with which producers can alter capacity, producers' ability to shift to production of other products, the existence of inventories, and the availability of alternate markets for U.S.-produced stainless steel bar. Analysis of these factors above indicates that the U.S. industry is likely to be able to at least somewhat increase or decrease shipments to the U.S. market; an estimate in the range of 3 to 6 is suggested.

U.S. demand elasticity

The U.S. demand elasticity for stainless steel bar measures the sensitivity of the overall quantity demanded to a change in the U.S. market price of stainless steel bar. This estimate

[23] A supply function is not defined in the case of a non-competitive market.

depends on factors discussed above such as the existence, availability, and commercial viability of substitute products, as well as the component share of the stainless steel bar in the production of any downstream products. Based on the available information, the aggregate demand for stainless steel bar is likely to be inelastic; a range of –0.5 to –1.0 is suggested.

Substitution elasticity

The elasticity of substitution depends upon the extent of product differentiation between the domestic and imported products.[24] Product differentiation, in turn, depends upon such factors as quality (e.g., chemistry, appearance, etc.) and conditions of sale (e.g., availability, sales terms/ discounts/ promotions, etc.). Based on available information, the elasticity of substitution between U.S.-produced stainless steel bar and imported stainless steel bar is likely to be in the range of 2.5 to 4.

[24] The substitution elasticity measures the responsiveness of the relative U.S. consumption levels of the subject imports and the domestic like products to changes in their relative prices. This reflects how easily purchasers switch from the U.S. product to the subject products (or vice versa) when prices change.

PART III: CONDITION OF THE U.S. INDUSTRY

OVERVIEW

The information in this section of the report was compiled from responses to the Commission's questionnaires. Eight firms, which accounted for virtually all U.S. production of stainless steel bar during 2017, supplied information on their operations in these reviews on stainless steel bar.[1]

During the final phase of the original investigations, the Commission received U.S. producer questionnaires from 11 firms. In 1993, Carpenter was the largest U.S. producer of stainless steel bar, with a *** percent share, by value, of U.S. shipments in that year.

During the first five-year reviews, 12 firms supplied the Commission with information on their U.S. operations, which accounted for almost all production of stainless steel bar in the United States during 1999.[2] Carpenter purchased Talley's stainless steel bar operations in 1998, and remained the largest producer of stainless steel bar in the United States, accounting for *** percent of reported U.S. production in 1999.

During the second five-year reviews, eight firms, believed to account for the majority of U.S. production in 2005, provided the Commission with information on their U.S. operations with respect to stainless steel bar. In 1997, Empire/AL Tech filed for bankruptcy, and in 1999, its assets were liquidated, and its production facility in Dunkirk, New York, was purchased by Universal Stainless in 2003. In 2000, Republic closed its stainless steel bar production facilities. In 2001, Avesta merged and became part of Outokumpu. In 2002, Handy & Harman closed its stainless wire plant, and in 2005, closed its specialty wire unit, resulting in their ceasing of stainless steel bar production. In 2003, Slater filed for bankruptcy. In 2003, NAS constructed and began production of stainless steel bar at its Ghent, Kentucky, production facility. In 2004, Acciaerie Valbruna, S.p.A. of Vicenza, Italy, purchased Slater's stainless steel production facility in Fort Wayne, Indiana, and resumed production, albeit at a reduced volume. During the second five-year reviews, Carpenter remained the largest producer of stainless steel bar in the United States, accounting for *** percent of reported production in 2005.

During the third five-year reviews, the Commission received responses to the notice of institution from five firms – Carpenter, Crucible, Electralloy, Universal, and Valbruna Slater, which accounted for approximately *** percent of production of stainless steel bar in the United States during 2010. In addition, these firms identified three additional U.S. producers –

[1] The Commission issued questionnaires to 10 firms believed to produce stainless steel bar. Eight firms provided usable questionnaire responses. *** did not submit a U.S. producer questionnaire, certifying that it has not produced any stainless steel bar since 2012. *** did not submit a U.S. producer questionnaire because***. ***. Reply from ***.

ATI Allvac, NAS, and Outokumpu.[3] In addition, Ugitech USA, a subsidiary of Ugitech SA of France and Ugitech Srl of Italy, in turn, wholly owned by Schmolz & Bickenbach of Germany, began production of cold-finished stainless steel bar at its newly constructed production facility in Batavia, Illinois, in 2007.[4] In 2008, the company changed its name to Schmolz & Bickenbach USA. In separate investigations, Latrobe Specialty Steel ("Latrobe") was again identified as a probable producer of stainless steel bar.[5] Latrobe was bought by Carpenter in 2012.[6]

In their response to the Commission's notice of institution in these current five-year reviews, the seven domestic interested parties estimated that they accounted for *** percent of U.S. production of stainless steel bar in 2016.[7] Domestic interested parties provided a list of three additional potential U.S. producers of stainless steel bar: ***. As explained above, ***. *** did complete a questionnaire.[8] During these reviews, *** was the largest U.S. producer of stainless steel bar in the United States, accounting for *** percent of reported production in 2017, followed by ***, at *** percent.

Since the Commission's last five-year reviews, developments that have occurred in the stainless steel bar industry include:

- ***.[9]
- Outokumpu's Richburg, South Carolina, plant invested in new heat treating capabilities, including two new heat treating furnaces as well as specialty straightening, cutting, and testing machinery, resulting in increased capacity. The new equipment became operational in November 2014. Previously, this plant had the finishing and heat treatment operations performed elsewhere. With this investment, these operations are now performed in-house.[10]
- Outokumpu added a coil-to-bar line in 2017 at its Richburg, South Carolina plant, which increased its capacity by more than 15,000 metric tons (16,535 short tons) annually. The new line "utilizes hot-rolled coil bar feedstock which is straightened, peeled, chamfered and polished to finished bars."[11]

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[3] *Investigation Nos. 731-TA-678, 679, 681, and 682 (Third Review): Stainless Steel Bar From Brazil, India, Japan, and Spain—Staff Report*, INV-DD-055, May 8, 2012, pp. I-18—I-20.

[4] *Stainless Steel Bar from France, Germany, Italy, Korea, and the United Kingdom, Inv. Nos. 701-TA-413 and 731-TA-913-916 & 918 (Review),* USITC Publication 3981, January 2008, p. I-19.

[5] *Stainless Steel Bar from France, Germany, Italy, Korea, and the United Kingdom, Ins. Nos. 701-TA-413 and 731-TA-913-916 & 918 (Review),* USITC Publication 3981, January 2008, p. I-18.

[6] The PE Hub Network, "Carpenter Tech Completes $588 Mln Buy of Latrobe Specialty," February 29, 2012, https://www.pehub.com/2012/02/carpenter-tech-completes-588-mln-buy-of-latrobe-specialty/#, (accessed June 14, 2018).

[7] *Domestic Interested Parties' Response to the Notice of Institution*, August 2, 2017, p. 19.

[8] ***.

[9] ***.

[10] Outokumpu, press release, "Bar Facility for Heat Treating Fully Operational in USA," November 26, 2014.

[11] Outokumpu, press release, "New Processing Line Boosts Outokumpu's Capacity at South Carolina Mill," April 3, 2017.

- Valbruna Slater Stainless announced in 2014 that it was expanding its Fort Wayne, Indiana operations. The expansion, which was anticipated to be completed at the end of 2016, includes two new finishing lines, a straightening and peeling line, and a cold-drawn line and will enable the operation to produce bars in sizes smaller than 2.5 inches in diameter.[12]

Table III-1 summarizes important industry events that have taken place in the U.S. industry since January 1, 2012.

Table III-1
Stainless steel bar: Important industry events since January 1, 2012

Year	Company/Agency	Description of event
2012	***	***.
2013	Outokumpu	Outokumpu announced that it would invest $18 million in the construction of a new facility in Chester County, South Carolina.[1]
	***	***.
	***	***.
2014	Carpenter	Carpenter opened a new premium metals plant in Tanner, Alabama, to produce alloy steel and stainless steel for the aerospace, energy, and medical markets.[2]
2014	Valbruna	Valbruna Slater Stainless announces its $30.5 million investment to expand its Fort Wayne, Indiana, stainless steel and nickel alloy manufacturing plant. The expansion consists of constructing a 166,000 square-foot addition.[3]
	***	***.
2015	North American Stainless	North American Stainless announced that it would invest $150 million to construct a bright annealing line at its facility in Ghent, Kentucky.[4]
2016	***	***.
2017	Universal Stainless	Labor agreement: Universal announced that it reached a new five-year collective bargaining agreement with employees represented by the United Steelworkers Union (USW) at its Dunkirk, New York facility.[5]
	Outokumpu	Outokumpu announces enhancement of stainless bar production in its facilities in Richburg, South Carolina, including a new coil-to-bar line to cover bar sizes from 0.6' to 1.24" and full reinforcement bar capabilities. It will increase capacity of stainless steel bar production by 15,000 metric tons annually.[6]
	Commerce	The Secretary of Commerce ("Secretary") initiated an investigation to determine the impact on national security of U.S. steel imports under section 232 of the *Trade Expansion Act of 1962*, as amended.[7]
	Commerce	The President issued, on April 20, 2017, a Memorandum directing the Secretary to prioritize Commerce's section 232 investigation, submit a report to the President, and, as appropriate, provide remedy recommendations to adjust steel imports so that they will not threaten to impair national security.[8]
	***	***.
	***	***.

Table continued on next page.

[12] David Soyka, *Industry Today*, "Valbruna: Steeling for the Future," Volume 19, Issue 4, 2016.

Table III-1 -- Continued
Stainless steel bar: Important industry events since January 1, 2012

Year	Company/Agency	Description of event
2018	Commerce	The Secretary transmitted to the President, on January 11, 2018, Commerce's report of its findings and remedy recommendations on U.S. steel imports.[9] According to the section 232 statute, the President has 90 days to determine whether to accept the report findings and whether to impose duties or quotas on U.S. imports of specific steel articles.[10]
	The White House	The President announced, on March 8, 2018, his decision to impose 25-percent ad valorem duties on U.S. imported steel products classifiable under HTS subheadings 7206.10 through 7216.50, 7216.99 through 7301.10, 7302.10, 7302.40 through 7302.90, and 7304.10 through 7306.90, including any subsequent revisions to these HTS classifications.[11] Canada and Mexico were the only U.S. trade partners that the President explicitly exempted from these section 232 duties on imported steel.[12]
	Commerce	Commerce issued, on March 19, 2018 an interim final rule amending the National Security Industrial Base Regulations to allow parties to submit, through the Bureau of Industry and Security, either (1) requests for or (2) objections to granting product-specific (by HTS 10-digt statistical reporting numbers) exclusions from the President's section 232 steel remedies.[13]
	The White House	Citing important national security relationships with certain U.S. trade partners, the President announced on March 22, 2018, his decision to temporarily suspend the section 232 duties through April 30, 2018, on U.S. imports of subject steel products from Argentina, Australia, Brazil, the European Union member states, and South Korea. The President stated that he would decide whether to continue to exempt these trade partners based on progress in negotiating satisfactory long-term alternatives to address import threats to U.S. national security.[14]
	The White House	The President announced on April 30, 2018, his subsequent decisions regarding the temporary section 232 duty exemptions, based on the status of negotiating satisfactory alternative measures to remove the import threat to U.S. national security, posed by U.S. imports of subject steel products from: • Argentina, Australia, and Brazil— citing agreements reached in principle, an expiration date for these continued exemptions was not imposed, but re-imposition of the tariffs will be considered if satisfactory alternative measures are not soon finalized;[15] • Canada, the European Union member states, and Mexico— citing ongoing negotiations, the exemptions would expire after May 31, 2018, unless satisfactory alternative measures are finalized;[16] and • South Korea— citing conclusion of a final agreement, the exemption was extended permanently in exchange for Korea agreeing to product-specific quotas equivalent to 70 percent of average annual import quantities during 2015-17, beginning on January 1, 2019.[17]

Table continued on next page.

Table III-1 -- Continued
Stainless steel bar: Important industry events since January 1, 2012

Year	Company/Agency	Description of event
2018	AMM/U.S. Customs and Border Protection (CBP)	On May 2, 2018, representatives from the Brazilian steel industry indicated that Brazil agreed to limit its U.S.-bound exports of finished steel products (including stainless steel bar) to 70 percent of the 2015-17 average, and 100 percent of the 2015-17 average for semifinished steel products.[18] Stainless steel bar subject to the section 232 investigation is imported under HTS chapter 99 subheadings 9903.80.37 and 9903.80.38. U.S. imports of stainless steel bar from Brazil classified under HTS subheading 9903.80.37 are subject to an absolute annual quota of 152 short tons (142,452 kilograms), while U.S. imports of stainless steel bar from Brazil classified under HTS subheading 9903.80.38 are subject to an absolute annual quota of 1,493 short tons (1,354,481 kilograms).[19]
	The White House	The President announced on May 31, 2018, his subsequent decisions regarding the temporary section 232 duty exemptions, that as of June 1, 2018, tariffs will no longer be suspended for steel and aluminum imports from Mexico, Canada, and the European Union. Steel products from these countries, including stainless steel bar, will be subject to a 25 percent ad-valorem duty.[20]
	***	***.
	***	***.

[1] Chester County Economic Development, "Outokumpu Stainless Bar Expanding Operations With New Facility In Chester County," March 20, 2013, http://www.choosechester.com/news/outokumpu-stainless-bar-expanding-operations-with-new-facility-in-chester-county/, (accessed June 6, 2018).
[2] Alabama Business, "Carpenter Technology in Tanner opens $518 million premium metals plant several weeks ahead of schedule," January 27, 2014, https://www.al.com/business/index.ssf/2014/01/carpenter_technology_in_tanner.html, (accessed June 6, 2018).
[3]Area Development, "Valbruna Slater Stainless Invests $30.5 Million To Expand Its Fort Wayne, Indiana, Manufacturing Plant," November 21, 2014, http://www.areadevelopment.com/newsItems/11-21-2014/valbruna-slater-stainless-production-center-expansion-fort-wayne-indiana902903.shtml, (accessed June 6, 2018).
[4] The Lane Report, "Stainless Steel's Kentucky Home," July 9, 2015, https://www.lanereport.com/51152/2015/07/stainless-steels-kentucky-home/, (accessed June 5, 2018).
[5] Universal Stainless, "News Releases: Universal Stainless Reaches Early Labor Agreement at its Dunkirk Facility," June 28, 2017, http://investors.univstainless.com/news-releases/news-release-details/universal-stainless-reaches-early-labor-agreement-its-dunkirk, (accessed June 5, 2018).
[6] Outokumpu Group, "Press Release: Outokumpu enhances its stainless bar production capabilities in Richburg, U.S.," April 3, 2017, https://globenewswire.com/news release/2017/04/03/953310/0/en/Outokumpu-enhances-its-stainless-bar-production-capabilities-in-Richburg-U-S.html, (accessed June 6, 2018).
[7] 82 FR 19206, April 26, 2017, https://www.gpo.gov/fdsys/pkg/FR-2017-04-26/pdf/2017-08499.pdf (accessed March 16, 2018).
[8] The White House, "Presidential Memorandum Prioritizes Commerce Steel Investigation," April 20, 2017, https://www.commerce.gov/news/press-releases/2017/04/presidential-memorandum-prioritizes-commerce-steel-investigation (accessed March 16, 2018).
[9] Commerce, Office of Public Affairs, "Statement from the Department of Commerce on Submission of Steel Section 232 Report to the President," Press Release, January 11, 2018. https://www.commerce.gov/news/press-releases/2018/01/statement-department-commerce-submission-steel-section-232-report (accessed March 16, 2018).

[10]See "Purpose and Procedure" in Commerce, Bureau of Industry and Security, Office of Technology Evaluation, *Section 232 Investigations Program Guide, the Effect of Imports on the National Security, Investigations Conducted Under the Trade Expansion Act of 1962, As Amended*, June 2007, p. 1. https://www.bis.doc.gov/index.php/forms-documents/section-232-investigations/86-section-232-booklet/file (accessed March 16, 2018).
[11] See paragraph 8 and paragraph (1) of The White House, "Presidential Proclamation on Adjusting Imports of Steel into the United States," March 8, 2018. https://www.whitehouse.gov/presidential-actions/presidential-proclamation-adjusting-imports-steel-united-states/ (accessed March 16, 2018).
[12] See paragraph 10, Ibid.
[13] Commerce, "U.S. Department of Commerce Announces Steel and Aluminum Tariff Exclusion Process," News Release," March 18, 2018 https://www.commerce.gov/news/press-releases/2018/03/us-department-commerce-announces-steel-and-aluminum-tariff-exclusion (accessed March 17, 2018); and 83 FR 12106, March 19, 2018. https://www.commerce.gov/sites/commerce.gov/files/federal_register_vol_83_no_53_monday_march_19_2018_12106-12112.pdf (accessed March 17, 2018).
[14] See paragraphs 4-9 and 11 of The White House, "Presidential Proclamation on Adjusting Imports of Steel into the United States," March 22, 2018 , https://www.whitehouse.gov/presidential-actions/presidential-proclamation-adjusting-imports-steel-united-states-2/ (accessed March 23, 2018); and The White House, "President Trump Approves Section 232 Tariff Modifications," Statements and Releases, March 22, 2018, https://www.whitehouse.gov/briefings-statements/president-trump-approves-section-232-tariff-modifications/ (accessed March 23, 2018).
[15] See paragraph 5 of The White House, "Presidential Proclamation on Adjusting Imports of Steel into the United States," April 30, 2018, https://www.whitehouse.gov/presidential-actions/presidential-proclamation-adjusting-imports-steel-united-states-3/ (accessed May 7, 2018).
[16] See paragraphs 6 and 7 of The White House, "Presidential Proclamation on Adjusting Imports of Steel into the United States," April 30, 2018, https://www.whitehouse.gov/presidential-actions/presidential-proclamation-adjusting-imports-steel-united-states-3/ (accessed May 7, 2018).
[17] See paragraph 4 of The White House, "Presidential Proclamation on Adjusting Imports of Steel into the United States," April 30, 2018, https://www.whitehouse.gov/presidential-actions/presidential-proclamation-adjusting-imports-steel-united-states-3/ (accessed May 7, 2018); Annex, section B, South Korea, quantitative limitations, in 83 FR 20682, "Presidential Documents, Proclamation 9740 of April 30, 2018, Adjusting Imports of Steel Into the United States," May 7, 2018, https://www.gpo.gov/fdsys/pkg/FR-2018-05-07/pdf/2018-09841.pdf (accessed May 8, 2018); Office of the United States Trade Representative (USTR), "Joint Statement by the United States Trade Representative Robert E. Lighthizer and Republic of Korea Minister for Trade Hyun Chong Kim," Press Release, March 28, 2018, https://ustr.gov/about-us/policy-offices/press-office/press-releases/2018/march/joint-statement-united-states-trade (accessed May 7, 2018); USTR, "New U.S. Trade Policy and National Security Outcomes with the Republic of Korea," Fact Sheet, March 28, 2018, https://ustr.gov/about-us/policy-offices/press-office/fact-sheets/2018/march/new-us-trade-policy-and-national (accessed May 7, 2018); and Coyne, Justine, "US Reaches Agreement on Steel, Aluminum Tariffs with 3 Countries," *Platts*, April 30, 2018, https://www.platts.com/latest-news/metals/washington/us-reaches-agreement-on-steel-aluminum-tariffs-27964478 (accessed May 7, 2018).
[18] American Metal Market (AMM), "Brazilian Steel Producers Accept 232 Quota," May 3, 2018, http://www.amm.com/Article/3804618/Brazilian-steel-producers-accept-232-quota.html, (accessed July 13, 2018).
[19] U.S. Customs and Border Protection, "QB 18-126 Absolute Quota for Steel Mill Articles: Argentina, Brazil and South Korea," https://www.cbp.gov/trade/quota/bulletins/qb-18-126-absolute-quota-aluminum-products-argentina-brazil-south-korea, (accessed July 18, 2018).
[20] See paragraph 2 of The White house, "President Donald J. Trump Approves Section 232 Tariff Modifications," May 31, 2018, https://www.whitehouse.gov/briefings-statements/president-donald-j-trump-approves-section-232-tariff-modifications-2/, (accessed June 1, 2018).

Note.—Brackets indicate business proprietary information revealed in surveys for which no public source was found.

Source: Various company and government websites, press releases, and news articles.

Changes experienced by the industry

Domestic producers were asked to indicate whether their firm had experienced any plant openings, relocations, expansions, acquisitions, consolidations, closures, or prolonged shutdowns because of strikes or equipment failure; curtailment of production because of shortages of materials or other reasons, including revision of labor agreements; or any other change in the character of their operations or organization relating to the production of stainless steel bar since 2012. Seven of the eight domestic producers (which provided responses in these reviews) indicated that they had experienced such changes; their responses are presented in table III-2.

Table III-2
Stainless steel bar: Changes in the character of U.S. operations since January 1, 2012

* * * * * * *

Anticipated changes in operations

The Commission asked domestic producers to report anticipated changes in the character of their operations relating to the production of stainless steel bar. U.S. producers reported no anticipated changes in the character of their operations.

COLD FINISHING OPERATIONS

Only one U.S. producer, ***, indicated in its questionnaire response that, since January 1, 2012, it has purchased stainless steel bar (domestic or imported) and cold-finished in the United States those purchases into products that still match the definition of stainless steel bar. *** provided the following details on the nature and extent of its cold finishing operations in the United States:

- **Capital Investments:** ***.
- **Technical expertise:** ***.
- **Value-added:** ***.
- **Employment:** ***.
- **Quantity, type and source of parts**: ***.
- **Costs and activities:** ***.

U.S. producers were also asked in the questionnaire to rate, on a scale of one to five, the firm's subjective opinion as to the complexity, intensity, and importance of cold finishing only processing activities. One being minimally complex, intense or important. Five being extremely complex, intense, and important.[13] All six of the U.S. producers that responded provided a rating of four or higher. Four of the U.S. producers responded with a rating of five and two U.S. producers responded with a rating of 4. ***.

U.S. PRODUCTION, CAPACITY, AND CAPACITY UTILIZATION

Table III-3 and figure III-1 present U.S. producers' production, capacity, and capacity utilization. Domestic producers' capacity for stainless steel bar increased by 2.5 percent from 2015 to 2017. This increase in capacity largely reflects *** increase in capacity between 2016 and 2017. As stated earlier, Outokumpu added a coil-to-bar line in 2017 at its Richburg, South Carolina plant, which reportedly (see page III-3) increased its capacity by more than 15,000 metric tons (16,535 short tons) annually. *** also reported a higher capacity in January to March 2018 than it did for January to March 2017. ***.[14] *** was the only firm that had an overall decrease in production capacity from 2015 to 2017 of *** percent.

Total production increased overall by 11.6 percent from 2015 to 2017. Production declined by 9.4 percent between 2015 and 2016, and then increased from 2016 to 2017 by 23.2 percent. ***. Six of the eight U.S. producers had increased production from 2015 to 2017, with ***. Two U.S. producers had decreased production from 2015 to 2017 – *** production decreased by *** percent and *** decreased by *** percent.

Capacity utilization trends mirrored production trends. Capacity utilization increased overall from 2015 to 2017 by 3.7 percentage points. Capacity utilization decreased between 2015 and 2016 by 4.0 percentage points, and rose by 7.7 percentage points from 2016 to 2017. Five of eight U.S. producers had higher capacity utilization levels in 2017 than in 2015, with *** registering the highest increase, at *** percentage points, as it increased its production of stainless steel bar from *** short tons in 2016 to *** short tons in 2017, while its capacity of *** short tons remained unchanged.

[13] Question II-18 in Commission's U.S. Producers' Questionnaire.

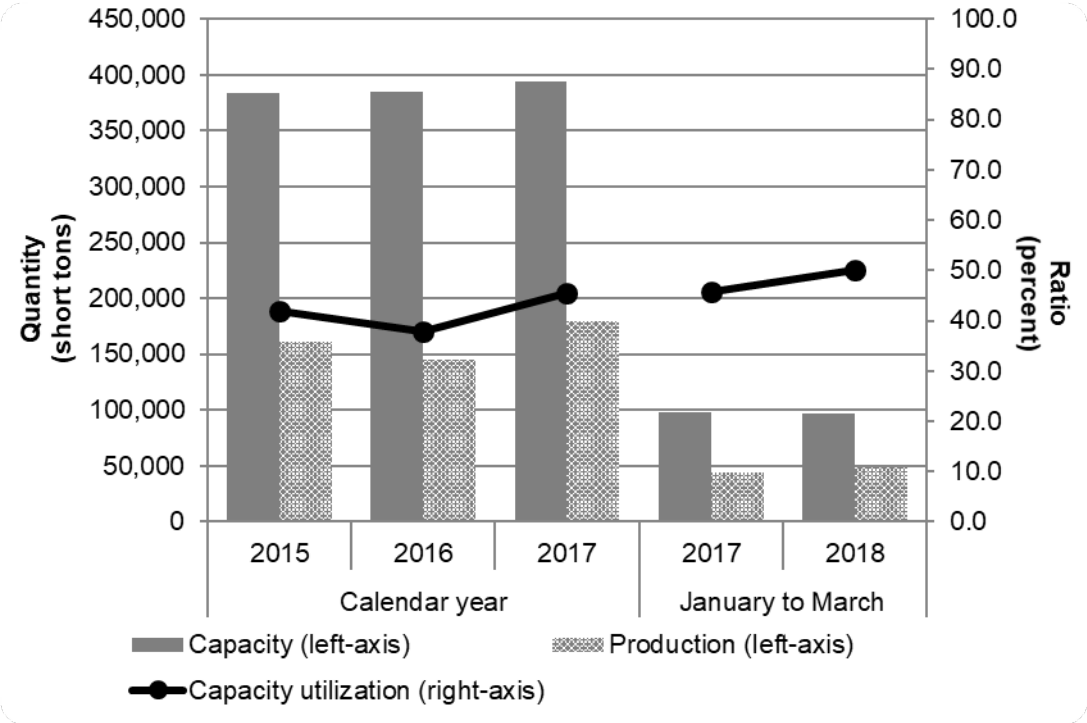
[14] *** U.S. producer questionnaire response, section II-4.

Table III-3
Stainless steel bar: U.S. producers' production, capacity, and capacity utilization, 2015-17, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Capacity short tons)				
Carpenter	***	***	***	***	***
Crucible	***	***	***	***	***
Electralloy	***	***	***	***	***
Ellwood	***	***	***	***	***
NAS	***	***	***	***	***
Outokumpu	***	***	***	***	***
Universal	***	***	***	***	***
Valbruna	***	***	***	***	***
Total capacity	384,180	384,578	393,755	97,729	97,184
	Production (short tons)				
Carpenter	***	***	***	***	***
Crucible	***	***	***	***	***
Electralloy	***	***	***	***	***
Ellwood	***	***	***	***	***
NAS	***	***	***	***	***
Outokumpu	***	***	***	***	***
Universal	***	***	***	***	***
Valbruna	***	***	***	***	***
Total production	160,825	145,647	179,506	44,600	48,716
	Capacity utilization (percent)				
Carpenter	***	***	***	***	***
Crucible	***	***	***	***	***
Electralloy	***	***	***	***	***
Ellwood	***	***	***	***	***
NAS	***	***	***	***	***
Outokumpu	***	***	***	***	***
Universal	***	***	***	***	***
Valbruna	***	***	***	***	***
Average capacity utilization	41.9	37.9	45.6	45.6	50.1

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

Figure III-1
Stainless steel bar: U.S. producers' capacity, production, and capacity utilization, 2015-17, January to March 2017, and January to March 2018



Allocated capacity reported by several U.S. producers exceeded the share of production on shared equipment for which stainless steel bar accounted. Below is a tabulation of capacity, production, and capacity utilization in which allocated capacity data have been adjusted to match the ratio of total stainless steel production to total overall production using the same machinery ratio.[15]

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
Adjusted industry-wide allocated capacity	281,888	272,499	286,352	71,347	73,364
Total production	160,825	145,647	179,506	44,600	48,716
Capacity utilization (percent)	57.1	53.4	62.7	62.5	66.4

[15] On July 17, 2018, Commission staff asked foreign and domestic parties to review carefully their overall production capacities and average production capacities to ensure that they accurately reflect the definitions of overall production capacity and average production capacity that were provided in the questionnaires, and to make changes as necessary. Parties were also asked to provide an explanation if the average production capacity (based on a typical or representative product mix) reported is markedly different than an allocation of overall capacity by the product mix reported. Domestic interested parties ***.

Constraints on capacity

All eight responding U.S. producers reported constraints in the manufacturing process. ***. ***. ***. ***. ***. ***. ***.

Alternative products

Table III-4 presents data on U.S. producers' overall capacity and production of products on the same machinery for stainless steel bar from 2015 through 2017, January to March 2017, and January to March 2018. Seven out of the eight U.S. producers reported that they produce alternative products on the same equipment. Production of stainless steel bar accounted for 36.1 percent of total production during 2017. In addition to the alternative products specified in the table below, U.S. producers identified stainless steel billet, ingot, plate, and slab; low alloy bar; and other forgings as other products they produce using the same machinery.

While average allocated capacity utilization for stainless steel bar ranged from 37.9 to 50.1 percent, U.S. producers' overall capacity utilization was higher, ranging from 53.4 to 66.4 percent. From 2015 through 2017, overall capacity increased by 2.9 percent, while capacity utilization increased by 5.6 percentage points.

Table III-4
Stainless steel bar: U.S. producers' overall capacity and production of products on the same machinery or workers, 2015-17, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Quantity (short tons)				
Overall capacity	770,240	782,240	792,840	198,210	199,210
Production:					
Stainless steel bar	160,825	145,647	179,506	44,600	48,716
Stainless steel wire rod	***	***	***	***	***
Stainless steel angles	***	***	***	***	***
Tool and high speed steels	***	***	***	***	***
Other products[1]	***	***	***	***	***
Total out-of-scope merchandise	278,619	272,449	317,503	79,303	83,566
Total production	439,444	418,096	497,009	123,903	132,282
	Ratios and shares (percent)				
Capacity utilization	57.1	53.4	62.7	62.5	66.4
Production:					
Stainless steel bar	36.6	34.8	36.1	36.0	36.8
Stainless steel wire rod	***	***	***	***	***
Stainless steel angles	***	***	***	***	***
Tool and high speed steels	***	***	***	***	***
Other products	***	***	***	***	***
Total out-of-scope merchandise	63.4	65.2	63.9	64.0	63.2
Total production	100.0	100.0	100.0	100.0	100.0

[1] Other products consist of ***.

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

U.S. PRODUCERS' U.S. SHIPMENTS AND EXPORTS

Table III-5 presents U.S. producers' U.S. shipments, export shipments, and total shipments. In 2017, 92.0 percent of U.S. producers' shipments consisted of U.S. shipments, while 8.0 percent were export shipments. From 2015 through 2017, the quantity and value of U.S. producers' U.S. shipments increased by 7.0 percent and 1.5 percent, respectively, while the unit value decreased by 5.1 percent. From 2015 to 2016, the quantity of U.S. producers' U.S. shipments decreased by 8.7 percent, while the value decreased by 21.7 percent during this same period.

Table III-5
Stainless steel bar: U.S. producers' U.S. shipments, export shipments, and total shipments, 2015-17, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Quantity (short tons)				
U.S. shipments	148,898	135,876	159,287	37,954	42,876
Export shipments	12,130	12,098	13,811	3,781	3,495
Total shipments	161,028	147,974	173,098	41,735	46,371
	Value (1,000 dollars)				
U.S. shipments	727,367	569,515	738,242	173,059	211,671
Export shipments	71,090	53,381	74,298	17,603	22,780
Total shipments	798,457	622,896	812,540	190,662	234,451
	Unit value (dollars per short ton)				
U.S. shipments	4,885	4,191	4,635	4,560	4,937
Export shipments	5,861	4,412	5,380	4,656	6,518
Total shipments	4,958	4,209	4,694	4,568	5,056
	Share of quantity (percent)				
U.S. shipments	92.5	91.8	92.0	90.9	92.5
Export shipments	7.5	8.2	8.0	9.1	7.5
Total shipments	100.0	100.0	100.0	100.0	100.0
	Share of value (percent)				
U.S. shipments	91.1	91.4	90.9	90.8	90.3
Export shipments	8.9	8.6	9.1	9.2	9.7
Total shipments	100.0	100.0	100.0	100.0	100.0

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

Six of the eight firms reported exports of stainless steel bar. Primary export markets identified included Canada,[16] Mexico, the United Kingdom, Italy,[17] Japan, and China. Like U.S.

[16] On June 29, 2018, the Government of Canada announced surtaxes on $16.6 billion of imports of steel, aluminum, and other products from the United States, including stainless steel bar, to come into effect July 1, 2018. See the Government of Canada's webpage, https://www.canada.ca/en/global-affairs/news/2018/06/canada-stands-up-for-our-steel-and-aluminum-workers-and-industry.html (accessed on July 30, 2018).

producers' U.S. shipments, U.S. producers' exports also decreased by quantity and value between 2015 and 2016, but increased overall from 2015 through 2017. Exports by quantity increased by 13.9 percent from 2015 to 2017, and the unit value of export shipments from January to March 2018 was 40 percent higher than the unit value from January to March 2017.

U.S. PRODUCERS' U.S. SHIPMENTS BY PRODUCT TYPE

Table III-6 presents U.S. producers' U.S. shipments by product type. The breakout of U.S. producers' U.S. shipments by product type did not fluctuate much from 2015 to 2017, consisting of approximately 82 percent cold-rolled or cold-drawn and approximately 18 percent hot-rolled by both quantity and value. Six of the eight U.S. producers indicated 75 percent or more of their U.S. shipments were cold-rolled or cold-drawn. *** reported U.S. shipments of only hot-rolled product, and *** reported U.S. shipments of only cold-rolled product. One U.S. producer, ***, indicated that it *** produces "other" products, specifically ***.

Table III-6
Stainless steel bar: U.S. producers' U.S. shipments by product type, 2015-17, January to March 2017, and January to March 2018

* * * * * * *

U.S. PRODUCERS' INVENTORIES

Table III-7 presents U.S. producers' end-of-period inventories and the ratio of these inventories to U.S. producers' production, U.S. shipments, and total shipments. Overall, U.S. producers' inventories increased by 15.1 percent from 2015 to 2017. Inventories decreased by 8.6 percent from 2015 to 2016, before increasing by 26.0 percent from 2016 to 2017. Inventories during the interim period (January to March) in 2018 were 21.4 percent higher than the same interim period in 2017.

U.S. producers' inventories were equivalent to between 16.5 and 18.0 percent of U.S. producers' total shipments during 2015 through 2017 and the interim periods in 2017 and 2018. Seven of the eight U.S. producers reported holding end-of-period inventories of stainless steel bar during 2015 through 2017 and the interim periods in 2017 and 2018. Of these seven U.S. producers, four held higher inventories in December 2017 than in December 2015, and three held lower inventories in December 2017 than in December 2015. *** only reported having end-of-period inventories in 2015 and January to March 2017.

(…*continued*)

[17] On May 16, 2018, European Commission announced 25 percent ad valorem duties on various products, including stainless steel bar under HTS subheading 7222.20, effective June 20, 2018. See *Official Journal of the European Union*, Council Implementing Regulation (EU) 2018/724 of 16 May 2018 on certain commercial policy measures concerning certain products originating in the United States of America. L122, p. 14-28.

Table III-7
Stainless steel bar: U.S. producers' inventories, 2015-17, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Quantity (short tons)				
U.S. producers' end-of-period inventories	27,005	24,678	31,086	27,533	33,431
	Ratio (percent)				
Ratio of inventories to.--					
U.S. production	16.8	16.9	17.3	15.4	17.2
U.S. shipments	18.1	18.2	19.5	18.1	19.5
Total shipments	16.8	16.7	18.0	16.5	18.0

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

U.S. PRODUCERS' IMPORTS AND PURCHASES

No U.S. producer reported either direct imports or purchases of stainless steel bar from subject countries. U.S. producers' U.S. imports are shown in table III-8. Two U.S. producers, Valbruna and Outokumpu, reported imports from ***.

Table III-8
Stainless steel bar: U.S. producers' U.S. imports, 2015-17, January to March 2017, and January to March 2018

* * * * * * *

U.S. producer Outokumpu imported ***. According to the domestic interested parties' posthearing brief, Outokumpu does not currently have the capability to produce large diameter round bars in the United States, and supplements its U.S. production with its European affiliates to be able to supply the full product line offerings to U.S. distributors.[18] Mr. Jerry Poalise of Outokumpu testified, "To complete our portfolio, we'll use our related manufacturing companies in Europe to complete an offer to distribution. It's just a more effective way to go to market with what we do manufacture here in the United States."[19]

Valbruna imported ***.[20] These products were imported from its parent company, Accieierie Valbruna, SpA, in Italy. According to the domestic interested parties' posthearing brief, Valbruna does not have the capabilities to produce these size range bar products in the United States, but it is continuing to invest to reduce its reliance on imports. It plans to install equipment to produce larger diameter stainless bars above 8 inches in Fort Wayne, Indiana by 2019.[21]

[18] Domestic interested parties' posthearing brief, p. 40.
[19] Hearing transcript, p. 140 (Poalise).
[20] Domestic interested parties' posthearing brief, p. 40.
[21] Ibid.

U.S. EMPLOYMENT, WAGES, AND PRODUCTIVITY

Table III-9 presents U.S. producers' employment-related data. U.S. producers' employment, measured by production and related workers ("PRWs") decreased overall by 7.2 percent from 2015 to 2017, although the number of PRWS was 8.3 percent higher in the 2018 interim (January to March) period than the same period in 2017.

Table III-9
Stainless steel bar: U.S. producers' employment related data, 2015-17, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
Production and related workers (PRWs) (number)	1,440	1,375	1,336	1,280	1,386
Total hours worked (1,000 hours)	2,981	2,934	3,085	729	832
Hours worked per PRW (hours)	2,070	2,134	2,309	570	600
Wages paid ($1,000)	84,887	85,261	93,665	22,037	25,352
Hourly wages (dollars per hour)	$28.48	$29.06	$30.36	$30.23	$30.47
Productivity (short tons per 1,000 hours)	54.0	49.6	58.2	61.2	58.6
Unit labor costs (dollars per short ton)	$528	$585	$522	$494	$520

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

While the number of PRWs decreased from 2015 to 2017, total hours worked, hours worked per PRW, wages paid, and hourly wages all increased during this same period. Total hours worked increased by 3.5 percent, hours worked per PRW increased by 11.5 percent, wages paid increased by 10.3 percent, and hourly wages increased by 6.6 percent. Productivity increased by 7.9 percent, however, offsetting the higher wage rate and contributing to a decline in unit labor costs of 1.1 percent.

Overall, unit labor costs (dollars per short ton) varied widely across U.S. producers, from *** to *** in 2017:[22]

> *The stainless steel bar industry has a number of producers with differing production structures and product focus.*
>
> ***.

[22] Email from ***.

FINANCIAL EXPERIENCE OF U.S. PRODUCERS

Background

U.S. producers Carpenter, Crucible, Electralloy, Ellwood, NAS, Outokumpu, Universal, and Valbruna reported their financial results on stainless steel bar. All U.S. producers reported their financial results on the basis of U.S. generally accepted accounting principles. Carpenter reported its financial results using a fiscal year ending June 30. All other U.S. producers used a calendar year to report their financial results.

While the majority of manufacturing operations are fully integrated from the melt stage through final processing, tolling activity and manufacturing operations, which are not fully integrated, also take place. *** melt and cast their own ingot, but have tollers perform subsequent processing operations.[23] [24] *** purchase all of the ingot/billet used to produce their stainless steel bar.[25] *** reported that they purchase inputs from related parties.[26]

Based on table III-12, *** accounted for *** percent of total net sales quantity in 2017 and *** accounted for *** percent of total net sales value in 2017.[27]

OPERATIONS ON STAINLESS STEEL BAR

Table III-10 presents aggregated data on U.S. producers' operations in relation to stainless steel bar. Table III-11 shows the changes in average unit values of select financial indicators. Table III-12 presents selected company-specific financial data.

Revenue

Net sales primarily reflect commercial sales (*** of total sales value during the period for which data were collected) and transfers to related firms (***).

Net sales, by quantity and value, decreased from 2015 to 2016, and increased from 2016 to 2017. In January-March 2018, net sales quantity and value were higher compared to the same period in 2017. As shown in table III-12, the directional trends of company-specific sales quantity were largely uniform in the annual periods (***).[28] During the interim periods,

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[23] ***. Emails from ***, May 31, June 6, and June 7, 2018.

[24] ***. Email from ***, June 6, 2018.

[25] ***. Email from ***, June 6, 2018. ***. Email from ***, June 6, 2018.

[26] *** reported valuing the purchases from related parties at cost, fair market value, and cost plus, respectively. In accordance with Commission practice, *** producers reported cost information associated with the input purchases from related suppliers in the manner in which this information is reported in the U.S. producers' own accounting books and records. U.S. producers' questionnaires, III-6 to III-8.

[27] ***.

[28] *** Email from ***, June 6, 2018. ***. Email from ***, June 13, 2018.

***.[29] The directional trend of company-specific net sales values was mostly uniform during this period with *** companies reporting decreasing sales revenue from 2015 to 2016, *** companies reporting increasing sales from 2016 to 2017, and *** companies reporting higher net sales value in January-March 2018 than in the same period in 2017.

The directional trend of company-specific unit net sales values was uniform, with *** companies reporting decreasing unit net sales values from 2015 to 2016, *** companies reporting increasing unit net sales values from 2016 to 2017, and *** companies reporting higher unit net sales values in January-March 2018 than in the same period in 2017. From 2015 to 2017, the overall unit net sales value decreased by 5.3 percent from $4,958 per short ton in 2015 to $4,694 per short ton in 2017, and was 10.7 percent higher in January-March 2018 ($5,056) than in January-March 2017 ($4,568).[30] As shown in table III-12, ***. ***.[31]

Table III-10
Stainless steel bar: Results of operations of U.S. producers, 2015-17, January to March 2017, and January to March 2018

* * * * * * *

Table III-11
Stainless steel bar: Changes in average unit values, between fiscal years and between partial year periods

* * * * * * *

Table III-12
Stainless steel bar: Select results of operations of U.S. producers, by company, 2015-17, January to March 2017, and January to March 2018

* * * * * * *

Cost of goods sold and gross profit or (loss)

As shown in table III-10, the average cost of goods sold (COGS) to net sales ratio decreased from 92.3 percent in 2015 to 88.4 percent in 2017, and was higher at 90.6 percent in January-March 2018 compared to 87.4 percent in January-March 2017. COGS are comprised of raw material, direct labor, and other factory costs ("OFC"). As shown in table III-10, raw material costs represent the largest component of COGS, accounting for between 56.5 percent (2016) and 61.9 percent (January-March 2018), of total COGS. Table III-12 shows that company-specific trends in per-short ton raw material costs were generally uniform, decreasing from 2015 to 2016, before increasing in 2017, and higher in January-March 2018 compared to the

[29] ***. Email from ***, June 6, 2018.

[30] ***. Email from ***, June 6, 2018.

[31] ***. Email from ***, June 1, 2018. ***. Email from ***, June 6, 2018. ***. Email from ***, June 7, 2018.

same period in 2017.[32] Raw materials consist of steel/iron, alloy element, various other raw materials such as ***. ***.[33]

OFC were the second largest component of COGS, accounting for between 27.6 percent (January-March 2018) and 31.3 percent (2016), while direct labor accounted for between 10.5 percent (January-March 2018) and 12.1 percent (2016). As shown in table III-12, average unit OFC and direct labor costs decreased from 2015 to 2017, but were higher in January-March 2018 compared to January-March 2017.[34] [35] ***.[36] ***.[37] ***.[38]

As shown in table III-12, unit COGS is lower for non-fully integrated firms compared to fully integrated firms with the exception of ***. *** reported the lowest unit COGS throughout the reporting period.

The industry's gross profit declined from $61.5 million in 2015 to $49.8 million in 2016, before improving to $94.7 million in 2017. Total COGS decreased more than did the value of total net sales from 2015 to 2016. Conversely, the increase in total net sales value was greater than that of COGS from 2016 to 2017. The industry's gross profit was lower in January-March 2018 ($22.0 million) compared to January-March 2017 ($24.0 million). On a company-specific basis, ***.[39] *** (table III-12).[40]

SG&A expenses and operating profit or (loss)

As shown in table III-10, the industry's SG&A expense ratio (i.e., total SG&A expenses divided by total revenue) ranged from 6.5 percent in January-March 2018 to 9.0 percent in 2015. As shown in table III-12, the average unit SG&A expenses decreased from 2015 to 2017 and were higher in January-March 2018 compared to January-March 2017.[41] ***.[42] [43]

Operating income improved from a loss of $10.7 million in 2015 to a profit of $379,000 in 2016, before increasing to $39.0 million in 2017. Operating income was lower in January-March 2018 compared to January-March 2017. On a company-specific basis, ***.[44] ***. ***.[45]

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[32] ***. Emails from ***, ***, and ***, June 1, 2018.

[33] ***. Email from ***, June 13, 2018. ***. Email from ***, June 13, 2018. ***. Email from ***, June 13, 2018.

[34] ***. Email from ***, June 1, 2018.

[35] ***. Email from ***, June 1, 2018.

[36] ***. Email from ***, May 31, 2018. ***. Email from ***, June 14, 2018.

[37] U.S. producers' questionnaire response of ***.

[38] ***. Email from ***, June 13, 2018. ***. Email from ***, June 13, 2018.

[39] ***. Email from ***, June 6, 2018.

[40] ***. Email from ***, June 6, 2018. ***. Email from ***, June 13, 2018.

[41] ***. Email from ***, June 1, 2018.

[42] ***. Email from ***, June 14, 2018. ***. U.S. producers' questionnaire response of ***, July 17, 2018.

[43] ***.

[44] ***.

[45] ***. *** June 1, 2018.

All other expenses and net income or (loss)

Classified below the operating income level are interest expense, other expense, and other income, which are usually allocated to the product line from high levels in the corporation. Interest expense, the largest of these line items, increased from 2015 to 2017, and was higher in January to March 2018 than in the same period in 2017.[46] All other expenses increased from 2015 to 2017, and were higher in January-March 2018 compared to the same period in 2017.[47] All other income decreased from 2015 to 2017, and was higher in January-March 2018 compared to the same period in 2017.

Net income improved from a loss of $*** in 2015 to a loss of $*** in 2016, before becoming a profit of $*** in 2017. Net income was lower in January-March 2018 ($***) compared to January-March 2017 ($***). On a company-specific basis, net income trends reported by *** were consistent with each firm's operating income from 2015 to 2017. ***. Net income trends reported by *** were consistent with each firm's operating income in January-March 2018 compared to January-March 2017.

Variance analysis

A variance analysis is most useful for products that do not have substantial changes in the product mix over the reporting period. The methodology is most sensitive at the plant or firm level, rather than the aggregated industry level. Because of the wide variation in unit values between firms, tolling by some firms, and possible product mix differences, a variance analysis is not presented.

Capital expenditures and research and development expenses

Table III-13 presents capital expenditures and research and development ("R&D") expenses by firm. Capital expenditures increased irregularly by *** percent from 2015 to 2017, and were *** percent higher in January-March 2018 compared to the same period in 2017. The increase from 2015 to 2016 is mainly attributable to ***.[48]

R&D expenses decreased by *** percent from 2015 to 2017, and were *** percent lower in January-March 2018 compared to the same period in 2017.

***.[49] ***.[50] ***.[51] ***.[52]

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[46] ***. Email from ***, June 1, 2018.

[47] ***. Email from ***, June 1, 2018.

[48] U.S. producers' questionnaire response of ***.

[49] Email from ***, May 24, 2018.

[50] Email from ***, June 13, 2018.

[51] Email from ***, June 1, 2018.

[52] Domestic interested parties stated that the domestic industry's expansion of capacity from 2015-2017 was ***. Domestic interested parties' posthearing brief, exhibit 1, p. 37.

Table III-13
Stainless steel bar: Capital expenditures and R&D expenses for U.S. producers, by firm, 2015-17, January to March 2017, and January to March 2018

* * * * * * *

ASSETS AND RETURN ON ASSETS

Table III-14 presents data on the U.S. producers' total assets and their operating return on assets.[53] Total assets decreased from $736.2 million in 2015 to $714.7 million in 2016 and increased to $746.6 million in 2017.

Table III-14
Stainless steel bar: Value of assets used in production, warehousing, and sales, and operating return on assets for U.S. producers by firm, fiscal years 2015-17

* * * * * * *

[53] With respect to a company's overall operations, staff notes that a total asset value (i.e., the bottom line number on the asset side of a company's balance sheet) reflects an aggregation of a number of assets, which are generally not product specific. Accordingly, high-level allocation factors were required in order to report a total asset value for stainless steel bar.

PART IV: U.S. IMPORTS AND THE FOREIGN INDUSTRIES

U.S. IMPORTS

Overview

The Commission issued questionnaires to 66 firms believed to have imported stainless steel bar since January 1, 2012. Thirty-two firms submitted usable questionnaire responses, while 13 firms indicated that they had not imported stainless steel bar since 2012.[1, 2] Based on official Commerce statistics and proprietary *** records for imports of stainless steel bar, importers' questionnaire data accounted for more than 50 percent of total U.S. imports during 2017, and more than 80 percent of total subject imports during 2017. Firms responding to the Commission's questionnaire accounted for the following shares of individual subject country's subject imports (as a share of proprietary *** records, by quantity) during 2017.

- 100 percent of the subject imports from Brazil during 2017;
- *** percent of the subject imports from India during 2017;
- *** percent of the subject imports from Japan during 2017; and
- 100 percent of the subject imports from Spain during 2017.

Import data in this report are compiled from the Commission's questionnaires and official import statistics and proprietary *** records for stainless steel bar.[3]

Imports from subject and nonsubject countries

Table IV-1 and figure IV-1 present information on U.S. imports of stainless steel bar from Brazil, India, Japan, Spain, and all other sources. Imports from subject sources increased by *** percent between 2015 and 2017, but were *** percent lower in interim 2018 than in interim

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[1] Staff did not receive a questionnaire response from ***, a U.S. importer that represented approximately *** percent of total U.S. imports in 2017. Staff contacted this firm on numerous occasions, but did not receive a questionnaire response.

[2] The Commission received a questionnaire response from ***, a U.S. importer that represented approximately *** percent of total U.S. imports in 2017. Despite the company's best efforts to fill out the questionnaire, the data submitted could not be reconciled. Staff did not include *** questionnaire response in the data presented in this report.

[3] Import data are based on the following HTS statistical reporting numbers: 7222.11.0001, 7222.11.0006, 7222.11.0057, 7222.11.0059, 7222.11.0082, 7222.11.0084, 7222.19.0001, 7222.19.0006, 7222.19.0052, 7222.19.0054, 7222.20.0001, 7222.20.0006, 7222.20.0041, 7222.20.0043, 7222.20.0062, 7222.20.0064, 7222.20.0067, 7222.20.0069, 7222.20.0071, 7222.20.0073, 7222.20.0047, 7222.20.0049, 7222.20.0082, 7222.20.0084, 7222.20.0087, 7222.20.0089, 7222.30.0001, 7222.30.0012, 7222.30.0022, 7222.30.0024, 7222.30.0082, and 7222.30.0084. The original scope includes the HTS subheading 7222.10. However, on January 1, 1996, the HTS subheading 7222.10 was discontinued and supplanted by 7222.11 and 7222.19.

2017. Imports from all sources declined from 2015 to 2016 by 23.1 percent, then recovered in 2017, and were higher in interim 2018 than in interim 2017.

Table IV-1
Stainless steel bar: U.S. imports by source, 2015 to 2017, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Quantity (short tons)				
U.S. imports from.--					
Brazil	2,499	2,165	2,380	549	412
India, subject	***	***	***	***	***
Japan[1]	***	***	***	***	***
Spain	472	2,256	1,196	450	5
Subject sources	***	***	***	***	***
India, nonsubject[2]	***	***	***	***	***
All other sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	160,770	123,542	160,317	34,893	42,699
	Value (1,000 dollars)				
U.S. imports from.--					
Brazil	11,230	8,392	9,631	2,221	1,760
India, subject	***	***	***	***	***
Japan[1]	***	***	***	***	***
Spain	1,366	5,930	3,243	1,185	42
Subject sources	***	***	***	***	***
India, nonsubject[2]	***	***	***	***	***
All other sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	622,186	414,934	577,148	123,723	163,825
	Unit value (dollars per short ton)				
U.S. imports from.--					
Brazil	4,493	3,876	4,046	4,047	4,275
India, subject	***	***	***	***	***
Japan[1]	***	***	***	***	***
Spain	2,896	2,629	2,712	2,636	9,019
Subject sources	***	***	***	***	***
India, nonsubject[2]	***	***	***	***	***
All other sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	3,870	3,359	3,600	3,546	3,837

Table continued on next page.

Table IV-1 -- Continued
Stainless steel bar: U.S. imports by source, 2015 to 2017, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Share of quantity (percent)				
U.S. imports from.--					
Brazil	1.6	1.8	1.5	1.6	1.0
India, subject	***	***	***	***	***
Japan[1]	***	***	***	***	***
Spain	0.3	1.8	0.7	1.3	0.0
Subject sources	***	***	***	***	***
India, nonsubject[2]	***	***	***	***	***
All other sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	100.0	100.0	100.0	100.0	100.0
	Share of value (percent)				
U.S. imports from.--					
Brazil	1.8	2.0	1.7	1.8	1.1
India, subject	***	***	***	***	***
Japan[1]	***	***	***	***	***
Spain	0.2	1.4	0.6	1.0	0.0
Subject sources	***	***	***	***	***
India, nonsubject[2]	***	***	***	***	***
All other sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	100.0	100.0	100.0	100.0	100.0
	Ratio to U.S. production (percent)				
U.S. imports from.--					
Brazil	1.6	1.5	1.3	1.2	0.8
India, subject	***	***	***	***	***
Japan[1]	***	***	***	***	***
Spain	0.3	1.5	0.7	1.0	0.0
Subject sources	***	***	***	***	***
India, nonsubject[2]	***	***	***	***	***
All other sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	100.0	84.8	89.3	78.2	87.6

[1] Data have been adjusted to remove certain stainless steel bar products imported from Japan that are excluded from the subject order. These excluded products are included in the *All other sources* line.
[2] Imports from India produced by Venus and Viraj are presented separately because they were excluded from the order during the period for which data were collected. In 2017, subject imports only include Venus, as the Section 337 Exclusion Order on Viraj became effective on July 26, 2016. Venus and Viraj have since been reinstated in the order on April 20, 2018. More details are in the Previous and Related Investigation section of Part I of this report.

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

Source: Official U.S. import statistics and proprietary Customs records using HTS statistical reporting numbers 7222.11.0001, 7222.11.0006, 7222.11.0057, 7222.11.0059, 7222.11.0082, 7222.11.0084,

7222.19.0001, 7222.19.0006, 7222.19.0052, 7222.19.0054, 7222.20.0001, 7222.20.0006, 7222.20.0041, 7222.20.0043, 7222.20.0047, 7222.20.0049, 7222.20.0062, 7222.20.0064, 7222.20.0067, 7222.20.0069, 7222.20.0071, 7222.20.0073, 7222.20.0082, 7222.20.0084, 7222.20.0087, 7222.20.0089, 7222.30.0001, 7222.30.0012, 72223.00.022, 7222.30.0024, 7222.30.0082, and 7222.30.0084, accessed July 24, 2018.

Figure IV-1
Stainless steel bar: U.S. import volumes and prices, 2015-17, January to March 2017, and January to March 2018

* * * * * * *

The following tabulation presents total imports (subject and nonsubject) from India by quantity (short tons) and share of quantity (percent).

Subject and nonsubject imports from India combined	Calendar year			January to March	
	2015	2016	2017	2017	2018
Quantity (short tons)	21,621	11,870	7,673	1,811	1,213
Share of quantity (percent)	13.5	9.6	4.8	5.2	2.9

Nonsubject U.S. imports

Table IV-2 presents data for nonsubject U.S. imports of stainless steel bar, by source, from 2015 to 2017, January to March 2017, and January to March 2018. From 2015 to 2017, nonsubject imports slightly decreased by *** percent, but were *** percent higher in interim 2018 than in interim 2017. From 2015 to 2017, leading sources of nonsubject imports of stainless steel bar were Italy, Taiwan, and Germany. In 2017, Italy was the largest nonsubject source of imports of stainless steel bar, followed by Taiwan and Germany. Approximately two-thirds of U.S. imports of stainless steel bar in 2017 were from these three nonsubject sources.

Table IV-2
Stainless steel bar: Nonsubject U.S. imports, by source, 2015-17, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Quantity (short tons)				
Nonsubject U.S. imports.--					
Italy	50,845	45,521	57,777	13,025	15,721
Taiwan	32,786	26,600	30,390	6,577	8,049
Germany	18,104	7,808	16,024	3,135	5,414
Sweden	5,312	5,502	8,593	2,145	2,546
Austria	4,161	2,972	8,401	1,481	1,998
Portugal	5,210	5,544	8,312	1,892	2,210
France	3,696	3,084	3,993	677	1,049
United Kingdom	3,287	1,514	2,944	585	697
Ukraine	2,909	1,454	2,898	515	861
China	2,161	1,939	2,636	399	775
All other sources[1]	***	***	***	***	***
All nonsubject sources	***	***	***	***	***
	Share of total U.S. imports (percent)				
Nonsubject U.S. imports.--					
Italy	31.6	36.8	36.0	37.3	36.8
Taiwan	20.4	21.5	19.0	18.8	18.9
Germany	11.3	6.3	10.0	9.0	12.7
Sweden	3.3	4.5	5.4	6.1	6.0
Austria	2.6	2.4	5.2	4.2	4.7
Portugal	3.2	4.5	5.2	5.4	5.2
France	2.3	2.5	2.5	1.9	2.5
United Kingdom	2.0	1.2	1.8	1.7	1.6
Ukraine	1.8	1.2	1.8	1.5	2.0
China	1.3	1.6	1.6	1.1	1.8
All other sources[1]	***	***	***	***	***
All nonsubject sources	***	***	***	***	***

[1] Includes imports from India, from companies Venus and Viraj. Also includes nonsubject imports of stainless steel bar product exclusions from Japan.

Source: Official U.S. import statistics and proprietary Customs records using HTS statistical reporting numbers 7222.11.0001, 7222.11.0006, 7222.11.0057, 7222.11.0059, 7222.11.0082, 7222.11.0084, 7222.19.0001, 7222.19.0006, 7222.19.0052, 7222.19.0054, 7222.20.0001, 7222.20.0006, 7222.20.0041, 7222.20.0043, 7222.20.0047, 7222.20.0049, 7222.20.0062, 7222.20.0064, 7222.20.0067, 7222.20.0069, 7222.20.0071, 7222.20.0073, 7222.20.0082, 7222.20.0084, 7222.20.0087, 7222.20.0089, 7222.30.0001, 7222.30.0012, 72223.00.022, 7222.30.0024, 7222.30.0082, and 7222.30.0084, accessed July 24, 2018.
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CUMULATION CONSIDERATIONS

In assessing whether U.S. imports from the subject countries are likely to compete with each other and with the domestic like product, the Commission has generally considered four factors: (1) fungibility, (2) presence of sales or offers to sell in the same geographical markets, (3) common or similar channels of distribution, and (4) simultaneous presence in the market. Additional information concerning fungibility, geographical markets, and simultaneous presence in the market is presented below.

Fungibility

Product type

Table IV-3 and figure IV-2 show U.S. producers and U.S. importers' U.S. shipments of stainless steel bar, by product type, in 2017. U.S. producers' U.S. shipments in 2017 were principally cold-rolled or cold-drawn stainless steel bar, followed by hot-rolled. U.S. importers' U.S. shipments of stainless steel bar from subject sources were more narrowly divided by product type. U.S. importers' U.S. shipments of stainless steel bar from nonsubject sources consisted of cold-rolled or cold-drawn bar, followed by hot-rolled bar.

Imports from Brazil consisted of ***. Imports from India, excluding Venus and Viraj, ***. U.S. shipments from Venus and Viraj consisted of ***.[4]

Table IV-3
Stainless steel bar: U.S. producers and U.S. importers' U.S. shipments by product type, 2017

* * * * * * *

Figure IV-2
Stainless steel bar: U.S. producers and U.S. importers' U.S. shipments by product type, 2017

* * * * * * *

Grade

Table IV-4 and figure IV-3 show U.S. producers' and U.S. importers' shipments, by grade, in 2017. U.S. producers reported U.S. shipments of all grades for which the Commission requested information, although AISI 316/316L, 304/304L, and 303 were the most common grades. U.S. shipments of nonsubject sources had a grade breakout similar to that of U.S. producers' U.S. shipments – the three most common grades were also AISI 316/316L, AISI 303,and AISI 304/304L.

[4] U.S. importers' questionnaire response, section II-7d.

U.S. shipments of imports from India, excluding Venus and Viraj, also consisted of all grades for which the Commission requested information, with ***. U.S. shipments from Spain consisted of ***. Imports from Brazil and Japan consisted of ***.[5]

Table IV-4
Stainless steel bar: U.S. producers and U.S. importers' U.S. shipments by grade, 2017

Item	Product type						
	AISI 303	AISI 304/304L	AISI 316/316L	AISI 410	AISI 416	Other	All grades
	Quantity (short tons)						
U.S. producers' U.S. shipments	***	***	***	***	***	***	***
U.S. importers' U.S. shipments of imports from.--							
Brazil	***	***	***	***	***	***	***
India, subject[1]	***	***	***	***	***	***	***
Japan	***	***	***	***	***	***	***
Spain	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***
India, nonsubject[1]	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***
All import sources	***	***	***	***	***	***	***
Combined U.S. producers and U.S. importers	41,095	40,859	48,201	5,017	19,832	82,645	237,649

Table continued on next page.

[5] Imports from Brazil consisted of ***. See *** U.S. Importers' questionnaire response. Imports from Japan consisted of ***. See *** U.S. Importers' questionnaire response. Japanese respondent interested parties reported that while Japanese producers do make standard grade stainless steel bar, mills have increasingly focused production and export sales on premium grade ("niche") products in response to the rise of Asian producers in Korea, China, and India that have a cost advantage with respect to standard products. Japanese respondent interested parties' posthearing brief, p. A-13.

Table IV-4 -- Continued
Stainless steel bar: U.S. producers and U.S. importers' U.S. shipments by grade, 2017

Item	Product type						
	AISI 303	AISI 304/304L	AISI 316/316L	AISI 410	AISI 416	Other	All grades
	Share across (percent)						
U.S. producers' U.S. shipments	***	***	***	***	***	***	***
U.S. importers' U.S. shipments of imports from.--							
Brazil	***	***	***	***	***	***	***
India, subject[1]	***	***	***	***	***	***	***
Japan	***	***	***	***	***	***	***
Spain	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***
India, nonsubject[1]	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***
All import sources	***	***	***	***	***	***	***
Combined U.S. producers and U.S. importers	17.3	17.2	20.3	2.1	8.3	34.8	100.0
	Share down (percent)						
U.S. producers' U.S. shipments	***	***	***	***	***	***	***
U.S. importers' U.S. shipments of imports from.--							
Brazil	***	***	***	***	***	***	***
India, subject[1]	***	***	***	***	***	***	***
Japan	***	***	***	***	***	***	***
Spain	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***
India, nonsubject[1]	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***
All import sources	***	***	***	***	***	***	***
Combined U.S. producers and U.S. importers	100.0	100.0	100.0	100.0	100.0	100.0	100.0

[1] *India, subject* excludes imports from Venus and Viraj. *India, nonsubject* consists of imports from Venus and Viraj. As of April 20, 2018, Venus and Viraj are now subject to the order.

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

Source: Compiled from data submitted in response to Commission questionnaires

Figure IV-3
Stainless steel bar: U.S. producers and U.S. importers' U.S. shipments by grade, 2017

* * * * * * *

Geographical markets

Table IV-5 presents imports of stainless steel bar from subject countries and all other sources by border of entry (U.S. Customs districts) for 2017. The East and North are the most common borders of entry for both subject and nonsubject imports of stainless steel bar. According to official U.S. import statistics, New York, NY, was the largest U.S. Customs district for imports of stainless steel bar during January 2015 to March 2018.[6] U.S. imports of stainless steel bar from Spain primarily entered the Chicago, Illinois, Customs district and U.S. imports of stainless steel bar from Brazil primarily entered the Norfolk, Virginia, Customs district.[7] U.S. imports of stainless steel bar from India and Japan entered the United States in a number of U.S. Customs districts.

Table IV-5
Stainless steel bar: U.S. imports by border of entry, 2017

Item	Border of entry				
	East	North	South	West	All borders
	Quantity (short tons)				
U.S. imports from.--					
Brazil	2,344	11	25	---	2,380
India, subject[1]	***	***	***	***	***
Japan[2]	***	***	***	***	***
Spain	3	1,185	4	3	1,196
Subject sources	***	***	***	***	***
India, nonsubject	***	***	***	***	***
All other sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	63,182	44,895	35,428	16,813	160,318

Table continued on next page.

[6] The largest share of U.S. imports of stainless steel bar from subject sources were entered through Chicago, Illinois, between January 2015 and March 2018. The next largest entry district for imports of stainless steel bar from subject sources was Houston-Galveston, Texas.

[7] Nearly all (98 percent) of U.S. imports of stainless steel bar from Brazil were entered through the Norfolk, Virginia, Customs district between January 2015 and March 2018. Nearly all (99 percent) of U.S. imports of stainless steel bar from Spain were entered through Chicago, Illinois, between January 2015 and March 2018.

Table IV-5
Stainless steel bar: U.S. imports by border of entry, 2017

Item	Border of entry				
	East	North	South	West	All borders
	Share across (percent)				
U.S. imports from.--					
Brazil	98.5	0.5	1.1	---	100.0
India, subject[1]	***	***	***	***	***
Japan[2]	***	***	***	***	***
Spain	0.2	99.1	0.4	0.3	100.0
Subject sources	***	***	***	***	***
India, nonsubject	***	***	***	***	***
All other sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	39.4	28.0	22.1	10.5	100.0
	Share down (percent)				
U.S. imports from.--					
Brazil	3.7	0.0	0.1	---	1.5
India, subject[1]	***	***	***	***	***
Japan[2]	***	***	***	***	***
Spain	0.0	2.6	0.0	0.0	0.7
Subject sources	***	***	***	***	***
India, nonsubject	***	***	***	***	***
All other sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	100.0	100.0	100.0	100.0	100.0

[1] *India, subject* excludes imports from Venus and Viraj. *India, nonsubject* consists of imports from Venus and Viraj. As of April 20, 2018, Venus and Viraj are now subject to the order.
[2] Data have been adjusted to remove certain stainless steel bar products imported from Japan that are excluded from the subject order. These excluded products are included in the *All other sources* line.

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

Source: Official U.S. import statistics and proprietary Customs records using HTS statistical reporting numbers 7222.11.0001, 7222.11.0006, 7222.11.0057, 7222.11.0059, 7222.11.0082, 7222.11.0084, 7222.19.0001, 7222.19.0006, 7222.19.0052, 7222.19.0054, 7222.20.0001, 7222.20.0006, 7222.20.0041, 7222.20.0043, 7222.20.0047, 7222.20.0049, 7222.20.0062, 7222.20.0064, 7222.20.0067, 7222.20.0069, 7222.20.0071, 7222.20.0073, 7222.20.0082, 7222.20.0084, 7222.20.0087, 7222.20.0089, 7222.30.0001, 7222.30.0012, 72223.00.022, 7222.30.0024, 7222.30.0082, and 7222.30.0084, accessed July 24, 2018.

Presence in the market

Table IV-6 presents data on the number of monthly entries of U.S. imports of stainless steel bar, by source, during January 2015 to May 2018. As the table shows, stainless steel bar was imported from Brazil and Indian subject sources during all 41 months during January 2015 to May 2018. Stainless steel bar was imported from Japan in 40 of the 41 months during January 2015 to May 2018. In 2015, U.S. imports of stainless steel bar from Spain were entered into the U.S. Customs territory ten months of the year. Between 2016 and 2017, U.S. imports of stainless steel bar from Spain were entered into the U.S. Customs territory in every month of

the year. Between the interim period of January to May 2018, U.S. imports of stainless steel bar from Spain were entered into the U.S. Customs territory for four of the five months.

Figure IV-4 shows a graph of monthly imports from subject sources, by country. Figure IV-5 shows a graph of U.S. imports from subject and nonsubject sources, and demonstrates that, around mid-2016, there is a substantial decrease in imports, followed by increases in 2017, across both subject and nonsubject sources.

Table IV-6
Stainless steel bar: Monthly U.S. imports, January 2015 through May 2018

Item	Source								
	Brazil	India, subject[1]	Japan[2]	Spain	Subject sources	India, nonsubject	All other sources	Nonsubject sources	All import sources
	Quantity (short tons)								
2015.---									
January	125	***	***	---	***	***	***	***	13,835
February	254	***	***	3	***	***	***	***	13,285
March	118	***	***	3	***	***	***	***	16,465
April	247	***	***	2	***	***	***	***	16,726
May	231	***	***	5	***	***	***	***	15,815
June	174	***	***	---	***	***	***	***	13,695
July	193	***	***	46	***	***	***	***	14,883
August	268	***	***	18	***	***	***	***	14,111
September	308	***	***	152	***	***	***	***	9,992
October	218	***	***	108	***	***	***	***	11,950
November	243	***	***	49	***	***	***	***	10,529
December	121	***	***	87	***	***	***	***	9,483
2016.---									
January	150	***	***	3	***	***	***	***	9,118
February	180	***	***	275	***	***	***	***	9,297
March	110	***	***	210	***	***	***	***	11,650
April	213	***	***	150	***	***	***	***	9,600
May	196	***	***	133	***	***	***	***	10,213
June	290	***	***	124	***	***	***	***	11,783
July	210	***	***	214	***	***	***	***	11,760
August	81	***	***	444	***	***	***	***	11,969
September	173	***	***	44	***	***	***	***	7,468
October	228	***	***	298	***	***	***	***	9,289
November	85	***	***	108	***	***	***	***	10,336
December	250	***	***	251	***	***	***	***	11,057
2017.---									
January	232	***	***	41	***	***	***	***	10,997
February	142	***	***	193	***	***	***	***	10,020
March	175	***	***	216	***	***	***	***	13,876
April	188	***	***	512	***	***	***	***	14,195
May	156	***	***	212	***	***	***	***	13,059
June	256	***	***	1	***	***	***	***	14,322
July	334	***	***	1	***	***	***	***	14,568
August	115	***	***	5	***	***	***	***	13,897
September	268	***	***	5	***	***	***	***	12,128
October	191	***	***	2	***	***	***	***	14,903
November	123	***	***	6	***	***	***	***	13,491
December	200	***	***	2	***	***	***	***	14,862

Table continued on next page.

Table IV-6 -- Continued
Stainless steel bar: Monthly U.S. imports, January 2015 through May 2018

Item	Source								
	Brazil	India, subject[1]	Japan[2]	Spain	Subject sources	India, nonsubject	All other sources	Nonsubject sources	All import sources
	Quantity (short tons)								
2018.---									
January	109	***	***	3	***	***	***	***	13,380
February	103	***	***	---	***	***	***	***	14,239
March	200	***	***	1	***	***	***	***	15,081
April	162	***	***	1	***	***	***	***	15,268
May	198	***	***	1	***	***	***	***	15,208

[1] *India, subject* excludes imports from Venus and Viraj. *India, nonsubject* consists of imports from Venus and Viraj. As of April 20, 2018, Venus and Viraj are now subject to the order.
[2] Data have been adjusted to remove certain stainless steel bar products imported from Japan that are excluded from the subject order. These excluded products are included in the *All other sources* line.

Source: Official U.S. import statistics and proprietary Customs records using HTS statistical reporting numbers 7222.11.0001, 7222.11.0006, 7222.11.0057, 7222.11.0059, 7222.11.0082, 7222.11.0084, 7222.19.0001, 7222.19.0006, 7222.19.0052, 7222.19.0054, 7222.20.0001, 7222.20.0006, 7222.20.0041, 7222.20.0043, 7222.20.0047, 7222.20.0049, 7222.20.0062, 7222.20.0064, 7222.20.0067, 7222.20.0069, 7222.20.0071, 7222.20.0073, 7222.20.0082, 7222.20.0084, 7222.20.0087, 7222.20.0089, 7222.30.0001, 7222.30.0012, 72223.00.022, 7222.30.0024, 7222.30.0082, and 7222.30.0084, accessed July 24, 2018.

Figure IV-4
Stainless steel bar: Monthly U.S. imports from subject sources, January 2015 through May 2018

* * * * * * *

Figure IV-5
Stainless steel bar: Monthly U.S. imports from all sources, January 2015 through May 2018

* * * * * * *

U.S. IMPORTERS' IMPORTS SUBSEQUENT TO MARCH 30, 2018

The Commission requested importers to indicate whether they had imported or arranged for the importation of stainless steel bar from subject sources for delivery after March 30, 2018. The Commission also requested information on imports or arranged imports of stainless steel bar from Venus and Viraj, which were not subject to the orders on imports from India during the data collection period, but are subject to the order as of April 20, 2018, as well as all other sources for the same period. Twenty-eight of 32 firms reported arranging imports after March 30, 2018. As table IV-7 indicates, the large majority of stainless steel bar entering the United States from April 2018 to March 2019 is expected to originate from nonsubject sources. Of subject sources, stainless steel bar entering the United States from April 2018 to March 2019 is expected to originate principally from Brazil or India.

Table IV-7
Stainless steel bar: U.S. importers' arranged imports

* * * * * * *

U.S. IMPORTERS' INVENTORIES

Table IV-8 presents data for inventories of U.S. imports of stainless steel bar from subject countries and all other sources held in the United States. From 2015 through 2017, and during interim 2017 and 2018, U.S. inventories of subject stainless steel bar from Japan and India were minimal, while end-of-period U.S. inventories of subject stainless steel bar were highest in 2016 for Brazil and Spain. U.S. importers' end-of-period inventories of imports from nonsubject sources increased by *** percent from 2015 to 2017. *** and *** were leading importers holding inventories throughout the 2015 to 2017 period. In 2017, these two companies alone held approximately *** of all end-of-period U.S. inventories of stainless steel bar. *** substantially increased its end-of-period inventory holdings of stainless steel bar from 2016 to 2017, from *** short tons to *** short tons.

Table IV-8
Stainless steel bar: U.S. importers' end-of-period inventories of imports by source, 2015 to 2017, January to March 2017, and January to March 2018

* * * * * * *

SUBJECT COUNTRY PRODUCERS

According to Global Trade Atlas ("GTA") data, total subject exports of stainless steel bar[8] were 1,501,727 short tons in 2017. Together, subject countries represented 27.5 percent of total global exports of stainless steel bar in 2017 (see table IV-28 for more information). India was the largest exporter of the subject countries, representing 15.9 percent of all exports of stainless steel bar in 2017, and Brazil was the smallest at 0.4 percent. Of the four subject countries, Brazil was the only net importer.[9]

[8] GTA data covers the following six-digit HTS subheadings: 7222.11, 7222.19, 7222.20, and 7222.30. These correspond to the HTS subheadings included in Commerce's scope for stainless steel bar.

[9] Official export statistics under HS subheadings 7222.11, 7222.19, 7222.20, and 7222.30, as reported in the IHS/GTA database, accessed July 24, 2018.

THE INDUSTRY IN BRAZIL

Overview

During the final phase of the original investigations, there were four known producers of stainless steel bar in Brazil – Companhia Aços Especiais Itabira (Acesita), Electrometal S/A Metaís Especiais (Electrometal), Aços Finos Piratini, S.A. (Piratini) and Aços Villares, S.A. (Villares). The Commission received foreign producer/exporter questionnaires from Acesita, Electrometal, and Villares, which accounted for approximately *** percent of exports from Brazil to the United States of stainless steel bar during 1993. *** was identified as the largest manufacturer of stainless steel bar,[10] while stainless steel bar ***.[11] In 1992, Piratini was purchased by the Gerdau Group, a Brazilian steel manufacturer, becoming Gerdau Aços Finos Piratini (Gerdau Piratini).

The Commission did not receive responses from any producers in Brazil in its first five-year reviews. Two firms, Gerdau Piratini and Villares, were believed to produce stainless steel bar in Brazil in 1999. Gerdau Piratini indicated in 2001 that it had not exported stainless steel bar to the U.S. in the past five years, and Acesita reported that it had not produced stainless steel bar since 1996.[12] Electrometal's facility in Sumare SP was acquired by Villares in February 1996, at which time Villares began producing stainless steel bar at this new plant and stopped producing it at its São Paulo plant, changing its name to Villares Metals, S.A.[13]

During the second five-year reviews, the Commission received a foreign producer/exporter questionnaire from one Brazilian firm, Villares, which accounted for approximately *** percent of production of stainless steel bar from Brazil and approximately *** percent of exports from Brazil to the United States of stainless steel bar in 2005. The other known producer, Gerdau Piratini, did not submit a questionnaire response.

Although the Commission did not receive responses from any respondent interested parties in its third five-year reviews, the domestic interested parties identified the same two firms, Villares and Gerdau Piratini, as Brazilian producers of stainless steel bar in 2010.

In these current fourth five-year reviews, one firm producing stainless steel bar in Brazil, Villares, submitted a response to the Commission's questionnaire. Villares reported in its questionnaire response that it accounts for *** percent of stainless steel bar production in Brazil and exports to the United States. However, domestic interested parties identified Grupo

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[10] *Stainless Steel Bar from Brazil, India, Italy, Japan, and Spain, Investigation Nos. 731-TA-678 through 682 (Preliminary),* USITC Publication 2734, February 1994, p. II-4.

[11] *Stainless Steel Bar from Brazil, India, Japan, and Spain, Investigation Nos. 731-TA-678, 679, 681, and 682 (Final)*, USITC Publication 2856, February 1995, p. I-104.

[12] *Stainless Steel Bar from Brazil, India, Japan, and Spain, Investigation Nos. 731-TA-678, 679, 681, and 682 (Review),*USITC Publication 3404, March 2001, p. IV-12.

[13] Ibid.

Aço Cearense[14] as another producer of stainless steel bar in Brazil in their posthearing brief. Domestic interested parties also identified Gerdau Piratini as a potential producer of stainless steel bar in Brazil in their response to the Commission's notice of institution, however, this company ***.[15,16]

Table IV-9 presents information on the stainless steel bar operations of Villares in Brazil.

Table IV-9
Stainless steel bar: Summary data for Villares, 2017

* * * * * * *

Changes in operations

Villares reported ***.

Operations on stainless steel bar

Table IV-10 presents data on Villares' operations. Stainless steel bar capacity ***. Villares reported in its questionnaire response that ***. Capacity utilization was ***.

Production of stainless steel bar ***.

Total home market shipments ***, while export shipments[17] ***. Internal consumption ***.

Villares' end-of-period inventory ***. Inventory levels ***.

Table IV-10
Stainless steel bar: Data on Villares, 2015-17, January to March 2017, and January to March 2018

* * * * * * *

[14] Domestic interested parties' posthearing brief, p. 9. Grupo Aço Cearense did not respond to Commission staff's request to complete a foreign producer questionnaire. On the company's website, one of the product offerings is stainless steel round bar. See http://www.grupoacocearense.com.br/en/produtos/barra-redonda-inox (accessed July 31, 2018). Under the website's "where to buy" tab, only suppliers located in Brazil are listed. See http://www.grupoacocearense.com.br/en/onde-comprar (accessed July 31, 2018).

[15] See email to staff from *** on May 14, 2018 (EDIS document 647037).

[16] According to ***, (domestic interested parties' posthearing brief, exh. 6, p.1). ***. See *** (EDIS document number 650350).

[17] Exports to the United States reported by responding subject Brazilian producer Villares were equivalent to *** percent of subject imports from that country in 2017. Global exports reported by responding producer Villares from January 2015 to December 2017 were equivalent to *** percent of global exports from Brazil provided by GTA data during the same time period.

Alternative products

As shown in table IV-11, Villares produced *** on the same equipment and machinery used to produce stainless steel bar.

Villares reported that it ***.

Table IV-11
Stainless steel bar: Overall capacity and production on the same equipment as in-scope production for Villares, 2015-17, January to March 2017, and January to March 2018

* * * * * * *

Exports

According to GTA, the United States was the top export market for stainless steel bar from Brazil, accounting for 38.7 percent of exports from Brazil in 2017. ***.[18]

Other leading export markets for stainless steel bar from Brazil, in terms of quantity, are Argentina,[19] Italy, and India, which accounted for 27.9 percent, 10 percent, and 4.7 percent of exports in 2017, respectively (table IV-12). ***.

Brazil was a net importer from 2015 to 2017. In 2017, it exported 5,935 short tons of stainless steel bar and imported 17,158 short tons.[20]

[18] See Villares' foreign producer questionnaire response, section II-10.

[19] Mercosur, an economic and political bloc comprising Argentina, Brazil, Paraguay, Uruguay, and Venezuela, was created in 1991 with the signing of the Treaty of Asunción, and was formalized as a customs union in 1994 under the Protocol of Ouro Preto. Bolivia, Chile, Colombia, Ecuador, Guyana, Peru, and Suriname are associate members. They receive tariff reductions when trading with the full members, but do not enjoy full voting rights or free access to their markets. See *Council on Foreign Relations webpage*, https://www.cfr.org/backgrounder/mercosur-south-americas-fractious-trade-bloc, (accessed July 24, 2018).

[20] Official export and import statistics under HS subheadings 7222.11, 7222.19, 7222.20, and 7222.30, as reported in the IHS/GTA database, accessed July 24, 2018.

Table IV-12
Stainless steel bar: Exports from Brazil by destination market, 2015-17

Destination market	Calendar year		
	2015	2016	2017
	Quantity (short tons)		
Exports from Brazil to the United States	2,490	2,272	2,294
Exports from Brazil to other major destination markets.--			
Argentina	2,439	1,177	1,654
Italy	593	681	596
India	249	532	281
Germany	97	170	256
Mexico	27	94	210
Peru	108	180	154
Poland	100	91	118
China	7	22	107
All other destination markets	800	251	265
Total exports from Brazil	6,911	5,468	5,935
	Value (1,000 dollars)		
Exports from Brazil to the United States	11,125	8,818	9,577
Exports from Brazil to other major destination markets.--			
Argentina	9,210	4,131	7,344
Italy	2,618	2,752	2,615
India	2,312	2,897	2,173
Germany	421	845	2,072
Mexico	211	601	1,328
Peru	584	794	671
Poland	399	339	501
China	48	210	531
All other destination markets	3,955	1,533	1,492
Total exports from Brazil	30,883	22,921	28,304

Table continued on next page.

Table IV-12 – Continued
Stainless steel bar: Brazil exports by destination market, 2015-17

Destination market	Calendar year		
	2015	2016	2017
	Unit value (dollars per short ton)		
Exports from Brazil to the United States	4,468	3,881	4,175
Exports from Brazil to other major destination markets.--			
Argentina	3,776	3,511	4,441
Italy	4,411	4,042	4,391
India	9,291	5,447	7,723
Germany	4,335	4,985	8,103
Mexico	7,691	6,408	6,334
Peru	5,394	4,412	4,354
Poland	3,986	3,720	4,240
China	6,819	9,636	4,943
All other destination markets	4,942	6,114	5,627
Total exports from Brazil	4,468	4,192	4,769
	Share of quantity (percent)		
Exports from Brazil to the United States	36.0	41.5	38.7
Exports from Brazil to other major destination markets.--			
Argentina	35.3	21.5	27.9
Italy	8.6	12.5	10.0
India	3.6	9.7	4.7
Germany	1.4	3.1	4.3
Mexico	0.4	1.7	3.5
Peru	1.6	3.3	2.6
Poland	1.4	1.7	2.0
China	0.1	0.4	1.8
All other destination markets	11.6	4.6	4.5
Total exports from Brazil	100.0	100.0	100.0

Source: Official export statistics from Brazil under HTS subheadings 7222.11, 7222.19, 7222.20, and 7222.30, as reported by SECEX – Foreign Trade Secretariat in the IHS/GTA database, accessed May 9, 2018.

THE INDUSTRY IN INDIA

Overview

During the final phase of the original investigations, the Commission did not receive any foreign producer/exporter questionnaires from stainless steel bar producers in India. During the preliminary phase of the original investigations, five Indian firms were identified as producers of stainless steel bar, and the Commission received data from one of these firms, ***, which accounted for approximately *** percent of U.S. imports of stainless steel bar from India and was believed to be the largest stainless steel bar manufacturer in India in 1992.[21]

During the first five-year reviews, the Commission received foreign producer/exporter questionnaires from eight producers of stainless steel bar in India during 2000.[22] During these reviews, it was reported that the stainless steel industry in India was divided between approximately 15 primary and over 2,500 small producers. The Commission sent questionnaires to 19 firms in India.[23] In 1999, Mukand was *** and accounted for *** percent of production of the firms that responded to the Commission's foreign producer questionnaire.[24]

During the second five-year reviews, the Commission received foreign producer/exporter questionnaires from three firms, Mukand, Raajratna Metal Industries Pvt., Ltd. (Raajratna), and Sindia Steels Limited (Sindia), which accounted for approximately *** percent of production of stainless steel bar from India during 2005.[25]

Although the Commission did not receive responses to its notice of institution from any respondent interested parties in its third five-year reviews, the domestic interested parties provided a list of 21 firms that they believed to produce stainless steel bar in India in 2010.[26]

The Commission did not receive any responses to its notice of institution from Indian respondent interested parties in these fourth five-year reviews. In their response to the Commission's notice of institution, domestic interested parties identified 24 producers of stainless steel bar in India in 2016. Domestic producers also presented in their response to the notice of institution data regarding capacity and exports of producers of stainless steel bar in

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[21] *Investigation Nos. 731-TA-678-679 and 681-682 (Final): Stainless Steel Bar from Brazil, India, Japan, and Spain—Staff Report*, INV-S-011, January 24, 1994, p. I-105.

[22] *Investigation Nos. 731-TA-678-679 and 681-682 (Review): Stainless Steel Bar From Brazil, India, Japan, and Spain—Staff Report*, INV-Y-034, February 23, 2001, pp. IV-19—IV-20.

[23] These firms were Akai, Atlas Stainless, Bhansali, Chandan, Facor, Grand Foundry, Isibars, Jyoti, Madhya, Meltroll, Mukand, Panchmahal, Parekh, Shah, Shinghal, Sindia, Snowdrop, Venus, and Viraj. Ibid. p. IV-20.

[24] Ibid. p. IV-20.

[25] *Investigation Nos. 731-TA-678, 679, 681, and 682 (Second Review): Stainless Steel Bar From Brazil, India, Japan, and Spain—Staff Report*, INV-DD-157, November 14, 2006, p. IV-20.

[26] *Stainless Steel Bar from Brazil, India, Japan, and Spain, Investigation Nos. 731-TA-678, 679, 681, and 682 (Third Review),* USITC Publication 4341, July 2012, p. I-20.

India. According to their response, "the number of Indian producers have actually increased since the completion of the last sunset review."[27]

In these current fourth five-year reviews, nine subject firms producing stainless steel bar in India submitted responses to the Commission's questionnaire. Subject Indian producers represent an estimated 13 (based on six firms' estimates) to 24 (based on market research) percent of all Indian production of stainless steel bar in 2017. One foreign producer that was nonsubject during the period for which data were collected, ***, also submitted a questionnaire response. *** questionnaire data can be found in appendix E. Given that Viraj is now subject to the order, its questionnaire data are also presented together with the nine subject Indian producers' questionnaire data in appendix F.

Table IV-13 presents information on the stainless steel bar operations of the nine subject foreign producers and exporters in India.[28]

Table IV-13
Stainless steel bar: Summary data on producers in India, 2017

Firm	Production (short tons)	Share of reported production (percent)	Exports to the United States (short tons)	Share of reported exports to the United States (percent)	Total shipments (short tons)	Share of firm's total shipments exported to the United States (percent)
Chandan	***	***	***	***	***	***
Grand Foundry	***	***	***	***	***	***
Jindal	***	***	***	***	***	***
Jyoti	***	***	***	***	***	***
Laxcon	***	***	***	***	***	***
Meltroll	***	***	***	***	***	***
Mukand	***	***	***	***	***	***
Raajratna	***	***	***	***	***	***
Sindia	***	***	***	***	***	***
Total	57,939	100.0	952	100.0	57,076	1.7

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

[27] *Domestic Interested Parties' Response to the Notice of Institution,* August 2, 2017, pp. 7-8.
[28] ***. Domestic interested parties' posthearing brief, exh. 6, pp. 1-2.

Changes in operations

As presented in table IV-14, four of the nine subject foreign producers reported operational and organizational changes since January 1, 2012.

Table IV-14
Stainless steel bar: Reported changes in operations by firms in India, since January 1, 2012

* * * * * * *

Operations on stainless steel bar

Table IV-15 presents data on operations of the nine responding subject foreign producers in India. Stainless steel bar capacity increased by 11.1 percent from 2015 to 2017, and was 4.3 percent higher in interim 2018 than in interim 2017. Capacity utilization decreased by 5.7 percentage points from 38.2 percent in 2015 to 32.6 percent in 2016, but increased to 38.7 percent in 2017. Some production constraints that were cited included capital investments, such as the firms' heat treatment and rolling mill capacities; the availability of raw materials and labor (skilled and unskilled); power outages; and storage area limitations.

Production of stainless steel bar among questionnaire respondents also increased from 2015 to 2017, by 12.4 percent, and was 16.9 percent higher in interim 2018 compared to interim 2017.

Home market shipments increased from 31.4 percent of total shipments in 2015 to 40.9 percent of total market shipments in 2017, while export shipments[29] decreased from 68.6 percent in 2015 to 59.1 percent in 2017.

End-of-period inventory levels of Indian stainless steel producers were between 5.8 and 6.2 percent of total production during 2015-17. Inventory levels decreased by 20.3 percent from 2015 to 2017, and were 17.8 percent lower during interim 2018 compared to interim 2017.

[29] Exports to the United States by responding subject Indian producers were equivalent to *** percent of subject imports from that country in 2017. Global exports reported by responding Indian producers (including nonsubject firm Viraj) from January 2015 to December 2017 were equivalent to *** percent of global exports from India provided by GTA data during the same time period.

Table IV-15

Stainless steel bar: Data on industry in India,[1] 2015-17, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Quantity (short tons)				
Capacity	134,904	135,372	149,906	32,387	33,778
Production	51,558	44,071	57,939	9,725	11,372
End-of-period inventories	3,000	2,749	3,609	2,874	2,362
Shipments: Internal consumption/ transfers	--	--	--	--	--
Commercial home market shipments	15,823	14,622	23,365	3,029	3,470
Total home market shipments	15,823	14,622	23,365	3,029	3,470
Export shipments to: United States	279	294	952	83	349
European Union	15,794	17,344	20,068	3,357	5,892
Asia	12,072	7,047	7,145	1,878	1,432
All other markets	6,476	5,014	5,546	1,149	1,262
Total exports	34,621	29,699	33,711	6,467	8,935
Total shipments	50,444	44,321	57,076	9,496	12,405
	Value (1,000 dollars)				
Shipments: Internal consumption/ transfers	--	--	--	--	--
Commercial home market shipments	36,075	31,820	54,589	6,916	9,939
Total home market shipments	36,075	31,820	54,589	6,916	9,939
Export shipments to: United States	618	606	2,230	198	747
European Union	35,085	31,893	44,540	6,791	14,759
Asia	25,358	12,101	15,264	3,752	3,279
All other markets	15,763	9,993	12,728	2,525	3,017
Total exports	76,824	54,593	74,762	13,266	21,802
Total shipments	112,899	86,413	129,351	20,182	31,741

Table continued on next page.

Table IV-15 -- Continued

Stainless steel bar: Data on industry in India,[1] 2015-17, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Unit value (dollars per short ton)				
Shipments: Internal consumption/ transfers	--	--	--	--	--
Commercial home market shipments	2,280	2,176	2,336	2,283	2,864
Total home market shipments	2,280	2,176	2,336	2,283	2,864
Export shipments to: United States	2,215	2,061	2,342	2,386	2,140
European Union	2,221	1,839	2,219	2,023	2,505
Asia	2,101	1,717	2,136	1,998	2,290
All other markets	2,434	1,993	2,295	2,198	2,391
Total exports	2,219	1,838	2,218	2,051	2,440
Total shipments	2,238	1,950	2,266	2,125	2,559
	Ratios and shares (percent)				
Capacity utilization	38.2	32.6	38.7	30.0	33.7
Inventories/production	5.8	6.2	6.2	7.4	5.2
Inventories/total shipments	5.9	6.2	6.3	7.6	4.8
Share of total shipments: Internal consumption/ transfers	--	--	--	--	--
Commercial home market shipments	31.4	33.0	40.9	31.9	28.0
Total home market shipments	31.4	33.0	40.9	31.9	28.0
Export shipments to: United States	0.6	0.7	1.7	0.9	2.8
European Union	31.3	39.1	35.2	35.4	47.5
Asia	23.9	15.9	12.5	19.8	11.5
All other markets	12.8	11.3	9.7	12.1	10.2
Total exports	68.6	67.0	59.1	68.1	72.0
Total shipments	100.0	100.0	100.0	100.0	100.0

[1] This table only includes questionnaire data received from the nine responding Indian producers subject to the order during the period for which data were collected. Indian producers Viraj and Venus were not subject to the order during the data collection period (they were reinstated in the order in April 2018). Viraj completed a foreign producer questionnaire and Venus did not. Viraj's questionnaire data is presented in appendix E and together with the other nine subject Indian producers in appendix F.

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

Alternative products

As shown in table IV-16, producers of stainless steel bar in India produced other products on the same equipment and machinery used to produce stainless steel bar.

Of the nine subject foreign producer respondents, six reported that they could switch production between stainless steel bar and other products, including mild, carbon, and alloy steel bars; and stainless steel flat products, precision strips, coin blanks, and wires. Factors that affect their abilities and decisions to shift production between products include capital restrictions and pricing.

Table IV-16
Stainless steel bar: Overall capacity and production on the same equipment as in-scope production for firms in India, 2015-17, January to March 2017, and January to March 2019

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Quantity (short tons)				
Overall capacity	1,133,367	1,133,367	1,133,367	259,591	259,591
Production:					
Stainless steel bar	51,558	44,071	57,939	9,725	11,372
Stainless steel wire rod	-	4	8	-	-
Stainless steel angles	9,427	13,622	19,429	3,465	4,245
Tool and high speed steels	-	-	-	-	-
Other products	779,729	746,485	905,063	196,460	200,594
Out-of-scope production	789,156	760,111	924,500	199,925	204,839
Total production	840,714	804,182	982,439	209,650	216,211
	Ratios and shares (percent)				
Capacity utilization	74.2	71.0	86.7	80.8	83.3
Share of production:					
Stainless steel bar	6.1	5.5	5.9	4.6	5.3
Stainless steel wire rod	-	0.0	0.0	-	-
Stainless steel angles	1.1	1.7	2.0	1.7	2.0
Tool and high speed steels	-	-	-	-	-
Other products	92.7	92.8	92.1	93.7	92.8
Out-of-scope production	93.9	94.5	94.1	95.4	94.7
Total production	100.0	100.0	100.0	100.0	100.0

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

Exports

According to GTA, the leading export markets for stainless steel bar from India, in terms of quantity, are Germany, Turkey, and Italy, which accounted for 12.3 percent, 7.6 percent, and 7.4 percent of exports from India in 2017, respectively (table IV-17). The United States accounted for 3.1 percent of exports from India of stainless steel bar in 2017.

Producers from India reported the following export markets as ones they have developed or have had increased sales in since 2012: the European Union, the Middle East, Southeast Asia, Africa, Latin America, Russia, and Canada.

Producers from India reported the following third country trade actions against their stainless steel bar products – a four percent countervailing duty in the European Union since April 2015, and a 3.56 percent antidumping duty in Korea since 2004.

India was a net exporter during the 2015-17 period. In 2017, India exported 239,377.9 short tons of stainless steel bar, and imported 16,183.1 short tons.[30]

Table IV-17
Stainless steel bar: Exports from India by destination market, 2015-17

Destination market	Calendar year		
	2015	2016	2017
	Quantity (short tons)		
Exports from India to the United States	19,866	9,928	7,538
Exports from India to other major destination markets.--			
Germany	26,553	26,790	29,475
Turkey	18,923	17,297	18,168
Italy	14,859	18,079	17,730
Belgium	13,057	12,023	12,246
Poland	9,552	9,141	11,901
Korea	7,511	7,305	11,859
Netherlands	11,389	8,889	11,726
Brazil	4,153	3,917	10,491
All other destination markets	92,967	108,584	108,245
Total exports from India	218,831	221,954	239,378
	Value (1,000 dollars)		
Exports from India to the United States	54,202	22,463	17,991
Exports from India to other major destination markets.--			
Germany	58,420	46,955	62,303
Turkey	40,140	28,480	33,489
Italy	31,205	30,603	36,705
Belgium	30,411	24,007	28,988
Poland	19,222	15,173	23,146
Korea	17,406	13,952	23,087
Netherlands	23,192	15,394	23,472
Brazil	8,846	6,280	18,780
All other destination markets	200,276	175,277	211,224
Total exports from India	483,320	378,586	479,185

Table continued on next page.

[30] Official export and import statistics under HS subheadings 7222.11, 7222.19, 7222.20, and 7222.30, as reported in the IHS/GTA database, accessed July 24, 2018.

Table IV-17 -- Continued
Stainless steel bar: Exports from India by destination market, 2015-17

Destination market	Calendar year		
	2015	2016	2017
	Unit value (dollars per short ton)		
Exports from India to the United States	2,728	2,263	2,387
Exports from India to other major destination markets.--			
Germany	2,200	1,753	2,114
Turkey	2,121	1,647	1,843
Italy	2,100	1,693	2,070
Belgium	2,329	1,997	2,367
Poland	2,012	1,660	1,945
Korea	2,317	1,910	1,947
Netherlands	2,036	1,732	2,002
Brazil	2,130	1,603	1,790
All other destination markets	2,154	1,614	1,951
Total exports from India	2,209	1,706	2,002
	Share of quantity (percent)		
Exports from India to the United States	9.1	4.5	3.1
Exports from India to other major destination markets.--			
Germany	12.1	12.1	12.3
Turkey	8.6	7.8	7.6
Italy	6.8	8.1	7.4
Belgium	6.0	5.4	5.1
Poland	4.4	4.1	5.0
Korea	3.4	3.3	5.0
Netherlands	5.2	4.0	4.9
Brazil	1.9	1.8	4.4
All other destination markets	42.5	48.9	45.2
Total exports from India	100.0	100.0	100.0

Source: Official export statistics from India under HTS subheadings 7222.11, 7222.19, 7222.20, and 7222.30, as reported by India's Ministry of Commerce in the IHS/GTA database, accessed May 9, 2018.

THE INDUSTRY IN JAPAN

Overview

During the final phase of the original investigations, the Commission did not receive any foreign producer/exporter questionnaires from stainless steel bar producers in Japan. During the preliminary phase of the original investigations the Commission received data from eight firms, which accounted for approximately 94 percent of Japanese exports of stainless steel bar to the United States in 1992. *** was identified as the largest manufacturer of stainless steel bar.[31]

During the first five-year reviews, the Commission received foreign producer/exporter questionnaires from one firm, Hitachi Metals, which accounted for approximately *** percent of production of stainless steel bar from Japan during 1999. There were six known producers of stainless steel bar, including Aichi, Daido, Hitachi Metals, Sanyo, Sumitomo, and Tohoku, with Aichi, Daido, and Sanyo being the largest producers.[32]

The Commission did not receive responses to its notice of institution from any respondent interested parties in its second or third five-year reviews, but the domestic interested parties provided a list of seven firms and six firms that they believed to produce stainless steel bar in Japan in 2005 and 2010, respectively. These lists covered the same Japanese producers identified in the first reviews, in addition to Pacific Metals Co.

The Commission received one response to its notice of institution from Japanese respondent interested parties in these fourth five-year reviews, which included data for three firms, Daido, Sanyo, and Aichi. Japanese respondent interested parties estimated that they accounted for approximately *** percent of aggregate production of stainless steel bar in Japan and approximately *** percent of Japanese exports of stainless steel bar to the United States during 2016. These three firms submitted questionnaire responses, as well as Tohoku Steel.

In their response to the Commission's notice of institution, domestic interested parties identified Sumitomo Metals and Pacific Metals as potential Japanese producers of stainless steel bar.[33] Pacific Metals was unresponsive to staff requests to complete a foreign producer questionnaire, however, Japanese respondent interested parties provided an affidavit from Managing Executive Director Mr. Keiichi Koide of Pacific Metals, indicating that Pacific Metals is a ferronickel producer. They have not produced stainless steel bar since at least 1999, and they do not have the necessary machinery to produce it.[34] The other producer identified by the domestic interested parties, Sumitomo Metals, consolidated its stainless steel division with

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[31] *Investigation Nos. 731-TA-678-679 and 681-682 (Final): Stainless Steel Bar from Brazil, India, Japan, and Spain—Staff Report*, INV-S-011, January 24, 1994, p. I-29.

[32] *Investigation Nos. 731-TA-678-679 and 681-682 (Review): Stainless Steel Bar From Brazil, India, Japan, and Spain—Staff Report,* INV-Y-034, February 23, 2001, pp. IV-22.

[33] *Domestic Interested Parties' Response to the Notice of Institution,* August 2, 2017, p. 9.

[34] Japanese respondent interested parties' posthearing brief, exhibit 17.

Nippon Steel's in 2003, establishing Nippon Steel & Sumikin Metal Corporation (NSSC). NSSC ***.[35]

Japanese respondent interested party, Daido, also identified Nippon Koshuha Steel Co., Ltd.; Nippon Yakin Kogyo Co., Ltd.; Hitachi Metals, Ltd.; and JFE Steel Corporation as Japanese producers of stainless steel bar. Japanese respondent parties report that these companies only have a small amount of stainless steel bar capacity, and that their production is devoted almost entirely to their home market customers, which explains their lack of participation in this proceeding.[36]

The four Japanese producers' that submitted questionnaires individually estimated their share of stainless steel bar production in Japan in 2017, which added up to 95.3 percent. If these percentages are adjusted based on the producer that reported the most conservative estimate based on their reported production ***, these four producers represent 84.0 percent of Japan's total production of stainless steel bar.

Table IV- 18 presents information on the stainless steel bar operations of the four producers that submitted questionnaire responses.[37]

Table IV-18
Stainless steel bar: Summary data on producers in Japan, 2017

Firm	Production (short tons)	Share of reported production (percent)	Exports to the United States (short tons)	Share of reported exports to the United States (percent)	Total shipments (short tons)	Share of firm's total shipments exported to the United States (percent)
Aichi	***	***	***	***	***	***
Daido	***	***	***	***	***	***
Sanyo	***	***	***	***	***	***
Tohoku Steel Co., Ltd.	***	***	***	***	***	***
Total	194,671	100.0	***	100.0	195,577	***

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

Changes in operations

One of the four producers from Japan, ***, reported organizational changes since January 1, 2012. This firm reported, "***"

In the Japanese respondent interested parties' posthearing brief, it was reported that Daido also invested approximately 4 billion yen at their Chita and Shibukawa factories, which

[35] See foreign producer questionnaire and affidavit from ***.
[36] See email to staff from ***.
[37] According to ***. Domestic interested parties' posthearing brief, exh. 6, pp. 1-2.

will be completed in 2019. These investments include an electroslag remelting furnace and vacuum arc remelting furnaces. These will be used for a secondary remelting process that is performed for a limited number of stainless steel bar and other stainless steel products. This investment does not expand primary melting capacity, which will continue to limit stainless steel bar capacity.[38]

Operations on stainless steel bar

Table IV-19 presents data on operations of the four producers from Japan. Stainless steel bar capacity increased by 3.1 percent from 2015 to 2017, and was 4.6 percent higher in interim 2018 than in interim 2017. Capacity utilization was between 92.4 and 95.3 percent during 2015-17. ***.

Production of stainless steel bar increased by 4.9 percent from 2015 to 2017, and was 1.8 percent higher in interim 2018 than in interim 2017.

Most shipments of stainless steel bar from Japan are home shipments compared to export shipments. Total home shipments for Japan varied between *** and *** percent between 2015 and 2017. Producers in Japan did not report any internal consumption or transfers of stainless steel bar between 2015 and 2017, or during the interim 2017 and 2018 periods.

Export shipments[39] from Japan of stainless steel bar *** as a percentage of total shipments from 2015 to 2017, from *** percent of total shipments to *** percent of total shipments.

End-of-period inventory levels for producers from Japan varied between 3.9 and 4.6 percent of total production from 2015 to 2017. Inventory levels decreased by 5.4 percent from 2015 to 2017, and were 8.2 percent lower during interim 2018 compared to interim 2017.

[38] Japanese respondent interested parties' posthearing brief, Exhibit 4, p.2.

[39] Exports to the United States by responding subject Japanese producers were equivalent to *** percent of subject imports from that country in 2017. Global exports reported by responding Japanese producers from January 2015 to December 2017 were equivalent to *** percent of global exports from Japan provided by GTA data during the same time period.

Table IV-19

Stainless steel bar: Data on industry in Japan, 2015-17, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Quantity (short tons)				
Capacity	200,713	200,820	206,840	51,966	54,341
Production	185,549	186,804	194,671	49,541	50,434
End-of-period inventories	8,118	8,583	7,677	7,537	6,921
Shipments: Internal consumption/ transfers	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***
Total home market shipments	***	***	***	***	***
Export shipments to: United States	***	***	***	***	***
European Union	***	***	***	***	***
Asia	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	185,546	186,338	195,577	50,591	51,190
	Value (1,000 dollars)				
Shipments: Internal consumption/ transfers	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***
Total home market shipments	***	***	***	***	***
Export shipments to: United States	***	***	***	***	***
European Union	***	***	***	***	***
Asia	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	613,380	628,118	676,444	169,154	188,632

Table continued on next page.

Table IV-19 -- Continued

Stainless steel bar: Data on industry in Japan, 2015-17, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Unit value (dollars per short ton)				
Shipments: Internal consumption/ transfers	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***
Total home market shipments	***	***	***	***	***
Export shipments to: United States	***	***	***	***	***
European Union	***	***	***	***	***
Asia	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	3,306	3,371	3,459	3,344	3,685
	Ratios and shares (percent)				
Capacity utilization	92.4	93.0	94.1	95.3	92.8
Inventories/production	4.4	4.6	3.9	3.8	3.4
Inventories/total shipments	4.4	4.6	3.9	3.7	3.4
Share of total shipments: Internal consumption/ transfers	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***
Total home market shipments	***	***	***	***	***
Export shipments to: United States	***	***	***	***	***
European Union	***	***	***	***	***
Asia	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	100.0	100.0	100.0	100.0	100.0

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

Alternative products

As shown in table IV-20, producers from Japan produced other products on the same equipment and machinery used to produce stainless steel bar. ***.

Table IV-20
Stainless steel bar: Overall capacity and production on the same equipment as in-scope production for firms in Japan, 2015-17, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Quantity (short tons)				
Overall capacity	1,398,935	1,398,916	1,404,470	351,639	352,611
Production:					
Stainless steel bar	185,549	186,804	194,671	49,541	50,434
Stainless steel wire rod	***	***	***	***	***
Stainless steel angles	***	***	***	***	***
Tool and high speed steels	***	***	***	***	***
Other products	879,102	939,773	1,014,539	252,056	253,697
Out-of-scope production	1,025,655	1,090,759	1,177,855	293,612	296,264
Total production	1,211,204	1,277,563	1,372,526	343,153	346,698
	Ratios and shares (percent)				
Capacity utilization	86.6	91.3	97.7	97.6	98.3
Share of production:					
Stainless steel bar	15.3	14.6	14.2	14.4	14.5
Stainless steel wire rod	***	***	***	***	***
Stainless steel angles	***	***	***	***	***
Tool and high speed steels	***	***	***	***	***
Other products	72.6	73.6	73.9	73.5	73.2
Out-of-scope production	84.7	85.4	85.8	85.6	85.5
Total production	100.0	100.0	100.0	100.0	100.0

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

Exports

According to GTA, the leading export markets for stainless steel bar from Japan, in terms of quantity, are Thailand, China, and Korea which accounted for 36.5 percent, 15.3 percent, and 14.3 percent of exports from Japan in 2017, respectively (table IV-21). The United States accounted for less than one percent of exports of stainless steel bar from Japan in 2017.

Producers from Japan reported antidumping duties from Korea as the only third-country trade action against stainless steel bar from Japan. One producer reported they are subject to antidumping duties of 15.39 percent, but heat-resistant stainless steels, as well as flat bar, are excluded from the scope.

***.

***.

Japan was a net exporter of stainless steel bar from January 2015 to December 2017. In 2017, Japan exported 52,186 short tons of stainless steel bar and imported 13,378 short tons.[40]

Table IV-21
Stainless steel bar: Exports from Japan by destination market, 2015-17

Destination market	Calendar year		
	2015	2016	2017
	Quantity (short tons)		
Exports from Japan to the United States	207	215	487
Exports from Japan to other major destination markets.--			
Thailand	18,588	18,172	19,054
China	5,561	6,179	8,018
Korea	5,584	5,458	7,473
Vietnam	4,208	5,446	4,168
Taiwan	5,496	4,344	3,107
India	2,100	1,778	2,296
Philippines	2,030	1,957	1,867
Singapore	2,131	1,605	1,831
All other destination markets	8,115	4,615	3,884
Total exports from Japan	54,019	49,770	52,186
	Value (1,000 dollars)		
Exports from Japan to the United States	1,946	1,751	3,485
Exports from Japan to other major destination markets.--			
Thailand	69,489	71,164	75,987
China	30,932	33,744	42,362
Korea	25,937	25,481	34,927
Vietnam	17,640	21,254	22,342
Taiwan	15,392	10,824	8,578
India	9,218	8,001	15,400
Philippines	7,250	7,961	7,416
Singapore	8,235	6,700	8,898
All other destination markets	28,580	21,519	19,949
Total exports from Japan	214,619	208,399	239,344

Table continued on next page.

[40] Official export and import statistics under HS subheadings 7222.11, 7222.19, 7222.20, and 7222.30, as reported in the IHS/GTA database, accessed July 24, 2018.

Table IV-21 -- Continued
Stainless steel bar: Exports from Japan by destination market, 2015-17

Destination market	Calendar year		
	2015	2016	2017
	Unit value (dollars per short ton)		
Exports from Japan to the United States	9,402	8,149	7,161
Exports from Japan to other major destination markets.--			
Thailand	3,738	3,916	3,988
China	5,563	5,461	5,283
Korea	4,645	4,668	4,673
Vietnam	4,192	3,903	5,360
Taiwan	2,801	2,492	2,761
India	4,390	4,499	6,706
Philippines	3,571	4,068	3,973
Singapore	3,864	4,174	4,861
All other destination markets	3,522	4,663	5,136
Total exports from Japan	3,973	4,187	4,586
	Share of quantity (percent)		
Exports from Japan to the United States	0.4	0.4	0.9
Exports from Japan to other major destination markets.--			
Thailand	34.4	36.5	36.5
China	10.3	12.4	15.4
Korea	10.3	11.0	14.3
Vietnam	7.8	10.9	8.0
Taiwan	10.2	8.7	6.0
India	3.9	3.6	4.4
Philippines	3.8	3.9	3.6
Singapore	3.9	3.2	3.5
All other destination markets	15.0	9.3	7.4
Total exports from Japan	100.0	100.0	100.0

Source: Official export statistics from Japan under HTS subheadings 7222.11, 7222.19, 7222.20, and 7222.30, as reported by Japanese Ministry of Finance in the IHS/GTA database, accessed May 9, 2018.

THE INDUSTRY IN SPAIN

Overview

During the final phase of the original investigations, the Commission received one foreign producer/exporter questionnaire from a stainless steel bar producer in Spain, ***, which accounted for approximately *** percent of exports of stainless steel bar from Spain to the United States in 1993.[41] Roldan is the sister company to NAS through their parent company, Acerinox S.A. The other known producer, ***, did not submit a questionnaire, as it had ***.[42]

In the first five-year reviews, two known producers of stainless steel bar in Spain, Roldan and Olarra (Acenor's successor after the purchase of its stainless steel bar operations) provided a response to the Commission's questionnaire.[43]

During the second five-year reviews, the Commission received a foreign producer /exporter questionnaire from one firm, Roldan, which accounted for "a substantial portion" of stainless steel bar produced in Spain in 2005.[44] Two other Spanish companies known to produce stainless steel bar, Olarra and Sidenor, did not submit questionnaires. *** was the ***.[45] Roldan did report exports of stainless steel bar to the United States from 2000 to 2003, however, these exports ***.[46]

Although the Commission did not receive responses from any respondent interested parties in its third five-year reviews, the domestic interested parties provided a list of three firms believed to produce stainless steel bar in Spain.[47]

Three producers from Spain responded to the notice of institution for these current fourth five-year reviews. The Spanish respondent interested parties identified an additional firm, Roldan, ***,[48] but maintain that Roldan has ceased to export to the U.S. market since the entry of NAS in 2003.[49, 50] The largest Spanish respondent interested party was ***, which estimated that its production accounted for *** percent of total stainless steel bar produced in

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[41] *Investigation Nos. 731-TA-678-679 and 681-682 (Final): Stainless Steel Bar from Brazil, India, Japan, and Spain—Staff Report*, INV-S-011, January 24, 1994, p. I-110.

[42] Ibid.

[43] *Investigation Nos. 731-TA-678-679 and 681-682 (Review): Stainless Steel Bar From Brazil, India, Japan, and Spain—Staff Report*, INV-Y-034, February 23, 2001, pp. IV-24—IV-28.

[44] *Investigation Nos. 731-TA-678, 679, 681, and 682 (Second Review): Stainless Steel Bar From Brazil, India, Japan, and Spain—Staff Report*, INV-DD-157, November 14, 2006, p. IV-30.

[45] Ibid. p. IV-30.

[46] Ibid. p. IV-32.

[47] *Stainless Steel Bar from Brazil, India, Japan, and Spain, Investigation Nos. 731-TA-678, 679, 681, and 682 (Third Review),* USITC Publication 4341, July 2012, p. I-22.

[48] *Sidenor Respondent Interested Party's Response to the Notice of Institution,* August 2, 2017, p. 2.

[49] Spanish respondent interested parties' posthearing brief, p.1.

[50] ***. Domestic interested parties' posthearing brief, exh. 6, pp. 1-2.

Spain in 2016.[51] The following events occurred in the Spanish industry since the last five-year reviews.

- Sidenor modernized its bar mill in Basauri, Spain. The commissioning of new equipment occurred in November 2017.[52] Among other changes, a semi-continuous mill was replaced by a continuous mill (increasing mill efficiency), and equipment changes enable the mill to cut a wider range of bar sizes.[53]
- Gerdau concluded the sale of its operations in Spain to Clerbil SL, an investment group on June 23, 2016. The facilities in Spain will continue to operate under the Sidenor brand.

All three Spanish respondent interested parties submitted a foreign producer questionnaire. It is estimated that the three responding Spanish producers together represent approximately 49 percent of all Spanish production of stainless steel bar in 2017.[54] Table IV- 22 presents information on the stainless steel bar operations of the three producers in Spain.

Table IV-22
Stainless steel bar: Summary data on producers in Spain, 2017

* * * * * * *

Changes in operations

Two of the three producers from Spain reported changes in operations since January 1, 2012. ***.

Operations on stainless steel bar

Table IV-23 presents data on operations of the three producers from Spain. Stainless steel bar capacity *** throughout 2015-17, decreasing by *** percent. Capacity was *** percent higher in interim 2018 than interim 2017. Capacity utilization was *** percent in 2015, then increased to *** percent in 2016, and decreased to *** percent in 2017. ***.

Production of stainless steel bar in Spain increased by *** percent from 2015 to 2017, and was *** percent higher in interim 2018 than in interim 2017.

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[51] **** Respondent Interested Party's Response to the Notice of Institution,* August 2, 2017, p. 9.

[52] Irekia, "El Lehendakari reconoce el esfuerzo inversor y 'espíritu vanguardista' de Sidenor en el 50 aniversario de la planta de Basauri," November 20, 2017, http://irekia.eus/es/news/42258-lehendakari-reconoce-esfuerzo-inversor-espiritu-vanguardista-sidenor-aniversario-planta-basauri, (accessed June 19, 2018).

[53] SMS Group (an equipment manufacturer), press release, "Sidenor places order with SMS Group for Modernization of Bar Mill in Basauri,"April 13, 2017.

[54] In its foreign producer questionnaire response, Sidenor estimated that it produced *** percent of stainless steel bar in Spain in 2017. Sidenor's estimate was adjusted down to *** percent based on its reported production and the percentage estimate given by Olarra based on its production.

***. Total export shipments[55] for Spain were approximately *** percent between 2015 and 2017. Internal consumption or transfers of stainless steel bar were between *** percent between 2015 and 2017.

End-of-period inventory levels for producers from Spain *** from 2015 to 2017, consisting of approximately *** percent of total production. There was an increase in 2016, followed by a decrease in 2017. Inventory levels in interim 2018 were *** percent lower than interim 2017.

Table IV-23
Stainless steel bar: Data on industry in Spain, 2015-17, January to March 2017, and January to March 2018

* * * * * * *

Alternative products

Two of the three producers from Spain produced other products on the same equipment and machinery used to produce stainless steel bar. ***.

Table IV-24
Stainless steel bar: Overall capacity and production on the same equipment as in-scope production for firms in Spain, 2015-17, January to March 2017, and January to March 2018

* * * * * * *

[55] Exports to the United States by responding subject Spanish producers were equivalent to *** percent of subject imports from that country in 2017. Global exports reported by responding Spanish producers from January 2015 to December 2017 were equivalent to *** percent of global exports from Spain provided by GTA data during the same time period.

Exports

According to GTA, the leading export markets for stainless steel bar from Spain, in terms of quantity, are EU members Germany and Italy,[56] which accounted for 45.4 percent and 20.3 percent of exports from Spain in 2017, respectively (table IV-25).[57] The United States accounted for one percent of exports of stainless steel bar from Spain in 2017 (table IV-25).

One producer from Spain reported that there is a 15.39 percent antidumping duty against their stainless steel bar product to Korea.[58]

Exports of ***.[59] ***. ***. ***.

On July 6, 2018, the EU announced safeguard measures on various steel products, including stainless steel bar,[60] following the Section 232 tariffs to prevent the negative effects of trade diversion, thus providing additional protection from import competition from outside the EU. The safeguard measures are under the form of a Tariff Rate Quota (TRQ) in which additional duties are levied after a tariff rate quota, based on the level of traditional imports, is reached.[61]

Spain was a net exporter of stainless steel bar from January 2015 to December 2017. In 2017, Spain exported 115,455 short tons of stainless steel bar and imported 26,548 short tons.[62]

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[56] Membership in the European Union has since expanded from 12 members in 1993 to 28 members as of July 2018. Three countries joined in 1995 (Austria, Finland, and Sweden), ten countries joined in 2004 (Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Slovakia, and Slovenia), two countries joined in 2007 (Romania and Bulgaria), and one country joined in 2013 (Croatia). See *The European Commission webpage,* https://ec.europa.eu/neighbourhood-enlargement/policy/from-6-to-28-members_en, (accessed July 23, 2018). The euro, the official currency of the European Union, was introduced on January 1, 1999. See The *European Commission webpage*, https://ec.europa.eu/info/business-economy-euro/euro-area/euro_en, (accessed July 23, 2018).

[57] Spanish respondent interested parties note that Spanish shipments to the EU are made duty-free and the use of the Euro further lowers logistical burdens for Spanish producers. Spanish respondent interested parties' posthearing brief, p.10.

[58] See *** foreign producer questionnaire response, section II-7.

[59] See Spanish foreign producer questionnaire responses, section II-8.

[60] Official Journal of the European Union, "Regulation," July 17, 2018, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2018.181.01.0039.01.ENG&toc=OJ:L:2018:181:TOC, accessed August 7, 2018

[61] The *European Commission webpage*, http://trade.ec.europa.eu/doclib/press/index.cfm?id=1882, (accessed August 1, 2018).

[62] Official export and import statistics under HS subheadings 7222.11, 7222.19, 7222.20, and 7222.30, as reported in the IHS/GTA database, accessed July 24, 2018.

Table IV-25
Stainless steel bar: Exports from Spain by destination market, 2015-17

Destination market	Calendar year		
	2015	2016	2017
	Quantity (short tons)		
Exports from Spain to the United States	611	2,625	1,128
Exports from Spain to other major destination markets.--			
Germany	54,295	55,053	52,407
Italy	21,664	23,702	23,450
United Kingdom	11,118	14,628	13,025
France	5,307	4,095	4,313
Canada	768	698	2,446
Switzerland	1,775	2,190	2,426
Portugal	4,170	2,609	2,361
Denmark	2,756	3,169	2,220
All other destination markets	14,014	11,047	11,679
Total exports from Spain	116,479	119,816	115,455
	Value (1,000 dollars)		
Exports from Spain to the United States	1,462	5,573	2,878
Exports from Spain to other major destination markets.--			
Germany	142,210	117,083	143,926
Italy	52,686	52,703	58,536
United Kingdom	33,493	31,081	33,489
France	13,995	9,177	11,968
Canada	1,990	1,487	5,916
Switzerland	8,171	4,663	7,017
Portugal	10,142	5,593	5,925
Denmark	6,940	6,501	5,914
All other destination markets	37,880	26,006	31,145
Total exports from Spain	308,968	259,866	306,713

Table continued on next page.

Table IV-25 -- Continued
Stainless steel bar: Exports from Spain by destination market, 2015-17

Destination market	Calendar year		
	2015	2016	2017
	Unit value (dollars per short ton)		
Exports from Spain to the United States	2,392	2,123	2,550
Exports from Spain to other major destination markets.--			
Germany	2,619	2,127	2,746
Italy	2,432	2,224	2,496
United Kingdom	3,012	2,125	2,571
France	2,637	2,241	2,775
Canada	2,590	2,130	2,418
Switzerland	4,602	2,129	2,893
Portugal	2,432	2,144	2,510
Denmark	2,518	2,052	2,664
All other destination markets	2,703	2,354	2,667
Total exports from Spain	2,653	2,169	2,657
	Share of quantity (percent)		
Exports from Spain to the United States	0.5	2.2	1.0
Exports from Spain to other major destination markets.--			
Germany	46.6	45.9	45.4
Italy	18.6	19.8	20.3
United Kingdom	9.5	12.2	11.3
France	4.6	3.4	3.7
Canada	0.7	0.6	2.1
Switzerland	1.5	1.8	2.1
Portugal	3.6	2.2	2.0
Denmark	2.4	2.6	1.9
All other destination markets	12.0	9.2	10.1
Total exports from Spain	100.0	100.0	100.0

Source: Official export statistics from Spain under HTS subheadings 7222.11, 7222.19, 7222.20, and 7222.30, as reported by Eurostat in the IHS/GTA database, accessed May 9, 2018.

SUBJECT COUNTRIES COMBINED

Tables IV-26 and IV-27 presents summary data on stainless steel bar operations of the reporting subject producers in the subject countries.

Table IV-26
Stainless steel bar: Data on industry in subject sources, 2015-17, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Quantity (short tons)				
Capacity	463,372	461,153	479,872	116,332	123,191
Production	337,112	343,286	357,733	87,674	94,020
End-of-period inventories	20,366	20,763	19,464	19,228	16,407
Shipments: Internal consumption/ transfers	1,368	2,342	1,808	474	521
Commercial home market shipments	196,840	196,454	212,853	52,445	54,975
Total home market shipments	198,208	198,796	214,661	52,919	55,496
Export shipments to: United States	3,326	5,246	4,722	1,617	783
European Union	89,031	97,931	99,625	24,403	31,291
Asia	35,639	32,605	29,654	7,809	6,832
All other markets	12,134	8,308	10,367	2,358	2,461
Total exports	140,130	144,090	144,368	36,187	41,367
Total shipments	338,338	342,886	359,029	89,106	96,863
	Value (1,000 dollars)				
Shipments: Internal consumption/ transfers	3,847	6,839	5,555	1,470	1,719
Commercial home market shipments	628,621	636,863	705,868	171,075	200,699
Total home market shipments	632,468	643,702	711,423	172,545	202,418
Export shipments to: United States	13,027	15,736	16,204	5,186	2,563
European Union	230,136	205,825	262,220	64,212	93,644
Asia	99,038	89,965	89,571	22,248	21,407
All other markets	34,322	19,560	29,119	6,451	7,517
Total exports	376,523	331,086	397,114	98,097	125,131
Total shipments	1,008,991	974,788	1,108,537	270,642	327,549

Table continued on next page.

Table IV-26 -- Continued
Stainless steel bar: Data on industry in subject sources, 2015-17, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Unit value (dollars per short ton)				
Shipments: Internal consumption/ transfers	2,812	2,920	3,072	3,101	3,299
Commercial home market shipments	3,194	3,242	3,316	3,262	3,651
Total home market shipments	3,191	3,238	3,314	3,261	3,647
Export shipments to: United States	3,917	3,000	3,432	3207	3,273
European Union	2,585	2,102	2,632	2,631	2,993
Asia	2,779	2,759	3,021	2,849	3,133
All other markets	2,829	2,354	2,809	2,736	3,054
Total exports	2,687	2,298	2,751	2,711	3,025
Total shipments	2,982	2,843	3,088	3,037	3,382
	Ratios and shares (percent)				
Capacity utilization	72.8	74.4	74.5	75.4	76.3
Inventories/production	6.0	6.0	5.4	5.5	4.4
Inventories/total shipments	6.0	6.1	5.4	5.4	4.2
Share of total shipments: Internal consumption/ transfers	0.4	0.7	0.5	0.5	0.5
Commercial home market shipments	58.2	57.3	59.3	58.9	56.8
Total home market shipments	58.6	58.0	59.8	59.4	57.3
Export shipments to: United States	1.0	1.5	1.3	1.8	0.8
European Union	26.3	28.6	27.7	27.4	32.3
Asia	10.5	9.5	8.3	8.8	7.1
All other markets	3.6	2.4	2.9	2.6	2.5
Total exports	41.4	42.0	40.2	40.6	42.7
Total shipments	100.0	100.0	100.0	100.0	100.0

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

Table IV-27
Stainless steel bar: Overall capacity and production on the same equipment as in-scope production for firms in subject countries, 2015-17, January to March 2017, and January to March 2018

Item	Calendar year			January to March	
	2015	2016	2017	2017	2018
	Quantity (short tons)				
Overall capacity	3,563,133	3,563,114	3,568,496	899,131	899,138
Production:					
Stainless steel bar	337,112	343,286	357,733	87,674	94,020
Stainless steel wire rod	127,198	139,893	148,803	39,922	38,429
Stainless steel angles	9,436	13,642	19,435	3,466	4,246
Tool and high speed steels	43,350	39,600	42,627	10,622	11,385
Other products	2,377,691	2,509,860	2,726,013	677,148	639,831
Out-of-scope production	2,557,675	2,702,995	2,936,878	731,158	693,891
Total production	2,894,787	3,046,281	3,294,611	818,832	787,911
	Ratios and shares (percent)				
Capacity utilization	81.2	85.5	92.3	91.1	87.6
Share of production:					
Stainless steel bar	11.6	11.3	10.9	10.7	11.9
Stainless steel wire rod	4.4	4.6	4.5	4.9	4.9
Stainless steel angles	0.3	0.4	0.6	0.4	0.5
Tool and high speed steels	1.5	1.3	1.3	1.3	1.4
Other products	82.1	82.4	82.7	82.7	81.2
Out-of-scope production	88.4	88.7	89.1	89.3	88.1
Total production	100.0	100.0	100.0	100.0	100.0

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

ANTIDUMPING OR COUNTERVAILING DUTY ORDERS IN THIRD-COUNTRY MARKETS

Since the original investigations, there have been a number of antidumping and other actions on exports of stainless steel bar from Brazil, India, Japan, and Spain. Currently, exports of stainless steel bar from India, Japan, and Spain are subject to antidumping duty orders in Korea and exports of certain stainless steel bar from India are subject to a countervailing duty order in the European Union ("EU").

At the time of the original investigations, imports of stainless steel bar came under the Voluntary Restraint Agreement ("VRA")-based quota system between January 1, 1991 and March 31, 1992 called the Multilateral Steel Agreement ("MSA"). The export limits for this period were 1,068 metric tons for Brazil, 2,775 metric tons for the European Union, and 20,649 metric tons for Japan. As noted in the original investigations, although stainless steel bar was a separate category under the VRAs, it was difficult to judge how binding the agreements were because of product shifting within the periods and quota groups, and because the quota for Spain was part of the EU's total quota.[63] On March 31, 1992, negotiations on a MSA were suspended without agreement.[64]

Canada issued antidumping duty orders on certain stainless steel round bar imported from India, Japan, and Spain in September 1998. In October 2000, Canada also found certain stainless round bar from Brazil as dumped and that such product from Brazil and India was subsidized. These orders were rescinded in January 2005.[65] Effective November 1998, the EU placed a countervailing duty order on imports of stainless steel bright bar from India, which expired in May 2003.[66] In April 2011, the EU imposed a countervailing duty order on imports of certain stainless steel bar from India.[67] Korea imposed antidumping duty orders on imports of stainless steel bar from India, Japan, and Spain in July 2004.[68]

After conducting an expiry review, on June 27, 2017, the European Union maintained countervailing measures applicable to EU imports of certain stainless steel bars and rods originating in India. The scope of this order includes:

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[63] *Stainless Steel Bar from Brazil, India, Japan, and Spain, Investigation Nos. 731-TA-678, 679, 681, and 682 (Final),* USITC Publication 2856, February 1995, pp. II-13—II-14.

[64] *Stainless Steel Bar from Brazil, India, Japan, and Spain, Investigation Nos. 731-TA-678, 679, 681, and 682 (Third Review),* USITC Publication 4341, July 2012, p. I-18.

[65] Canada Border Services Agency, "Historical Listing," http://www.cbsa-asfc.gc.ca/sima-lmsi/hist-eng.html, (accessed August 31, 2017).

[66] *Stainless Steel Bar from Brazil, India, Japan, and Spain, Investigation Nos. 731-TA-678, 679, 681, and 682 (Third Review),* USITC Publication 4341, July 2012, p. I-18.

[67] Official Journal of the European Union, "Regulation," June 28, 2017, http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R1141&from=EN, retrieved August 31, 2017.

[68] *Semi-Annual Report Under Article 16.4 Of The Agreement, Republic of Korea,* World Trade Organization, G/ADP/N/300/KOR, retrieved August 31, 2017.

Stainless steel bars and rods, not further worked than cold-formed or cold-finished, other than bars and rods of circular cross-section of a diameter of 80 mm or more, currently falling with CN codes 7222.20.21, 7222.20.31, 7222.20.39, 7222.20.81, and 7222.20.89.[69]

In May 2018, the Korea Trade Commission[70] announced that it would initiate an antidumping investigation into imports of stainless steel bar from Italy and Taiwan upon receiving a request from Korean stainless steel bar producers Dongil Steel and Seah Special Steel Corp. Korea currently applies antidumping duties ranging from 3.56 percent – 15.39 percent, *ad valorem*, on imports of stainless steel bar from Japan, India, and Italy. [71]

GLOBAL MARKET

Table IV-28 presents the largest global export sources of stainless steel bar[72] during 2015-2017, and interim periods January-March 2017 and January-March 2018. In terms of quantity, Italy, India, Germany, and Spain were the largest global exporters of stainless steel bar in 2017, accounting for 19.7 percent, 15.9 percent, 11.5 percent, and 7.7 percent of global exports, respectively.

[69] Official Journal of the European Union, "Commission Implementing Regulation 2017/1141," June 27, 2017, http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R1141&from=EN, (accessed June 1, 2018).

[70] The Korea Trade Commission is a quasi-judicial government agency that undertakes investigations and makes determinations on injury to Korean industries by imports. Korea Trade Commission, "Korea Trade Commission," http://www.ktc.go.kr/en/, (accessed June 6, 2018).

[71] S&P Global Platts, "South Korea to Start Antidumping Probe into Stainless Steel Bars from Italy, Taiwan," May 17, 2018, https://www.platts.com/latest-news/metals/singapore/s-korea-to-start-anti-dumping-probe-into-stainless-27981909, (accessed June 1, 2018).

[72] Table IV-28 may include product that is out of the scope of these reviews.

Table IV-28
Stainless steel bar: Global exports by major sources, 2015-17

Exporter	Calendar year		
	2015	2016	2017
	Quantity (short tons)		
United States	39,477	36,922	45,782
Brazil	6,911	5,468	5,935
India	218,831	221,954	239,378
Japan	54,019	49,770	52,186
Spain	116,479	119,816	115,455
Subject countries	396,240	397,008	412,953
All other major exporters.--Italy	260,483	271,386	295,520
Germany	170,282	162,109	172,934
France	98,142	101,665	112,013
Taiwan	73,838	67,026	73,526
Austria	33,465	31,193	39,118
Ukraine	33,344	36,456	38,541
Sweden	28,096	31,513	36,932
China	36,683	34,291	34,295
Belgium	22,121	25,007	24,290
United Kingdom	24,086	21,734	22,632
All other exporters	258,758	199,605	193,189
Total exports	1,475,015	1,415,915	1,501,727
	Value (1,000 dollars)		
United States	299,527	273,919	341,466
Brazil	30,883	22,921	28,304
India	483,320	378,586	479,185
Japan	214,619	208,399	239,344
Spain	308,968	259,866	306,713
Subject countries	1,037,789	869,773	1,053,546
All other major exporters.--Italy	842,360	736,012	924,661
Germany	606,749	520,519	617,455
France	311,675	278,918	351,657
Taiwan	258,597	201,999	222,919
Austria	179,128	153,308	213,711
Ukraine	79,733	68,590	90,157
Sweden	116,266	113,034	139,753
China	99,249	128,732	91,802
Belgium	72,143	76,391	84,142
United Kingdom	140,612	111,386	115,689
All other exporters	581,041	495,826	623,085
Total exports	4,624,869	4,028,407	4,870,040

Continued on next page.

Table IV-28 -- Continued
Stainless steel bar: Global exports, by country, 2015-17

Exporter	Calendar year		
	2015	2016	2017
	Unit value (dollars per short ton)		
United States	7,587	7,419	7,459
Brazil	4,468	4,192	4,769
India	2,209	1,706	2,002
Japan	3,973	4,187	4,586
Spain	2,653	2,169	2,657
Subject countries	2,619	2,191	2,551
All other major exporters.--	3,234	2,712	3,129
Germany	3,563	3,211	3,570
France	3,176	2,743	3,139
Taiwan	3,502	3,014	3,032
Austria	5,353	4,915	5,463
Ukraine	2,391	1,881	2,339
Sweden	4,138	3,587	3,784
China	2,706	3,754	2,677
Belgium	3,261	3,055	3,464
United Kingdom	5,838	5,125	5,112
All other exporters	2,245	2,484	3,225
Total exports	3,135	2,845	3,243
	Share of quantity (percent)		
United States	2.7	2.6	3.0
Brazil	0.5	0.4	0.4
India	14.8	15.7	15.9
Japan	3.7	3.5	3.5
Spain	7.9	8.5	7.7
Subject countries	26.9	28.0	27.5
All other major exporters.--	17.7	19.2	19.7
Germany	11.5	11.4	11.5
France	6.7	7.2	7.5
Taiwan	5.0	4.7	4.9
Austria	2.3	2.2	2.6
Ukraine	2.3	2.6	2.6
Sweden	1.9	2.2	2.5
China	2.5	2.4	2.3
Belgium	1.5	1.8	1.6
United Kingdom	1.6	1.5	1.5
All other exporters	17.5	14.1	12.9
Total exports	100.0	100.0	100.0

Source: Official exports statistics under HS subheadings 7222.11, 7222.19, 7222.20, and 7222.30, as reported in the IHS/GTA database, accessed May 9, 2018.

Production[73]

Data on global stainless steel production are presented in table IV-29. According to the World Bureau of Metal Statistics (WBMS), China, India, Japan, and Korea were the world's largest producers of all stainless steel products, accounting for 54.2 percent, 7.6 percent, 6.7 percent, and 4.8 percent of global production in 2016, respectively. The United States was the world's fifth largest producer of stainless steel, accounting for 4.2 percent of global production in 2017.

Table IV-29: Global production of stainless steel, by country and region, in thousand short tons, 2013-17

	2013	2014	2015	2016	2017
Austria	75	76	77	73	80
Belgium	1,469	1,530	1,694	1,747	1,745
Czech Republic	9	11	9	10	9
Finland	1,190	1,340	1,470	1,482	1,514
France	330	356	321	333	330
Germany	1,203	952	506	523	521
Italy	1,716	1,596	1,600	1,601	1,648
Poland	2	3	1	2	1
Russia	168	139	138	138	99
Serbia	54	54	54	54	54
Slovenia	147	155	171	174	176
Spain	942	1,042	1,079	1,078	1,111
Sweden	552	597	697	697	704
Ukraine	130	130	162	162	132
United Kingdom	283	325	276	292	284
Europe Total	8,269	8,307	8,253	8,366	8,408
South Africa	542	520	567	667	651
China	20,926	23,911	23,768	27,489	28,411
India	3,187	3,150	3,373	3,881	3,882
Japan	3,500	3,669	3,365	3,410	3,492
Korea	2,362	2,247	2,459	2,460	2,630
Taiwan	1,176	1,221	1,222	1,224	1,478
Asia total	31,151	34,199	34,188	38,464	39,893
Brazil	430	357	449	461	431
United States	2,122	1,783	2,426	2,286	2,179
World total	42,666	46,127	46,035	50,729	52,469
NAFTA	2,235	2,635	2,586	2,747	3,036
European Union	7,917	7,984	7,899	8,012	8,122

Note.--Data for global stainless steel bar production are not readily available.

Source: World Bureau of Metal Statistics (WBMS) Yearbook 2018.

[73] Global production data for stainless steel bar are not readily available. Data presented here include all stainless steel products.

Consumption[74]

According to the International Stainless Steel Forum (ISSF), global consumption of all stainless steel products rose 4.2 million metric tons (67 percent) during 2010-16, increasing from approximately 6.3 million metric tons in 2010 to over 10.5 million metric tons in 2016. China accounted for the largest share of this increase, with demand rising 3 million metric tons (150 percent) to 5 million metric tons in 2016. Stainless steel consumption in Asia (excluding China) increased by 500,000 metric tons, while consumption in the Americas (including North and South America) remained relatively stable at under 1 million metric tons per year. Demand also increased in Europe and Africa, rising 500,000 metric tons during 2010-16.[75]

Prices

Figures IV-6 and IV-7 present data on global prices for grades 304 and 316 drawn stainless steel bar. According to MEPS, global prices for grades 304 and 316 drawn stainless steel bar ***. Global prices for grade 316 drawn stainless steel bar were higher than those for grade 304 during January 2015 to June 2018 due to the presence of molybdenum in grade 316 (see table I-8 in Part I).

Figure IV-6: Global prices for Grade 304 drawn stainless steel bar, by country and region, January 2015 – June 2018

* * * * * * *

Figure IV-7: Global prices for Grade 316 drawn stainless steel bar, by country and region, January 2015 – June 2018.

* * * * * * *

[74] Global consumption data for stainless steel bar are not readily available. Data presented here include all stainless steel products.

[75] International Stainless Steel Forum, "Stainless Steel in Figures 2018," May 29, 2018, https://www.worldsteel.org/en/dam/jcr:f9359dff-9546-4d6b-bed0-996201185b12/World+Steel+in+Figures+2018.pdf, (accessed June 5, 2018).

PART V: PRICING DATA

FACTORS AFFECTING PRICES

Raw material costs

On a per-ton basis and as a share of cost of goods sold, U.S. producers' aggregate raw materials costs declined between 2015 and 2017, but were higher in January-June 2018 than in January-June 2017. Six responding U.S. producers reported that raw material costs had fluctuated since 2012, one U.S. producer reported that they had increased, and one reported that they had decreased. Eighteen responding importers reported that raw material costs had fluctuated, nine reported that raw material costs had increased, and one reported no change in raw materials prices since 2012.

The primary inputs for stainless steel bar are steel primarily stainless scrap, as well as nickel, chromium, and molybdenum alloys.[1] As shown in figures V-1 and V-2, monthly prices of materials have fluctuated widely. Prices of both stainless steel scrap and chromium increased substantially during 2015-18. Ferrochrome prices were relatively stable during 2012-15, declined in 2016 and increased from January 2017 to June 2018. Prices of nickel and ferromolybdenum fell from January 2012 through the beginning of 2014, peaked during mid-2014, and then decreased through the end of 2015; prices of nickel and ferromolybdenum increased thereafter but have not reached 2012 levels.

Figure V-1
Stainless steel scrap: Monthly consumer prices of Pittsburgh 304, 316, 409, 430, solids, clips, turnings, and bundles, January 2015-June 2018

* * * * * * *

Figure V-2
Alloying agents: Monthly U.S. prices of ferromolybdenum, nickel, and ferrochrome, January 2012-June 2018

* * * * * * *

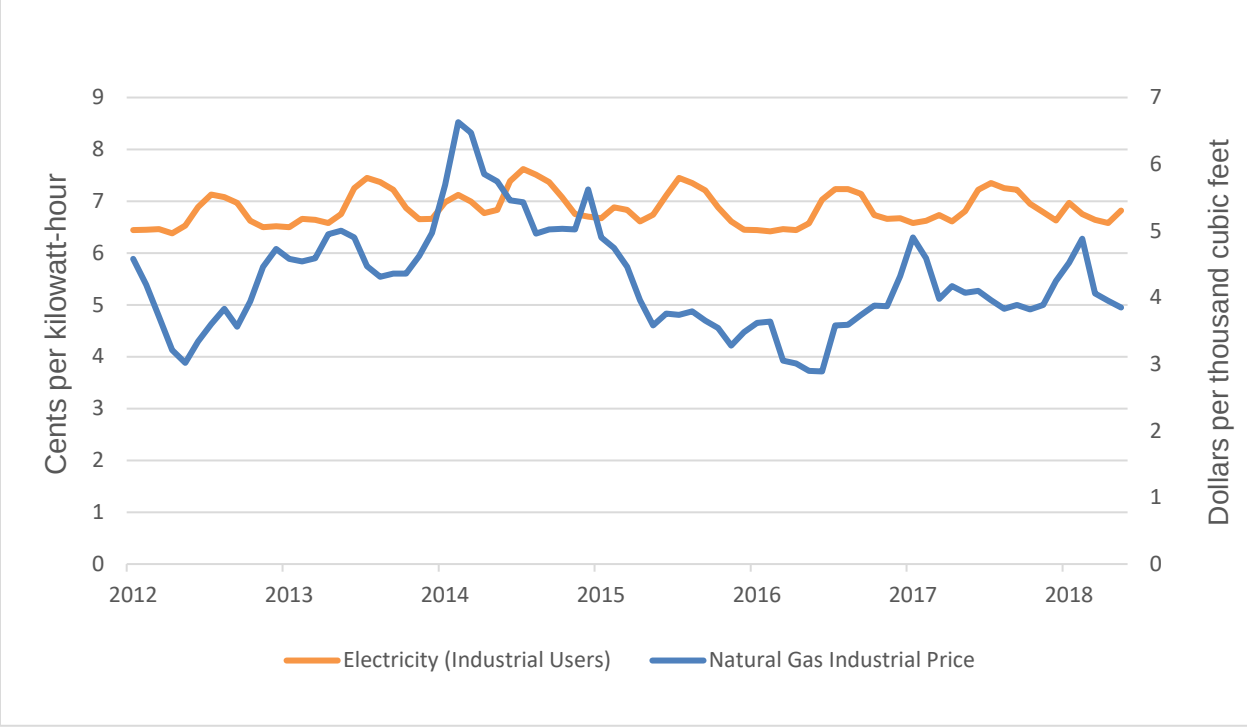
[1] As referenced in detail below, producers typically apply surcharges to the price of steel that reflect the variance in the price of nickel, chromium, and other alloying materials used in stainless steel.

Energy costs

Energy is an additional cost in stainless steel bar production. Electricity prices fluctuated slightly from January 2012 to May 2018, mainly due to monthly variability in demand for electricity (figure V-3). From 2012 to 2014, the price of electricity fluctuated between 6.44 cents per kilowatt-hour and 7.62 cents per kilowatt-hour. From 2015 to 2017, the price of electricity fluctuated between 6.42 to 7.45 cents per kilowatt-hour. In the first quarter of 2018, the price of electricity decreased from 6.97 cents per kilowatt-hour to 6.64 cents per kilowatt-hour. Electricity prices decreased to 6.58 cents per kilowatt-hour in April 2018 before increasing to 6.82 cents per kilowatt-hour in May 2018.

Natural gas prices fluctuated during January 2012 to May 2018. Gas prices declined from $4.58 per thousand cubic feet in January 2012 to $3.02 per thousand cubic feet May 2012. Gas prices began increasing in May 2012 and peaked at $6.63 per thousand cubic feet in February 2014 before falling to $5.62 at the end of 2014. Gas prices generally fell from 2015 to mid-2016 then began to recover reaching $4.25 per thousand cubic feet by the end of 2017. This price increase continued into the first quarter of 2018 reaching a high of $4.90 per thousand cubic feet in February and then decreasing to $4.06 per thousand cubic meters at the end of the first quarter of 2018. The price of gas has continued decrease into the second quarter of 2018 falling to $3.85 per thousand cubic meters in May 2018. Overall, natural gas prices decreased by 19 percent between January 2012 and May 2018.

Figure V-3
Industrial natural gas and electricity: Monthly prices, January 2012- August 2018



Note.--Data not available after April 2018.

Source: Energy Information Administration, www.eia.gov, retrieved August 7, 2018

Transportation costs to the U.S. market

Transportation costs for stainless steel bar shipped from subject countries to the United States averaged 1.6 percent for Brazil, 6.1 percent for India, 9.7 percent for Japan, and 1.1 percent for Spain during 2017. These estimates were derived from official import data and represent the transportation and other charges on imports.[2]

U.S. inland transportation costs

Six responding U.S. producers and fourteen importers reported that they typically arrange transportation to their customers. Most U.S. producers reported that their U.S. inland transportation costs ranged from 2 to 4 percent while most responding importers reported costs of 1 to 5 percent.

PRICING PRACTICES

Pricing methods

U.S. producers and responding importers reported selling stainless steel bar primarily based on transaction-by-transaction negotiations and through contracts (table V-1). U.S.-produced stainless steel bar prices typically consist of two components: a surcharge and a base price. Surcharges largely reflect the price of alloying materials used in stainless steel. Base prices consist, in part, of production costs and all other inputs to stainless steel bar.

[2] The estimated transportation costs were obtained by subtracting the customs value from the c.i.f. value of the imports for 2017 and then dividing by the customs value based on the HTS statistical reporting numbers 7222.11.0001, 7222.11.0006, 7222.11.0057, 7222.11.0059, 7222.11.0082, 7222.11.0084, 7222.19.0001, 7222.19.0006, 7222.19.0052, 7222.19.0054, 7222.20.0001, 7222.20.0006, 7222.20.0041, 7222.20.0043, 7222.20.0047, 7222.20.0049, 7222.20.0062, 7222.20.0064, 7222.20.0067, 7222.20.0069, 7222.20.0071, 7222.20.0073, 7222.20.0082, 7222.20.0084, 7222.20.0087, 7222.20.0089, 7222.30.0001, 7222.30.0012, 72223.00.0022, 7222.30.0024, 7222.30.0082, and 7222.30.0084, accessed June 4, 2018. .

Table V-1
Stainless steel bar: U.S. producers' and importers' reported price setting methods, by number of responding firms, 2017

Method	U.S. producers	U.S. importers
Transaction-by-transaction	8	21
Contract	4	11
Set price list	3	7
Other	---	4
Responding firms	8	29

[1] The sum of responses down may not add up to the total number of responding firms as each firm was instructed to check all applicable price setting methods employed.
Source: Compiled from data submitted in response to Commission questionnaires.

U.S. producers reported selling the majority of their product in the spot market, and importers sold most of their product in the spot market and through long-term contracts (table V-2). U.S. producers *** reported that their short-term contracts averaged about *** days. Most responding U.S. producers reported that their short-term, long-term, and annual contracts fixed both price and quantity, and did not have a meet-or-release provision. All four responding U.S. producers reported that both their short-term and long-term did not allow for price renegotiation, while three reported that their annual contracts did not allow for price renegotiation

Table V-2
Stainless steel bar: U.S. producers' and importers' shares of U.S. commercial shipments by type of sale, 2017

Type of sale	Share of commercial U.S. shipments (percent)	
	U.S. producers	U.S. importers
Long-term contracts	***	***
Annual contracts	***	***
Short-term contracts	***	***
Spot sales	***	***
Total	100.0	100.0

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

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

Most responding importers (4 of 6) reported selling in the spot market, four importers reported short-term contracts (with average durations of 67 to 183 days), one importer *** reported annual contracts, and one importer *** reported long-term contracts (with an average duration of 3 years). Importers reported that their short-term contracts did not allow for price renegotiation and fixed both price and quantity. One importer reported that its annual contracts fixed both price and quantity, but allowed for price renegotiation. One importer reported that its long-term contracts did not fix price or quantity and allowed for price renegotiation. Three of four responding importers reported that their short-term contracts did not have a meet-or-release provision, one of two responding importers reported that its annual

contract did not have a meet-or-release provision, and one importer reported that its long-term contract did not have a meet-or-release provision.

Eight purchasers reported that they purchase product daily, six purchase weekly, and one purchases monthly. Fifteen of 16 responding purchasers reported that they did not expect their purchasing patterns to change in the next two years. Some purchasers (8 of 16) contact 1 to 3 suppliers before making a purchase while others (3 of 16) contact 1 to 5 suppliers before making a purchase.

Sales terms and discounts

Most U.S. producers (6 of 8) typically quote prices on an f.o.b. basis while most importers (12 of 14) typically quote prices on a delivered basis. Half of U.S. producers (4 of 8) reported having no discount policy, and three U.S. producers reported offering discounts based on quantity or total volume. The majority of importers (19 of 28) reported having no discount policy, seven importers reported offering quantity discounts, and six importers reported offering total volume discounts. *** reported that in addition to quantity discounts, it offered ***. Most U.S. producers and importers reported that typical payment terms were net 30 days.

Surcharges

Surcharges typically reflect prices for alloying elements used in the production of stainless steel bar. Different grades of stainless steel require different amounts of alloying elements or different alloys altogether. Seven of eight U.S. producers reported raw material surcharges for nickel and six reported surcharges for chromium, copper, iron, and molybdenum. In addition, five U.S. producers include energy costs in their surcharge formula. *** indicated that its surcharges were based on prices published by Platts, American Metal Market, NYMEX, and the London Metal Exchange (LME). *** reported that its surcharges were based on the percent of alloy content; and *** reported that its surcharges were based on the average price of the preceding month. U.S. producers' surcharges are typically adjusted monthly. U.S. producers did not report any differences in the surcharge methods for their contract and spot sales. U.S. producer *** reported that it only applies a surcharge if the price of key raw materials exceed a certain threshold.

Half (12 of 24) of responding U.S. importers reported employing a surcharge for chrome, iron, molybdenum, and nickel. Almost half (11 of 23) of responding U.S. importers reported employing a surcharge for copper. Six importers reported surcharges for energy and five reported surcharges for fuel for transport. Several importers reported that their surcharges were based on the alloy content. Two importers (***) reported that they use NAS' surcharge list. The majority of responding importers reported adjusting their surcharges monthly.

Base prices

U.S. producers reported that their base price consists of the cost of production plus profit margin. Over half of U.S. producers reported that their base price includes raw material or other costs that are not included in their surcharges. U.S. producer *** stated that "***." Most U.S. producers reported that they adjusted their base price for stainless steel bar based on market conditions.

Similarly, importers reported that their base price is based on manufacturing cost (or replacement cost) plus profit. Several importers reported that their base price is determined by market conditions. Seven of 25 responding importers reported that their base price includes some raw material costs that are not included in their surcharges. Seven importers reported that they adjusted their base price for stainless steel bar annually, three adjusted their base price quarterly, three adjusted their base price monthly, and three adjusted their base price based on the exchange rate.

Price leadership

Nine purchasers reported that NAS was a price leader and two purchaser reported that Carpenter was a price leader. Purchasers reported that these U.S. producers are usually the first to announce price increases or decreases.

PRICE DATA

The Commission requested U.S. producers and importers to provide quarterly data for the total quantity and f.o.b. value of the following stainless steel bar products shipped to unrelated U.S. customers.

Product 1.-- Stainless steel bar, grade AISI 304/304L, 3.000 inch in diameter, annealed, cold-finished, of round shape.

Product 2.-- Stainless steel bar, grade AISI 303, 1.000 inch in diameter, annealed, cold-finished, of round shape.

Product 3.-- Stainless steel bar, grade AISI 303, 2.000 inch in diameter, annealed, cold-finished, of round shape.

Product 4.-- Stainless steel bar, grade AISI 316, 3.000 inch in diameter, annealed, cold-finished, of round shape.

Three U.S. producers[3] and four importers[4] provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.[5] Pricing data reported by these firms accounted for approximately 2.9 percent of U.S. producers' shipments of stainless steel bar, 32.4 percent of U.S. shipments of subject imports from India, and 5.7 percent of U.S. shipments of subject imports from Spain during January 2015-March 2018. No data were reported for imports of stainless steel bar from Brazil or Japan. U.S. importer *** indicated that pricing of stainless steel bar may differ based on grade and size, but also depending on the dimensional tolerance and final finishing operation.[6] Price data for products 1-4 are presented in tables V-3 to V-6 and figures V-4 to V-7.[7]

Table V-3
Stainless steel bar: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 and margins of underselling/(overselling), by quarters, January 2015-March 2018

* * * * * * *

Table V-4
Stainless steel bar: Weighted-average f.o.b. prices and quantities of domestic and imported product 2 and margins of underselling/(overselling), by quarters, January 2015-March 2018

* * * * * * *

Table V-5
Stainless steel bar: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 and margins of underselling/(overselling), by quarters, January 2015-March 2018

* * * * * * *

[3] The three U.S. producers were ***, ***, and ***. U.S. producer *** provided price data for products 2-4, accounting for *** percent of domestic price data in 2017. *** data have higher than average unit values. ***. See email to staff from ***, May 29, 2018 and staff telephone interview with *** June 13, 2018. Additionally, this producer reported quantity data for one quarter that totaled less than one short ton which was not included in the pricing analysis.

[4] U.S. importer *** provided price data for products 1-4 from Spain, accounting for *** Spanish import price data in 2017. ***, provided data for subject imports from India.

[5] Per-unit pricing data are calculated from total quantity and total value data provided by U.S. producers and importers. The precision and variation of these figures may be affected by rounding, limited quantities, and producer or importer estimates.

[6] See supplemental correspondence submitted with revision to *** June 5, 2018.

[7] Pricing data related to imports of stainless steel India by Viraj are presented in Appendix G. Indian producers Venus and Viraj were excluded from the order during the period for which data were collected. Venus and Viraj have since been reinstated in the order on April 20, 2018. More details are in the Previous and Related Investigation section of Part I of this report.

Table V-6
Stainless steel bar: Weighted-average f.o.b. prices and quantities of domestic and imported product 4 and margins of underselling/(overselling), by quarters, January 2015-March 2018

* * * * * * *

Figure V-4
Stainless steel bar: Weighted-average prices and quantities of domestic and imported product 1, by quarters, January 2015-March 2018

* * * * * * *

Figure V-5
Stainless steel bar: Weighted-average prices and quantities of domestic and imported product 2, by quarters, January 2015-March 2018

* * * * * * *

Figure V-6
Stainless steel bar: Weighted-average prices and quantities of domestic and imported product 3, by quarters, January 2015-March 2018

* * * * * * *

Figure V-7
Stainless steel bar: Weighted-average prices and quantities of domestic and imported product 4, by quarters, January 2015-March 2018

* * * * * * *

PRICE TRENDS

In general, prices fluctuated but decreased overall from the first quarter of 2015 through the first quarter of 2018. Table V-7 summarizes the price trends, by country and by product. The domestic price of steel decreased from the first quarter of 2015 through 2016. The domestic price of steel began to recover in 2017 and continued this recovery though the first and second quarters of 2018 but current prices remain below first quarter of 2015 levels. As shown in the table, domestic prices of stainless steel products decreases ranged from *** to *** percent from the first quarter of 2015 to the first quarter of 2018.

Table V-7
Stainless steel bar: Summary of weighted-average f.o.b. prices for products 1-4 from the United States and Brazil, India, Japan and Spain

* * * * * * *

Price comparisons

Figure V-8 presents U.S. pricing data for grades 303, 304, 316, and 416 1-inch smooth turned round stainless steel bar. Prices for all four grades declined from the first quarter of 2015 through 2016. Prices for all four grades have gradually increased starting in the first quarter of 2017 through the first quarter of 2018. This trend has continued in the second quarter of 2018. While the prices have increased from 2017 to 2018, they remain below the prices in beginning of 2015.

Figure V-8

* * * * * * *

As shown in table V-8, prices for stainless steel bar imported from India were below those for U.S.-produced product in 15 of 18 instances (*** short tons); margins of underselling ranged from *** percent. In the remaining 3 instances, prices for stainless steel bar from India were between *** percent above prices for the domestic product.

Prices for stainless steel bar imported from Spain were below those for U.S.-produced product in 19 of 34 instances (*** short tons); margins of underselling ranged from *** percent. In the remaining 15 instances, prices for stainless steel bar from Spain were between *** percent above prices for the domestic product.[8]

[8] In the original investigations, subject imports were priced lower than domestic product in 56 percent of comparisons with an average underselling margin of 11.2 percent. The remaining 43 percent showed subject imports to be priced higher than the domestic product by an average of 9 percent. Average underselling from Brazil was 12 percent and average overselling was 6.7 percent. Average underselling from India was 16.3 percent and average overselling was 10.6 percent. Average underselling from Japan was 7.1 percent and average overselling was 10.1. Average underselling from Spain was 4.4 percent and average overselling was 5.3 percent. Investigation No. 731-TA-678-679 and 681-682 (Final), Stainless Steel Bar from Brazil, India, Japan, and Spain — Staff Report, INV-S-011, January 24, 1994, pp. I-142 — I-148.

Table V-8
Stainless steel bar: Instances of underselling/overselling and the range and average of margins, by country, January 2015-March 2018

Source	Underselling				
	Number of quarters	Quantity (short tons)	Average margin (percent)	Margin range (percent)	
				Min	Max
India (subject)	15	***	***	***	***
Spain	19	***	***	***	***
Total, underselling	34	711	11.1	0.3	39.3
Source	**(Overselling)**				
	Number of quarters	Quantity (short tons)	Average margin (percent)	Margin Range (percent)	
				Min	Max
India (subject)	3	***	***	***	***
Spain	15	***	***	***	***
Total, overselling	18	256	(8.4)	(0.7)	(34.6)

Note.—No data were reported for Brazil or Japan.

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

Purchasers' perceptions of relative price trends

Purchasers were asked how the prices of stainless steel bar from the United States had changed relative to the prices of product from Brazil, India, Japan, and Spain since 2012. Six purchasers reported that the prices of domestic and imported product had changed by the same amount, and two reported that there had been no change in the price of stainless steel bars. Four purchasers reported that the price of U.S.-produced stainless steel bar was now higher than the price of stainless steel bar from Brazil. Six purchasers reported that the price of U.S.-produced stainless steel bar was now higher than the price of stainless steel bar from India, and two reported that it was lower. Three purchasers reported that the price of U.S.-produced stainless steel bar was now higher than the price of stainless steel bar from Japan, and four reported that the price of U.S.-produced stainless steel bar was now higher than the price of stainless steel bar from Spain.

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
82 FR 30844 July 3, 2017	*Initiation of Five-Year ("Sunset") Reviews*	https://www.gpo.gov/fdsys/pkg/FR-2017-07-03/pdf/2017-13938.pdf
82 FR 30905 July 3, 2017	*Stainless Steel Bar From Brazil, India, Japan, and Spain; Institution of Five-Year Reviews*	https://www.gpo.gov/fdsys/pkg/FR-2017-07-03/pdf/2017-13712.pdf
82 FR 48527 October 18, 2017	*Stainless Steel Bar From Brazil, India, Japan, and Spain; Notice of Commission Determination To Conduct Full Five-Year Reviews*	https://www.gpo.gov/fdsys/pkg/FR-2017-10-18/pdf/2017-22522.pdf
82 FR 51393 November 6, 2017	*Stainless Steel Bar from Brazil, India, Japan, and Spain: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*	https://www.gpo.gov/fdsys/pkg/FR-2017-11-06/pdf/2017-24074.pdf
83 FR 12814 March 23, 2018	*Stainless Steel Bar From Brazil, India, Japan, and Spain; Scheduling of Full Five-Year Reviews*	https://www.gpo.gov/fdsys/pkg/FR-2018-03-23/pdf/2018-05899.pdf

APPENDIX B

LIST OF HEARING WITNESSES

CALENDAR OF PUBLIC HEARING

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

Subject: Stainless Steel Bar from Brazil, India, Japan, and Spain

Inv. Nos.: 731-TA-678-679 and 681-682 (Fourth Review)

Date and Time: July 12, 2018 - 9:30 a.m.

Sessions were held in connection with these reviews in the Main Hearing Room (Room 101), 500 E Street, SW., Washington, DC.

EMBASSY APPEARANCE:

Embassy of Japan
Washington, DC

Takeshi Komoto, Minister for Economy, Trade, Industry, and Energy

OPENING REMARKS:

In Support of Continuation of Orders (**Laurence J. Lasoff J.**
Kelley Drye & Warren LLP)
In Opposition to Continuation of Orders (**Matthew R. Nicely,**
Hughes Hubbard & Reed LLP)

In Support of the Continuation of
Antidumping Duty Orders

Kelley Drye & Warren LLP
Washington, DC
on behalf of

Carpenter Technology Corporation
Crucible Industries, LLC
Electralloy, a G.O. Carlson Inc. Co.
North American Stainless,
Outokumpu Stainless Bar, Inc.
Universal Stainless & Alloy Products, Inc.
Valbruna Slater Stainless, Inc.

William A. Wellock, Director, Strategic Customer Development, Carpenter Technology Corporation

Jack Simmons, Senior Advisor, Electralloy, a G.O. Carlson Inc. Co.

Brian Romans, National Sales Manager, North American Stainless

Jerry Poalise, Vice President, Sales, Outokumpu Stainless Bar

Christopher M. Zimmer, Executive Vice President and Chief Commercial Officer, Universal Stainless

Valter Viero, Secretary, Valbruna Slater Stainless, Inc.

Edward J. Blot, President, Ed Blot & Associates, Inc.

Michael T. Kerwin, Director, Georgetown Economic Services

Brad Hudgens, Consultant, Georgetown Economic Services

Laurence J. Lasoff)
) – OF COUNSEL
Grace W. Kim)

In Opposition to the Continuation of
Antidumping Duty Orders

Mayer Brown LLP
Washington, DC
on behalf of

Sidenor Aceros Especiales S.L. ("Sidenor")

Frank Paolillo, Executive Vice President of Operations, Magellan Corporation

Sydney H. Mintzer)
) – OF COUNSEL
Jing Zhang)

Hughes Hubbard & Reed LLP
Washington, DC
on behalf of

Daido Steel Co., Ltd.
Aichi Steel Corporation
Sanyo Special Steel Co., Ltd.

Shuji Hamano, Manager, Export Service Section, Global Marketing and Sales Department, Daido Steel Co., Ltd.

Yasushi Kuwayama, General Manager of Sales, Daido Steel (America) Inc.

Tadanori Kida, General Manger, Overseas Marketing Department, Sanyo Special Steel Co., Ltd.

Michio Kato, General Manager, Operation Division, Special Steel Association of JAPAN

James P. Dougan, Vice President, Economic Consulting Services, LLC

Cara Groden, Senior Economist, Economic Consulting Services, LLC

Matthew R. Nicely)
Dean A. Pinkert) – OF COUNSEL
Julia K. Eppard)

In Opposition to the Continuation of
Antidumping Duty Orders (continued):

DrinkerBiddle&Reath LLP
Washington, DC
on behalf of

Áceros Inoxidables Olarra S.A. ("Olarra")
Acería de Álava, S.A.U. ("Aceralava")

Natalio Ferran, Commercial Director, Aceralava

Juan Carlos Agoglia, Vice President, Sales & Marketing,
Tubacex America

Álvaro Rojas, Commercial Director, Olarra

Wolf Hillinger, President, Roda Specialty Steel, Inc.

Richard P. Ferrin)
) – OF COUNSEL
Douglas J. Heffner)

White & Case LLP
Washington, DC
on behalf of

Villares Metals SA ("Villares")

Armin Wuzella, Managing Director *and* Chief Financial Officer, Villares

Jay Campbell) – OF COUNSEL

REBUTTAL/CLOSING REMARKS:

In Support of Continuation of Orders (**Laurence J. Lasoff,** Kelley Drye & Warren LLP)
In Opposition to Continuation of Orders (**Richard P. Ferrin**, DrinkerBiddle&Reath LLP;
Dean A. Pinkert, Hughes Hubbard & Reed LLP; and **Jay Campbell,** White & Case LLP)

-END-

APPENDIX C

SUMMARY DATA

Table C-1
Stainless steel bar: Summary data concerning the U.S. market, 2015-17, January to March 2017, and January to March 2018

(Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted)

	Reported data					Period changes			
	Calendar year			January-March		Calendar year			Jan-Mar
	2015	2016	2017	2017	2018	2015-17	2015-16	2016-17	2017-18
U.S. consumption quantity:									
Amount	309,668	259,418	319,604	72,847	85,575	3.2	(16.2)	23.2	17.5
Producers' share (fn1)	48.1	52.4	49.8	52.1	50.1	1.8	4.3	(2.5)	(2.0)
Importers' share (fn1):									
Brazil	0.8	0.8	0.7	0.8	0.5	(0.1)	0.0	(0.1)	(0.3)
India (fn2)	***	***	***	***	***	***	***	***	***
Japan (fn3)	***	***	***	***	***	***	***	***	***
Spain	0.2	0.9	0.4	0.6	0.0	0.2	0.7	(0.5)	(0.6)
Subject sources	***	***	***	***	***	***	***	***	***
India (fn4)	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***	***
All import sources	51.9	47.6	50.2	47.9	49.9	(1.8)	(4.3)	2.5	2.0
U.S. consumption value:									
Amount	1,349,553	984,449	1,315,390	296,782	375,496	(2.5)	(27.1)	33.6	26.5
Producers' share (fn1)	53.9	57.9	56.1	58.3	56.4	2.2	4.0	(1.7)	(1.9)
Importers' share (fn1):									
Brazil	0.8	0.9	0.7	0.7	0.5	(0.1)	0.0	(0.1)	(0.3)
India (fn2)	***	***	***	***	***	***	***	***	***
Japan (fn3)	***	***	***	***	***	***	***	***	***
Spain	0.1	0.6	0.2	0.4	0.0	0.1	0.5	(0.4)	(0.4)
Subject sources	***	***	***	***	***	***	***	***	***
India (fn4)	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***	***
All import sources	46.1	42.1	43.9	41.7	43.6	(2.2)	(4.0)	1.7	1.9
U.S. imports from:									
Brazil:									
Quantity	2,499	2,165	2,380	549	412	(4.8)	(13.4)	9.9	(25.0)
Value	11,230	8,392	9,631	2,221	1,760	(14.2)	(25.3)	14.8	(20.8)
Unit value	$4,493	$3,876	$4,046	$4,047	$4,275	(9.9)	(13.7)	4.4	5.6
Ending inventory quantity	***	***	***	***	***	***	***	***	***
India (fn2)									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Japan (fn3):									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Spain:									
Quantity	472	2,256	1,196	450	5	153.4	378.1	(47.0)	(99.0)
Value	1,366	5,930	3,243	1,185	42	137.3	334.0	(45.3)	(96.5)
Unit value	$2,896	$2,629	$2,712	$2,636	$9,019	(6.4)	(9.2)	3.2	242.2
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Subject sources:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
India (fn4)									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
All other sources:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Nonsubject sources:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
All import sources:									
Quantity	160,770	123,542	160,317	34,893	42,699	(0.3)	(23.2)	29.8	22.4
Value	622,186	414,934	577,148	123,723	163,825	(7.2)	(33.3)	39.1	32.4
Unit value	$3,870	$3,359	$3,600	$3,546	$3,837	(7.0)	(13.2)	7.2	8.2
Ending inventory quantity	***	***	***	***	***	***	***	***	***

Table continued on next page.

Table C-1--Continued
Stainless steel bar: Summary data concerning the U.S. market, 2015-17, January to March 2017, and January to March 2018

(Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted)

	Reported data					Period changes			
	Calendar year			January-March		Calendar year			Jan-Mar
	2015	2016	2017	2017	2018	2015-17	2015-16	2016-17	2017-18
U.S. producers':									
Average capacity quantity	384,180	384,578	393,755	97,729	97,184	2.5	0.1	2.4	(0.6)
Production quantity	160,825	145,647	179,506	44,600	48,716	11.6	(9.4)	23.2	9.2
Capacity utilization (fn1)	41.9	37.9	45.6	45.6	50.1	3.7	(4.0)	7.7	4.5
U.S. shipments:									
Quantity	148,898	135,876	159,287	37,954	42,876	7.0	(8.7)	17.2	13.0
Value	727,367	569,515	738,242	173,059	211,671	1.5	(21.7)	29.6	22.3
Unit value	$4,885	$4,191	$4,635	$4,560	$4,937	(5.1)	(14.2)	10.6	8.3
Export shipments:									
Quantity	12,130	12,098	13,811	3,781	3,495	13.9	(0.3)	14.2	(7.6)
Value	71,090	53,381	74,298	17,603	22,780	4.5	(24.9)	39.2	29.4
Unit value	$5,861	$4,412	$5,380	$4,656	$6,518	(8.2)	(24.7)	21.9	40.0
Ending inventory quantity	27,005	24,678	31,086	27,533	33,431	15.1	(8.6)	26.0	21.4
Inventories/total shipments (fn1)	16.8	16.7	18.0	16.5	18.0	1.2	(0.1)	1.3	1.5
Production workers	1,440	1,375	1,336	1,280	1,386	(7.2)	(4.5)	(2.8)	8.3
Hours worked (1,000s)	2,981	2,934	3,085	729	832	3.5	(1.6)	5.1	14.1
Wages paid ($1,000)	84,887	85,261	93,665	22,037	25,352	10.3	0.4	9.9	15.0
Hourly wages	$28.48	$29.06	$30.36	$30.23	$30.47	6.6	2.0	4.5	0.8
Productivity (short tons per 1,000 hours)	54.0	49.6	58.2	61.2	58.6	7.9	(8.0)	17.2	(4.3)
Unit labor costs	$528	$585	$522	$494	$520	(1.1)	10.9	(10.9)	5.3
Net sales:									
Quantity	161,028	147,975	173,098	41,736	46,371	7.5	(8.1)	17.0	11.1
Value	798,457	622,895	812,540	190,662	234,450	1.8	(22.0)	30.4	23.0
Unit value	$4,958	$4,209	$4,694	$4,568	$5,056	(5.3)	(15.1)	11.5	10.7
Cost of goods sold (COGS)	736,922	573,047	717,884	166,641	212,446	(2.6)	(22.2)	25.3	27.5
Gross profit of (loss)	61,535	49,848	94,656	24,021	22,004	53.8	(19.0)	89.9	(8.4)
SG&A expenses	72,204	49,469	55,636	12,726	15,238	(22.9)	(31.5)	12.5	19.7
Operating income or (loss)	(10,669)	379	39,020	11,295	6,766	fn5	fn5	10,195.5	(40.1)
Net income or (loss)	***	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***	***
Unit COGS	$4,576	$3,873	$4,147	$3,993	$4,581	(9.4)	(15.4)	7.1	14.7
Unit SG&A expenses	$448	$334	$321	$305	$329	(28.3)	(25.4)	(3.9)	7.8
Unit operating income or (loss)	($66)	$3	$225	$271	$146	fn5	fn5	8,701.2	(46.1)
Unit net income or (loss)	***	***	***	***	***	***	***	***	***
COGS/sales (fn1)	92.3	92.0	88.4	87.4	90.6	(4.3)	(0.3)	(4.0)	3.7
Operating income or (loss)/sales (fn1)	(1.3)	0.1	4.8	5.9	2.9	6.1	1.4	4.7	(3.0)
Net income or (loss)/sales (fn1)	***	***	***	***	***	***	***	***	***

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

fn1.--Reported data are in percent and period changes are in percentage points.
fn2.--Excludes imports from Venus and Viraj
fn3.--Excludes products from Japan that have been excluded from the subject order. These excluded products are included in the all other sources line.
fn4.--Imports from Venus and Viraj
fn5.--Undefined.

Source: Compiled from data provided from official U.S. import statistics and *** using HTS statistical reporting numbers 7222.11.0001, 7222.11.0006, 7222.11.0057, 7222.11.0059, 7222.11.0082, 7222.11.0084, 7222.19.0001, 7222.19.0006, 7222.19.0052, 7222.19.0054, 7222.20.0001, 7222.20.0006, 7222.20.0041, 7222.20.0043, 7222.20.0047, 7222.20.0049, 7222.20.0062, 7222.20.0064, 7222.20.0067, 7222.20.0069, 7222.20.0071, 7222.20.0073, 7222.20.0082, 7222.20.0084, 7222.20.0087, 7222.20.0089, 7222.30.0001, 7222.30.0012, 72223.00.0022, 7222.30.0024, 7222.30.0082, and 7222.30.0084, accessed July 24, 2018.

HISTORICAL DATA

Table B-1
Stainless steel bar: Summary data concerning the U.S. market, 1991-93, Jan.-Sept. 1993, and Jan.-Sept. 1994

(Quantity=*short tons*; value=*1,000 dollars*; unit values and unit labor costs are *per short ton*; period changes=*percent, except where noted*)

Item	Reported data			Jan.-Sept.--		Period changes			
	1991	1992	1993	1993	1994	1991-93	1991-92	1992-93	Jan.-Sept. 1993-94
U.S. consumption quantity:									
Amount	181,303	180,218	202,376	154,091	168,780	+11.6	-0.6	+12.3	+9.5
Producers' share[1]	75.2	74.1	70.8	71.2	71.0	-4.4	-1.1	-3.3	-0.2
Importers' share:[1]									
Brazil	1.8	2.3	2.3	2.5	1.2	+0.4	+0.5	-0.1	-1.4
India	.8	1.2	2.1	2.3	1.4	+1.3	+0.4	+0.9	-0.9
Japan	8.6	8.1	7.7	7.5	4.2	-0.9	-0.6	-0.4	-3.3
Spain	3.1	3.1	3.6	3.5	2.8	+0.5	(2)	+0.5	-0.7
Subtotal	14.3	14.7	15.7	15.8	9.6	+1.3	+0.4	+0.9	-6.2
Other sources	10.5	11.2	13.5	12.9	19.4	+3.0	+0.7	+2.3	+6.5
Total	24.8	25.9	29.2	28.8	29.0	+4.4	+1.1	+3.3	+0.2
U.S. consumption value:									
Amount	618,305	576,025	599,309	458,400	503,339	-3.1	-6.8	+4.0	+9.8
Producers' share[1]	78.9	78.8	76.4	76.6	77.3	-2.5	-0.1	-2.4	+0.7
Importers' share:[1]									
Brazil	1.4	1.7	1.5	1.7	0.7	+0.2	+0.3	-0.1	-1.0
India	.6	.9	1.5	1.7	1.0	+0.9	+0.3	+0.6	-0.7
Japan	7.2	6.6	6.7	6.5	3.9	-0.5	-0.7	+0.1	-2.7
Spain	2.6	2.4	2.9	2.8	2.1	+0.4	-0.1	+0.5	-0.7
Subtotal	11.8	11.6	12.7	12.8	7.7	+0.9	-0.2	+1.1	-5.0
Other sources	9.4	9.6	10.9	10.6	15.0	+1.6	+0.3	+1.3	+4.4
Total	21.1	21.2	23.6	23.4	22.7	+2.5	+0.1	+2.4	-0.7
U.S. importers' imports from--									
Brazil:									
Imports quantity	3,334	4,209	4,594	3,888	1,952	+37.8	+26.2	+9.1	-49.8
Imports value	8,529	9,697	9,267	7,915	3,766	+8.7	+13.7	-4.4	-52.4
Unit value	$2,558	$2,304	$2,017	$2,036	$1,929	-21.2	-10.0	-12.4	-5.2
Ending inventory qty	2,056	1,978	1,533	1,225	1,196	-25.4	-3.8	-22.5	-2.4
India:									
Imports quantity	1,402	2,186	4,243	3,532	2,420	+202.6	+55.9	+94.1	-31.5
Imports value	3,607	5,220	9,089	7,628	4,891	+152.0	+44.7	+74.1	-35.9
Unit value	$2,574	$2,388	$2,142	$2,159	$2,021	-16.8	-7.2	-10.3	-6.4
Ending inventory qty	***	***	***	***	***	***	***	***	***
Japan:									
Imports quantity	15,621	14,511	15,515	11,601	7,145	-0.7	-7.1	+6.9	-38.4
Imports value	44,811	37,791	40,160	29,953	19,444	-10.4	-15.7	+6.3	-35.1
Unit value	$2,869	$2,604	$2,588	$2,582	$2,721	-9.8	-9.2	-0.6	+5.4
Ending inventory qty	3,186	2,939	3,190	2,957	2,791	+0.1	-7.8	+8.5	-5.6
Spain:									
Imports quantity	5,626	5,645	7,335	5,380	4,680	+30.4	+0.3	+29.9	-13.0
Imports value	15,844	13,939	17,508	13,034	10,773	+10.5	-12.0	+25.6	-17.3
Unit value	$2,816	$2,469	$2,387	$2,423	$2,302	-15.2	-12.3	-3.3	-5.0
Ending inventory qty	***	***	***	***	***	***	***	***	***
Subject sources:									
Imports quantity	25,983	26,551	31,687	24,401	16,197	+22.0	+2.2	+19.3	-33.6
Imports value	72,792	66,647	76,025	58,530	38,874	+4.4	-8.4	+14.1	-33.6
Unit value	$2,802	$2,510	$2,399	$2,399	$2,400	-14.4	-10.4	-4.4	+0.1
Ending inventory qty	5,986	5,934	5,972	5,373	4,432	-0.2	-0.9	+0.6	-17.5
Other sources:									
Imports quantity	19,027	20,168	27,368	19,913	32,707	+43.8	+6.0	+35.7	+64.2
Imports value	57,877	55,418	65,426	48,806	75,623	+13.0	-4.2	+18.1	+54.9
Unit value	$3,042	$2,748	$2,391	$2,451	$2,312	-21.4	-9.7	-13.0	-5.7
Ending inventory qty	5,248	5,748	6,013	5,894	8,226	+14.6	+9.5	+4.6	+39.6
All sources:									
Imports quantity	45,010	46,719	59,056	44,314	48,904	+31.2	+3.8	+26.4	+10.4
Imports value	130,669	122,065	141,450	107,336	114,497	+8.3	-6.6	+15.9	+6.7
Unit value	$2,903	$2,613	$2,395	$2,422	$2,341	-17.5	-10.0	-8.3	-3.3

Table continued on the following page.

Table B-1--Continued
Stainless steel bar: Summary data concerning the U.S. market, 1991-93, Jan.-Sept. 1993, and Jan.-Sept. 1994

(Quantity = *short tons*; value = *1,000 dollars*; unit values and unit labor costs are *per short ton*; period changes = *percent, except where noted*)

Item	Reported data			Jan.-Sept.--		Period changes			
	1991	1992	1993	1993	1994	1991-93	1991-92	1992-93	Jan.-Sept. 1993-94
U.S. producers'--									
Average capacity quantity	276,643	273,143	262,483	223,584	199,104	-5.1	-1.3	-3.9	-10.9
Production quantity	134,832	135,318	138,284	107,677	115,985	+2.6	+0.4	+2.2	+7.7
Capacity utilization[1]	48.7	49.4	52.6	48.0	58.1	+3.9	+0.8	+3.1	+10.1
U.S. shipments:									
Quantity	136,293	133,499	143,320	109,777	119,876	+5.2	-2.0	+7.4	+9.2
Value	487,636	453,960	457,859	351,064	388,842	-6.1	-6.9	+0.9	+10.8
Unit value	$3,578	$3,400	$3,195	$3,198	$3,244	-10.7	-5.0	-6.1	+1.4
Export shipments:									
Quantity	860	407	876	579	467	+1.9	-52.7	+115.2	-19.3
Exports/shipments[1]	0.6	0.3	0.6	0.5	0.4	(3)	-0.3	+0.3	-0.1
Value	4,340	2,795	4,876	3,337	2,797	+12.4	-35.6	+74.5	-16.2
Unit value	$5,047	$6,867	$5,566	$5,763	$5,989	+10.3	+36.1	-18.9	+3.9
Ending inventory quantity	26,185	27,597	21,659	24,827	17,222	-17.3	+5.4	-21.5	-30.6
Inventory/shipments[2]	19.2	20.7	15.0	16.9	10.8	-4.1	+1.5	-5.6	-6.1
Production workers	2,189	2,066	2,159	2,151	2,129	-1.4	-5.6	+4.5	-1.0
Hours worked (*1,000s*)	4,387	4,222	4,281	3,299	3,470	-2.4	-3.8	+1.4	+5.2
Total comp. (*$1,000*)	108,845	107,148	115,190	88,129	94,898	+5.8	-1.6	+7.5	+7.7
Hourly total compensation	$24.81	$25.38	$26.91	$26.71	$27.35	+8.4	+2.3	+6.0	+2.4
Productivity (*short tons/1,000 hours*)	28.2	29.5	31.4	31.5	33.3	+11.2	+4.4	+6.5	+6.0
Unit labor costs	$879	$861	$857	$849	$820	-2.5	-2.0	-0.4	-3.4
Net sales--									
Quantity	136,211	135,240	146,135	109,408	119,109	+7.3	-0.7	+8.1	+8.9
Value	476,425	451,543	462,166	345,777	378,950	-3.0	-5.2	+2.4	+9.6
Unit sales value	$3,498	$3,339	$3,163	$3,160	$3,182	-9.6	-4.5	-5.3	+0.7
Cost of goods sold (COGS)	436,839	434,372	432,112	326,085	336,692	-1.1	-0.6	-0.5	+3.3
Gross profit (loss)	39,586	17,171	30,054	19,692	42,258	-24.1	-56.6	+75.0	+114.6
SG&A expenses	33,896	35,404	33,514	24,894	24,658	-1.1	+4.4	-5.3	-0.9
Operating income (loss)	5,690	(18,233)	(3,460)	(5,202)	17,600	-160.8	-420.4	+81.0	+438.3
Capital expenditures	23,259	12,322	15,212	8,573	10,765	-34.6	-47.0	+23.5	+25.6
Unit COGS	$3,207	$3,212	$2,957	$2,980	$2,827	-7.8	+0.1	-7.9	-5.2
Unit SG&A expenses	$249	$262	$229	$228	$207	-7.8	+5.2	-12.4	-9.0
Unit op. income (loss)	$42	($135)	($24)	($48)	$148	-156.7	-422.7	+82.4	+410.8
COGS/sales[1]	91.7	96.2	93.5	94.3	88.8	+1.8	+4.5	-2.7	-5.5
Op. income (loss)/sales[1]	1.2	(4.0)	(0.7)	(1.5)	4.6	-1.9	-5.2	+3.3	+6.1

[1] "Reported data" are in percent and "period changes" are in percentage points.
[2] An increase of less than 0.05 percentage points.
[3] A decrease of less than 0.05 percentage points.

Note.--Period changes are derived from the unrounded data. Period changes involving negative period data are positive if the amount of the negativity decreases and negative if the amount of the negativity increases. Because of rounding, figures may not add to the totals shown. Unit values and other ratios are calculated from the unrounded figures, using data of firms supplying both numerator and denominator information. Part-year inventory ratios are annualized.

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

Table C-1
Stainless steel bar: Summary data concerning the U.S. market, 1995-99, January-September 1999, and January-September 2000

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

Item	Reported data					January-September		Period changes					
	1995	1996	1997	1998	1999	1999	2000	1995-99	1995-96	1996-97	1997-98	1998-99	Jan.-Sept. 1999-2000
U.S. consumption quantity:													
Amount	246,436	249,440	262,846	254,700	236,927	169,168	225,473	-3.9	1.2	5.4	-3.1	-7.0	33.3
Producers' share (1)	70.7	68.7	64.7	62.9	63.1	65.1	55.8	-7.6	-2.0	-4.0	-1.9	0.3	-9.3
Importers' share (1):													
Brazil	(2)	(2)	0.5	0.3	0.6	0.5	0.6	0.6	0.0	0.5	-0.1	0.2	0.2
India	1.7	0.8	0.3	0.8	1.1	0.9	1.3	-0.6	-0.9	-0.5	0.5	0.3	0.4
Japan (3)	0.1	0.1	(2)	0.1	0.1	0.1	0.1	-0.1	-0.0	-0.1	0.1	-0.1	0.1
Spain (3)	0.5	0.8	0.7	0.7	1.0	1.0	1.3	0.5	0.1	0.1	-0.0	0.3	0.3
Subtotal	2.4	1.5	1.5	2.0	2.8	2.4	3.3	0.4	-0.8	0.0	0.4	0.8	0.9
Other sources	26.9	29.7	33.7	35.1	34.1	32.5	40.9	7.2	2.8	4.0	1.4	-1.1	8.4
Total imports	29.3	31.3	35.3	37.1	36.9	34.9	44.2	7.6	2.0	4.0	1.8	-0.3	9.3
U.S. consumption value:													
Amount	872,574	917,970	877,589	814,288	672,804	488,650	656,635	-22.9	5.2	-4.4	-7.2	-17.4	34.4
Producers' share (1)	77.1	75.0	71.9	70.2	70.5	71.8	65.4	-6.5	-2.1	-3.1	-1.8	0.3	-6.5
Importers' share (1):													
Brazil	(2)	(2)	0.3	0.3	0.4	0.3	0.4	0.4	0.0	0.3	-0.1	0.1	0.2
India	1.1	0.5	0.2	0.5	0.6	0.5	0.8	-0.5	-0.6	-0.3	0.3	0.1	0.3
Japan (3)	0.2	0.1	0.1	0.2	0.1	0.1	0.1	-0.1	-0.0	-0.0	0.1	-0.1	0.1
Spain (3)	0.5	0.6	0.6	0.5	0.7	0.7	0.9	0.2	0.0	0.1	-0.0	0.1	0.2
Subtotal	1.8	1.1	1.2	1.5	1.8	1.5	2.2	0.0	-0.6	0.0	0.3	0.3	0.7
Other sources	21.2	23.9	26.9	28.4	27.7	26.7	32.4	6.5	2.7	3.0	1.4	-0.6	5.7
Total imports	22.9	25.0	28.1	29.8	29.5	28.2	34.6	6.5	2.1	3.1	1.8	-0.3	6.5
U.S. imports from:													
Brazil:													
Quantity	51	51	1,250	871	1,355	784	1,361	2,567.3	-0.2	2,365.9	-30.4	55.6	80.7
Value	110	135	2,965	2,189	2,386	1,312	2,893	2,078.4	22.8	2,103.8	-26.2	9.0	120.5
Unit value	$2,157	$2,654	$2,371	$2,514	$1,762	$1,716	$2,095	-18.3	23.0	-10.6	6.0	-29.9	22.0
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***	***
India:													
Quantity	4,142	1,952	747	2,047	2,626	1,527	2,879	-36.6	-52.9	-61.7	173.9	28.2	88.5
Value	9,741	4,427	1,597	4,027	4,238	2,402	5,139	-56.5	-54.6	-63.9	152.2	5.2	114.0
Unit value	$2,352	$2,268	$2,136	$1,967	$1,614	$1,573	$1,785	-31.4	-3.6	-5.8	-7.9	-17.9	13.5
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***	***
Japan (3):													
Quantity	324	245	116	353	164	85	269	-49.2	-24.4	-52.4	202.9	-53.4	216.4
Value	1,392	1,132	654	1,293	593	299	976	-57.4	-18.6	-42.2	97.7	-54.2	227.1
Unit value	$4,301	$4,627	$5,620	$3,667	$3,606	$3,508	$3,626	-16.2	7.6	21.5	-34.7	-1.7	3.4
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***	***
Spain (3):													
Quantity	1,276	1,554	1,949	1,784	2,401	1,687	2,910	88.2	21.9	25.4	-8.5	34.6	72.5
Value	4,038	4,484	4,899	4,419	4,822	3,334	5,729	14.5	11.1	9.3	-9.8	4.6	71.9
Unit value	$3,165	$2,885	$2,514	$2,477	$1,925	$1,976	$1,969	-39.2	-8.9	-12.9	-1.5	-22.3	-0.4
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal:													
Quantity	5,792	3,802	4,063	5,055	6,546	4,064	7,439	13.0	-34.4	6.9	24.4	29.5	83.0
Value	15,280	10,178	10,115	11,928	11,839	7,346	14,737	-22.5	-33.4	-0.6	17.9	-0.7	100.6
Unit value	$2,638	$2,677	$2,490	$2,360	$1,809	$1,808	$1,981	-31.4	1.5	-7.0	-5.2	-23.4	9.6
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***	***
Other sources:													
Quantity	66,304	74,196	86,612	89,520	80,774	55,012	92,196	21.8	11.9	19.4	1.0	-9.8	67.6
Value	184,765	219,351	236,138	230,875	186,436	130,393	212,779	0.9	18.7	7.7	-2.2	-19.2	63.2
Unit value	$2,787	$2,956	$2,665	$2,579	$2,306	$2,370	$2,306	-17.2	6.1	-9.9	-3.2	-10.5	-2.6
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***	***
All sources:													
Quantity	72,096	77,998	92,675	94,575	87,320	59,076	99,635	21.1	8.2	18.8	2.1	-7.7	68.7
Value	200,045	229,529	246,253	242,803	198,275	137,739	227,516	-0.9	14.7	7.3	-1.4	-18.3	65.2
Unit value	$2,775	$2,943	$2,657	$2,567	$2,271	$2,332	$2,283	-18.2	6.1	-9.7	-3.4	-11.6	-2.1
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***	***

See footnotes at end of table.

Table C-1--Continued
Stainless steel bar: Summary data concerning the U.S. market, 1995-99, January-September 1999, and January-September 2000

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

Item	Reported data							Period changes					
						January-September							Jan.-Sept.
	1995	1996	1997	1998	1999	1999	2000	1995-99	1995-96	1996-97	1997-98	1998-99	1999-2000
U.S. producers':													
Average capacity quantity	289,002	285,352	285,127	285,767	304,777	229,584	236,471	5.5	-1.3	-0.1	0.2	6.7	3.0
Production quantity	175,764	162,431	170,625	166,545	154,711	111,699	131,341	-12.0	3.8	-6.5	-2.4	-7.1	17.6
Capacity utilization (1)	60.8	63.9	59.8	58.3	50.8	48.7	55.5	-10.1	3.1	-4.1	-1.6	-7.5	6.9
U.S. shipments:													
Quantity	174,340	171,442	170,171	160,125	149,607	110,092	125,838	-14.2	-1.7	-0.7	-5.9	-6.6	14.3
Value	672,529	688,441	631,336	571,485	474,529	350,911	429,119	-29.4	2.4	-8.3	-9.5	-17.0	22.3
Unit value	$3,858	$4,016	$3,710	$3,569	$3,172	$3,187	$3,410	-17.8	4.1	-7.6	-3.8	-11.1	7.0
Export shipments:													
Quantity	***	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	22,061	26,314	23,936	24,772	24,407	22,318	23,305	10.5	28.2	-15.5	3.5	-1.5	4.4
Inventories/total shipments (1)	***	***	***	***	***	***	***	***	***	***	***	***	***
Production workers	2,150	2,234	2,142	2,056	1,873	1,814	1,910	-12.9	3.9	-4.1	-4.0	-8.9	5.3
Hours worked (1,000s)	4,795	4,940	4,760	4,512	3,939	2,937	3,213	-17.9	3.0	-3.7	-5.2	-12.7	9.4
Wages paid ($1,000s)	97,080	104,841	106,034	100,526	85,906	63,087	72,040	-11.5	7.8	1.3	-5.2	-14.5	14.2
Hourly wages	$20.25	$21.18	$22.28	$22.28	$21.81	$21.48	$22.42	7.7	4.6	5.2	0.0	-2.1	4.4
Productivity (tons per 1,000 hours)	36.7	36.9	35.8	36.9	39.3	38.0	40.9	7.1	0.7	-2.9	3.0	6.4	7.5
Unit labor costs	$552.33	$573.59	$621.44	$603.60	$555.27	$564.79	$548.50	0.5	3.8	8.3	-2.9	-8.0	-2.9
Production and distribution operations:													
Net sales:													
Quantity	***	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***	***	***	***	***	***
COGS/sales (1)	***	***	***	***	***	***	***	***	***	***	***	***	***
Operating income or (loss)/ sales (1)	***	***	***	***	***	***	***	***	***	***	***	***	***
Production operations only:													
Net sales:													
Quantity	188,527	181,475	177,474	161,793	161,733	***	***	-14.2	-3.7	-2.2	-8.8	-0.0	***
Value	746,207	721,318	659,431	569,863	527,825	***	***	-29.3	-3.3	-8.6	-13.6	-7.4	***
Unit value	$3,958	$3,975	$3,716	$3,523	$3,264	***	***	-17.5	0.4	-6.5	-5.2	-7.4	***
Cost of goods sold (COGS)	628,501	634,066	582,513	507,809	487,832	***	***	-22.4	0.9	-8.1	-12.8	-4.0	***
Gross profit or (loss)	117,706	87,252	76,918	62,154	40,193	***	***	-65.9	-25.9	-11.8	-19.2	-35.3	***
SG&A expenses	46,647	45,216	52,674	42,243	36,562	***	***	-21.6	-3.1	16.5	-19.8	-13.4	***
Operating income or (loss)	71,059	42,036	24,244	19,911	3,631	***	***	-94.9	-40.8	-42.3	-17.9	-81.8	***
Capital expenditures	35,876	53,448	54,764	73,186	52,862	***	***	47.3	49.0	2.5	33.6	-27.8	***
Unit COGS	$3,334	$3,494	$3,282	$3,139	$3,016	***	***	-9.5	4.8	-6.1	-4.4	-3.9	***
Unit SG&A expenses	$247	$249	$297	$261	$226	***	***	-8.6	0.7	19.1	-12.0	-13.4	***
Unit operating income or (loss)	$377	$232	$137	$123	$22	***	***	-94.0	-38.5	-41.0	-9.9	-81.8	***
COGS/sales (1)	84.2	87.9	88.3	89.1	92.4	***	***	8.2	3.7	0.4	0.8	3.3	***
Operating income or (loss)/ sales (1)	9.5	5.8	3.7	3.5	0.7	***	***	-8.8	-3.7	-2.2	-0.2	-2.8	***

(1) "Reported data" are in percent and "period changes" are in percentage points.
(2) Less than 0.05 percent.
(3) Official Commerce statistics were adjusted for Japan in all periods and for Spain in 1997-98 to exclude data for firms that reported that they did not import stainless steel bar.
(4) Not applicable.
(5) Undefined.

Note.--Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis. Because of rounding, figures may not add to the totals shown. Unit values, shares, and period changes are calculated from the unrounded figures. January-September inventory ratios are annualized.

Source: Compiled from data submitted in response to Commission questionnaires and from official Commerce statistics.

Table C-1
Stainless steel bar: Summary data concerning the U.S. market, 2000-05, January-June 2005, and January-June 2006

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

Item	Reported data						January-June		Period changes						
	2000	2001	2002	2003	2004	2005	2005	2006	2000-05	2000-01	2001-02	2002-03	2003-04	2004-05	Jan.-June 2005-06
U.S. consumption quantity:															
Amount	279,543	237,414	215,367	208,358	246,971	295,751	158,825	142,499	5.8	-15.1	-9.3	-3.3	18.5	19.8	-10.3
Producers' share (1)	54.8	57.3	60.5	67.4	66.1	57.9	59.0	61.4	3.1	2.4	3.2	6.9	-1.2	-8.2	2.4
Importers' share (1):															
Brazil	0.5	0.2	0.4	0.5	0.1	0.1	0.1	0.2	-0.4	-0.3	0.2	0.0	-0.4	0.0	0.1
India (subject)	1.3	2.0	4.9	***	***	***	***	***	***	0.7	2.9	***	***	***	***
Japan	0.2	0.7	0.4	0.2	0.2	0.1	0.1	0.1	0.0	0.5	-0.3	-0.2	0.0	-0.1	0.0
Spain	1.2	1.3	1.0	0.1	0.0	0.0	0.1	0.0	-1.2	0.1	-0.3	-0.9	0.0	0.0	-0.1
Subtotal	3.2	4.2	6.7	***	***	***	***	***	***	1.0	2.6	***	***	***	***
India (nonsubject)	-	-	-	***	***	***	***	***	***	0.0	0.0	***	***	***	***
All other sources	42.0	38.6	32.8	26.5	28.2	35.8	35.1	32.9	-6.1	-3.4	-5.8	-6.3	1.7	7.7	-2.2
Total imports	45.2	42.7	39.5	32.6	33.9	42.1	41.0	38.6	-3.1	-2.4	-3.2	-6.9	1.2	8.2	-2.4
U.S. consumption value:															
Amount	822,342	700,734	584,353	562,408	845,448	1,214,279	612,223	572,338	47.7	-14.8	-16.6	-3.8	50.3	43.6	-6.5
Producers' share (1)	64.5	65.3	66.8	72.3	70.7	62.3	61.3	64.5	-2.2	0.9	1.5	5.4	-1.5	-8.5	3.2
Importers' share (1):															
Brazil	0.4	0.1	0.3	0.3	0.1	0.1	0.1	0.2	-0.2	-0.2	0.2	0.0	-0.3	0.0	0.1
India (subject)	0.8	1.2	3.2	***	***	***	***	***	***	0.4	2.0	***	***	***	***
Japan	0.3	0.6	0.4	0.3	0.3	0.3	0.3	0.2	0.0	0.4	-0.2	-0.1	-0.1	0.0	-0.2
Spain	0.8	0.9	0.7	0.1	0.0	0.0	0.1	0.0	-0.8	0.1	-0.3	-0.6	0.0	0.0	0.0
Subtotal	2.2	2.9	4.6	***	***	***	***	***	***	0.7	1.7	***	***	***	***
India (nonsubject)	-	-	-	***	***	***	***	***	***	0.0	0.0	***	***	***	***
All other sources	33.3	31.8	28.5	23.4	25.3	33.1	34.3	31.4	-0.1	-1.5	-3.2	-5.1	1.9	7.9	-2.9
Total imports	35.5	34.7	33.2	27.7	29.3	37.7	38.7	35.5	2.2	-0.9	-1.5	-5.4	1.5	8.5	-3.2
U.S. imports from:															
Brazil:															
Quantity	1,415	524	953	985	295	373	167	264	-73.6	-63.0	82.0	3.4	-70.0	26.3	57.6
Value	2,964	997	1,711	1,914	747	1,414	511	1,292	-52.3	-66.4	71.6	11.9	-61.0	89.3	153.0
Unit value	2,095	1,904	1,795	1,942	2,529	3,789	3,050	4,897	80.8	-9.1	-5.7	8.2	30.2	49.8	60.6
Ending inventory quantity	-	63	-	62	-	20	-	40	(2)	(2)	-100	(2)	-100.0	(2)	(2)
India (subject):				-											
Quantity	3,641	4,693	10,593	***	***	***	***	***	***	28.9	125.7	***	***	***	***
Value	6,470	8,396	18,886	***	***	***	***	***	***	29.8	124.9	***	***	***	***
Unit value	1,777	1,789	1,783	***	***	***	***	***	***	0.7	-0.4	***	***	***	***
Ending inventory quantity	-	-	-	***	***	***	***	***	***	(2)	(2)	***	***	***	***
Japan:				-											
Quantity	487	1,571	864	476	516	385	197	189	-21.0	222.5	-45.0	-44.9	8.5	-25.5	-4.3
Value	2,147	4,378	2,533	1,950	2,438	3,060	2,096	906	43.4	103.9	-42.1	-23.0	25.0	26.3	-56.8
Unit value	4,410	2,787	2,933	4,098	4,724	8,008	10,633	4,805	81.6	-36.8	5.2	39.7	15.3	69.5	-54.8
Ending inventory quantity	-	-	-	-	-	-	-	-	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Spain:															
Quantity	3,391	3,093	2,078	154	95	140	133	46	-95.9	-8.8	-32.8	-92.6	-38.2	46.4	-65.5
Value	6,717	6,396	3,858	322	257	483	450	159	-92.8	-4.8	-39.7	-91.6	-20.2	87.9	-64.8
Unit value	1,981	2,068	1,856	2,089	2,694	3,458	3,380	3,446	74.6	4.4	-10.3	12.5	29.0	28.4	1.9
Ending inventory quantity	-	-	-	-	-	-	-	-	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Subtotal:															
Quantity	8,933	9,860	14,489	***	***	***	***	***	***	10.6	46.6	***	***	***	***
Value	18,299	20,167	26,987	***	***	***	***	***	***	10.2	33.8	***	***	***	***
Unit value	2,049	2,041	1,863	***	***	***	***	***	***	-0.4	-8.7	***	***	***	***
Ending inventory quantity	-	63	-	***	***	***	***	***	***	(2)	-100.0	***	***	***	***
India (nonsubject):															
Quantity	-	-	-	***	***	***	***	***	***	(2)	(2)	***	***	***	***
Value	-	-	-	***	***	***	***	***	***	(2)	(2)	***	***	***	***
Unit value	(2)	(2)	(2)	***	***	***	***	***	***	(2)	(2)	***	***	***	***
Ending inventory quantity	-	-	-	***	***	***	***	***	***	(2)	(2)	***	***	***	***
All other sources:															
Quantity	117,303	91,544	70,578	55,140	69,552	105,922	55,776	46,941	-9.7	-22.0	-22.9	-21.9	26.1	52.3	-15.8
Value	273,767	222,668	166,738	131,797	213,783	402,468	210,158	179,603	47.0	-18.7	-25.1	-21.0	62.2	88.3	-14.5
Unit value	2,334	2,432	2,362	2,390	3,074	3,800	3,768	3,826	62.8	4.2	-2.9	1.2	28.6	23.6	1.5
Ending inventory quantity	2,809	2,813	2,413	1,599	1,393	2,492	2,126	1,329	-11.3	0.1	-14.2	-33.7	-12.9	78.9	-37.5
All sources:															
Quantity	126,235	101,424	85,067	67,993	83,666	124,496	65,103	54,996	-1.4	-19.7	-16.1	-20.1	23.1	48.8	-15.5
Value	292,066	242,835	193,725	156,050	247,412	456,037	237,109	203,106	56.8	-16.9	-20.2	-19.4	58.5	85.1	-14.3
Unit value	2,314	2,394	2,277	2,295	2,957	3,679	3,642	3,693	59.0	3.5	-4.9	0.8	28.8	24.4	1.4
Ending inventory quantity	2,809	2,876	2,413	1,661	1,393	2,512	2,126	1,369	-10.6	2.4	-16.1	-31.2	-16.1	80.3	-35.6

Table continued on next page

Table C-1--continued
Stainless steel bar: Summary data concerning the U.S. market, 2000-05, January-June 2005, and January-June 2006

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

Item	Reported data								Period changes						
							January-June								Jan.-June
	2000	2001	2002	2003	2004	2005	2005	2006	2000-05	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
U.S. producers':															
Average capacity quantity	211,208	215,609	245,779	270,023	273,700	337,296	185,778	191,227	59.7	2.1	14.0	9.9	1.4	23.2	2.9
Production quantity	144,162	126,241	126,505	140,264	163,824	175,507	95,232	91,486	21.7	-12.4	0.2	10.9	16.8	7.1	-3.9
Capacity utilization (1)	68.3	58.6	51.5	51.9	59.9	52.0	51.3	47.8	-16.2	-9.7	-7.1	0.5	7.9	-7.8	-3.4
U.S. shipments:															
Quantity	153,308	135,990	130,300	140,365	163,305	171,255	93,722	87,503	11.7	-11.3	-4.2	7.7	16.3	4.9	-6.6
Value	530,276	457,899	390,628	406,358	598,036	756,242	375,114	369,232	42.6	-13.6	-14.7	4.0	47.2	26.5	-1.6
Unit value	3,459	3,367	2,998	2,895	3,662	4,416	4,002	4,220	27.7	-2.7	-11.0	-3.4	26.5	20.6	5.4
Export shipments:															
Quantity	***	***	***	***	10,565	9,318	4,989	6,721	***	***	***	***	***	-11.8	34.7
Value	***	***	***	***	35,266	49,185	25,758	32,796	***	***	***	***	***	39.4	27.3
Unit value	***	***	***	***	3,340	5,278	5,163	4,880	***	***	***	***	***	58.0	-5.5
Ending inventory quantity	23,945	19,137	20,815	18,948	17,603	19,517	17,760	17,991	-18.5	-20.1	8.8	-9.0	-7.1	10.9	1.3
Inventories/total shipments (1)	***	***	***	***	10.1	10.8	9.0	9.5	***	***	***	***	***	0.7	0.6
Production workers	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Wages paid ($1,000s)	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Hourly wages	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Productivity (tons/1,000 hours)	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Net sales:															
Quantity	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
COGS/sales (1)	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Operating income or (loss)/ sales (1)	***	***	***	***	***	***	***	***	***	***	***	***	***	***	***

(1) "Reported data" are in percent and "period changes" are in percentage points.
(2) Not applicable.
(3) Undefined.

Note.--Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis.
Because of rounding, figures may not add to the totals shown. Unit values and shares are calculated from the unrounded figures.

Source: Compiled from data submitted in response to Commission questionnaires and from official Commerce statistics.

Table I-5
Stainless steel bar: U.S. producers' trade and financial data, 1993, 1999, 2005, and 2010

Item	1993	1999	2005	2010
Capacity (*short tons*)	262,483	304,777	337,296	164,160
Production (*short tons*)	138,284	154,711	175,507	75,891
Capacity utilization (*percent*)	52.6	50.8	52.0	46.2
U.S. shipments				
Quantity (*1,000 pounds*)	143,320	149,607	171,255	57,248
Value (*1,000 dollars*)	457,859	474,529	756,242	354,693
Unit value (*per pound*)	3,195	3,172	4,416	6,196
Net sales (*$1,000*)	462,166	584,213	858,652	498,506
Cost of goods sold (COGS) (*$1,000*)	432,112	500,240	716,096	450,258
Gross profit or(loss) (*$1,000*)	30,054	83,973	142,556	48,248
SG&A (*$1,000*)	33,514	58,091	60,281	41,016
Operating income or (loss) (*$1,000*)	(3,460)	25,882	82,275	7,232
COGS/sales (*percent*)	93.5	85.6	83.4	90.3
Operating income or (loss)/sales (*percent*)	6.9	4.4	9.6	1.5

Source: Compiled from data presented in the original staff report and subsequent five-year reviews, and *Response* of domestic interested parties, January 3, 2012, app. 5.

Related Party Issues

In their response to the Commission's notice of institution, the domestic interested parties reported that North American Stainless' parent company, The Acerinox Group owns Roldan, which is a foreign producer and exporter of subject merchandise from Spain. They note that none of the domestic producers is an importer of the subject merchandise from subject sources or related to an importer of stainless steel bar.[43]

U.S. IMPORTS AND APPARENT U.S. CONSUMPTION

U.S. Imports

During the original investigations, the Commission identified 88 importers that were believed to have accounted for the vast majority of total stainless steel bar imports from subject countries at that time. The Commission received usable importer questionnaire responses from 40 firms in the original investigations. In the first five-year reviews, the Commission identified 42 importing firms. Of these 17 firms provided useable data. As the HTS numbers were almost identical to the scope of the reviews, the Commission relied on official Commerce statistics in those reviews (adjusted for misclassified imports of nonsubject merchandise). In the second five-year reviews, the Commission sent questionnaires to 25 firms believed to be importers of stainless steel bar from subject and nonsubject sources, as well as to all U.S. producers. Eight firms provided useable importer questionnaire responses. The Commission again relied on official Commerce statistics in the second five-year reviews (adjusted for the removal of nonsubject Indian producer, Viraj Group, for which the antidumping duty order was revoked effective February 1, 2003).

[43] *Response* of domestic interested parties, January 3, 2012, p. 12.

In response to the Commission's request in its notice of institution in the third five-year reviews, domestic interested parties participating in these reviews provided information concerning 22 companies that are believed to be possible importers of stainless steel bar.

Data regarding U.S. imports of stainless steel bar, as reported by Commerce, are presented in table I-6. Subject imports increased by 23.1 percent between 2006 and 2011, from 16,779 short tons to 20,662 short tons. Nonsubject imports increased by 17.6 percent between 2006 and 2011, from 103,713 short tons to 121,940 short tons. While the quantity of overall imports increased, the value of imports increased more, resulting in higher unit values during the period.

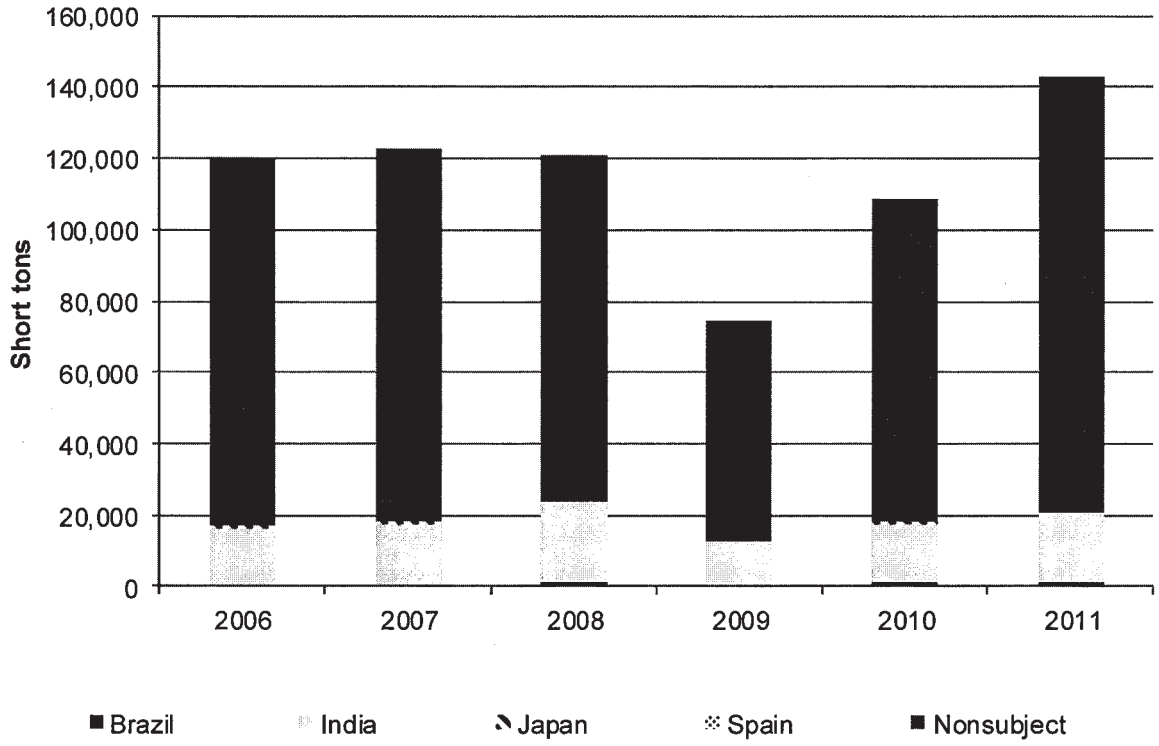
Table I-6
Stainless steel bar: U.S. imports, by source, 2006-11

Item	2006	2007	2008	2009	2010	2011
	Quantity (short tons)					
Brazil	484	474	811	231	786	1,171
India	15,703	17,182	22,734	12,161	16,937	19,260
Japan	525	379	319	210	222	163
Spain	67	40	80	65	119	69
Subtotal, subject	16,779	18,074	23,944	12,666	18,064	20,662
All other[1]	103,713	104,695	96,997	61,509	90,625	121,940
Total imports	120,491	122,769	120,941	74,175	108,688	142,603
	Value ($1,000)[2]					
Brazil	2,316	1,719	6,006	1,530	4,354	5,951
India	48,385	78,075	101,601	37,101	57,986	75,334
Japan	2,981	2,334	1,890	1,458	1,588	1,522
Spain	256	301	475	264	488	355
Subtotal, subject	53,939	82,429	109,972	40,353	64,416	83,162
All other[1]	424,701	560,401	550,510	269,576	400,405	630,499
Total imports	478,640	642,830	660,481	309,929	464,821	713,661
	Unit value ($/short ton)					
Brazil	4,781	3,629	7,405	6,635	5,542	5,083
India	3,081	4,544	4,469	3,051	3,424	3,911
Japan	5,681	6,162	5,919	6,958	7,167	9,339
Spain	3,845	7,578	5,920	4,079	4,094	5,154
Subtotal, subject	3,215	4,561	4,593	3,186	3,566	4,025
All other[1]	4,095	5,353	5,676	4,383	4,418	5,171
Total imports	3,972	5,236	5,461	4,178	4,277	5,005

[1] The main sources of nonsubject imports are Italy and Taiwan, representing 29.3 percent and 17.6 percent of total imports during 2011, respectively.
[2] Landed, duty-paid.

Source: Official Commerce statistics, HTS subheadings 7222.10, 7222.11, 7222.19, 7222.20, and 7222.30.

Figure I-1
Stainless steel bar: U.S. imports, 2006-11



Source: Table I-6.

Ratio of Imports to U.S. Production

Imports of stainless steel bar from subject sources were equivalent to *** percent of reported U.S. production in 2010. The ratio of imports of stainless steel bar from nonsubject countries to domestic production was *** percent in 2010.

Apparent U.S. Consumption and Market Shares

Data concerning apparent U.S. consumption of stainless steel bar for 2010 and historical data for 1993, 1999, and 2005, the last years for which data were collected in the original investigations and subsequent reviews are shown in table I-7.

Table I-7
Stainless steel bar: U.S. producers' U.S. shipments, U.S. imports, and apparent U.S. consumption, 1993, 1999, 2005, and 2010

Item	1993	1999	2005	2010
	Quantity (short tons)			
U.S. producers' U.S. shipments	143,320	149,607	171,255	57,248
U.S. imports from–				
Brazil	4,594	1,355	373	786
India	4,243	2,626	***	16,937
Japan	15,515	164	384	222
Spain	7,335	2,401	140	119
Subtotal, subject	31,687	6,546	***	18,064
All other[1]	27,368	80,774	***	90,625
Total imports	59,055	87,320	124,496	108,688
Apparent U.S. consumption	202,375	236,927	295,751	165,936
	Value ($1,000)			
U.S. producers' U.S. shipments	457,859	474,529	756,242	354,693
U.S. imports from--				
Brazil	9,267	2,386	1,414	4,354
India	9,089	4,238	***	57,986
Japan	40,160	593	3,080	1,588
Spain	17,508	4,622	483	488
Subtotal, subject	76,024	11,839	***	64,416
All other[1]	65,426	186,436	***	400,405
Total imports	141,450	198,275	458,037	464,821
Apparent U.S. consumption	599,309	672,804	1,214,279	819,514
	Share of consumption based on quantity (percent)			
U.S. producers' U.S. shipments	70.8	63.1	57.9	34.5
U.S. imports from--				
Brazil	2.3	0.6	0.1	0.5
India	2.1	1.1	***	10.2
Japan	7.7	0.1	0.1	0.1
Spain	3.6	1.0	0.0	0.1
Subtotal, subject	15.7	2.8	***	10.9
All other[1]	13.5	34.1	***	54.6
Total imports	29.2	36.9	42.1	65.5
Apparent U.S. consumption	100.0	100.0	100.0	100.0

[1] This includes exports from Indian producer/exporter, Viraj Group, for which the antidumping duty order was revoked effective February 1, 2003.

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

Source: Compiled from data presented in the original staff report and subsequent five-year reviews, official Commerce statistics and *Response* of domestic interested parties, January 3, 2012, app. 5.

APPENDIX D

COMMENTS REGARDING THE EFFECTS OF THE ORDERS AND THE LIKELY EFFECTS OF REVOCATION

Appendix D presents data on firms' narratives on the impact of the orders and the likely impact of revocation.

Table D-1 (U.S. producers)
Stainless steel bar: Firms' narratives on the impact of the orders and the likely impact of revocation

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Table D-1 -- Continued (Importers)
Stainless steel bar: Firms' narratives on the impact of the orders and the likely impact of revocation

* * * * * * *

Table D-1 -- Continued (Purchasers)
Stainless steel bar: Firms' narratives on the impact of the orders and the likely impact of revocation

* * * * * * *

Table D-1 -- Continued (Foreign Producers)
Stainless steel bar: Firms' narratives on the impact of the orders and the likely impact of revocation

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APPENDIX E

VIRAJ QUESTIONNAIRE DATA

Table E-1
Stainless steel bar: Summary data on Viraj in India, 2017

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Table E-2
Stainless steel bar: Reported changes in operations by Viraj in India, since January 1, 2012

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Table E-3
Stainless steel bar: Data on Viraj in India, 2015-17, January to March 2017, and January to March 2018

* * * * * * *

Table E-4
Stainless steel bar: Overall capacity and production on the same equipment as in-scope production for Viraj in India, 2015-17, January to March 2017, and January to March 2018

* * * * * * *

APPENDIX F

INDIA SUBJECT AND NONSUBJECT (VIRAJ) QUESTIONNAIRE DATA COMBINED

Table F-1

Stainless steel bar: Data on industry in India (all firms including Viraj), 2015-17, January to March 2017, and January to March 2018

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Table F-2

Stainless steel bar: Overall capacity and production on the same equipment as in-scope production in India (all firms including Viraj), 2015-17, January to March 2017, and January to March 2018

* * * * * * *

APPENDIX G

PRICE DATA FOR NONSUBJECT IMPORTS FROM VIRAJ

Table G-1 presents Importer *** reported price data for imports of stainless steel bar from India for products 1-4.

Table G-1

Weighted-average f.o.b. prices and quantities of nonsubject imports of products 1-4[1] from India, by quarters, January 2015-March 2018

* * * * * * *

[1] Product 1: Grade AISI 304/304L stainless steel bar 3 inch in diameter.
[2] Product 2: Grade AISI 303 stainless steel bar 1 inch in diameter.
[3] Product 3: Grade AISI 303 stainless steel bar 2 inch in diameter.
[4] Product 4: Grade AISI 316 stainless steel bar 3 inch in diameter

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