UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, D.C.

In the Matter of

CERTAIN CARBON AND ALLOY STEEL PRODUCTS

Investigation No. 337-TA-1002

NOTICE OF COMMISSION DETERMINATION NOT TO REVIEW AN INITIAL DETERMINATION GRANTING SUMMARY DETERMINATION OF NO SECTION 337 VIOLATION BASED ON FALSE DESIGNATION OF ORIGIN

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined not to review an initial determination ("ID") of the presiding administrative law judge ("ALJ") granting summary determination of no section 337 violation based on false designation of origin (Order No. 103).

FOR FURTHER INFORMATION CONTACT: Houda Morad, Office of the General Counsel, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone (202) 708-4716. Copies of non-confidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street SW., Washington, D.C. 20436, telephone (202) 205-2000. General information concerning the Commission may also be obtained by accessing its Internet server at <u>https://www.usitc.gov</u>. The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at <u>https://edis.usitc.gov</u>. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205-1810.

SUPPLEMENTARY INFORMATION: The Commission instituted this investigation on June 2, 2016, based on a complaint filed by Complainant United States Steel Corporation of Pittsburgh, Pennsylvania ("U.S. Steel" or "Complainant"), alleging a violation of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337 ("Section 337"). *See* 81 FR 35381-2 (June 2, 2016). The complaint alleges violations of Section 337 based upon the importation, the sale for importation, or the sale after importation into the United States of certain carbon and alloy steel products by reason of: (1) a conspiracy to fix prices and control output and export volumes, the threat or effect of which is to restrain or monopolize trade and commerce in the United States; (2) misappropriation and use of trade secrets, the threat or effect of which is to destroy or substantially injure an industry in the United States; and (3) false designation of origin ("FDO") or manufacturer, the threat or effect of which is to destroy or substantially injure an industry in the United States. *Id.* The notice of investigation identified forty respondents that are Chinese

steel manufacturers or distributors, as well as some of their Hong Kong and United States affiliates, including: Baosteel America, Inc.; Shanghai Baosteel Group Corporation; Baoshan Iron & Steel Co., Ltd.; Anshan Iron and Steel Group; Angang Group International Trade Corporation; Angang Group Hong Kong Co. Ltd.; Wuhan Iron and Steel Group Corp.; Wuhan Iron and Steel Co., Ltd.; WISCO America Co., Ltd.; Shougang Corporation; China Shougang International Trade & Engineering Corporation; Maanshan Iron and Steel Co. Ltd.; Magang (Group) Holding Co. Ltd.; Hebei Iron and Steel Group Co., Ltd.; Hebei Iron & Steel Group Hengshui Strip Rolling Co., Ltd.; Hebei Iron & Steel Group Co., Ltd.; Jiangsu Shagang Group; and Jiangsu Shagang International Trade Co., Ltd. (collectively, "Active Respondents"). *Id.* In addition, the Office of Unfair Import Investigations is also a party in this investigation. *Id.* All other respondents were found in default. *See* Comm'n Notice (Oct. 14, 2016), Comm'n Notice (Oct. 18, 2016), Comm'n Notice (Nov. 18, 2016).

The ALJ terminated the claim based on a conspiracy to fix prices and control output and export volumes, *see* Order No. 38 (Nov. 14, 2016) and that decision is presently under Commission review. *See* Comm'n Notice (Dec. 19, 2016). The ALJ also terminated U.S. Steel's FDO claims for failure to state a claim upon which relief can be granted. *See* Order No. 46 (Jan. 11, 2017). On March 6, 2017, the Commission issued an Opinion reversing Order No. 46 and determining that the complaint was sufficient to state a claim for FDO under section 337. *See* Comm'n Op. (Mar. 6, 2017). U.S. Steel withdrew the claim based on trade secret misappropriation on February 15, 2017. *See* Order No. 56 (Feb. 22, 2017), *unreviewed*, Comm'n Notice (Mar. 24, 2017).

Between July 18, 2017 and August 8, 2017, the Active Respondents filed motions for summary determination of no section 337 violation based on FDO. Complainant U.S. Steel and the Commission Investigative Attorney filed responses to the Active Respondents' motions between August 4 and 18, 2017. The Active Respondents also filed reply briefs in support of their motions between August 9 and 23, 2017. On October 2, 2017, the ALJ issued the subject ID, granting the Active Respondents' motions for summary determination of no section 337 violation based on FDO. *See* Order No. 103 (Oct. 2, 2017). No petitions for review of the subject ID were filed.

The Commission has determined not to review the subject ID.

The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and in part 210 of the Commission's Rules of Practice and Procedure (19 CFR part 210).

By order of the Commission.

Lisa R. Barton Secretary to the Commission

Issued: November 1, 2017