DEPARTMENT OF COMMERCE
International Trade Administration
[A–201–840]

Notice of Final Determination of Sales at Less Than Fair Value: Galvanized Steel Wire From Mexico

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

DATES: Effective Date: March 26, 2012.

SUMMARY: On November 4, 2011, the Department of Commerce (the Department) published its preliminary determination in the investigation of sales at less than fair value of galvanized steel wire (galvanized wire) from Mexico.1 The Department has determined that galvanized wire from Mexico is being, or is likely to be, sold in the United States at less than fair value, as provided in section 735 of the Tariff Act of 1930, as amended (the Act). The final margins of sales at less than fair value are listed below in the section entitled "Final Determination of Investigation."

FOR FURTHER INFORMATION CONTACT: Patrick Edwards or Ericka Ukrow, AD/CVD Operations, Office 7, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–8029 or (202) 482–0405, respectively.

SUPPLEMENTARY INFORMATION:

Background

The preliminary determination in this investigation was published on November 4, 2011. See Preliminary Determination. We invited parties to comment on the Preliminary Determination. On November 8, 2011, we received timely-filed allegations from Deacero S.A. de C.V. (Deacero) that the Department made several ministerial errors in calculating its dumping margin for the preliminary determination.2 On November 10 and 23, 2011, the Department issued Deacero supplemental questionnaires. On December 5, 2011, the Department released its memorandum addressing Deacero’s ministerial error allegations, finding that no amendment to the preliminary determination was warranted. See Ministerial Error Memorandum.3 On December 5, 2011, Deacero submitted its response to the November 23, 2011, questionnaire.4 Also on December 5, 2011, Petitioners5 and respondent Aceros Camesa S.A. de C.V. (Camesa) timely filed a request for a public hearing.6 We conducted cost and sales verifications of the responses submitted by Deacero and Camesa (collectively, respondents).7 All verification reports are listed below in the section entitled "Final Determination of Investigation."

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1 See Galvanized Steel Wire from Mexico: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination, 76 FR 60422 (November 4, 2011) (Preliminary Determination).
2 See Letter from Deacero, regarding “Galvanized Steel Wire from Mexico,” dated November 8, 2011. Petitioners did not comment on Deacero’s ministerial error allegations.
are on file and available electronically via Import Administration’s Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). Access to IA ACCESS is available in the Central Records Unit (CRU), room 7046 of the main Department of Commerce building.

Based on the Department’s findings at verification, as well as the minor corrections presented by Deacero and Camesa at the start of their respective verifications, we requested respondents to submit revised sales databases. On February 27, 2012, as requested, Deacero and Camesa submitted their revised sales databases.

Subsequent to the release of the verification reports in this investigation, parties timely filed case and rebuttal briefs. We received a case brief from Petitioners, Deacero, and Camesa on February 23, 2012; Petitioners and Deacero filed rebuttal briefs on February 28, 2012. No public hearing was held because all requests for a hearing were withdrawn.

On March 2, 2012, at the Department’s request, respondents in the companion galvanized wire investigations involving the People’s Republic of China (both antidumping and countervailing duty) filed on the record of this investigation certain scope comments that were raised in those proceedings’ case and rebuttal briefs. We allowed a period of time for parties in the instant proceeding to comment on those submissions, and we received no comments.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this antidumping investigation are addressed in the “Issues and Decision Memorandum for the Final Determination of the Antidumping Duty Investigation of Galvanized Steel Wire from Mexico” (Decision Memorandum) from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Import Administration, dated March 19, 2012, which is hereby adopted by this notice. A list of the issues which parties have raised and to which we have responded, all of which are in the Decision Memorandum, is attached to this notice as an appendix. Parties can find a complete discussion of all issues raised in this investigation and the corresponding recommendations in the Decision Memorandum which is on file and available electronically via IA ACCESS, which is accessible in the CRU, room 7046 of the main Department of Commerce building. In addition, a complete version of the Decision Memorandum can be accessed directly on the Web at http://ia.ita.doc.gov/. The paper copy and electronic version of the Decision Memorandum are identical in content.

Scope of Investigation

The scope of this investigation covers galvanized steel wire which is a cold-drawn carbon quality steel product in coils, of circular or approximately circular, solid cross section with any actual diameter of 0.5842 mm (0.0230 inch) or more, plated or coated with zinc (whether by hot-dipping or electroplating). Steel products to be included in the scope of this investigation, regardless of Harmonized Tariff Schedule of the United States (HTSUS) definitions, are products in which: (1) Iron predominates, by weight, over each of the other contained elements; (2) the carbon content is two percent or less, by weight; and (3) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

–0.30 percent of cobalt, or
–0.40 percent of lead, or
–0.58 percent of titanium, or
–0.02 percent of boron, or
–0.30 percent of tungsten, or
–1.80 percent of manganese, or
–0.40 percent of lead, or
–0.30 percent of cobalt, or
–0.50 percent of aluminum, or
–1.25 percent of nickel, or
–0.02 percent of boron, or
–0.10 percent of molybdenum, or
–0.10 percent of niobium, or
–0.41 percent of titanium, or
–0.15 percent of vanadium, or
–0.15 percent of zirconium.

Specifically excluded from the scope of this investigation is galvanized steel wire in coils of 15 feet or less which is pre-packed in individual retail packages. The products subject to this investigation are currently classified in subheadings 7217.20.30, 7217.20.45, and 7217.90.10 of the HTSUS which cover galvanized wire of all diameters and all carbon content. Galvanized wire is reported under statistical reporting numbers 7217.20.3000, 7217.20.4510, 7217.20.4520, 7217.20.4530, 7217.20.4540, 7217.20.4550, 7217.20.4560, 7217.20.4570, 7217.20.4580, and 7217.90.1000. These products may also enter under HTSUS subheadings 7229.20.0015, 7229.20.0090, 7229.90.5008, 7229.90.5016, and 7229.90.5031, and 7229.90.5051. Although the HTSUS subheadings are provided for convenience and Customs purposes, the written description of the merchandise is dispositive.

Scope Comments

In their case and rebuttal briefs, Petitioners, respondents, and other interested parties provided comments on the scope and merchandise that is to be covered under the scope. We have discussed these comments fully in the Decision Memorandum. See Decision Memorandum at Comments 3 and 4. As a result of considering these comments, we have clarified the scope language to include not only circular cross section material, but also out-of-round material that meets the circular tolerances. Id. at Comment 3. We have also included an additional HTSUS subheading as part of the scope description. Id. at Comment 4. In addition, and as referenced in the “Background” section above, certain parties in the companion galvanized wire antidumping duty investigation involving the People’s Republic of China provided scope comments. These comments have been addressed in the Notice of Final Determination of Sales at Less than Fair Value: Galvanized Steel Wire from the People’s Republic of China, signed concurrently with this notice, and the accompanying Issues and Decision Memorandum at Comment 3.

In addition, in the Preliminary Determination, we responded to scope comments provided by Tree Island Wire (USA), Inc. and Preferred Wire Products, Inc., and we preliminarily determined that galvanized wire with a diameter less than one millimeter is subject to the scope of the investigation. No additional comments were made on this issue in the case or rebuttal briefs. For the final, we have made no changes on this determination from the Preliminary Determination and continue to find, specifically, that galvanized wire with a diameter less than one millimeter but equal to or greater than 0.5842 millimeters is covered by the scope. See Preliminary Determination, 76 FR at 68423.

Period of Investigation

The period of investigation (POI) is January 1, 2010, to December 31, 2010.
This period corresponds to the four most recent fiscal quarters prior to the month of the filing of the Petition. See 19 CFR 351.204(b)(1).

**Verification**

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

**Changes Since the Preliminary Determination**

Based on our analysis of the comments received and our findings at verification, we have made certain changes to the margin calculation for both Deacero and Camesa. For a discussion of these changes, see Decision Memorandum at Comments 1, 2, 7, 8, 9, and 11. Additionally, subsequent to the Preliminary Determination, the Department revised its margin calculation program to ensure that it accurately reflected the methodological choices made in that determination. These revisions to the programming, had they been included in the preliminary determination, would not have altered the weighted average dumping margins calculated there. See Decision Memorandum at Comment 10; see also, Deacero Analysis Memo and Camesa Analysis Memo at Attachments I–VIII.

**All Others Rate**

Section 735(c)(5)(A) of the Act provides that the estimated “all others” rate shall be an amount equal to the weighted average of the estimated weighted average dumping margins established for exporters and producers individually investigated, excluding any zero or de minimis margins and any margins determined entirely under section 776 of the Act. Deacero and Camesa are the only respondents selected for individual examination in this investigation and, for each company, the Department has calculated a company-specific rate that is not zero or de minimis. Therefore, for purposes of determining the “all others” rate, and pursuant to section 735(c)(5)(A) of the Act, we are using the weighted average of the dumping margins calculated for Deacero and Camesa for the “all others” rate, as referenced in the “Continuation of Suspension of Liquidation” section below, i.e., 22.43 percent, as indicated in the “Final Determination of Investigation” section below.10

**Final Determination of Investigation**

We determine that the following weighted-average dumping margins exist for the period January 1, 2010, through December 31, 2010:

<table>
<thead>
<tr>
<th>Manufacturer or exporter</th>
<th>Weighted-Average Margin (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deacero S.A. de C.V.</td>
<td>20.89</td>
</tr>
<tr>
<td>Aceros Camesa S.A. de C.V.</td>
<td>37.69</td>
</tr>
<tr>
<td>All-Others</td>
<td>22.43</td>
</tr>
</tbody>
</table>

**Continuation of Suspension of Liquidation**

Pursuant to section 735(c)(1)(B) of the Act and 19 CFR 351.211(b)(1), we will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all entries of subject merchandise from Mexico entered, or withdrawn from warehouse, for consumption on or after November 4, 2011, the date of the publication of the Preliminary Determination, for all producers/exporters. We will instruct CBP to require a cash deposit or the posting of a bond equal to the weighted-average margin, as indicated in the chart above, as follows: (1) The rate for the respondents will be the rates we have determined in this final determination; (2) if the exporter is not a firm identified in this investigation but the producer is, the rate will be the rate established for the producer of the subject merchandise; (3) the rate for all other producers or exporters will be 22.43 percent. These suspension-of-liquidation instructions will remain in effect until further notice.

**International Trade Commission Notification**

In accordance with section 735(d) of the Act, we have notified the International Trade Commission (ITC) of our final determination. As our final determination is affirmative and in accordance with section 735(b)(2) of the Act, the ITC will determine, within 45 days, whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of the subject merchandise. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all security posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing CBP to assess antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

**Notification Regarding APO**

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

This determination is issued and published pursuant to sections 735(d) and 777(i)(1) of the Act.


Paul Piquado,
Assistant Secretary for Import Administration.

**Appendix**

Deacero S.A. de C.V. (Deacero)
Comment 1: Conversion of U.S. Packing Expenses from Mexican Pesos to U.S. Dollars
Comment 2: Correction of Ministerial Errors
Comment 3: Whether Oval Galvanized Steel Wire is Outside the Scope of the Investigation
Comment 4: Whether PVC-Coated Galvanized Steel Wire is Outside the Scope of the Investigation
Comment 5: Whether To Apply Adverse Facts Available to Deacero’s Inland Freight Expenses for Certain Home Market Sales
Comment 6: Whether To Apply Adverse Facts Available to Deacero’s U.S. Repacking Expenses
Comment 7: Deacero’s Reporting of Costs for Further Manufacturing
Comment 8: Deacero’s Reporting of Inland Freight Charges for Certain U.S. Sales
Comment 9: Deacero’s Reporting of Cost of Production and Constructed Value

Aceros Camesa S.A. de C.V. (Camesa)
Comment 10: Whether the Department Used an Average-to-Average Comparison Methodology
Comment 11: Whether the U.S. Inventory Carrying Costs Were Calculated Properly

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1 See Galvanized Steel Wire From the People’s Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination, 76 FR 68407 (November 4, 2011) (“Preliminary Determination”).


3 See Letter to the Department from Baozhang; Re: Letter Electing Not To Participate in Verification, dated November 4, 2011.

4 See Letter to the Department from Honbase; Re: Galvanized Steel Wire from the People’s Republic of China, dated November 9, 2011.

5 See “Memorandum to the File from Kabir Archuletta, re: Galvanized Steel Wire Sample Viewing,” dated November 9, 2011.


7 In this case, Huayuan refers to the collective group of affiliated companies comprised of Tianjin Huayuan Metal Wire Products Co., Ltd., Tianjin Times Metal Products Co., Ltd., and Tianjin Meijiahua Trade Co., Ltd.

8 See Letter to the Department from Huayuan; Re: Galvanized Steel Wire from the People’s Republic of China: Withdrawal of Request for a Hearing, dated December 13, 2011.