

DEPARTMENT OF COMMERCE

International Trade Administration

[A-357-811, A-588-849, A-549-814]

Notice of Preliminary Determinations of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products From Argentina, Japan and Thailand

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

EFFECTIVE DATE: November 5, 1999.

FOR FURTHER INFORMATION CONTACT:

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The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to Department of Commerce (Department) regulations refer to the regulations codified at 19 CFR part 351 (April 1999).

Preliminary Determinations

We preliminarily determine that cold-rolled flat-rolled carbon-quality steel products ("cold-rolled steel products") from Argentina, Japan, and Thailand are being sold, or are likely to be sold, in the United States at less than fair value ("LTFV"), as provided in section 733 of the Act. The estimated margins of sales at LTFV are shown in the *Suspension of Liquidation* section of this notice.

Case History

These investigations were initiated on June 21, 1999. See *Initiation of Antidumping Duty Investigations: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products from Argentina, Brazil, the People's Republic of China, Indonesia, Japan, the Russian Federation, Slovakia, South Africa, Taiwan, Thailand, Turkey, and Venezuela* ("Initiation Notice"), 64 FR 34194 (June 25, 1999). Since the initiation of the investigations, the following events occurred:

On June 22, 1999, the Department issued Section A antidumping questionnaires to all known producers/exporters of subject merchandise, including those named in the petitions. The Department received responses to

this questionnaire from Siderar Limited ("Siderar"), in the Argentina proceeding, and Nippon Steel Corporation ("NSC"), Kawasaki Steel Corporation ("KSC"), NKK Corporation ("NKK") and Sumitomo Metals Industries, Ltd. ("Sumitomo") in the Japan proceeding. The Department did not receive responses to the questionnaire from the following companies: Kobe Steel Ltd. ("Kobe"), and Nisshin Steel Co., Ltd. ("Nisshin") in the Japan proceeding, or TCRSSC/Sahaviriya (the sole producer and exporter of subject merchandise from Thailand during the POI¹), in the Thailand proceeding.

On July 9, 1999, the Department selected the following companies as mandatory respondents in these investigations: Siderar (the sole Argentine producer of subject merchandise) in the Argentina proceeding; NSC and KSC in the Japan proceeding; and TCRSSC/Sahaviriya in the Thailand proceeding. See Respondent Selection, below. On July 9, 1999, the Department issued Section B, C, and D antidumping questionnaires to each of the selected respondents.

On July 16, 1999, the United States International Trade Commission (ITC) preliminarily determined that there is a reasonable indication that imports of the products subject to each of these antidumping investigations are materially injuring the United States industry. See *Certain Cold-Rolled Steel Products from Argentina, Brazil, China, Indonesia, Japan, Russia, Slovakia, South Africa, Taiwan, Thailand, Turkey and Venezuela*, 64 FR 41458 (July 30, 1999).

In August 1999, the mandatory respondent in the Thailand case notified the Department that it would not be responding at all to the Department's questionnaire, and all the mandatory respondents in the Argentina and Japan proceedings notified the Department that they would not be responding to the Section B, C, and D questionnaires.

Period of Investigations

The period of the investigations (POI) is April 1, 1998, through March 31, 1999. This period corresponds to the four most recent fiscal quarters prior to the month of the filing of the petition (i.e., June 1999).

¹ On July 8, 1999, the Royal Thai Embassy in Washington, DC confirmed that Thai Cold Rolled Steel and Sheet Company ("TCRSSC"), an affiliate of Sahaviriya Steel Industries Public Co., Ltd., collectively "TCRSSC/Sahaviriya", was the only Thai exporter of subject merchandise to the United States during the POI. See *Memorandum to the File: Conversation with Royal Thai Embassy* ("Conversation with Thai Embassy"), (July 8, 1999).

Scope of Investigations

For purposes of this investigation, the products covered are certain cold-rolled (cold-reduced) flat-rolled carbon-quality steel products, neither clad, plated, nor coated with metal, but whether or not annealed, painted, varnished, or coated with plastics or other non-metallic substances, both in coils, 0.5 inch wide or wider, (whether or not in successively superimposed layers and/or otherwise coiled, such as spirally oscillated coils), and also in straight lengths, which, if less than 4.75 mm in thickness having a width that is 0.5 inch or greater and that measures at least 10 times the thickness; or, if of a thickness of 4.75 mm or more, having a width exceeding 150 mm and measuring at least twice the thickness. The products described above may be rectangular, square, circular or other shape and include products of either rectangular or non-rectangular cross-section where such cross-section is achieved subsequent to the rolling process (i.e., products which have been "worked after rolling")—for example, products which have been beveled or rounded at the edges.

Specifically included in this scope are vacuum degassed, fully stabilized (commonly referred to as interstitial-free ("IF")) steels, high strength low alloy ("HSLA") steels, and motor lamination steels. IF steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium and/or niobium added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, titanium, vanadium, and molybdenum. Motor lamination steels contain micro-alloying levels of elements such as silicon and aluminum.

Steel products included in the scope of this investigation, regardless of definitions in the Harmonized Tariff Schedules of the United States ("HTSUS"), are products in which: (1) Iron predominates, by weight, over each of the other contained elements; (2) the carbon content is 2 percent or less, by weight, and; (3) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

- 1.80 percent of manganese, or
- 2.25 percent of silicon, or
- 1.00 percent of copper, or
- 0.50 percent of aluminum, or
- 1.25 percent of chromium, or
- 0.30 percent of cobalt, or
- 0.40 percent of lead, or
- 1.25 percent of nickel, or
- 0.30 percent of tungsten, or
- 0.10 percent of molybdenum, or
- 0.10 percent of niobium (also called columbium), or

0.15 percent of vanadium, or
0.15 percent of zirconium.

All products that meet the written physical description, and in which the chemistry quantities do not exceed any one of the noted element levels listed above, are within the scope of this investigation unless specifically excluded. The following products, by way of example, are outside and/or specifically excluded from the scope of this investigation:

- SAE grades (formerly also called AISI grades) above 2300;
- Ball bearing steels, as defined in the HTSUS;

- Tool steels, as defined in the HTSUS;
- Silico-manganese steel, as defined in the HTSUS;
- Silicon-electrical steels, as defined in the HTSUS, that are grain-oriented;
- Silicon-electrical steels, as defined in the HTSUS, that are not grain-oriented and that have a silicon level exceeding 2.25 percent;
- All products (proprietary or otherwise) based on an alloy ASTM specification (sample specifications: ASTM A506, A507);
- Silicon-electrical steels, as defined in the HTSUS, that are not grain-

oriented and that have a silicon level less than 2.25 percent, and

(a) Fully-processed, with a core loss of less than 0.14 watts/pound per mil (.001 inches), or

(b) Semi-processed, with core loss of less than 0.085 watts/pound per mil (.001 inches);

- Certain shadow mask steel, which is aluminum killed cold-rolled steel coil that is open coil annealed, has an ultra-flat, isotropic surface, and which meets the following characteristics:

Thickness: 0.001 to 0.010 inches
Width: 15 to 32 inches

CHEMICAL COMPOSITION

Element	C
Weight %	< 0.002%

- Certain flapper valve steel, which is hardened and tempered, surface polished, and which meets the following characteristics:

Thickness: ≤ 1.0 mm

Width: ≤ 152.4 mm

CHEMICAL COMPOSITION

Element Weight %	C	Si	Mn	P	S
	0.90–1.05	0.15–0.35	0.30–0.50	≤ 0.03	≤ 0.006

MECHANICAL PROPERTIES

Tensile Strength	≥ 162 Kgf/mm ²
Hardness	≥ 475 Vickers hardness number

PHYSICAL PROPERTIES

Flatness	< 0.2% of nominal strip width
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Microstructure: Completely free from decarburization. Carbides are spheroidal and fine within 1% to 4% (area percentage) and are undissolved in the uniform tempered martensite.

NON-METALLIC INCLUSION

	Area percent- age
Sulfide Inclusion	≤ 0.04
Oxide Inclusion	≤ 0.05

Compressive Stress: 10 to 40 Kgf/mm².

SURFACE ROUGHNESS

Thickness (mm)	Roughness (μ m)
$t \leq 0.209$	$R_z \leq 0.5$
$0.209 < t \leq 0.310$	$R_z \leq 0.6$
$0.310 < t \leq 0.440$	$R_z \leq 0.7$
$0.440 < t \leq 0.560$	$R_z \leq 0.8$
$0.560 < t$	$R_z \leq 1.0$

- Certain ultra thin gauge steel strip, which meets the following characteristics:

Thickness: ≤ 0.100 mm $\pm 7\%$

Width: 100 to 600 mm

CHEMICAL COMPOSITION

Element Weight %	C ≤ 0.07	Mn 0.2—0.5	P ≤ 0.05	S ≤ 0.05	Al ≤ 0.07	Fe Balance
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MECHANICAL PROPERTIES

Hardness	Full Hard (Hv 180 minimum)
Total Elongation	< 3%
Tensile Strength	600 to 850 N/mm ²

PHYSICAL PROPERTIES

Surface Finish	≤ 0.3 micron
Camber (in 2.0 m)	< 3.0 mm
Flatness (in 2.0 m)	≤ 0.5 mm
Edge Burr	< 0.01 mm greater than thickness
Coil Set (in 1.0 m)	< 75.0 mm

- Certain silicon steel, which meets the following characteristics:

Thickness: 0.024 inches ±0.0015 inches

Width: 33 to 45.5 inches

CHEMICAL COMPOSITION:

Element	C	Mn	P	S	Si	Al
Min. Weight % .....	.....	.....	.....	.....	0.65	.....
Max. Weight %	0.004	0.4	0.09	0.009	0.4

MECHANICAL PROPERTIES

Hardness	B 60–75 (AIM 65)
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PHYSICAL PROPERTIES

Finish	Smooth (30–60 microinches)
Gamma Crown (in 5 inches)	0.0005 inches, start measuring 1/4 inch from slit edge
Flatness	20 I–UNIT max.
Coating	C3A–.08A max. (A2 coating acceptable)
Camber (in any 10 feet)	1/16 inch
Coil Size I.D.	20 inches

MAGNETIC PROPERTIES

Core Loss (1.5T/60 Hz) NAAS	3.8 Watts/Pound max.
Permeability (1.5T/60 Hz) NAAS	1700 gauss/oersted typical 1500 minimum

- Certain aperture mask steel, which has an ultra-flat surface flatness and which meets the following characteristics:

Thickness: 0.025 to 0.245 mm

Width: 381–1000 mm

CHEMICAL COMPOSITION

Element	C	N	Al
Weight %	<0.01	0.004 to 0.007	<0.007

- Certain tin mill black plate, annealed and temper-rolled, continuously cast, which meets the following characteristics:

CHEMICAL COMPOSITION

Element	C	Mn	P	S	Si	Al	As	Cu	B	N
Min. Weight %	0.02	0.20	.....	.....	.....	0.03	.....	.....	.....	0.003
Max. Weight %	0.06	0.40	0.02	¹ 0.023	0.03	0.08	0.02	0.08	.....	² 0.008

¹ Aiming 0.018 Max.² Aiming 0.05³ Aiming 0.005.

Non-metallic Inclusions: Examination with the S.E.M. shall not reveal individual oxides > 1 micron (0.000039 inches) and inclusion groups or clusters shall not exceed 5 microns (0.000197 inches) in length.

Surface Treatment as follows: The surface finish shall be free of defects (digs, scratches, pits, gouges, slivers, etc.) and suitable for nickel plating.

SURFACE FINISH

	Roughness, RA Microinches (Micrometers)		
	Aim	Min.	Max.
Extra Bright	5(0.1)	0(0)	7(0.2)

- Certain full hard tin mill black plate, continuously cast, which meets the following characteristics:

CHEMICAL COMPOSITION

Element	C	Mn	P	S	Si	Al	As	Cu	B	N
Min. Weight %	0.02	0.20	.....	.....	.....	0.03	.....	.....	.....	0.003
Max. Weight %	0.06	0.40	0.02	¹ 0.023	0.03	0.08	0.02	0.08	.....	³ 0.008

¹ Aiming 0.018 Max.² Aiming 0.005³ Aiming 0.005.

Non-metallic Inclusions: Examination with the S.E.M. shall not reveal individual oxides > 1 micron (0.000039 inches) and inclusion groups or clusters shall not exceed 5 microns (0.000197 inches) in length.

Surface Treatment as follows: The surface finish shall be free of defects (digs, scratches, pits, gouges, slivers, etc.) and suitable for nickel plating.

SURFACE FINISH

	Roughness, RA Microinches (Micrometers)		
	Aim	Min.	Max.
Stone Finish	16(0.4)	8(0.2)	24(0.6)

- Certain "blued steel" coil (also know as "steamed blue steel" or "blue oxide") with a thickness and size of 0.38 mm × 940 mm × coil, and with a bright finish;

- Certain cold-rolled steel sheet, which meets the following characteristics:

Thickness (nominal): ≤ 0.019 inches

Width: 35 to 60 inches

CHEMICAL COMPOSITION

Element	C	O	B
Max. Weight %	0.004	.....	.....
Min. Weight % .....	.....	0.010	0.012

- Certain band saw steel, which meets the following characteristics:

Thickness: ≤ 1.31 mm

Width: ≤ 80 mm

CHEMICAL COMPOSITION

Element	C	Si	Mn	P	S	Cr	Ni
Weight %	1.2 to 1.3	0.15 to 0.35	0.20 to 0.35	≤0.03	≤0.007	0.3 to 0.5	≤0.25

Other properties:

Carbide: fully spheroidized having <80% of carbides, which are ≤ 0.003 mm and uniformly dispersed

Surface finish: bright finish free from pits, scratches, rust, cracks, or seams
Smooth edges

Edge camber (in each 300 mm of length): ≤ 7 mm arc height Cross bow (per inch of width): 0.015 mm max.

The merchandise subject to this investigation is typically classified in the HTSUS at subheadings:

7209.15.0000, 7209.16.0030,
7209.16.0060, 7209.16.0090,
7209.17.0030, 7209.17.0060,
7209.17.0090, 7209.18.1530,
7209.18.1560, 7209.18.2550,
7209.18.6000, 7209.25.0000,
7209.26.0000, 7209.27.0000,
7209.28.0000, 7209.90.0000,
7210.70.3000, 7210.90.9000,
7211.23.1500, 7211.23.2000,
7211.23.3000, 7211.23.4500,
7211.23.6030, 7211.23.6060,
7211.23.6085, 7211.29.2030,
7211.29.2090, 7211.29.4500,
7211.29.6030, 7211.29.6080,
7211.90.0000, 7212.40.1000,
7212.40.5000, 7212.50.0000,
7225.19.0000, 7225.50.6000,
7225.50.7000, 7225.50.8010,
7225.50.8085, 7225.99.0090,
7226.19.1000, 7226.19.9000,
7226.92.5000, 7226.92.7050,
7226.92.8050, and 7226.99.0000.

Although the HTSUS subheadings are provided for convenience and U.S. Customs Service ("U.S. Customs") purposes, the written description of the merchandise under investigation is dispositive.

The Department set aside a period for all interested parties to raise issues regarding product coverage. From July through October 1999, the Department received responses from a number of parties including importers, respondents, consumers, and petitioners, aimed at clarifying the scope of the investigation. See *Memorandum to Joseph A. Spetrini* ("Scope Memorandum"), November 1, 1999, for a list of all persons submitting comments and a discussion of all scope comments. There are several scope exclusion requests for products which are currently covered by the scope of this investigation that are still under consideration by the Department. These items are considered to be within the scope for this preliminary determination; however, these requests will be reconsidered for the final determination. See *Scope Memorandum*.

Selection of Respondents

Section 777A(c)(1) of the Act directs the Department to calculate individual dumping margins for each known exporter and producer of the subject merchandise. However, section 777A(c)(2) of the Act gives the Department discretion, when faced with a large number of exporters/producers, to limit its examination to a reasonable number of such companies if it is not practicable to examine all companies. Where it is not practicable to examine all known producers/exporters of subject merchandise, this provision permits the Department to investigate either: (1) A sample of exporters, producers, or types of products that is statistically valid based on the information available at the time of selection, or (2) exporters and producers accounting for the largest volume of the subject merchandise that can be reasonably examined.

After consideration of the complexities expected to arise in these proceedings and the resources available to the Department, we determined that it was not practicable in these investigations to examine all known producers/exporters of subject merchandise. This was not a concern in the investigations involving Argentina and Thailand, since there was only one producer/exporter of subject merchandise in each of those countries during the POI. However, with respect to Japan, which had multiple producers/exporters of subject merchandise during the POI, we determined that, given our resources, we would be able to investigate two such companies. The respondents selected for Japan were those with the greatest export volume; together they accounted for more than 50 percent of all known exports of the subject merchandise during the POI from Japan. For a more detailed discussion of respondent selection in these investigations, see *Respondent Selection Memorandum* (July 9, 1999).

Facts Available

The following companies failed to respond to our questionnaires: Siderar in the Argentina case; NSC, KSC, Kobe, and Nisshin in the Japan case; and TCRSSC/Sahaviriya in the Thailand case. Section 776(a)(2) of the Act provides that, if an interested party (A) withholds information that has been requested by the Department; (B) fails to provide such information in a timely manner or in the form or manner requested subject to section 782(c)(1) and (e) of the Act; (C) significantly impedes a proceeding under the antidumping statute; or (D) provides

such information but the information cannot be verified, the Department shall, subject to subsection 782(d) of the Act, use facts otherwise available in reaching the applicable determination. Because Siderar, NSC, KSC, Kobe, Nisshin and TCRSSC/Sahaviriya failed to respond to our questionnaire, pursuant to section 776(a)(2)(A) of the act we resorted to facts otherwise available to calculate the dumping margins for these companies.

Section 776(b) of the Act provides that the Department may use an inference adverse to the interests of a party that has failed to cooperate by not acting to the best of its ability to comply with the Department's requests for information. See also Statement of Administrative Action ("SAA") accompanying the URAA, H.R. Rep. No. 103-316 at 870 (1994) (SAA). Failure by Siderar, KSC, NSC, Kobe, Nisshin, and TCRSSC/Sahaviriya to respond to the Department's antidumping questionnaire constitutes a failure to act to the best of their ability to comply with a request for information, within the meaning of section 776 of the Act. Because Siderar, KSC, NSC, Kobe, Nisshin, and TCRSSC/Sahaviriya failed to respond, the Department has determined that, in selecting among the facts otherwise available, an adverse inference is warranted in selecting the facts available for these companies.

Because we were unable to calculate margins for the respondents in Argentina, Japan, or Thailand, consistent with Department practice, we assigned these respondents, in the cases of Argentina and Thailand, the highest margins alleged in the amendments to the respective petitions and in the case of Japan, the highest margin alleged in the petition. See *Notice of Preliminary Determination of Sales at Less Than Fair Value: Stainless Steel Wire Rod from Germany* ("Wire Rod from Germany"), 63 FR 10847 (March 5, 1998). The highest petition margins are 24.53 percent for Argentina, 53.04 percent for Japan, and 80.67 percent for Thailand. See *Initiation Notice*.

Section 776(b) states that an adverse inference may include reliance on information derived from the petition. See also SAA at 829-831. Section 776(c) of the Act provides that, when the Department relies on secondary information (such as the petition) in using the facts otherwise available, it must, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal.

The SAA clarifies that "corroborate" means that the Department will satisfy itself that the secondary information to

be used has probative value (see SAA at 870). The SAA also states that independent sources used to corroborate such evidence may include, for example, published price lists, official import statistics and customs data, and information obtained from interested parties during the particular investigation (see SAA at 870).

We reviewed the adequacy and accuracy of the information in the petitions during our pre-initiation analysis of the petitions, to the extent appropriate information was available for this purpose. See *Import Administration AD Investigation Initiation Checklist* (June 21, 1999), for a discussion of the margin calculations in the petitions. In addition, in order to determine the probative value of the margins in the petitions for use as adverse facts available for purposes of this determination, we examined evidence supporting the calculations in the petitions. In accordance with section 776(c) of the Act, to the extent practicable, we examined the key elements of the export price ("EP") and normal value ("NV") calculations on which the margins in the petitions were based. Our review of the EP and NV calculations indicated that the information in the petitions has probative value, as certain information included in the margin calculations in the petitions is from public sources concurrent, for the most part, with the POI (e.g., international freight and insurance, customs duty, interest rates). For purposes of this preliminary determination, the Department compared the export prices alleged by the petitioners for sales to unaffiliated first purchasers with contemporaneous, average unit values of U.S. imports classified under the appropriate HTS number. We noted that the U.S. price quotes of the per unit values of the subject merchandise derived by the petitioners were well within the range of the average unit values reported by U.S. Customs. U.S. official import statistics are sources which we consider to require no further corroboration by the Department. See *Notice of Final Determination of Sales at Less Than Fair Value: Collated Roofing Nails From the People's Republic of China*, 62 FR 51410, (October 1, 1997).

However, with respect to certain other data included in the margin calculations of the petition (e.g., home market unit prices), neither respondents nor other interested parties provided the Department with further relevant information and the Department is aware of no other independent sources of information that would enable it to further corroborate the remaining

components of the margin calculation in the petition. The implementing regulation for section 776 of the Act, at 19 CFR 351.308(c), states "[t]he fact that corroboration may not be practicable in a given circumstance will not prevent the Secretary from applying an adverse inference as appropriate and using the secondary information in question." Additionally, we note that the SAA at 870 specifically states that, where "corroboration may not be practicable in a given circumstance," the Department may nevertheless apply an adverse inference. Accordingly, we find, for purposes of this preliminary determination, that this information is sufficiently corroborated.

All Others

Section 735(c)(5)(B) of the Act provides that, where the estimated weighted-averaged dumping margins established for all exporters and producers individually investigated are zero or *de minimis* or are determined entirely under section 776 of the Act, the Department may use any reasonable method to establish the estimated all-others rate for exporters and producers not individually investigated. Our recent practice under these circumstances has been to assign, as the "all others" rate, the simple average of the margins in the petition. See *Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Plate in Coil from Canada* ("Stainless Steel Plate from Canada"), 64 FR 15457 (March 31, 1999); *Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Plate in Coil from Italy* ("Stainless Steel Plate from Italy"), 64 FR 15458, 15459 (March 21, 1999).

With respect to Argentina, because the petition contained only a single margin, and there is no other information on the record on which to base an "all others" rate, we have also based the "all others" rate on the sole petition margin, i.e., 24.53 percent. See *Notice of Final Determination of Sales at Less Than Fair Value: Steel Wire Rod from Venezuela*, 63 FR 8946 (February 23, 1998). With respect to Japan, we are basing the "all others" rate on the simple average of margins in the petition, which is 39.28 percent. Finally, with respect to Thailand, we also are basing the "all others" rate on the simple average of margins in the amendment to the petition, which is 67.97 percent.

Critical Circumstances

The petitioners made a timely allegation, in the petitions, that there is a reasonable basis to believe or suspect that critical circumstances exist with

respect to imports of subject merchandise from Japan and Thailand. According to section 733(e)(1) of the Act, if critical circumstances are alleged under section 733(e) of the Act, the Department must examine whether there is a reasonable basis to believe or suspect that: (A)(i) There is a history of dumping and material injury by reason of dumped imports in the United States or elsewhere of the subject merchandise, or (ii) the person by whom, or for whose account, the merchandise was imported knew or should have known that the exporter was selling the subject merchandise at less than its fair value and there was likely to be material injury by reason of such sales, and (B) there have been massive imports of the subject merchandise over a relatively short period. Section 351.206(h)(1) of the Department's regulations provides that, in determining whether imports of the subject merchandise have been "massive," the Department normally will examine: (i) The volume and value of the imports; (ii) seasonal trends; and (iii) the share of domestic consumption accounted for by the imports. In addition, section 351.206(h)(2) of the Department's regulations provides that an increase in imports during the "relatively short period" of over 15 percent may be considered "massive." Section 351.206(i) of the Department's regulations defines "relatively short period" normally as the period beginning on the date the proceeding begins (i.e., the date the petition is filed) and ending at least three months later.

Because we are not aware of any antidumping order in any country on cold-rolled steel products from Japan or Thailand, we do not find that a reasonable basis to believe or suspect that there is a history of dumping and material injury by reason of dumped imports in the United States or elsewhere of the subject merchandise exists. Therefore, we must look to whether there was importer knowledge under section 733(e)(1)(A)(ii) of the Act.

In determining whether there is a reasonable basis to believe or suspect that an importer knew or should have known that the exporter was selling the cold-rolled steel at less than fair value, the Department's normal practice is to consider for EP sales margins of 25 percent or more sufficient to impute knowledge of dumping. See *Certain Cut-to-Length Carbon Steel Plate From the People's Republic of China*, 62 FR 31972, 31978 (June 11, 1997). As discussed above, we have applied, as adverse facts available for NSC, KSC, Kobe and Nisshin in the Japan investigation and TCRSSC/Sahaviriya in the Thailand investigation, the highest

of the dumping margins presented in the petitions and corroborated by the Department. These margins are in excess of 25 percent. Therefore, we impute knowledge of dumping in regard to exports by these companies.

In determining whether there is a reasonable basis to believe or suspect that an importer knew or should have known that there was likely to be material injury by reason of dumped imports, the Department normally looks to the preliminary injury determination of the ITC.

If the ITC finds a reasonable indication of present material injury to the relevant U.S. industry, the Department normally determines that a reasonable basis exists to impute importer knowledge that there was likely to be material injury by reason of dumped imports. The ITC has found that a reasonable indication of present material injury exists in regard to both Japan and Thailand. See *ITC Preliminary Determination*. As a result, the Department has determined that there is a reasonable basis to believe or suspect that importers knew or should have known that there was likely to be material injury by reason of dumped imports from NSC, KSC, Kobe, Nisshin and TCRSSC/Sahaviriya.

In determining whether there are "massive imports" over a "relatively short period," the Department typically compares the import volume of the subject merchandise for at least three months immediately preceding and following the filing of the petition. Imports normally will be considered massive when imports have increased by 15 percent or more during this "relatively short period." Since there is no verifiable information on the record with respect to NSC, KSC, Kobe, Nisshin, and TCRSSC/Sahaviriya's import volumes, we must use the facts available in accordance with section 776(a) of the Act. Accordingly, we examined U.S. Customs data on imports of cold-rolled steel products from Japan and Thailand in order to determine whether these data reasonably preclude an increase in shipments of 15 percent or more within a relatively short period for any of these companies.

These statistics, in the case of cold-rolled steel from Japan, cover numerous HTS categories that include merchandise other than subject merchandise. Therefore, we cannot rely on these data in determining if massive shipments of cold-rolled steel from Japan occurred over a relatively short time. See *Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Sheet and Strip in Coils from Japan* ("Stainless Steel from

Japan"), 64 FR 30574 (June 8, 1999). Moreover, these data do not permit the Department to ascertain the import volumes for any individual company that failed to provide verifiable information. As a result, in accordance with section 776(b) of the Act, we have used an adverse inference in applying facts available, and determine that there were massive imports from NSC, KSC, Kobe, and Nisshin during a relatively short period. See, e.g., *Notice of Final Determination of Sales at Less Than Fair Value: Collated Roofing Nails from Taiwan* ("Roofing Nails from Taiwan"), 62 FR 51427 (October 1, 1997) and *Notice of Final Determination of Sales at Less Than Fair Value and Final Affirmative Finding of Critical Circumstances: Elastic Rubber Tape from India* ("Elastic Rubber Tape from India"), 64 FR 19123 (April 19, 1999). Because all of the necessary criteria have been met, in accordance with section 733(e)(1) of the Act, the Department preliminarily finds that critical circumstances exist with respect to cold-rolled steel products imported from NSC, KSC, Kobe, and Nisshin.

With respect to Thailand, we were able to determine that the U.S. Customs data on imports of cold-rolled steel products from Thailand covers HTS categories that include only subject merchandise. Based on our analysis of these statistics and other information on the record, we determined that massive imports of subject merchandise from TCRSSC/Sahaviriya did not occur over the comparison period (three months following the filing of the petition). Because the criterion necessary to find critical circumstances, in accordance with section 733(e)(1) of the Act, has not been met, the Department preliminarily finds that critical circumstances do not exist for imports of cold-rolled steel products from Thailand imported from TCRSSC/Sahaviriya.

It is the Department's normal practice to conduct its critical circumstances analysis of companies in the "all others" group based on the experience of investigated companies. See *Notice of Final Determination of Sales at Less Than Fair Value: Certain Steel Concrete Reinforcing Bars from Turkey* ("Rebars from Turkey"), 62 FR 9737, 9741 (March 4, 1997) (the Department found that critical circumstances existed for the majority of the companies investigated, and therefore concluded that critical circumstances also existed for companies covered by the "all others" rate). However, the Department does not automatically extend an affirmative critical circumstances determination to companies covered by the "all others" rate. See *Stainless Steel from Japan*.

Instead, the Department considers the traditional critical circumstances criteria with respect to the companies covered by the "all others" rate.

Consistent with *Stainless Steel from Japan*, the Department has, in this case, applied the traditional critical circumstances criteria to the "all others" category for the antidumping investigations of cold rolled steel from Japan and Thailand. First, the dumping margins for the "all others" categories, 39.28 percent for Japan and 67.97 percent for Thailand (see *Suspension of Liquidation*, below), exceed the 25 percent threshold necessary to impute knowledge of dumping. Second, based on the ITC's preliminary material injury determination, we also find that importers knew or should have known that there would be material injury from sales of the dumped merchandise by respondents other than NSC, KSC, Kobe, Nisshin and TCRSSC/Sahaviriya.

However, the Department has not found that there are massive imports for the "all others" companies in the Japan and Thailand investigations. First, we have not used adverse facts available concerning massive imports. Unlike the mandatory respondents and other companies that refused to provide information upon request at the outset of the case, the "all others" companies have not failed to act to the best of their ability. The Department does not use adverse inferences with respect to firms whose individual data have not been analyzed due to the Department's own administrative constraints, as is the case in the Japan proceeding.² See, e.g., *Notice of Preliminary Critical Circumstances Determination: Honey from the People's Republic of China*, 60 FR 29824, (June 6, 1995)). Second, there is no evidence of massive imports from "all others" companies in the Japan and Thailand cases.

While we normally rely on our findings for the selected mandatory respondents, in the Japan case our determinations with respect to all of the mandatory respondents were based on adverse facts available. Therefore, we have not used these findings as a basis for our determination with respect to all other companies. Further, in accordance with *Notice of Final Determination of Sales at Less Than Fair Value: Hot-Rolled Flat-Rolled Carbon-Quality Steel Products from Japan*, 64 FR 24239 (May 6, 1999), the Department considered whether U.S. Customs data on imports of cold rolled steel products from Japan

² As far as the Department has been able to determine, there was only a single producer/exporter of subject merchandise from Thailand during the POI.

could be used to make a determination regarding the "all others" category. In the case of Japan, however, these statistics cover numerous HTS categories that include merchandise other than subject merchandise. Therefore, we cannot rely on these data in determining if there were massive imports for the "all others" category for Japan. *See Stainless Steel from Japan.* The Department does not have any other data indicating massive imports from the companies in question. Therefore, the Department does not find massive imports with regard to the "all others" category in the Japan case.

In the case of Thailand, we determined that there were not massive imports from the one mandatory respondent. Although we made this determination on the basis of the facts available, we did not use an adverse inference. Therefore, we have considered this as evidence of no massive imports from all other companies. Further, we were able to analyze the U.S. Customs data on imports of cold rolled steel products from Thailand because these statistics did not include HTS categories covering merchandise other than subject merchandise. However, our analysis showed that massive imports did not occur during the "relatively short period". As a result, the Department does not find massive imports in regard to the "all others" categories in the Thailand case.

Because the massive imports criterion necessary to find critical circumstances has not been met with respect to firms other than NSC, KSC, Kobe, and Nisshin, the Department preliminarily finds that critical circumstances do not exist for the "all others" category in the Japan and Thailand investigations.

Suspension of Liquidation

In accordance with section 733(d) of the Act, we are directing the U.S. Customs Service to suspend liquidation of all entries of cold-rolled steel products exported from Japan by KSC, NSC, Kobe and Nisshin that are entered, or withdrawn from warehouse, for consumption on or after the date which is 90 days prior to the date of publication of this notice in the **Federal Register**. For entries of cold-rolled steel products from Argentina and Thailand, and merchandise exported by all other companies in Japan, we are directing the U.S. Customs Service to suspend liquidation of those entries that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. We are also instructing the Customs Service to require a cash

deposit or the posting of a bond equal to the dumping margin, as indicated in the chart below. These instructions suspending liquidation will remain in effect until further notice.

The dumping margins are provided below.

Manufacturer/exporter	Margin (percent)
Argentina:	
Siderar Limited	24.53
All Others	24.53
Japan:	
Nippon Steel Corporation ..	53.04
Kawasaki Steel Corpora- tion	53.04
Kobe Steel, Ltd	53.04
Nisshin Steel Co., Ltd	53.04
All Others	39.28
Thailand:	
TCRSC/Sahaviriya	80.67
All Others	67.97

ITC Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our determinations. If our final antidumping determinations are affirmative, the ITC will determine whether these imports are materially injuring, or threaten material injury to, the U.S. industry. The deadline for that ITC determination would be the later of 120 days after the date of these preliminary determinations or 45 days after the date of our final determinations.

Public Comment

For the investigations of cold-rolled steel products from Argentina, Japan and Thailand, case briefs must be submitted no later than 50 days after the publication of this notice in the **Federal Register**. Rebuttal briefs must be filed within five days after the deadline for submission of case briefs. A list of authorities used, a table of contents, and an executive summary of issues should accompany any briefs submitted to the Department. Executive summaries should be limited to five pages total, including footnotes.

Section 774 of the Act provides that the Department will hold a hearing to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs, provided that such a hearing is requested by any interested party. If a request for a hearing is made in an investigation, the hearing will tentatively be held two days after the deadline for submission of the rebuttal briefs, at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230. In the event that the Department receives requests for hearings from parties to several cold-rolled cases, the

Department may schedule a single hearing to encompass all those cases. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time.

Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request within 30 days of the publication of this notice. Requests should specify the number of participants and provide a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs.

If these investigations proceed normally, we will make our final determinations in the investigations of cold-rolled steel products from Argentina, Japan and Thailand no later than 75 days after the date of this preliminary determination.

These determinations are published pursuant to sections 733(d) and 777(i)(1) of the Act.

Dated: November 1, 1999.

Robert S. LaRussa,
Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-201-504]

Porcelain-on-Steel Cookware From Mexico: Preliminary Results of Antidumping Duty Administrative Review

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

ACTION: Notice of preliminary results of antidumping duty administrative review.

SUMMARY: In response to a request by the petitioner, Columbian Home Products, LLC (formerly General Housewares Corporation), the Department of Commerce is conducting an administrative review of the antidumping duty order on porcelain-on-steel cookware from Mexico. This review covers Cinsa, S.A. de C.V. and Esmaltaciones de Norte America, S.A. de C.V., manufacturers/exporters of the subject merchandise to the United States. The twelfth period of review is December 1, 1997, through November 30, 1998.

We preliminarily determine that sales have been made below normal value. Interested parties are invited to comment on these preliminary results. If