

GENERAL INFORMATION, INSTRUCTIONS, AND DEFINITIONS FOR COMMISSION PRODUCER, IMPORTER, AND PURCHASER QUESTIONNAIRES

Oil Country Tubular Goods from Argentina, Italy, Japan, Korea, and Mexico Investigations Nos. 731-TA-711 and 713-716 (Second Review)

<u>Further information</u>.--If you have any questions concerning the enclosed questionnaire(s) or other matters related to these reviews, you may contact the following members of the Commission's staff (Fax 202-205-3205):

Fred Ruggles, investigator (202-205-3187; E-mail Fred.Ruggles@USITC.GOV) regarding general questions and trade and related information;

Mary Klir, auditor (202-205-3247; E-mail Mary.Klir@USITC.GOV) regarding financial information; and

Jim Fetzer, economist (202-708-5403; E-mail James.Fetzer@USITC.GOV) regarding pricing, market, and related information.

GENERAL INFORMATION

Background.--On August 11, 1995, the Department of Commerce issued antidumping duty orders on imports of oil country tubular goods (OCTG) from Argentina, Italy, Japan, Korea, and Mexico (60 F.R. 41055).¹ Following five-year reviews by Commerce and the Commission, effective July 25, 2001, Commerce issued a continuation of the antidumping duty orders on imports of OCTG from Argentina, Italy, Japan, Korea, and Mexico (66 F.R. 38630).² On September 5, 2006, the Commission instituted full reviews pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. § 1675(c)) (the Act) to determine whether revocation of the subject orders would be likely to lead to continuation or recurrence of material injury to a domestic industry within a reasonably foreseeable time (71 F.R. 54520).³ If the Commission makes an affirmative determination on an order, and the Department of Commerce finds a likelihood of continuation or recurrence of dumping, the order will remain in place. If the Commission makes a negative determination on an order, the Department of Commerce will revoke the order.

Additional questionnaires will be supplied promptly upon request, or photocopies of the enclosed questionnaire(s) may be used. Address all correspondence to the United States International Trade Commission, Washington, DC 20436. Hearing-impaired individuals can obtain information regarding these reviews via the Commission's TDD terminal (202-205-1810).

<u>Due date of questionnaire(s)</u>.--Return the completed questionnaire(s) to the United States International Trade Commission by no later than February 9, 2007. Although the enclosed postpaid envelope may be used to return the completed questionnaire, use of an overnight mail service may be necessary to ensure that your response actually reaches the Commission by February 9, 2007. If you do not use the enclosed envelope, please make sure the completed questionnaire is sent to the attention of Fred Ruggles. Return <u>only one</u> copy of the completed questionnaire(s), but please keep a copy for your records so that you can refer to it if the Commission staff contacts you with any questions during the course of the reviews.

<u>Zip codes</u>.--If you intend to use overnight express the zip code to use is 20024 (that is the physical location of the Commission's building location). For US Postal Service use 20436 as this the Commission's individual postal code.

¹ With respect to Italy and Korea, the subject orders covered OCTG other than drill pipe.

² With respect to Argentina, Italy, Korea, and Mexico, the subject orders cover OCTG other than drill pipe. The order concerning Japan covers OCTG including drill pipe.

³ On December 26, 2006, the Department of Commerce ("Commerce") published notice in the Federal Register of its determination that revocation of the countervailing duty ("CVD") order on oil country tubular goods ("OCTG") from Italy would not be likely to lead to continuation or recurrence of a countervailable subsidy. Accordingly, the Commission has terminated its review of this order.

GENERAL INFORMATION--Continued

<u>Service of questionnaire response(s)</u>.--In the event that your firm is a party to these reviews, you are required to serve a copy of the questionnaire(s), once completed, on parties to the proceeding that are subject to administrative protective order (see 19 CFR § 207.7). A list of such parties is maintained by the Commission's Secretary and may be obtained by calling 202-205-1803. A certificate of service must accompany the copy of the completed questionnaire(s) you submit (see 19 CFR § 207.7).

<u>Confidentiality</u>.--The commercial and financial data furnished in response to the enclosed questionnaire(s) that reveal the individual operations of your firm will be treated as confidential by the Commission to the extent that such data are not otherwise available to the public and will not be disclosed except as may be required by law (see 19 U.S.C. § 1677f). Such confidential information will not be published in a manner that will reveal the individual operations of your firm; however, nonnumerical characterizations of numerical business proprietary information (such as discussion of trends) will be treated as confidential business information only at the request of the submitter for good cause shown.

Verification.--The information submitted in the enclosed questionnaire(s) is subject to audit and verification by the Commission. To facilitate possible verification of data, please keep all your workpapers and supporting documents used in the preparation of the questionnaire response(s).

<u>Release of information</u>.--The information provided by your firm in response to the questionnaire(s), as well as any other business proprietary information submitted by your firm to the Commission in connection with the reviews, may become subject to, and released under, the administrative protective order provisions of the Tariff Act of 1930 (19 U.S.C. § 1677f) and section 207.7 of the Commission's Rules of Practice and Procedure (19 CFR § 207.7). This means that certain lawyers and other authorized individuals may temporarily be given access to the information for use solely in connection with these reviews; those individuals would be subject to severe penalties if the information were divulged to unauthorized individuals.

INSTRUCTIONS

<u>Answer all questions</u>.--Do not leave any question or section blank unless a questionnaire expressly directs you to skip over certain questions or sections. If the answer to any question is "none," write "none." If information is not readily available from your records in exactly the form requested, furnish carefully prepared estimates--designated as such by the letter "E"--and explain the basis of your estimates. Answers to questions and any necessary comments or explanations should be supplied in the space provided or on separate sheets attached to the appropriate page of the questionnaire(s). If your firm is completing more than one questionnaire in connection with these reviews (i.e., a producer, importer, purchaser, and/or foreign producer questionnaire), you need not respond to duplicated questions in the questionnaires.

<u>Consolidate all U.S. establishments</u>.--Report the requested data for your establishment(s) located in the United States. Firms operating more than one establishment should combine the data for all establishments into a single report.

DEFINITIONS

<u>Oil country tubular goods (OCTG)</u>.–For the purposes of these reviews, OCTG are hollow steel products of circular cross-section, including oil well casing, tubing, and drill pipe, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless⁴ or welded,⁵ whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished or unfinished (including green tubes and limited service OCTG products). This scope does not cover casing, tubing, or drill pipe containing 10.5 percent or more of chromium, by weight. The subject merchandise is classifiable under Harmonized Tariff Schedule (HTS) subheadings 7304.21, 7304.29, 7305.20, and 7306.20. OCTG should be reported in two different groups:

<u>OCTG other than drill pipe</u>.--Finished and unfinished casing and tubing. Casing is the structural retainer for the walls of oil and gas wells, while tubing is used within casing to convey oil or gas to ground level. Casing and tubing may be either seamless or welded.

<u>**Drill pipe</u></u>.--Finished (with tool joints) and unfinished drill pipe. A seamless pipe used to drill an oil or gas well. Drill pipe is the conduit between the wellhead motor and the drill bit.⁶</u>**

⁴ Tubular products that have no joint, whether welded or not, along the longitudinal axis of the product.

⁵ Tubular products that are produced by bending flat-rolled steel products to form the hollow product with overlapping or abutting seams.

⁶ Drill pipe includes *heavy weight drill pipe* (HWDP), a type of drill pipe whose walls are thicker and collars are longer than conventional drill pipe. HWDP is characterized by the absence of an internal upset and the presence of an external upset about midway in the tube. HWDP attributes are not covered in API standards. HWDP is intended primarily for directional drilling.

DEFINITIONS--Continued

Please note that although casing, tubing, and drill pipe containing 10.5 percent or more (by weight) of chromium are not included within the scope and are **NOT** to be included in your responses to most of the questions in the Commissions' questionnaires, there are two exceptions. Specifically, question II-11 on page 7 of the producers' questionnaire, and question II-6 (both parts II-6a and II-6b) on page 6 of the importers' questionnaire pertain to casing, tubing, and drill pipe containing 10.5 percent or more (by weight) of chromium.

<u>*Firm.*</u>--An individual proprietorship, partnership, joint venture, association, corporation (including any subsidiary corporation), business trust, cooperative, trustee in bankruptcy, or receiver under decree of any court.

<u>**Related firm.</u></u>--A firm that your firm solely or jointly owned, managed, or otherwise controlled; a firm that solely or jointly owned, managed, or otherwise controlled your firm; and/or a firm that was solely or jointly owned, managed, or otherwise controlled by a firm that also solely or jointly owned, managed, or otherwise controlled by a firm that also solely or jointly owned, managed, or otherwise controlled your firm.</u>**

Establishment.--Each facility of a firm in the United States involved in the production, importation, and/or purchase of OCTG (as defined above), including auxiliary facilities operated in conjunction with (whether or not physically separate from) such facilities.

<u>United States</u>.--For purposes of these reviews, the 50 States, Puerto Rico, the U.S. Virgin Islands, and the District of Columbia.

<u>U.S. geographic market area</u>.–For purposes of these investigations, the following U.S. geographic market areas are defined below:

Northeast.–Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

<u>Midwest</u>.–Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

<u>Southeast</u>.–Alabama, Delaware, District of Columbia, Florida, Georgia, Kentucky, Maryland, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia.

Central Southwest.-Arkansas, Louisiana, Oklahoma, and Texas.

DEFINITIONS--Continued

Mountains.–Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming.

Pacific Coast.-California, Oregon, and Washington.

<u>Contiguous U.S.</u>–Refers to the largest part of the United States that is delimited by a continuous border. Specifically, this includes 48 states (excluding Alaska and Hawaii) and the District of Columbia.

<u>Other</u>.–Examples of other U.S. geographic market areas not previously listed include Alaska, Hawaii, Puerto Rico, and the U.S. Virgin Islands.

<u>Importer</u>.--Any person or firm engaged, either directly or through a parent company or subsidiary, in importing OCTG (as defined above) into the United States from a foreign manufacturer or through its selling agent.

Imports.--Those products identified for Customs purposes as <u>imports for consumption</u> for which your firm was the importer of record (i.e., was responsible for paying any import duty) or consignee (i.e., to which the merchandise was first delivered). If your firm was the importer of record, but <u>not</u> the consignee OR was the consignee, but <u>not</u> the importer of record, please contact Fred Ruggles (202-205-3187) immediately for further instructions.

Import quantities.--Quantities reported should be net of returns.

<u>Import values</u>.--Values reported should be landed, duty-paid but not including antidumping and/or countervailing duties, at the U.S. port of entry, including ocean freight and insurance costs, brokerage charges, and normal import duties (i.e., including all charges except inland freight in the United States and antidumping and/or countervailing duties).

<u>Nonsubject imports</u>.--Imports of: (1) drill pipe from all sources other than Japan ; (2) OCTG other than drill pipe from Hyundai in Korea (Hyundai was excluded from the order on Korea); or (3) OCTG other than drill pipe from all countries other than Argentina, Italy, Japan, Korea, and Mexico.

Purchaser.--Any person or firm engaged, either directly or through a parent company or subsidiary, in purchasing OCTG (as defined above) from another firm that produces, imports, or otherwise distributes OCTG.

DEFINITIONS--Continued

Purchases.--Purchases from all sources, including (unless otherwise indicated) direct imports from foreign producers.

<u>Purchase quantities</u>.--Quantities reported should be net of returns.

<u>*Purchase values.*</u>--Values reported should be net values (i.e., gross purchase values less all discounts, allowances, rebates, and the value of returned goods), delivered to your U.S. receiving point.

<u>Shipments</u>.--Shipments of products produced in or imported by your U.S. establishment(s). Include shipments to the contracting firm of product produced by your firm under a toll agreement.

Shipment quantities.--Quantities reported should be net of returns.

<u>Shipment values</u>.--Values reported should be net values (i.e., gross sales values less all discounts, allowances, rebates, prepaid freight, and the value of returned goods), f.o.b. your U.S. producing establishment(s) (for *PRODUCER QUESTIONNAIRES*) or U.S. point of shipment (for *IMPORTER QUESTIONNAIRES*). The value of domestic shipments to the contracting firm under a toll agreement is the conversion fee (including profit).

Types of shipments:

<u>U.S. shipments</u>.--Commercial shipments, internal consumption, and transfers to related firms within the United States.

<u>Commercial shipments</u>.--Shipments, other than internal consumption and transfers to related firms, within the United States.

Internal consumption.--Product consumed internally by your firm.

Transfers to related firms. -- Shipments made to related domestic firms.

Export shipments.--Shipments to destinations outside the United States, including shipments to related firms.

Inventories. -- Finished goods inventory, not raw materials or work-in-progress.

DEFINITIONS--Continued

The following definitions apply only to the PRODUCER QUESTIONNAIRE.

<u>Processor of OCTG other than drill pipe.</u>–Refers to companies, other than mill producers, that heat treat OCTG. In addition to heat treating and depending on the type of pipe being processed, processors may also upset, thread, and couple OCTG other than drill pipe.

<u>**Processor of drill pipe.**</u>-Refers to companies, other than mill producers, that heat treat drill pipe. In addition to heat treating and other operations, processors of drill pipe may attach tool joints to produce finished drill pipe.

<u>*Threader.*</u>–Refers to companies, other than mill producers, that <u>only</u> thread or thread and couple OCTG other than drill pipe.

<u>Average production capacity</u>.--The level of production that your establishment(s) could reasonably have expected to attain during the specified periods. Assume normal operating conditions (i.e., using equipment and machinery in place and ready to operate; normal operating levels (hours per week/weeks per year) and time for downtime, maintenance, repair, and cleanup; and a typical or representative product mix).

<u>*Toll agreement.*</u>--Agreement between two firms whereby the first firm (toller) furnishes the raw materials and the second firm (tollee) uses the raw materials to produce a product that it then returns to the first firm with a charge for processing costs, overhead, etc.

<u>**Production**</u>.--All production in your U.S. establishment(s), including production consumed internally within your firm and production for another firm under a toll agreement.

<u>**PRWs</u></u>.--Production and related workers, including working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspecting, receiving, storage, handling, packing, warehousing, shipping, trucking, hauling, maintenance, repair, janitorial and guard services, product development, auxiliary production for plant's own use (e.g., power plant), recordkeeping, and other services closely associated with the above production operations.</u>**

Average number employed.--Add the number of employees, both full-time and part-time, for the 12 pay periods ending closest to the 15th of the month and divide that total by 12.

Hours worked.--Include time paid for sick leave, holidays, and vacation time. Include overtime hours actually worked; do not convert overtime pay to its equivalent in straight-time hours.

<u>DEFINITIONS</u>--Continued

Wages paid.--Total wages paid before deductions of any kind (e.g., withholding taxes, old-age and unemployment insurance, group insurance, union dues, bonds, etc.). Include wages paid directly by your firm for overtime, holidays, vacations, and sick leave.

Fiscal year.--The 12-month period between settlement of your firm's financial accounts.

<u>Purchases other than direct imports</u>.--Purchases from U.S. producers, U.S. importers, and other U.S. sources.