

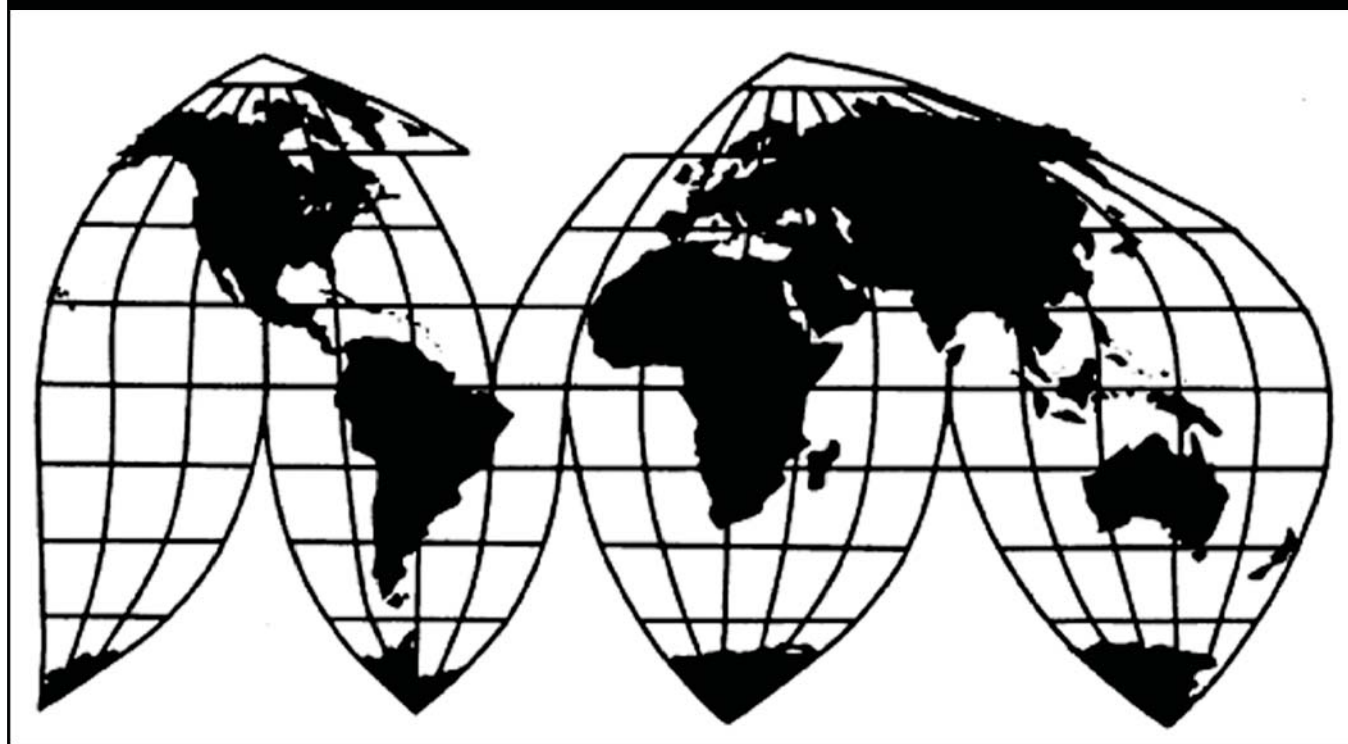
# **Iron Construction Castings from Brazil, Canada, and China**

Investigation Nos. 701-TA-249 and 731-TA-262, 263, and 265 (Third Review)

**Publication 4191**

**October 2010**

**U.S. International Trade Commission**



Washington, DC 20436

# U.S. International Trade Commission

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## CONTENTS

	<i>Page</i>
<b>Determination</b> .....	1
<b>Views</b> .....	3
<b>Information obtained in the reviews</b> .....	I-1
Introduction .....	I-3
The original investigations .....	I-4
Five-year reviews .....	I-5
Commerce’s final results of expedited five-year reviews .....	I-7
Commerce’s administrative reviews .....	I-7
Distribution of Continued Dumping and Subsidy Offset Act funds to affected domestic producers .....	I-11
Related Commission investigations and reviews .....	I-22
The product .....	I-23
Scope .....	I-23
U.S. tariff treatment .....	I-24
Domestic like product and domestic industry .....	I-26
Physical characteristics and uses .....	I-26
Manufacturing process .....	I-27
Interchangeability and customer and producer perceptions .....	I-28
Channels of distribution .....	I-29
Pricing .....	I-30
The industry in the United States .....	I-31
U.S. producers .....	I-31
U.S. producers’ trade, employment, and financial data .....	I-32
Related party issues .....	I-36
U.S. imports and apparent U.S. consumption .....	I-36
Cumulation .....	I-36
U.S. imports .....	I-37
Ratio of imports to U.S. production .....	I-42
Apparent U.S. consumption and market shares .....	I-42
Demand .....	I-42
The industry in Brazil .....	I-47
The industry in Canada .....	I-48
The industry in China .....	I-49
The world market .....	I-50
<b>Appendix</b>	
A. <i>Federal Register</i> notices .....	A-1
B. Commission’s statement on adequacy .....	B-1

Note.--Information that would reveal confidential operations of individual concerns may not be published and therefore has been identified by the use of \*\*\*.



# UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-249 and 731-TA-262, 263, and 265 (Third Review)

## IRON CONSTRUCTION CASTINGS FROM BRAZIL, CANADA, AND CHINA

### DETERMINATIONS

On the basis of the record<sup>1</sup> developed in the subject five-year reviews, the United States International Trade Commission (Commission) determines, pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. § 1675(c)) (the Act), that revocation of the countervailing duty order on heavy iron construction castings from Brazil, the antidumping duty order on heavy iron construction castings from Canada, and the antidumping duty orders on iron construction castings from Brazil and China would be likely to lead to continuation or recurrence of material injury to the industries in the United States within a reasonably foreseeable time.

### BACKGROUND

The Commission instituted these reviews on May 3, 2010 (75 FR 23295) and determined to conduct expedited reviews of the countervailing duty and antidumping duty orders pursuant to section 751(c)(3) of the Act (19 U.S.C. § 1675(c)(3)).

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<sup>1</sup> 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 Act”), that revocation of the antidumping duty orders on heavy iron construction castings from Brazil, Canada, and China, and the countervailing duty order covering heavy iron construction castings from Brazil, 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 further determine that revocation of the antidumping duty orders on light iron construction castings from Brazil and China would 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

In February 1986, the Commission determined that an industry in the United States was materially injured by reason of imports from Canada of heavy iron construction castings which were being sold at less than fair value.<sup>1</sup> On March 5, 1986, Commerce published an antidumping duty order covering the subject merchandise from Canada.<sup>2</sup> In April 1986, the Commission determined that an industry in the United States was materially injured by reason of imports of heavy iron construction castings from Brazil that were being subsidized by the government of Brazil, that an industry in the United States was materially injured by reason of imports of heavy iron construction castings from Brazil, India, and China that were being sold at less than fair value, and that an industry in the United States was threatened with material injury by reason of imports of light iron construction castings from Brazil, India, and China that were being sold at less than fair value.<sup>3</sup> On May 9, 1986, Commerce published antidumping duty orders covering the subject merchandise from Brazil and China.<sup>4</sup> On May 15, 1986, Commerce published a countervailing duty order covering the subject merchandise from Brazil.<sup>5</sup>

In October 1999, in the first five-year reviews of those orders, the Commission determined that revocation of the antidumping duty orders covering heavy iron construction castings from Brazil, Canada, and China, and the countervailing duty order covering heavy iron construction castings from Brazil, 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 determined that revocation of the antidumping duty orders covering light iron construction castings from Brazil and China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>6</sup> The Commission issued a negative determination with respect to the countervailing duty order on heavy iron construction castings from India.

In June 2005, in the second five-year reviews of those orders, the Commission determined that revocation of the antidumping duty orders covering heavy iron construction castings from Brazil, Canada,

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<sup>1</sup> Iron Construction Castings from Canada, Inv. No. 731-TA-263 (Final), USITC Pub. 1811 (Feb. 1986).

<sup>2</sup> 51 Fed. Reg. 7600 (Mar. 5, 1986); 51 Fed. Reg. 34110 (Sept. 25, 1986) (amended). The Commission’s determination at USITC Pub. 1811, supra, and the order on construction castings from Canada covered both heavy and light castings; the order was subsequently revoked in part by Commerce to exclude light iron construction castings.

<sup>3</sup> Iron Construction Castings from Brazil, India, and the People’s Republic of China, Inv. No. 701-TA-249 (Final) and Invs. Nos. 731-TA-262, 264 and 265 (Final), USITC Pub. 1838 (Apr. 1986).

<sup>4</sup> 51 Fed. Reg. 17220 (May 9, 1986). The antidumping duty orders with respect to light and heavy construction castings from India that were also issued at that time were revoked in 1991. USITC Pub. 3247 at I-3, n.3.

<sup>5</sup> 51 Fed. Reg. 17786 (May 15, 1986).

<sup>6</sup> USITC Pub. 3247 at 3, 12-13, 24.

and China, and the countervailing duty order covering heavy iron construction castings from Brazil, 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 determined that revocation of the antidumping duty orders covering light iron construction castings from Brazil and China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>7</sup>

On May 3, 2010, the Commission instituted these third reviews pursuant to section 751(c) of the Act to determine whether revocation of the countervailing duty order on heavy iron construction castings from Brazil, the antidumping duty orders on heavy iron construction castings from Brazil, Canada, and China, or the antidumping duty orders on light iron construction castings from Brazil and China would be likely to lead to continuation or recurrence of material injury to the domestic industry.<sup>8</sup>

On August 6, 2010, the Commission determined that the domestic interested party group response to its notice of institution was adequate with respect to all of these third reviews. The Commission did not receive a response from any respondent interested party concerning subject imports from Brazil, Canada, or China and therefore determined that the respondent interested party group responses to the notice of institution were inadequate with respect to each of the reviews. In the absence of adequate respondent interested party group responses or other circumstances that would warrant a full review, the Commission determined to conduct expedited reviews pursuant to section 751(c)(3) of the Tariff Act of 1930, as amended.<sup>9 10</sup> The antidumping (AD) and countervailing (CVD) duty orders that are subject to these third reviews are as follows:

Heavy Castings: Brazil (CVD and AD), Canada (AD), and China (AD).

Light Castings: Brazil (AD) and China (AD).<sup>11</sup>

## **II. DOMESTIC LIKE PRODUCT AND INDUSTRY**

### **A. Domestic Like Product**

In making its determination under section 751(c) of the Act, the Commission defines the “domestic like product” and the “industry.”<sup>12</sup> The 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

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<sup>7</sup> Certain Iron Construction Castings from Brazil; and Iron Construction Castings from Brazil, Canada, and China, Inv. Nos. 701-TA-249, and 731-TA-262, 263 and 265 (Second Review), USITC Pub. 3781 (June 2005).

<sup>8</sup> Iron Construction Castings from Brazil, Canada, and China, 75 Fed. Reg. 23295 (May 3, 2010).

<sup>9</sup> 19 U.S.C. § 1675(c)(3).

<sup>10</sup> See Explanation of Determination on Adequacy, Confidential Staff Report, INV-HH-091 (Sept. 16, 2010) (“CR”) at Appendix B; Public Staff Report (“PR”) at Appendix B.

<sup>11</sup> A countervailing duty investigation of light iron construction castings from Brazil was terminated in 1987. 52 Fed. Reg. 29902 (Aug. 12, 1987). As noted above, an antidumping duty order on light and heavy iron construction castings from India was revoked in 1991. 56 Fed. Reg. 4789 (Feb. 6, 1991). An antidumping duty order on iron construction castings from Canada was revoked in part in 1998 to exclude light iron construction castings. 63 Fed. Reg. 49687 (Sept. 17, 1998), 63 Fed. Reg. 50881 (Sept. 23, 1998) (corrected). A countervailing duty order on heavy iron construction castings from India was revoked in 1999, following the Commission’s negative determination in the first five-year reviews. 64 Fed. Reg. 61602 (Nov. 12, 1999) (effective Jan. 1, 2000).

<sup>12</sup> 19 U.S.C. § 1677(4)(A).

an investigation under this subtitle.”<sup>13</sup> The Commission’s practice in five-year reviews is to examine the like product definition from the original determination and any completed reviews and consider whether the record indicates any reason to revisit the prior findings.<sup>14</sup>

In the final results of its expedited sunset reviews, Commerce defined the imported merchandise within the scope of the orders as follows:

- heavy iron construction castings: manhole covers, rings, and frames, catch basin grates and frames, and clean-out covers and frames for drainage or access purposes for public utility, water, and sanitary systems.<sup>15</sup>
- light iron construction castings: valve, service, and meter boxes which are placed below ground to encase water, gas, or other valves or gas water meters.<sup>16</sup>

This merchandise is currently classifiable under the following statistical reporting numbers:

- heavy iron construction castings – 7325.10.0010 (manhole covers, rings, and frames), 7325.10.0020 (catch basin grates and frames), 7325.10.0025 (cleanout covers and frames);
- light iron construction castings – 7325.10.0030 (valve and service boxes) and 7325.10.0035 (meter boxes).<sup>17</sup>

In the original investigations, the Commission defined heavy and light iron construction castings as separate like products, explaining that the characteristics of heavy and light castings differ markedly even though both types are made of iron that is not alloyed and not malleable. The Commission noted in particular that heavy iron construction castings are relatively flat, designed for use on street surfaces for drainage and access purposes in water and sewage systems, and generally weigh from 270 to 1,000 pounds, whereas light iron construction castings are tubular, designed for use below the ground to encase water or gas valves and meters in utility systems, and generally weigh under 120 pounds. The Commission also noted that the foundry methods employed in the production of heavy and light castings are distinctly different, such that domestic producers equip themselves to specialize in one or the other, but not both.<sup>18</sup>

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<sup>13</sup> 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, 96<sup>th</sup> Cong., 1<sup>st</sup> Sess. 90-91 (1979).

<sup>14</sup> 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 (Jul. 2003); Steel Concrete Reinforcing Bar From Turkey, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 at 4 (Feb. 2003).

<sup>15</sup> 75 Fed. Reg. 54595-96, 54596-97 (Sep. 8, 2010).

<sup>16</sup> 75 Fed. Reg. 54595-96 (Sep. 8, 2010).

<sup>17</sup> Prior to July 1, 1999, the merchandise was classifiable under statistical reporting numbers 7325.10.0010 (heavy castings) and 7325.10.0050 (light castings). 70 Fed. Reg. at 24512, 24513, 24529.

<sup>18</sup> Iron Construction Castings from Brazil, Canada, India, and the People’s Republic of China, Inv. No. 701-TA-249 (Preliminary) and Invs. Nos. 731-TA-262 through 265 (Preliminary), USITC Pub. 1720 at 6-7 (Jun. 1985). The Commission also determined in the original investigations that “other” or “specialty” castings, including tree grates, (continued...)

In the first and second five-year reviews of the orders on iron construction castings from Brazil, Canada, and China, the Commission again found heavy iron construction castings and light iron construction castings to be separate like products.<sup>19</sup>

In these reviews, the domestic producers contend that the prior like product definitions are still appropriate and that they should be continued. No party has expressed disagreement with the like product definitions, and no new information suggests that they should be revisited. Therefore, for the reasons stated in the original determinations and the first and second five-year reviews, we continue to define two domestic like products coextensive with the scope definitions, *i.e.*, (1) heavy iron construction castings, and (2) light iron construction castings.

## **B. Domestic Industry**

Section 771(4)(A) of the 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.”<sup>20</sup> 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.

In the original investigations and in the first and second five-year reviews, the Commission defined the domestic industries as all producers of heavy iron construction castings and all producers of light iron construction castings.<sup>21</sup> No party disagrees with these domestic industry definitions, and no new facts have been presented to warrant a different definition. Therefore, for the reasons stated in the original determinations and the first and second reviews, we continue to define two domestic industries:

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<sup>18</sup> (...continued)

water-tight, and bolt-down castings, are not like heavy or light castings in characteristics and uses. It found that those articles also differed from heavy and light casting in materials and configurations, and differed in end uses, as reflected by the differing end-users and channels of distribution. The Commission also observed that additional fabrication, finishing, and assembly are required to achieve characteristics and uses inherent to specialty castings that are not required for the production of light or heavy iron construction castings. USITC Pub. 1811 at 4, *id.* n.9; USITC Pub. 1838 at 7, *id.* n.14.

<sup>19</sup> USITC Pub. 3247 at 6, USITC Pub. 3781 at 6. The Commission explained that:

Iron construction castings are routinely divided by U.S. industry terminology and usage into two categories: “heavy” construction castings, and “light” construction castings. Heavy castings are used for drainage or access purposes by utilities and municipalities in storm drainage, water transportation and water treatment, sanitary systems, natural gas transmission, and highway systems. Heavy castings generally weigh from 270 to 1,000 pounds. Light construction castings, in contrast, are used by utilities and municipalities to encase the underground valves and meters of water, gas, or other utilities and to provide access to this equipment for periodic adjustment or readings. Light castings generally weigh from 10 to 120 pounds. Having different functions and configurations, heavy castings and light castings are not interchangeable in end use and are perceived by producers and customers as separate products. Heavy and light castings are produced in the United States by different companies, and in different facilities using different employees. Heavy castings are produced by the sand cast method. Light castings are produced in the United States by sand cast, shell mold, or permanent mold processes. Accordingly, we again find heavy iron construction castings and light iron construction castings to be separate like products. USITC Pub. 3247 at 7 (citations omitted), USITC Pub. 3781 at 6 (citing first reviews determinations).

<sup>20</sup> 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.

<sup>21</sup> USITC Pub. 1811 at 4-5, USITC Pub. 1838 at 7-8, USITC Pub. 3247 at 7, USITC Pub. 3781 at 6-7.

(1) all producers of heavy iron construction casting, and (2) all producers of light iron construction castings.<sup>22</sup>

### III. CUMULATION

#### A. Legal Standard

With respect to five-year reviews, section 752(a) of the 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.<sup>23</sup>

Cumulation therefore is discretionary in five-year reviews, unlike original investigations, which are governed by section 771(7)(G)(I) of the Act.<sup>24</sup> 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.

The statutory threshold for cumulation is satisfied in these reviews because the reviews were initiated on the same day, May 3, 2010.<sup>25</sup> We consider three issues in deciding whether to exercise our discretion to cumulate the subject imports: (1) whether imports from any of the subject countries are precluded from cumulation because they are likely to have no discernible adverse impact on the domestic industry; (2) whether there is a likelihood of a reasonable overlap of competition among imports of iron

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<sup>22</sup> The domestic producers identified two domestic producers as possible related parties. East Jordan is identified as a sister company to Wuxi Lorlong Foundry Co., Ltd. in China and Tyler Pipe is identified as related to the Canadian foundry Bibby Ste. Croix and to the U.S. importer Bibby U.S.A. CR at I-41, PR at I-36. There is no basis to conclude on the limited record in these expedited reviews that Wuxi Lorlong is an exporter of subject merchandise or that it exercised direct or indirect control over East Jordan or, therefore, to conclude that East Jordan is a related party on the basis of its relationship to Wuxi Lorlong. Also, as the Commission explained in the second five-year reviews (USITC Pub. 3781 at 7 n.22), any relationship between Tyler Pipe, a domestic producer of only light castings, and Bibby Ste. Croix, a Canadian producer of only heavy castings, is not pertinent under the related party statute because light castings from Canada are not subject to the order. While the relationship between Tyler Pipe and Bibby U.S.A., a U.S. importer, would be pertinent under the related party provision if Bibby U.S.A. had imported subject light castings from Brazil or China, there is no evidence on the record that Bibby U.S.A. imported subject light castings.

<sup>23</sup> 19 U.S.C. § 1675a(a)(7).

<sup>24</sup> 19 U.S.C. § 1677(7)(G)(i); see also, e.g., Nucor Corp. v. United States, 601 F.3d 1291, 1293, App. No. 2009-1234, Slip Op. at 7-8 (Fed. Cir. Apr. 7, 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).

<sup>25</sup> 75 Fed. Reg. 23295 (May 3, 2010).

construction castings from the subject countries and the domestic like product; and (3) other considerations, such as whether there are similarities and differences in the likely conditions of competition under which subject imports are likely to compete in the U.S. market.<sup>26 27</sup>

In these reviews, the record does not suggest that the no discernible adverse impact exception to cumulation applies and no party has asserted that this is an issue.<sup>28</sup>

The Commission generally has considered four factors intended to provide a framework for determining whether the imports compete with each other and with the domestic like product.<sup>29</sup> Only a

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<sup>26</sup> Chairman Okun and Commissioner Pearson note that, while they consider the same issues discussed in this section in determining whether to exercise their discretion to cumulate the subject imports, their analytical framework begins with whether imports from the subject countries are likely to face similar conditions of competition. For those subject imports which are likely to compete under similar conditions of competition, they next proceed to consider whether there is a likelihood of a reasonable overlap of competition whereby those imports are likely to compete with each other and with the domestic like product. Finally, if based on that analysis they intend to exercise their discretion to cumulate one or more subject countries, they analyze whether they are precluded from cumulating such imports because the imports from one or more subject countries, assessed individually, are likely to have no discernible adverse impact on the domestic industry. See Steel Concrete Reinforcing Bar From Belarus, China, Indonesia, Korea, Latvia, Moldova, Poland, and Ukraine, Invs. Nos. 731-TA-873 to 875, 877 to 880, and 882 (Review), USITC Pub. 3933 (Jul. 2007) (Separate and Dissenting Views of Chairman Daniel R. Pearson and Commissioner Deanna Tanner Okun Regarding Cumulation). Accord Nucor Corp. v. United States, 605 F. Supp.2d 1361, 1372 (Ct. Int'l Trade 2009); Nucor Corp. v. United States, 594 F. Supp.2d 1320, 1345-47 (Ct. Int'l Trade 2008), aff'd, Slip Op. 2009-1234 (Fed Cir. Apr. 7, 2010).

<sup>27</sup> Commissioners Lane and Pinkert explain their analysis of other considerations as follows. Where, in a five-year review, they do not find that the subject imports would be likely to have no discernible adverse impact on the domestic industry if the orders were revoked, and find that such imports would be likely to compete with each other and with the domestic like product in the U.S. market, they cumulate such imports unless there is a condition or propensity – not merely a trend – that is likely to persist for a reasonably foreseeable time and that significantly limits competition such that cumulation is not warranted. They note, as is pointed out in the text, the paucity of record information about the industries in the subject countries. Consequently, they find that there is no condition or propensity warranting non-cumulation with respect to subject imports from any of the subject countries, and they have cumulated them in these reviews.

<sup>28</sup> No facts on the record would warrant departure from the Commission's express and implied findings regarding no discernible adverse impact in the first and second five-year reviews. See USITC Pub. 3247 at 11-14, USITC Pub. 3781 at 8. The available data from the original investigations indicates that the heavy iron castings industries in Brazil, Canada, and China and the light iron castings industries in Brazil and China likely have excess capacity, are export oriented, and would likely undersell the domestic like product to regain market share in the event of revocation, such that subject heavy castings from each subject source and subject light castings from each subject source would likely have a discernible adverse impact on the domestic industries. See, e.g., USITC Pub. 1811 at Table 18 (heavy castings imports from Canada increased in the original investigations from 5.4 million pounds in 1982 to 21.0 million pounds in 1985, heavy castings imports from Brazil increased from 23,000 pounds in 1982 to 19.5 million pounds in 1985, and heavy castings imports from China increased from 4.1 million pounds in 1982 to 19.5 million pounds in 1985); USITC Pub. 1838 at Table 20 (imports of light castings from Brazil increased from zero in 1982 to 1.64 million pounds in 1985 and imports of light castings from China increased from 95,000 pounds in 1982 to 1.64 million pounds in 1985); USITC Pub. 1838 at Tables 14, 15 (Brazil and China export orientation with respect to heavy and light castings); USITC Pub. 1811 at Table 15 (Canada export orientation), at B-51 (capacity in Brazil), at B-54 (capacity in China), at A-31 (capacity in Canada); USITC Pub. 1811 at Table 32 (Brazil, Canada, and China underselling of heavy castings, and Brazil and China underselling of light castings); see also USITC Pub. 3781 (certain data for Canada updated in first review of heavy castings).

<sup>29</sup> The four factors generally considered by the Commission in assessing whether there is a reasonable overlap in competition of imports with each other and with the domestic like product are as follows: (1) the degree of fungibility between the imports from different countries and between imports and the domestic like product,

(continued...)

“reasonable overlap” of competition is required.<sup>30</sup> 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.<sup>31</sup> We observe that the record of these expedited reviews contains very little new information about either the subject industries or the characteristics of the subject imports that have been present in the U.S. market since the period examined in the original investigations. Consequently, most of the information available is from the original investigations and prior reviews, particularly the full first review.

**Heavy Iron Construction Castings.** In the original investigations, the Commission cumulated subject heavy castings imports from what were then the four subject countries, Brazil, Canada, China, and India, after finding that there was a reasonable overlap among the importers and the domestic producers as to the end users and geographic areas to which the product is directed, and that therefore heavy castings from all the subject countries compete with each other and with the domestic like product.<sup>32</sup>

In the first five-year reviews, the Commission cumulated subject heavy castings from Brazil, Canada, and China.<sup>33</sup> In doing so, the Commission noted that the record indicated that domestic heavy castings and the subject heavy castings are generally fungible, that U.S. sales of heavy castings are made through similar channels of distribution, and that heavy castings are sold by U.S. producers and importers in all areas of the United States, although individual producers, importers, and distributors geographically limit sales to some extent. The Commission observed that, although the industries in Brazil and China at the time of the first reviews were exporting heavy castings to the United States small quantities, Brazilian,

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<sup>29</sup> (...continued)

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 imports from different countries and the domestic like product; and (4) whether the imports are simultaneously present in the market. See, e.g., Wieland Werke, AG v. United States, 718 F. Supp. 50 (Ct. Int’l Trade 1989).

<sup>30</sup> 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, Invs. Nos. 701-TA-386 and 731-TA-812 to 813 (Prelim.), 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, Invs. Nos. 731-TA-761 to 762 (Final), USITC Pub. 3098 at 13-15 (Apr. 1998).

<sup>31</sup> See generally Cheflene Corp. v. United States, 219 F. Supp. 2d 1313, 1314 (Ct. Int’l Trade 2002).

<sup>32</sup> USITC Pub. 1811 at 8 at 9. The original final determinations also included a separate affirmative determination regarding the subsidized imports from Brazil, which, under the Commission’s practice at that time, were not cumulated with the less than fair value imports of heavy castings, including those from Brazil. The Court of International Trade subsequently found with respect to a separate negative preliminary determination on light castings from Brazil, in which the separate determination on heavy castings from Brazil was not at issue, that the statute required cumulation of the allegedly subsidized subject light castings imports with the allegedly less than fair value light castings imports. Bingham & Taylor, Division, Virginia Industries, Inc. v. United States, 10 CIT 67, 627 F. Supp 793 (1986), aff’d 815 F.2d 1482 (the Commission on remand cumulated all the subject light castings and reached an affirmative preliminary determination with respect to Brazil (51 Fed. Reg. 12217 (Apr. 9, 1986)), but then terminated the investigation regarding Brazil when the petitioners withdrew the petition regarding light castings from Brazil (52 Fed. Reg. 29902 (Aug. 12, 1987)).

<sup>33</sup> USITC Pub. 3247 at 14-15. By a 4-2 vote, the Commission determined not to cumulate subject heavy castings imports from India with those from Brazil, Canada, and China. Three Commissioners found that subject imports from India would be likely to have no discernible adverse impact, and one Commissioner declined to exercise his discretion to cumulate. Id. at 12-14, 27-31.

Canadian, and Chinese heavy castings had been simultaneously present in the market during the original investigations and had competed with each other and the domestic like product. The Commission found that there was nothing on the record in the first reviews to indicate that the circumstances warranting cumulation in the original investigations would not recur if the orders were revoked and concluded that the subject imports from China, Brazil, and Canada would be likely to compete with each other and with the domestic like product in the U.S. market if the order were revoked.<sup>34</sup>

In the second five-year reviews, based on the determination in the original investigations and in the first reviews, and given the absence of information on the record indicating any changes in the likely overlap of competition, the Commission found that if the orders were revoked there would likely be an overlap of competition among the subject heavy iron construction casting imports from each subject country, and between the domestic like product and subject imports from each subject country. For these reasons, and because there was no indication of other significant likely differences in the conditions of competition such that the likely volume and effect of subject imports would be substantially different, the Commission concluded that it was appropriate to exercise its discretion to cumulate subject heavy castings imports from China, Brazil, and Canada in those reviews.<sup>35</sup>

No party has argued in these current reviews that the Commission find that there is not a likely reasonable overlap of competition. Based on the determination in the original investigations and in the first and second reviews, and given the absence of new information on this record indicating any changes in the likely reasonable overlap of competition, we find that if the orders were revoked there would likely be a reasonable overlap of competition among the subject heavy iron construction casting imports from each subject country, and between the domestic like product and subject imports from each subject country.<sup>36</sup> For these reasons, and because there is no indication of other significant differences in the likely conditions of competition in the market such that the likely volume and effect of subject imports would be substantially different, we conclude that it is appropriate to exercise our discretion to cumulate subject heavy construction castings from Brazil, Canada, and China in these reviews.

**Light Iron Construction Castings.** In its affirmative determinations in the original investigations regarding threat of material injury by reason of imports from Brazil and China, the Commission did not cumulate the subject imports but rather considered the statutory factors on a country-specific basis.<sup>37</sup> In the first five-year reviews, the Commission found that it was likely that there would be a reasonable overlap of competition between the subject imports from Brazil and China and between those imports and the domestic like product, noting that during the original investigations Brazilian and Chinese light castings were simultaneously present in the market and competed with each other and with the domestic like product. The Commission found that nothing on the record in the reviews indicated that these circumstances would not recur if the orders were revoked.<sup>38</sup>

In the second reviews, based on the determinations in the original investigations and in the first reviews, and given the absence of information on the record indicating any changes in the likely reasonable overlap of competition, the Commission found that if the orders were revoked there would likely be a reasonable overlap of competition between subject light iron construction castings from Brazil and China, and between the domestic like product and subject imports from each subject country. The Commission saw no indication that likely conditions of competition would be significantly different for

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<sup>34</sup> USITC Pub. 3247 at 14-15.

<sup>35</sup> USITC Pub. 3781 at 9.

<sup>36</sup> Record information on subject imports' primary ports of entry and the months of importations during 2004-09, under the discipline of the orders (CR at I-42, PR at I-37), is not inconsistent with our finding of likely geographic overlap and simultaneous presence in the event of revocation.

<sup>37</sup> USITC Pub. 1838 at 19-21.

<sup>38</sup> USITC Pub. 3247 at 12.



subject imports from Brazil and China if the antidumping duty orders were revoked. Accordingly, the Commission exercised its discretion to cumulate the likely volume and effect of subject imports of light construction castings from Brazil and China.<sup>39</sup>

No party has argued in these reviews that the Commission find that there is not a likely reasonable overlap of competition. Based on the determinations in the original investigations and in the first and second reviews, and given the absence of new information on this record indicating any changes in the likely reasonable overlap of competition, we find that if the orders were revoked there would likely be a reasonable overlap of competition between subject light iron construction castings from Brazil and China, and between the domestic like product and subject imports from each subject country.<sup>40</sup> We also see no indication that likely conditions of competition would be significantly different for subject imports from Brazil and China if the antidumping duty orders were revoked. Accordingly, we exercise our discretion to cumulate the likely volume and effect of subject imports of light iron construction castings from Brazil and China.

#### **IV. LIKELIHOOD OF CONTINUATION OR RECURRENCE OF MATERIAL INJURY IF THE COUNTERVAILING DUTY ORDER AND ANTIDUMPING DUTY ORDERS ARE REVOKED**

##### **A. Legal Standard**

In a five-year review conducted under section 751(c) of the 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.”<sup>41</sup> 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.”<sup>42</sup> Thus, the likelihood standard is prospective in nature.<sup>43</sup> 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.<sup>44 45 46</sup>

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<sup>39</sup> USITC Pub. 3781 at 9-10.

<sup>40</sup> Record information on subject imports’ primary ports of entry and the months of importations during 2004-09, under the discipline of the orders (CR at I-43, PR at I-37), is not inconsistent with our finding of likely geographic overlap and simultaneous presence in the event of revocation.

<sup>41</sup> 19 U.S.C. § 1675a(a).

<sup>42</sup> 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.

<sup>43</sup> 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.

<sup>44</sup> 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.

(continued...)

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.”<sup>47</sup> According to the SAA, a “‘reasonably foreseeable time’ will vary from case-to-case, but normally will exceed the ‘imminent’ timeframe applicable in a threat of injury analysis in original investigations.”<sup>48</sup>

Although the standard in a five-year review is not the same as the standard applied in an original antidumping duty 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.”<sup>49</sup> 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 the orders are revoked or the suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).<sup>50</sup> 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.<sup>51</sup>

No respondent interested parties participated in these expedited reviews. The record, therefore, contains limited new information with respect to the iron construction castings industries in Brazil, Canada, and China, as well as limited information on the U.S. iron construction castings market during the period of review. Accordingly, for our determinations, we rely as appropriate on the facts available

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<sup>44</sup> (...continued)

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, Slip Op. 02-105 at 20 (Ct. Int’l Trade Sept. 4, 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’”).

<sup>45</sup> For a complete statement of Chairman Okun’s interpretation of the likely standard, see Additional Views of Vice Chairman Deanna Tanner Okun Concerning the “Likely” Standard in Certain Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe From Argentina, Brazil, Germany, and Italy, Invs. Nos. 701-TA-362 (Review) and 731-TA-707 to 710 (Review) (Remand), USITC Pub. 3754 (Feb. 2005).

<sup>46</sup> Commissioner Lane notes that, consistent with her views in Pressure Sensitive Plastic Tape From Italy, Inv. No. AA1921-167 (Second Review), USITC Pub. 3698 (June 2004), she does not concur with the U.S. Court of International Trade’s interpretation of “likely,” but she will apply the Court’s standard in these reviews and all subsequent reviews until either Congress clarifies the meaning or the U.S. Court of Appeals for the Federal Circuit addresses this issue.

<sup>47</sup> 19 U.S.C. § 1675a(a)(5).

<sup>48</sup> 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.

<sup>49</sup> 19 U.S.C. § 1675a(a)(1).

<sup>50</sup> 19 U.S.C. § 1675a(a)(1). There have been no duty absorption findings on the subject merchandise covered by the orders.

<sup>51</sup> 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

from the original investigations and prior reviews and the limited new information on the record in these reviews.<sup>52 53</sup>

## **B. Conditions of Competition**

In evaluating the likely impact of the subject imports on the domestic industry, 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.”<sup>54</sup> We find the following conditions of competition relevant to our determinations.

**Generally (Heavy and Light Castings).** In the first reviews, the Commission identified several conditions of competition pertinent to its analysis of the U.S. markets for heavy and light iron construction castings. It observed that the heavy and light construction castings industries are mature, primarily employing the basic sand-cast method that has changed little since the original investigations, although light castings are also produced in permanent molds in higher-volume, standardized production. The Commission found that the markets for heavy and light castings are highly cyclical, closely following trends in housing, highway, public works, and building construction, that the majority of all sales of heavy and light castings by U.S. producers and importers are to distributors, and that there is no overlap in the applications of light and heavy castings, as heavy castings are mainly used for drainage purposes and light castings are mainly used to encase underground valves and meters.<sup>55</sup>

The domestic industry argued in the second reviews that consolidations and closures occurred in the U.S. heavy and light castings industries during the review period, despite the addition of one new major production facility.<sup>56</sup> The domestic producers contend in the current reviews that additional consolidations and closures have occurred since the second five-year reviews, including the closure of three domestic foundries in 2008-09. They argue that, although the domestic producers’ market shares for both heavy and light castings have increased in this third review period compared with second review

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<sup>52</sup> 19 U.S.C. § 1677e(a) authorizes the Commission to “use the facts otherwise available” in reaching a determination when (1) necessary information is not available on the record or (2) an interested party or other person withholds information requested by the agency, fails to provide such information in the time, form, or manner requested, significantly impedes a proceeding, or provides information that cannot be verified pursuant to section 782(i) of the Act. 19 U.S.C. § 1677e(a). The verification requirements in section 782(i) are applicable only to Commerce. 19 U.S.C. § 1677m(i). See *Titanium Metals Corp. v. United States*, 155 F. Supp. 2d 750, 765 (Ct. Int’l Trade 2001) (“[T]he ITC correctly responds that Congress has not required the Commission to conduct verification procedures for the evidence before it, or provided a minimum standard by which to measure the thoroughness of a Commission investigation.”).

<sup>53</sup> Chairman Okun notes that the statute authorizes the Commission to take adverse inferences in five-year reviews, but such authorization does not relieve the Commission of its obligation to consider the record evidence as a whole in making its determination. See 19 U.S.C. § 1677e. She generally gives credence to the facts supplied by the participating parties and certified by them as true, but bases her decision on the evidence as a whole, and does not automatically accept participating parties’ suggested interpretations of the record evidence. Regardless of the level of participation, the Commission is obligated to consider all evidence relating to each of the statutory factors and may not draw adverse inferences that render such analysis superfluous. “In general, the Commission makes determinations by weighing all of the available evidence regarding a multiplicity of factors relating to the domestic industry as a whole and by drawing reasonable inferences from the evidence it finds most persuasive.” SAA at 869.

<sup>54</sup> 19 U.S.C. § 1675a(a)(4).

<sup>55</sup> USITC Pub. 3247 at 16-17, USITC Pub. 3781 at 12.

<sup>56</sup> USITC Pub. 3781 at 12.

period, its current market shares are, nonetheless, below those in the periods examined in the original investigations and first reviews.<sup>57</sup>

**Heavy Castings.** Apparent U.S. consumption of heavy castings increased from 405 million pounds in 1983 to 561 million pounds in 1985, and then was higher in the first review period at 683 million pounds in 1998, before declining in the second review period to 631 million pounds in 2003. Apparent U.S. consumption of heavy castings was \*\*\* pounds in 2009.<sup>58</sup>

Domestic heavy casting capacity increased in the original investigations from 391 million pounds in 1983 to 458 million pounds in 1985, and then was higher in the first review period at 534 million pounds in 1998. Domestic heavy casting capacity has increased since the first review period, to \*\*\* pounds in 2009.<sup>59</sup> Domestic production of heavy iron construction castings increased in the original investigations from 253 million pounds in 1983 to 314 million pounds in 1985, and then was higher in the first review period at 543 million pounds in 1998. Domestic production of heavy castings was lower in the second review period at 447 million pounds in 2003. Domestic production fell further to \*\*\* pounds in 2009.<sup>60</sup>

Domestic producers' market share, after declining in the original investigations from 79.7 percent in 1983 to 72.6 percent in 1985, was 79.5 percent in 1998 in the first review period, before declining in the second review period to 71.1 percent in 2003. The domestic producers' market share was \*\*\* percent in 2009. The increase in domestic producers' market share during the current review period is largely attributable to the decreased market share of nonsubject imports. Nonsubject imports' market share increased from 15.0 percent in 1983 to 16.7 percent in 1985, then was higher at 18.8 percent in 1998 and 27.0 percent in 2003, before declining to \*\*\* percent in 2009.<sup>61</sup>

In the first reviews, the Commission noted that domestic foundries, by virtue of their proximity to municipalities and construction supply distributors, require relatively short lead times and can fill most orders for less popular or customized models without maintaining inventories for such items. The Commission noted that importers have longer lead times and generally handle only the more standardized models because of the inventory carrying costs associated with supplying a larger range of products. Thus, the Commission found that, while domestic producers may typically handle 4,000 to 5,000 heavy iron construction castings items, importers may carry only 150 to 200. The Commission observed that the substitutes for heavy iron construction castings most frequently identified in questionnaire responses were plastics, concrete, fiberglass, and composites. The Commission also noted that some domestic sales of heavy iron construction castings are subject to "Buy American" provisions.<sup>62</sup> The Commission relied on those same conditions of competition in its determinations in the second reviews.<sup>63</sup> We view these conditions as pertinent in these current reviews as well.

**Light Castings.** Apparent U.S. consumption of light iron construction castings increased in the original investigations from 76 million pounds in 1983 to 94 million pounds in 1985, and then was lower in the first review period at \*\*\* pounds in 1998. Apparent U.S. consumption of light castings increased in the second review period to \*\*\* pounds in 2003. Apparent U.S. consumption of light castings was \*\*\*

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<sup>57</sup> Domestic Producers Comments (Sep. 22, 2010) at 5-6.

<sup>58</sup> CR/PR at Table I-18.

<sup>59</sup> CR/PR at Table I-12. Domestic capacity information for the second review period is unavailable, and it is not clear that capacity data in the first and third reviews were provided on the same basis.

<sup>60</sup> CR/PR at Table I-12.

<sup>61</sup> CR/PR at Table I-18.

<sup>62</sup> USITC Pub. 2347 at 17.

<sup>63</sup> USITC Pub. 3781 at 13.

pounds in 2009.<sup>64</sup> Domestic light casting capacity increased from 65 million pounds in 1983 to 70 million pounds in 1985 and then was lower in the first review period at \*\*\* pounds in 1998. Domestic light casting capacity has since decreased, to \*\*\* pounds in 2009.<sup>65</sup> Domestic production of light iron construction castings was 46 million pounds in 1983 and 1985, and then was higher in the first review period at \*\*\* pounds in 1998. Domestic production of light castings declined in the second review period to \*\*\* pounds in 2003. Domestic production of light castings has since declined, to \*\*\* pounds in 2009.<sup>66</sup>

Domestic producers' market share, after declining in the original investigations from 74.8 percent in 1983 to 60.5 percent in 1985, was lower at the end of the first five-year review period at \*\*\* percent in 1998. The domestic producers' market share declined in the second review period to \*\*\* percent in 2003. The domestic producers' market share was \*\*\* percent in 2009. The increase in domestic producers' market share during the current review period was accompanied by a small decrease in the market share of nonsubject countries. Nonsubject imports' market share increased from 23.9 percent in 1983 to 36.0 percent in 1985, and then was higher in the first review period at \*\*\* percent in 1998. Nonsubject imports' market share increased in the second review period to \*\*\* percent in 2003, before declining to \*\*\* percent in 2009.<sup>67</sup>

The Commission noted in the first reviews that light construction castings are manufactured in a range of dimensions but are relatively standardized nationwide, that some producers and respondents indicated that plastics have made gains in the market for light castings, and that the petitioners estimated that about 28 percent of light castings sales were subject to "Buy American" provisions in 1997 and 1998.<sup>68</sup> The Commission relied on those same conditions of competition in its determinations in the second review.<sup>69</sup> We view them as pertinent in these current reviews as well.

Based on the record evidence, we find that conditions of competition in the heavy and light iron construction castings markets are not likely to change significantly in the reasonably foreseeable future. Accordingly, in these reviews, we find that current conditions in those markets provide us with a reasonable basis on which to assess the likely effects of revocation of the orders in the reasonably foreseeable future.

**C. Revocation of the Antidumping Duty Orders on Heavy Iron Construction Castings from Brazil, Canada, and China and the Countervailing Duty Order On Heavy Iron Construction Castings from Brazil Would be Likely to Lead to Continuation or Recurrence of Material Injury Within a Reasonably Foreseeable Time**

For the reasons stated below, we determine that revocation of the antidumping duty orders on heavy iron construction castings from Brazil, Canada, and China and the countervailing duty order on heavy iron construction castings from Brazil would be likely to lead to continuation or recurrence of material injury to the domestic industry producing heavy iron construction castings within a reasonably foreseeable time.

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<sup>64</sup> CR/PR at Table I-19.

<sup>65</sup> CR/PR at Table I-13. Domestic capacity information for the second review period is unavailable.

<sup>66</sup> CR/PR at Table I-13.

<sup>67</sup> CR/PR at Table I-19.

<sup>68</sup> USITC Pub. 2347 at 17.

<sup>69</sup> USITC Pub. 3781 at 13-14.

## 1. Likely Volume of Subject Heavy Iron Castings Imports

In evaluating the likely volume of imports of subject merchandise if the antidumping and countervailing duty orders are revoked, 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.<sup>70</sup> 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.<sup>71</sup>

We conclude, based on the facts available,<sup>72</sup> that the volume of imports of cumulated subject heavy iron construction castings is likely to increase significantly and would be significant if the order is revoked. In making this finding, we recognize that the volume of subject imports is currently small, both in absolute and relative terms.<sup>73</sup> In a five-year review, however, our focus is on whether subject import volume is likely to be significant within a reasonably foreseeable time if the antidumping duty order is revoked.

In the original investigations, imports of heavy castings from Brazil increased from 23,000 pounds in 1982 to 19.5 million pounds in 1985, representing an increase from less than 1 percent of domestic consumption in 1982 to 3.4 percent in 1985. Imports of heavy castings from Canada increased from 5.4 million pounds in 1982 to 21.0 million pounds in 1985, representing an increase from 1.5 percent of domestic consumption in 1982 to 3.7 percent in 1985. Imports of heavy castings from China increased from 4.1 million pounds in 1982, or 1.2 percent of domestic consumption, to 19.5 million pounds in 1985, or 3.4 percent of domestic consumption. Accordingly, in 1985, imports from Canada, Brazil, and China totaled 60.0 million pounds, and represented 10.5 percent of domestic consumption.<sup>74</sup>

In the first five-year reviews, the Commission observed that subject imports from Brazil, Canada, and China totaled 12.6 million pounds in 1997, or 1.8 percent of domestic consumption, and 11.5 million pounds in 1998, or 1.7 percent of domestic consumption. The Commission explained that, in assessing the likely volume of imports if the orders are revoked, it viewed the sharp reduction in imports from Brazil, Canada, and China in the first review period compared with the period of investigation as reflecting the remedial effects of the antidumping duty orders. The Commission found that, in the case of Canada, a number of factors suggested that exports of heavy castings to the United States could increase. The Commission noted that \*\*\* is an important market and the only export market for Bibby Ste-Croix, the only Canadian producer that responded to the Commission’s questionnaire, which had production capacity of \*\*\* tons in 1998 and had plans to add about \*\*\* more tons of capacity to increase its sales within Canada and its exports to the United States. The Commission concluded that this available capacity was significant in relation to U.S. consumption.

The Commission noted that there was no information available on the record in the first reviews with respect to then-current heavy casting production capacity in Brazil or China because Brazilian and Chinese producers did not respond to the Commission’s requests for data. It noted, however, that the information available in the original investigations showed that China’s annual exports of both heavy and

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<sup>70</sup> 19 U.S.C. § 1675a(a)(2).

<sup>71</sup> 19 U.S.C. § 1675a(a)(2)(A-D).

<sup>72</sup> See 19 U.S.C. § 1677e(a).

<sup>73</sup> CR/PR at Table I-18.

<sup>74</sup> See USITC Pub. 3247 at 21.

light iron construction castings to all markets, including the United States, ranged between 135 million pounds and 201.6 million pounds annually between 1981 and 1985, quantities that the Commission found to be significant relative to current total consumption in the United States. The Commission also observed that Brazil's exports of all cast-iron products to all markets, including the United States, ranged from 102 million pounds (51,000 short tons) to 224 million pounds (112,000 short tons) annually between 1981 and 1985, quantities that exceeded total U.S. consumption. The Commission found, accordingly, that the record in the reviews indicated that Brazil, Canada, and China had ample production capacity to increase their shipments to the United States if the orders were revoked, and that the record did not indicate that there would be any limitations on the three countries' ability to resume significant export shipments to the United States if the orders were revoked. Accordingly, the Commission found that imports of Brazilian, Canadian, and Chinese castings to the United States would be likely to increase significantly and to be significant in the reasonably foreseeable future if the orders were revoked.<sup>75</sup>

In the second reviews, the Commission noted that the most recent information showed that cumulated imports of subject heavy castings were 12 million pounds in 2003 compared with 60 million pounds in 1985, and accounted for 1.9 percent of apparent U.S. consumption in 2003 compared with 10.7 percent in 1985,<sup>76</sup> reflecting the continued restraining effects of the orders.<sup>77</sup>

Based on the available information in those second reviews, including the determinations in the original investigations and the first five-year reviews, the Commission concluded that the producers in Brazil, Canada, and China were largely export-oriented and had ample production capacity to increase their shipments to the United States if the orders were revoked. The Commission also observed that the record did not indicate that there would be any limitations on Canada, Brazil, or China resuming significant imports into the United States if the orders were revoked. Accordingly, the Commission found that the likely volume of the cumulated imports of the subject merchandise, both in absolute terms and relative to production and consumption in the United States, would be significant absent the restraining effect of the antidumping duty orders and the countervailing duty order.<sup>78</sup>

In the current reviews, cumulated subject imports were 8.7 million pounds in 2009 compared with 60 million pounds in 1985, and accounted for \*\*\* percent of apparent U.S. consumption in 2009 compared with 10.7 percent in 1985,<sup>79</sup> reflecting the continued restraining effects of the orders.

Based on the record in these reviews, we conclude that producers in Brazil, Canada, and China are largely export oriented and have ample production capacity to increase their shipments to the United States if the orders were revoked.<sup>80</sup> The record does not indicate that there would be any limitations on Brazilian, Canadian, or Chinese producers resuming significant export shipments to the United States if the orders were revoked. Accordingly, we find that the likely volume of the cumulated subject imports, both in absolute terms and relative to production and consumption in the United States, would be significant absent the restraining effect of the antidumping duty orders and the countervailing duty order.

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<sup>75</sup> USITC Pub. 3247 at 21-22.

<sup>76</sup> CR/PR at Table I-18.

<sup>77</sup> USITC Pub. 3781 at 14-15.

<sup>78</sup> USITC Pub. 3781 at 15.

<sup>79</sup> CR/PR at Table I-18.

<sup>80</sup> According to domestic interested parties, there are at least 98, 11, and 200 producers of iron construction castings in Brazil, Canada, and China, respectively. CR at I-53-56, PR at I-47-49. The information submitted by domestic interested parties does not distinguish between heavy and light castings. The record also indicates that an antidumping duty order is in place in the European Union on heavy iron construction castings from China. CR at I-56, PR at I-49.

## 2. Likely Price Effects of Subject Heavy Iron Castings Imports

In evaluating the likely price effects of subject imports if an antidumping duty order is revoked, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to domestic like products 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.<sup>81</sup>

In the original determinations, imports of subject heavy castings from all subject sources undersold the domestic like product. As noted above, the Commission found in the first reviews that Brazil, Canada, and China were likely to increase exports to the United States significantly in the reasonably foreseeable future if the antidumping duty orders were revoked. The Commission observed that, because the market likely is fairly price competitive, the imports would have to be priced aggressively to regain market share if the orders were revoked. It observed that the cumulated subject imports, in turn, would be likely to have significant depressing and suppressing effects on prices of the domestic like product. Accordingly, the Commission found that the likely volume of imports from Canada, Brazil, and China resulting from revocation of the antidumping duty orders would be likely to have significant effects, including significant underselling of the domestic like product, on domestic prices for heavy iron construction castings.<sup>82</sup>

In the second five-year reviews, there was no new product-specific pricing information on the record. The Commission noted, however, that data on average unit values showed that the average unit value of the cumulated subject heavy castings imports was below the average unit value for the domestic like product in 2003.<sup>83</sup> Based on information available in those reviews, including the determinations in the original investigations and the first five-year reviews, the Commission found that the market for the subject merchandise was fairly price competitive. The Commission found that, if the orders were revoked, the subject imports would likely undersell the domestic like product and have significant depressing and suppressing effects on prices of the domestic like product.<sup>84</sup>

There is no new product-specific pricing information on the record in these reviews. Data on average unit values for subject imports and the domestic like product, however, show that the average unit value of the cumulated subject heavy castings imports was below the average unit value for the domestic like product in 2009.<sup>85</sup>

Based on the record in these reviews, we find that the market for the subject merchandise is fairly price competitive. If the orders were revoked, the imports would likely undersell the domestic like

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<sup>81</sup> 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.

<sup>82</sup> USITC Pub. 3247 at 22-23.

<sup>83</sup> USITC Pub. 3781 at 16 (AUVs in 2003 were \$0.45 per pound for the domestic like product and \$0.38 per pound for the subject imports). The Commission recognized that comparison of average unit values is normally of limited or no significance where, as here, there are likely differences in product mix between the subject imports and the domestic like product. The Commission explained that, while these AUV data were consistent with prior underselling findings, it based its price effects analysis there on the prior findings rather than these AUVs. Id.

<sup>84</sup> USITC Pub. 3781 at 16.

<sup>85</sup> CR/PR at Tables I-12, I-14 (AUVs in 2009 were \$\*\*\* per pound for the domestic like product and \$0.62 per pound for the subject imports). We recognize that comparison of average unit values is normally of limited or no significance where, as here, there are likely differences in product mix between the subject imports and the domestic like product. While these AUV data are consistent with prior underselling findings, we base our price effects analysis here on the prior findings rather than these AUVs.



product and have significant depressing and suppressing effects on prices of the domestic like product. Accordingly, we find that the likely volume of imports from Canada, Brazil, and China resulting from revocation of the antidumping duty orders would be likely to have significant adverse price effects on domestic prices for heavy iron construction castings.

### 3. Likely Impact of Subject Heavy Iron Castings Imports<sup>86</sup>

In evaluating the likely impact of imports of subject merchandise if the antidumping duty orders under review were revoked, 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.<sup>87</sup> 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.<sup>88</sup> 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 at issue and whether the industry is vulnerable to material injury if the orders were revoked.

In the original determinations the Commission found that the domestic industry producing heavy castings was materially injured by reason of subject imports, including those from Brazil, Canada, and China. The Commission found that, while apparent consumption increased markedly during the period of investigation, the rates at which the domestic producers of heavy construction castings increased production, shipments, capacity, capacity utilization, and employment were considerably below the rate at which domestic consumption increased. Although the domestic industry had shown some improvement during the period of investigation, six of the fifteen domestic producers reported operating losses during the entire period of investigation. In the original investigations, the Commission found it particularly significant that there were net operating losses in the domestic industry during the first year of the period of investigation and marginal operating income during the other years when considered in light of increased domestic consumption and increases in domestic production and shipments.<sup>89</sup>

In the first five-year reviews, the Commission observed that the domestic industry's operating income as a percent of net sales was 12.9 percent in 1997 and 15.5 percent in 1998. Production exceeded

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<sup>86</sup> Section 752(a)(6) of the Act states that “the Commission may consider the magnitude of the margin of dumping” in making its determination in a five-year review. 19 U.S.C. § 1675a(a)(6). The statute defines the “magnitude of the margin of dumping” to be used by the Commission in five-year reviews as “the dumping margin or margins determined by the administering authority under section 1675a(c)(3) of this title.” 19 U.S.C. § 1677(35)(C)(iv). See also SAA at 887. In the final results of its expedited sunset reviews, Commerce determined that revocation of the countervailing duty order with respect to heavy castings from Brazil would likely lead to a countervailing duty margin of 1.06 percent. With respect to the antidumping duty order on heavy and light castings from Brazil, it determined likely weighted-average dumping margins of 58.74 for Fundação Aldebara, Ltda, 16.61 percent for Sociedade de Metalurgia e Processos, Ltda. (SOMEPE), 5.95 percent for Companhia Siderurgica da Guanabera (COSIGUA), and 26.16 percent for all others. With respect to the antidumping duty order on heavy castings from Canada, it determined likely weighted-average dumping margins of 8.60 percent for Bibby Ste. Croix Foundries, Inc., 4.40 percent for LaPerle Foundry, Ltd., 9.80 percent for Mueller Canada, Inc., and 7.50 percent for all others. Regarding the antidumping duty order on heavy and light castings from China, Commerce determined a country-wide likely weighted-average dumping margin of 25.52 percent. 75 Fed. Reg. 54595-96 (Sep. 8, 2010)

<sup>87</sup> 19 U.S.C. § 1675a(a)(4).

<sup>88</sup> 19 U.S.C. § 1675a(a)(4).

<sup>89</sup> See USITC Pub. 3247 at 23-24.

capacity in both 1997 and 1998, and U.S. shipments, net sales, and number of production workers in 1998 exceeded levels in 1997. The Commission noted that domestic producers' share of apparent U.S. consumption (78.6 percent in 1997 and 79.6 percent in 1998), was comparable to their share at the beginning of the period originally investigated (79.8 percent in 1983).

The Commission also found in the first five-year reviews that the domestic industry producing heavy iron construction castings was not vulnerable; however, it found, given the generally substitutable nature of the subject and domestic product, that the significant potential volume of less than fair value and subsidized subject imports, when combined with the expected adverse price effects of these imports, would have a significant adverse impact on the production, shipments, sales, and revenue levels of the domestic industry. This reduction in the industry's production, sales, and revenue levels, the Commission observed, would 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. Accordingly, the Commission concluded that, if the antidumping duty orders were revoked, the subject imports would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.<sup>90</sup>

The record in the second reviews did not contain significant new information regarding whether the domestic industry was then vulnerable to the continuation or recurrence of material injury in the event of revocation of the orders on heavy iron construction castings. The Commission observed, however, that apparent U.S. consumption was lower in 2003 compared with the first review period, and the domestic producers' market share in 2003 was at its lowest level for any year for which data was obtained in the original investigations and the reviews. As described above, the Commission found that the orders had a restraining effect on the volume and market share of subject imports and that revocation of the orders would likely lead to a significant increase in the volume of subject imports that would undersell the domestic like product and otherwise significantly suppress or depress U.S. prices.<sup>91</sup>

Within the limits of the data available in the second five-year reviews, and with reference in particular to the determinations and data in the original investigations and the first five-year reviews, the Commission also found that the volume and price effects of the subject imports would likely have a significant adverse impact on the domestic industry's production, sales, and revenue levels and would 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. Accordingly, the Commission concluded that, if the antidumping duty orders on subject imports of heavy castings from Brazil, Canada, and China were revoked, subject imports would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.<sup>92</sup>

The limited information collected in these expedited reviews with respect to indicators of the domestic industry's condition is only for 2009. Domestic producers' capacity was \*\*\* pounds in 2009 compared with 458 million pounds in 1985 and 534 million pounds in 1998. Domestic production was \*\*\* pounds in 2009 compared with 314 million pounds in 1985 and 543 million pounds in 1998. Capacity utilization, at \*\*\* percent in 2009, compared with 68.4 percent in 1985 and 101.7 percent in 1998.<sup>93</sup>

Domestic producers' U.S. shipments were \*\*\* pounds in 2009 compared with 407 million pounds in 1985 and 543 million pounds in 1998. Net sales were \*\*\* in 2009 compared with \$91 million in 1984 and \$258 million in 1998. Operating income was \$19 million in 2009 compared with

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<sup>90</sup> USITC Pub. 3247 at 23-24.

<sup>91</sup> USITC Pub. 3781 at 17-18.

<sup>92</sup> USITC Pub. 3781 at 18.

<sup>93</sup> CR/PR at Table I-12.

\$2.5 million in 1984 and \$40 million in 1998. Operating income as a percent of net sales was 7.5 percent in 2009 compared with 2.7 percent in 1984 and 15.5 percent in 1998.<sup>94 95 96</sup>

Based on the record in these reviews, we find 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 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. Accordingly, we conclude that, if the countervailing duty order on subject imports from Brazil and the antidumping duty orders on subject imports from Brazil, Canada, and China were revoked, subject imports would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.

**C. Revocation of the Antidumping Duty Orders on Light Iron Construction Castings from Brazil and China Would be Likely to Lead to Continuation or Recurrence of Material Injury Within a Reasonably Foreseeable Time**

For the reasons stated below, we determine that revocation of the antidumping duty orders on light iron construction castings from Brazil and China would be likely to lead to continuation or recurrence of material injury to the domestic industry producing light iron construction castings within a reasonably foreseeable time.

**1. Likely Volume of Subject Light Iron Castings Imports**

We conclude, based on the facts available, that import volume of cumulated subject light iron construction castings is likely to increase significantly and would be significant if the order is revoked. In making this finding, we recognize that the volume of subject imports has been small since the original investigations, both in absolute and relative terms. In a five-year review, however, our focus is on whether subject import volume is likely to be significant within a reasonably foreseeable time if the antidumping duty order is revoked.

In the original determinations, the Commission concluded that the domestic industry producing light iron construction castings was threatened with material injury by reason of the subject imports from Brazil and China. Imports of light castings from Brazil increased from zero in 1982 to 1.64 million pounds in 1985, and imports of light castings from China increased from 95,000 pounds in 1982 to

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<sup>94</sup> CR/PR at Table I-12.

<sup>95</sup> Chairman Okun and Commissioners Pearson and Aranoff note that information on the record in this expedited review concerning the performance of the domestic industry since the original investigation and earlier review periods is limited to 2009 and pertains only to certain economic factors, discussed above. They find that this information is insufficient to enable them to make a determination as to whether the industry is currently vulnerable.

<sup>96</sup> Commissioners Lane, Williamson, and Pinkert note that, in the first five-year reviews, the Commission found that the domestic industry producing heavy iron construction castings was not vulnerable. The Commission found that the record in the second reviews did not contain significant new information regarding the domestic industry's vulnerability. They find that the limited information in these expedited reviews does not provide a basis for departing from the Commission's prior findings, and therefore find that the domestic industry producing heavy iron construction castings is not vulnerable to material injury if the orders are revoked. They note as well that the evidence on the record, limited though it is, is generally supportive of such a finding, as U.S. producers had a profitable 2009 during a period of decreased demand, increased U.S. market share to \*\*\* percent, their highest market share on the record since 1983, and had a net sales value in 2009 comparable to their net sales value in 1998 (the last year on the record with data for this measurement).

1.64 million pounds in 1985.<sup>97</sup> In the first five-year reviews, the Commission noted that there were no imports of the subject merchandise from Brazil and China in 1997 and that imports from China totaled \*\*\* pounds in 1998 while imports from Brazil remained at zero. The Commission observed that, in assessing the likely volume of imports if the orders were revoked, it viewed the recent near-absence from the U.S. market of imports from Brazil and China as reflecting the remedial effects of the antidumping duty orders.<sup>98</sup>

The Commission also noted in the first reviews that, although production and capacity information were not available for China in the original investigation, the available export information showed that China's annual exports of all iron construction castings to all markets, including the United States, ranged between 135 million pounds and 201.6 million pounds between 1981 and 1985. Brazil's exports of all cast-iron products to all markets including the United States ranged from 102 million pounds to 224 million pounds annually between 1981 and 1985. The Commission found that there was no record information in the reviews indicating any likely limitations on Brazil and China resuming significant export shipments to the United States if the orders were revoked. Accordingly, the Commission found in the first five-year reviews that imports of light iron construction castings from Brazil and China into the United States would be likely to increase significantly in the reasonably foreseeable future if the antidumping duty orders were revoked.<sup>99</sup>

In the second five-year reviews, the Commission observed that the cumulated subject imports were 3.3 million pounds in 1985, at the end of the original period of investigation, and that after the orders were in place, the imports were \*\*\* pounds in 1998, peaked at 3.4 million pounds in 2003, and fell to 1.6 million pounds in 2004. The Commission noted that subject light casting imports accounted for \*\*\* percent of apparent U.S. consumption in 2003 compared with 3.4 percent in 1985, even though the 2003 volume was larger in absolute terms than in 1985. The Commission found that these low volumes continued to reflect the remedial effects of the orders.<sup>100</sup>

The Commission explained that there was no new information on the record in the second reviews regarding light iron construction casting production capacity in Brazil or China because producers in Brazil and China did not respond to the Commission's requests for data. Based on the record in those reviews, the Commission concluded that the producers in Brazil and China were largely export oriented and had ample production capacity to increase their shipments to the United States if the orders were revoked. The Commission again found that the record did not indicate that there would be any limitations on Brazilian or Chinese producers' resuming significant export shipments to the United States if the orders were revoked. To the contrary, the Commission explained, the broad fluctuations in the volume of subject imports under the restraining effects of the orders, including a 2003 increase above the prior record volume in 1985, served to confirm that the subject producers were able quickly to increase their exports to the United States. Accordingly, the Commission found that the likely volume of the cumulated imports of the subject merchandise, both in absolute terms and relative to production and consumption in the United States, would be significant absent the restraining effect of the antidumping duty orders.<sup>101</sup>

In the current reviews, cumulated subject imports were 794,000 pounds in 2009 compared with 3.2 million pounds in 1985, and were \*\*\* percent of apparent U.S. consumption in 2009 compared with

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<sup>97</sup> See USITC Pub. 3247 at 18.

<sup>98</sup> USITC Pub. 3247 at 18.

<sup>99</sup> USITC Pub. 3247 at 18-19.

<sup>100</sup> USITC Pub. 3781 at 18-19.

<sup>101</sup> USITC Pub. 3781 at 19.

3.5 percent in 1985,<sup>102</sup> reflecting the continuation of reduced import volume under the restraining effects of the orders.

No producers in Brazil or China responded to the Commission's requests for data in the current reviews.<sup>103</sup> Based on the record in these reviews, we conclude that the producers in Brazil and China are largely export oriented and have ample production capacity to increase their shipments to the United States if the orders were revoked. The record does not indicate that there would be any limitations on Brazilian or Chinese producers' resuming significant export shipments to the United States if the orders were revoked. Accordingly, we find that the likely volume of the cumulated subject imports, both in absolute terms and relative to production and consumption in the United States, would be significant if the orders were revoked.

## **2. Likely Price Effects of Subject Light Iron Castings Imports**

In the original determinations, the Commission found that the available pricing data for one castings product from Brazil showed margins of underselling in excess of 10 percent throughout 1985. Light castings from China undersold the domestic product in each quarter from 1983 to 1985, in most periods by margins of approximately 30 percent. The Commission found that the domestic like product and the subject imported light castings were essentially fungible.<sup>104</sup>

In the first five-year reviews the Commission noted that there were no then-current price data on imports from Brazil and China and that prices for U.S. light castings generally declined in 1997 and 1998. The Commission explained that purchasers consider price to be one of the most important factors in purchasing decisions and noted the Commission's finding in the original determinations regarding the fungibility of the domestic like product and the subject imports. Thus, the Commission found it likely that low prices for the Brazilian and Chinese product would be offered to U.S. purchasers in order to regain market share if the antidumping duty orders were revoked and that the likely volume of subject imports would be likely to enter the United States at prices that would significantly undersell domestic castings and have a significant depressing or suppressing effect on prices for the domestic like product.<sup>105</sup>

In the second five-year reviews, the Commission noted the absence of then-current product-specific pricing information, but that available data showed that the average unit values of the cumulated subject light castings imports were below those for the domestic like product. As noted above, the Commission found that producers in Brazil and China were likely to significantly increase exports to the United States in the reasonably foreseeable future if the antidumping duty orders were revoked. The Commission also found, in the absence of any evidence of the contrary, that subject imports would likely undersell the domestic like product if the orders were revoked and would be likely to have significant depressing and suppressing effects on prices of the domestic like product. Accordingly, the Commission found that the likely volume of subject imports from Brazil and China resulting from revocation of the antidumping duty orders would be likely to have significant adverse price effects on domestic prices for light iron construction castings.<sup>106</sup>

There is no new product-specific pricing information on the record in these reviews. Data on average unit values for subject imports and the domestic like product, however, show that the average unit values of the cumulated subject light castings imports was below the average unit value for the domestic

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<sup>102</sup> CR/PR at Table I-19.

<sup>103</sup> According to domestic interested parties, there are at least 98 and 200 producers of iron construction castings in Brazil and China, respectively. CR at I-53-56, PR at I-47-49. The information submitted by domestic interested parties does not distinguish between heavy and light castings.

<sup>104</sup> USITC Pub. 3781 at 20.

<sup>105</sup> USITC Pub. 3781 at 20.

<sup>106</sup> USITC Pub. 3781 at 20.

like product in 2003, the only year since the first five-year reviews for which average unit value comparison data is available.<sup>107</sup>

As noted above, we again find that producers in Brazil and China are likely to significantly increase exports to the United States in the reasonably foreseeable future if the antidumping duty orders are revoked. In the absence of any evidence of the contrary, we also find that subject imports would likely undersell the domestic like product if the orders were revoked and would be likely to have significant depressing and suppressing effects on prices of the domestic like product. Accordingly, we find that the likely volume of imports from Brazil and China resulting from revocation of the antidumping duty orders would be likely to have significant adverse price effects on domestic prices for light iron construction castings.

### 3. Likely Impact of Subject Light Iron Castings Imports<sup>108</sup>

In concluding in the original determinations that the domestic industry producing light iron construction castings was threatened with material injury by reason of subject imports from Brazil and China, the Commission found that the domestic industry producing light iron construction castings was beginning to experience difficulties and was vulnerable to material injury from imports, particularly in terms of declining income toward the end of the period and flat or decreasing prices for the domestic product.<sup>109</sup>

In the first five-year reviews, the Commission found that the domestic industry producing light iron construction castings was vulnerable to material injury if the orders were revoked. It based that finding primarily upon the operating income loss experienced by the domestic industry of \*\*\* in 1997 and \*\*\* in 1998. The Commission stated that, given the generally substitutable nature of the subject imports and the domestic like product, the significant volume of low-priced subject imports, when combined with the expected adverse price effects of these imports, would have a significant adverse impact on the production, shipments, sales, and revenue levels of the domestic industry. This reduction in the industry's production, sales, and revenue levels would 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. Accordingly, the Commission concluded that, if the antidumping duty orders were revoked, the subject imports would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.<sup>110</sup>

In the second five-year reviews, the Commission found that the limited information available did not provide a basis for departing from the Commission's prior findings that the domestic industry producing light iron construction castings was vulnerable to material injury if the orders were revoked. The Commission noted that the industry's share of apparent U.S. consumption in 2003 was only \*\*\*

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<sup>107</sup> CR/PR at Tables I-15, I-13 (AUVs in 2009 were \$0.66 per pound for subject imports and \$\*\*\* per pound for domestic like product). We recognize that comparison of average unit values is normally of limited or no significance where, as here, there are likely differences in product mix between the subject imports and the domestic like product. While these AUV data are consistent with prior underselling findings, we base our price effects analysis here on the prior findings rather than these AUVs.

<sup>108</sup> In the final results of its expedited sunset reviews, Commerce determined that revocation of the antidumping duty order with respect to heavy and light castings from Brazil would likely lead to weighted-average dumping margins of 58.74 for Fundação Aldebara, Ltda, 16.61 percent for Sociedade de Metalurgia e Processos, Ltda. (SOMEPE), 5.95 percent for Companhia Siderurgica da Guanabera (COSIGUA), and 26.16 percent for all others. With respect to the antidumping duty order on heavy and light castings from China, it determined a country-wide likely weighted-average dumping margin of 25.52 percent. 75 Fed. Reg. 54595-96 (Sep. 8, 2010).

<sup>109</sup> See USITC Pub. 3247 at 20.

<sup>110</sup> USITC Pub. 3247 at 19-20.

percent, \*\*\*. Although the domestic producers' market share during that period had been lost largely to nonsubject imports, the Commission found that the loss of market share indicated that the industry may have been more vulnerable than before. It also found the volume and price effects of the subject imports, discussed above, would likely have a significant adverse impact on the industry's production, sales, and revenue levels and would 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. Accordingly, the Commission concluded that, if the antidumping orders on subject imports from Brazil and China were revoked, subject imports would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.<sup>111</sup>

The limited information collected in these expedited reviews with respect to indicators of the domestic industry's condition is only for 2009. Domestic producers' light casting capacity was \*\*\* pounds in 2009 compared with 70 million pounds in 1985 and \*\*\* pounds in 1998. Domestic production was \*\*\* pounds in 2009 compared with 46 million pounds in 1985 and \*\*\* pounds in 1998. Capacity utilization, at \*\*\* percent in 2009, was 65.1 percent in 1985 and \*\*\* percent in 1998.<sup>112</sup>

Domestic producers' U.S. shipments were \*\*\* pounds in 2009 compared with 57 million pounds in 1985 and \*\*\* pounds in 1998. Net sales were \*\*\* in 2009 compared with \$\*\*\* million in 1984 and \*\*\* in 1998. Operating income was \*\*\* in 2009 compared with operating income of \$\*\*\* million in 1984 and \*\*\* in 1998. Operating income as a percent of net sales was \*\*\* percent in 2009 compared with \*\*\* percent in 1984 and \*\*\* percent in 1998.<sup>113 114 115</sup>

We find, as explained above, that revocation of the orders on light iron construction castings would likely lead to a significant increase in the volume of subject imports that would undersell the domestic like product and otherwise significantly suppress or depress U.S. prices. We also find that the 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 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. Accordingly, we conclude that, if the antidumping orders on subject imports from Brazil and China were revoked, subject imports would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.

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<sup>111</sup> USITC Pub. 3781 at 21.

<sup>112</sup> CR/PR at Table I-13.

<sup>113</sup> CR/PR at Table I-13.

<sup>114</sup> Chairman Okun and Commissioners Pearson and Aranoff note that information on the record in this expedited review concerning the performance of the domestic industry since the original investigation and earlier review periods is limited to 2009 and pertains only to certain economic factors, discussed above. They find that this information is insufficient to enable them to make a determination as to whether the industry is currently vulnerable.

<sup>115</sup> Commissioners Lane, Williamson, and Pinkert find that the information in these expedited reviews does not provide a basis for departing from the Commission's findings in the first and second five-year reviews that the domestic industry producing light iron construction castings was vulnerable. They note that the evidence on the record, although not complete due to the expedited nature of this review, is supportive of the prior findings. In 2009, domestic industry capacity, production, capacity utilization, and sales were all lower than any other year since 1983. CR/PR at Table I-13. As a result, the domestic industry posted a \*\*\* percent operating loss in 2009, the \*\*\* operating loss on the record since 1983. CR/PR at Table I-13. The domestic industry's U.S. market share, at \*\*\* percent, was the second lowest market share on the record since 1983 and nearly as low as its \*\*\* percent market share in 2003. Accordingly, based on the Commission's prior findings and the information on this record, they find that the industry is vulnerable to material injury if the orders were revoked.

## **CONCLUSION**

For the above-stated reasons, we determine that revocation of the antidumping duty orders on heavy iron construction castings from Brazil, Canada, and China, and the countervailing duty order on heavy iron construction castings from Brazil, 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 further determine that revocation of the antidumping duty orders on light iron construction castings from Brazil and China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.



**INFORMATION OBTAINED IN THE REVIEWS**



## INTRODUCTION

On May 3, 2010, in accordance with section 751(c) of the Tariff Act of 1930, as amended (“the Act”),<sup>1</sup> the U.S. International Trade Commission (“Commission” or “USITC”) gave notice that it had instituted reviews to determine whether revocation of the countervailing duty order on heavy iron construction castings from Brazil, the antidumping duty order on heavy iron construction castings from Canada, and/or the antidumping duty orders on heavy and light iron construction castings from Brazil and China would likely lead to the continuation or recurrence of material injury to a domestic industry within a reasonably foreseeable time.<sup>2 3</sup> On August 6, 2010, the Commission determined that the domestic interested party group response to its notice of institution was adequate<sup>4</sup> and that the respondent interested party group response was inadequate.<sup>5</sup> In the absence of respondent interested party responses and any other circumstances that would warrant the conduct of full reviews, the Commission determined to conduct expedited reviews of the countervailing duty and antidumping duty orders pursuant to section 751(c)(3) of the Act (19 U.S.C. § 1675(c)(3)).<sup>6</sup> The Commission voted on these reviews on October 15, 2010, and notified Commerce of its determinations on October 27, 2010. The following tabulation presents selected information relating to the schedule of these five-year reviews.<sup>7</sup>

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<sup>1</sup> 19 U.S.C. 1675(c).

<sup>2</sup> *Iron Construction Castings From Brazil, Canada, and China*, 75 FR 23295, May 3, 2010. All interested parties were requested to respond to this notice by submitting the information requested by the Commission. The Commission’s notice of institution is presented in app. A.

<sup>3</sup> 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 countervailing duty and antidumping duty orders concurrently with the Commission’s notice of institution. *Initiation of Five-Year (“Sunset”) Review*, 75 FR 23240, May 3, 2010.

<sup>4</sup> The Commission received one submission from domestic producers East Jordan Iron Works, Inc. (“East Jordan”), Neenah Foundry Company (“Neenah”), and U.S. Foundry & Manufacturing Corporation (“U.S. Foundry”) (collectively referred to herein as “domestic interested parties”) in response to its notice of institution for the subject reviews. The domestic interested parties are represented by the law firm of Kelley Drye & Warren, LLC. Domestic producers D&L Foundry Inc. (“D&L Foundry”) and Vestal Manufacturing Enterprises, Inc. (“Vestal”) also provided trade and financial data to the domestic interested parties’ counsel to submit to the Commission on their behalf in these reviews. While these firms “authorized counsel for the domestic industry to advise the Commission of their willingness to cooperate in this review by responding to questionnaires and submitting any other information requested,” they are not officially represented by the counsel who provided the certification of accuracy and completeness. The domestic interested parties reported that together they accounted for \*\*\* percent of total U.S. production of heavy construction castings and \*\*\* percent of light construction castings in 2009. *Response of domestic interested parties*, June 2, 2010, p. 24. Including data provided by D&L Foundry and Vestal, the coverage of domestic interested parties responding to the notice for heavy iron construction castings is \*\*\* percent and the coverage of domestic interested parties responding to the notice for light iron construction castings is \*\*\* percent.

<sup>5</sup> The Commission did not receive a response from any respondent interested parties to its notice of institution.

<sup>6</sup> *Iron Construction Castings From Brazil, Canada, and China*, 75 FR 49945, August 16, 2010. The Commission’s notice of the expedited reviews appears in app. A. The Commission’s statement on adequacy is presented in app. B.

<sup>7</sup> Cited *Federal Register* notices beginning with the Commission’s institution of these five-year sunset reviews are presented in app. A.

Effective date	Action	Federal Register citation
May 3, 2010	Commission's institution of third five-year reviews	75 FR 23295 May 3, 2010
May 3, 2010	Commerce's initiation of five-year reviews	75 FR 23240 May 3, 2010
August 6, 2010	Commission's determination to conduct expedited five-year reviews	75 FR 49945 August 16, 2010
September 8, 2010	Commerce's final determinations in its expedited five-year reviews	75 FR 54595 September 8, 2010
October 15, 2010	Commission's vote	Not applicable
October 27, 2010	Commission's determinations transmitted to Commerce	Not applicable

### The Original Investigations

On May 13, 1985, petitions were filed with Commerce and the Commission alleging that an industry in the United States was materially injured and threatened with further material injury by reason of imports from Brazil of certain iron construction castings that were allegedly being subsidized by the Government of Brazil, and by reason of imports of such castings from Brazil, Canada, China, and India that were allegedly being sold in the United States at less than fair value ("LTFV").<sup>8,9</sup> In February 1986, the Commission determined that an industry in the United States was materially injured by reason of imports from Canada of heavy iron construction castings that Commerce found to be sold at LTFV, and that an industry in the United States was threatened with material injury by reason of imports from Canada of light iron construction castings that Commerce found to be sold at LTFV.<sup>10</sup> In April 1986, the Commission determined that an industry in the United States was materially injured by reason of imports of heavy iron construction castings from Brazil that were being subsidized by the Government of Brazil, that an industry in the United States was materially injured by reason of imports from Brazil, China, and India of heavy iron construction castings that were being sold at LTFV, and that an industry in the United States was threatened with material injury by reason of imports from Brazil, China, and India of light iron construction castings that were being sold at LTFV.<sup>11</sup> Commerce issued a countervailing duty order on

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<sup>8</sup> The petitions were filed on behalf of the Municipal Castings Fair Trade Council, a trade association representing 15 domestic producers of iron construction castings.

<sup>9</sup> As discussed in subsequent sections, India was subject to an earlier countervailing duty proceeding that resulted in an order that was revoked in 1999 (effective January 1, 2000), as well as the 1985-86 antidumping duty proceeding that resulted in an order that was revoked in 1991.

<sup>10</sup> *Iron Construction Castings from Canada: Investigation No. 731-TA-263 (Final)*, USITC Publication 1811, February 1986, p. 1. The Commission found two like products (heavy and light iron construction castings) and two domestic industries: (1) an industry producing heavy iron construction castings and (2) an industry producing light iron construction castings. *Ibid.*, p. 4.

<sup>11</sup> *Iron Construction Castings from Brazil, India and the People's Republic of China: Investigation Nos. 701-TA-249 and 731-TA-262, 264, and 265 (Final)*, USITC Publication 1838, April 1986, p. 1. The Commission found two like products (heavy and light iron construction castings) and two domestic industries: (1) an industry producing heavy iron construction castings and (2) an industry producing light iron construction castings. *Ibid.*, pp. 5-6.

imports of heavy iron construction castings from Brazil on May 15, 1986,<sup>12</sup> and antidumping duty orders on imports of heavy and light iron construction castings from Brazil,<sup>13</sup> Canada,<sup>14</sup> China,<sup>15</sup> and India<sup>16</sup> in March and May of 1986.<sup>17</sup>

### Five-Year Reviews

On November 2, 1998, the Commission gave notice that it had instituted five-year reviews on iron construction castings. After conducting full reviews and following Commerce's affirmative determinations, on October 25, 1999, the Commission determined that revocation of the countervailing duty order on iron metal castings from India 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. The Commission further determined that revocation of the countervailing duty order on heavy iron construction castings from Brazil; revocation of the antidumping duty orders on heavy iron construction castings from Brazil, Canada, and China; and revocation of the antidumping duty orders on light iron construction castings from Brazil and China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>18</sup>

On October 1, 2004, the Commission gave notice that it had instituted second five-year reviews on iron construction castings. After conducting expedited reviews, on June 8, 2005, the Commission determined that revocation of the countervailing duty order on heavy iron construction castings from Brazil; revocation of the antidumping duty order on heavy iron construction castings from Canada; and revocation of the antidumping duty orders on iron construction castings (both heavy and light) from Brazil and China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>19</sup> A chronology of selected historical actions taken by the Commission and Commerce in the original investigations and the subsequent first and second five-year reviews is presented in the following tabulation.

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<sup>12</sup> *Countervailing Duty Order; Certain Heavy Iron Construction Castings From Brazil*, 51 FR 17786, May 15, 1986.

<sup>13</sup> *Antidumping Duty Order; Iron Construction Castings From Brazil*, 51 FR 17220, May 9, 1986.

<sup>14</sup> *Antidumping Duty Order; Certain Iron Construction Castings From Canada*, 51 FR 7600, March 5, 1986.

<sup>15</sup> *Antidumping Duty Order; Iron Construction Castings From the People's Republic of China (the PRC)*, 51 FR 17222, May 9, 1986.

<sup>16</sup> *Antidumping Duty Order; Iron Construction Castings From India*, 51 FR 17221, May 9, 1986.

<sup>17</sup> On February 6, 1991, Commerce revoked the antidumping duty order on heavy and light iron construction castings from India following its decision on remand. *Revocation of Antidumping Duty Order and Termination of Administrative Reviews; Iron Construction Castings from India*, 56 FR 4789, February 6, 1991. On September 17, 1998, Commerce revoked in part the antidumping duty order on heavy and light iron construction castings from Canada by eliminating light castings from the order. *Iron Construction Castings From Canada: Notice of Final Results of Changed Circumstances Antidumping Duty Administrative Review, and Revocation in Part of Antidumping Duty Order*, 63 FR 49687, September 17, 1998.

<sup>18</sup> *Iron Metal Castings From India; Heavy Iron Construction Castings From Brazil; and Iron Construction Castings From Brazil, Canada, and China*, 64 FR 58442, October 29, 1999.

<sup>19</sup> *Certain Iron Construction Castings From Brazil, Canada, and China*, 70 FR 34505, June 14, 2005.

<b>Effective date</b>	<b>Action</b>	<b><i>Federal Register</i> citation</b>
<b>Investigation Nos. 701-TA-249 (Final) (Brazil) and 731-TA-262, 263, and 265 (Final) (Brazil, Canada, and China)</b>		
February 19, 1986	Commission issues affirmative determinations	51 FR 7646 March 5, 1986
April 30, 1986		51 FR 16906 May 7, 1986
March 5, 1986	Commerce issues antidumping duty order: Canada	51 FR 7600 March 5, 1986
May 9, 1986	Commerce issues antidumping duty order: Brazil	51 FR 17220 May 9, 1986
May 9, 1986	Commerce issues antidumping duty order: China	51 FR 17222 May 9, 1986
May 15, 1986	Commerce's issues countervailing duty order: Brazil	51 FR 17786 May 15, 1986
<b>Investigation No. 701-TA-249 (Review) (Brazil) and 731-TA-262, 263, and 265 (Review) (Brazil, Canada, and China)</b>		
November 2, 1998	Commission institutes reviews	63 FR 58758 November 2, 1998
November 2, 1998	Commerce initiates reviews	63 FR 58709 November 2, 1998
February 24, 1999	Commission determines to conduct full reviews	64 FR 9176 February 24, 1999
October 25, 1999	Commission issues affirmative determinations	64 FR 58442 October 29, 1999
November 12, 1999	Commerce issues first continuation of antidumping duty orders	64 FR 61590 November 12, 1999
November 12, 1999	Commerce issues continuation of countervailing duty order	64 FR 61591 November 12, 1999
<b>Investigation Nos. 701-TA-249 (Review) (Brazil) and 731-TA-262, 263, and 265 (Review) (Brazil, Canada, and China)</b>		
October 1, 2004	Commission institutes second five-year reviews	69 FR 58952 October 1, 2004
October 1, 2004	Commerce initiates second five-year reviews	69 FR 58890 October 1, 2004
June 8, 2005	Commission issues affirmative determinations	70 FR 34505 June 14, 2005
June 29, 2005	Commerce issues second continuation of subject orders	70 FR 37326 June 29, 2005
Source: Cited <i>Federal Register</i> notices.		

## Commerce's Final Results of Expedited Five-Year Reviews

Commerce published the final results of its reviews based on the facts available on September 8, 2010. Commerce concluded that revocation of the countervailing duty order would be likely to lead to continuation or recurrence of a countervailable subsidy and that revocation of the antidumping duty orders would likely lead to continuation or recurrence of dumping.<sup>20</sup>

### Commerce's Administrative Reviews

Commerce has completed numerous administrative reviews of the countervailing duty and antidumping duty orders on iron construction castings from Brazil, Canada, and China. Information on Commerce's final determinations, countervailing duty and antidumping duty orders, administrative and changed circumstances determinations, and the final results of its expedited five-year reviews are presented in tables I-1, I-2, I-3, and I-4.

**Table I-1**  
**Heavy iron construction castings from Brazil: Commerce's final determination, countervailing duty order, and administrative reviews**

Action	Effective date	Federal Register citation	Period of investigation/ review	Countervailing duty margins	
				Firm-specific	Country-wide <sup>1</sup>
				Percent ad valorem	
Final determination	03/19/1986	51 FR 9491	12/01/1984-05/31/1985	--	5.77
Countervailing duty order	05/15/1986	51 FR 17786	--	--	3.40
Administrative review	01/21/1992	57 FR 2252	01/01/1990-12/31/1990	--	0.33
Final results of expedited five-year review	09/08/2010	75 FR 54596	—	--	1.06

<sup>1</sup> The country-wide rate applies to all companies that otherwise have not received a "firm-specific" rate.

Source: Cited *Federal Register* notices.

<sup>20</sup> *Certain Iron Construction Castings From Brazil, Canada, and the People's Republic of China: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 75 FR 54595, September 8, 2010; *Final Results of Expedited Sunset Review: Heavy Iron Construction Castings From Brazil*, 75 FR 54596, September 8, 2010.

**Table I-2**

**Iron construction castings from Brazil: Commerce’s final determination, antidumping duty order, and administrative reviews**

Action	Effective date	Federal Register citation	Period of investigation/ review	Antidumping duty margins		
				Firm-specific		Country-wide <sup>1</sup>
				Percent ad valorem		
Final determination	03/19/1986	51 FR 9477	12/01/1984-05/31/1985	Aldebara Somep Usipa	58.74 16.61 5.95	26.16
Antidumping duty order	05/09/1986	51 FR 17220	--	Aldebara Somep Usipa	58.74 16.61 5.95	26.16
Administrative review	06/27/1990	55 FR 26238	10/21/1985-04/30/1987	Viana COSIGUA (Usipa)	25.50 15.30	26.16
			05/01/1987-04/30/1988	COSIGUA (Usipa)	8.46	
Administrative review	10/25/1990	55 FR 43019	05/01/1988-04/30/1989	COSIGUA (Usipa)	56.74	26.16
Final results of expedited five-year review	09/08/2010	75 FR 54595	–	Aldebara Somep Usipa	58.74 16.61 5.95	26.16
<sup>1</sup> The country-wide rate applies to all companies that otherwise have not received a “firm-specific” rate.						
Source: Cited <i>Federal Register</i> notices.						



**Table I-3**

**Iron construction castings from Canada: Commerce's final determination, antidumping duty order, and administrative and changed circumstances reviews**

Action	Effective date	Federal Register citation	Period of investigation/ review	Antidumping duty margins	
				Firm-specific	Country-wide <sup>1</sup>
				Percent ad valorem	
Final determination	01/16/1986	51 FR 2412	12/01/1984-05/31/1985	Bibby 10.90 LaPerle 7.40 Mueller 9.80	10.20
Antidumping duty order	03/05/1986	51 FR 7600	--	Mueller 9.80 Bibby 8.60 LaPerle 3.90	7.00
Amended final determination and antidumping duty order <sup>2</sup>	09/25/1986	51 FR 34110	12/01/1984-05/31/1985	Mueller 9.80 Bibby 8.60 LaPerle 4.40	7.50
Administrative review	05/21/1991	56 FR 23274	10/28/1985-02/28/1987	Grand Mere 1.37 Laroche 1.38 LaPerle 3.16 Mueller 7.21	7.50
Administrative review	01/05/1990	55 FR 460	03/01/1987-02/29/1988	Bibby 4.64	7.50
Administrative review	05/17/1994	59 FR 25603	03/01/1992-02/28/1993	Associated 9.80 Bibby <sup>3</sup> 9.80 Bibby Foundry 9.80 Bibby Waterworks 9.80 Dobney Foundry 9.80 LaPerle 9.80 McCoy 7.50 Penticton 9.80 Titan Foundry 9.80 Titan Supply 9.80 Trojan Industries 9.80	7.50
Administrative review	03/16/1995	60 FR 9009	03/01/1991-02/29/1992	LaPerle 9.80 Penticton 9.80 Titan 9.80 Associated 9.80	7.50
Administrative review	04/12/2001	66 FR 18900	03/01/1999-02/29/2000	Canada Pipe 3.89	7.50
Changed circumstances review <sup>4</sup>	08/16/2002	67 FR 53562	03/01/1999-02/29/2000	Canada Pipe 3.89	7.50
Administrative review	08/16/2002	67 FR 53564	03/01/2000-02/28/2001	Canada Pipe 1.43	7.50
Final results of expedited five-year review	09/08/2010	75 FR 54595	--	Bibby 8.60 LaPerle 4.40 Mueller 9.80	7.50

Table continued on the following page.

**Table I-3--Continued****Iron construction castings from Canada: Commerce's final determination, antidumping duty order, and administrative and changed circumstances reviews**

<sup>1</sup> The country-wide rate applies to all companies that otherwise have not received a "firm-specific" rate.
<sup>2</sup> Commerce revised the final weighted-average dumping margins following the allegation and correction of ministerial errors. <i>Iron Construction Castings From Canada; Amendment to Final Determination of Sales at Less Than Fair Value and Amendment to Antidumping Duty Order</i> , 51 FR 34110, September 25, 1986.
<sup>3</sup> Includes Bibby Ste-Croix Foundries and Bibby Ste-Croix Division.
<sup>4</sup> The weighted-average margin calculated in the 1999-2000 administrative review applies to Canada Pipe's unincorporated plants that have "Bibby Ste.-Croix," "LaPerle," "Grand Mere," or simply "Bibby" in their names. <i>Iron Construction Castings From Canada: Notice of Final Results of Changed Circumstances Antidumping Duty Administrative Review</i> , 67 FR 53562, August 16, 2002.
Note.—As the result of a 1998 changed circumstances review, the antidumping duty order was revoked in part due to an expression of no interest from the domestic interested parties. The antidumping duty order was revoked in relation to light castings under HTS statistical reporting number 7325.10.0050. <i>Iron Construction Castings From Canada: Notice of Final Results of Changed Circumstances Antidumping Duty Administrative Review, and Revocation in Part of Antidumping Duty Order</i> , 63 FR 49687, September 17, 1998; <i>Iron Construction Castings From Canada: Notice of Final Results of Changed Circumstances Antidumping Duty Administrative Review, and Revocation in Part of Antidumping Duty Order: Correction</i> , 63 FR 50881, September 23, 1998.
Source: Cited <i>Federal Register</i> notices.

**Table I-4****Iron construction castings from China: Commerce's final determination, antidumping duty order, administrative reviews and final results of expedited five-year review**

Action	Effective date	Federal Register citation	Period of investigation/ review	Antidumping duty margins	
				Firm-specific	Country-wide <sup>1</sup>
				Percent ad valorem	
Final determination	03/19/1986	51 FR 9483	12/01/1984-05/31/1985	--	11.66
Antidumping duty order	05/09/1986	51 FR 17222	--	--	11.66
Administrative review, amended results <sup>2</sup>	09/09/2002	67 FR 57211	05/01/1987-04/30/1988	--	12.50
Administrative review, amended results <sup>2</sup>	09/09/2002	67 FR 57211	05/01/1988-04/30/1989	--	28.77
Administrative review, amended results <sup>2</sup>	09/09/2002	67 FR 57211	05/01/1989-04/30/1990	Minmetals Guangdong 22.50	28.77
Administrative review	06/08/1992	57 FR 24245	05/01/1990-04/30/1991	Minmetals Guangdong 92.74	92.74
Administrative review	10/02/1995	60 FR 51454	05/01/1993-04/30/1994	MACHIMPEX 92.74	92.74
Final results of expedited five-year review	09/08/2010	75 FR 54595	--	--	25.52

Table continued on the following page.

**Table I-4--Continued**

**Iron construction castings from China: Commerce's final determination, antidumping duty order, administrative reviews and final results of expedited five-year review**

<sup>1</sup> The country-wide rate applies to all companies that otherwise have not received a "firm-specific" rate.

<sup>2</sup> On February 10, 2000, the Court of International Trade ("CIT") affirmed Commerce's remand determinations arising from the 1987-88, 1988-89, and 1989-90 administrative reviews. These determinations were appealed due to issues relating to the calculation of the margins assigned for these periods and whether MACHIMPEX should be deemed included in the reviews. *Iron Construction Castings From the People's Republic of China; Amended Final Results of Antidumping Duty Administrative Reviews in Accordance with Court Decision*, 67 FR 57211, September 9, 2002; *Final Results of Antidumping Duty Administrative Review: Certain Iron Construction Castings From the People's Republic of China*, 57 FR 10644, March 27, 1992; *Iron Construction Castings From the People's Republic of China; Final Results of Antidumping Duty Administrative Review*, 56 FR 2742, January 24, 1991.

Source: Cited *Federal Register* notices.

**Distribution of Continued Dumping and Subsidy Offset Funds to Affected Domestic Producers**

The Continued Dumping and Subsidy Offset Act of 2000 ("CDSOA") (also known as the Byrd Amendment) provided that assessed duties received pursuant to antidumping or countervailing duty orders must be distributed to affected domestic producers for certain qualifying expenditures that these producers incur after the issuance of such orders.<sup>21</sup> Qualified U.S. producers of iron construction castings have been eligible to receive disbursements from U.S. Customs and Border Protection ("Customs") under CDSOA, relating to the orders covering the subject merchandise beginning in Federal fiscal year 2001.<sup>22</sup> Tables I-5, I-6, I-7, and I-8 present CDSOA claims and disbursements for Federal fiscal years 2001-09.

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<sup>21</sup> Section 754 of the Tariff Act of 1930, as amended (19 U.S.C. § 1675(c)). The Deficit Reduction Act of 2005 repealed the CDSOA with respect to duties on entries of goods made and filed on or after October 1, 2007. See Pub. L. No. 109-171, 120 Stat. 4, 154 (2006).

<sup>22</sup> 19 CFR 159.64(g).

**Table I-5**

**Heavy iron construction castings from Brazil: CDSOA claims and disbursements, Federal fiscal years 2001-03, 2005-09<sup>1 2 3</sup>**

Year	Claimant	Share of yearly allocation	Certification amount <sup>4</sup>	Amount disbursed
		Percent <sup>5</sup>	Dollars	
2001	Allegheny Foundry	1.23	\$24,590,588.00	\$34.60
	East Jordan	38.90	\$777,833,568.00	\$1,094.55
	LeBaron Foundry	6.64	\$132,835,568.00	\$186.92
	Municipal Castings	1.36	\$27,097,240.00	\$38.13
	Neenah	44.22	\$884,584,565.00	\$1,244.17
	U.S. Foundry	5.81	\$116,133,044.00	\$163.42
	Total	100.00	\$1,959,949,362.00	\$2,813.62
2002	Alhambra Foundry	3.40	\$73,961,113.00	( <sup>6</sup> )
	Allegheny Foundry	1.20	\$26,045,875.00	( <sup>6</sup> )
	East Jordan	40.25	\$874,686,782.79	( <sup>6</sup> )
	LeBaron Foundry	7.24	\$157,332,460.00	( <sup>6</sup> )
	Municipal Castings	1.22	\$26,483,794.00	( <sup>6</sup> )
	Neenah	40.71	\$884,584,565.00	( <sup>6</sup> )
	Total	100.00	\$2,173,058,761.79	( <sup>6</sup> )
2003	Alhambra Foundry	2.98	\$77,720,943.00	( <sup>6</sup> )
	Allegheny Foundry	1.06	\$27,579,978.00	( <sup>6</sup> )
	East Jordan	37.59	\$978,790,207.60	( <sup>6</sup> )
	LeBaron Foundry	6.61	\$172,248,790.00	( <sup>6</sup> )
	Municipal Castings	1.12	\$29,247,844.00	( <sup>6</sup> )
	Neenah	45.12	\$1,174,948,711.00	( <sup>6</sup> )
	Total	100.00	\$2,604,120,061.00	( <sup>6</sup> )
2005	Alhambra Foundry	2.67	\$84,373,112.00	\$2.71
	East Jordan	38.64	\$1,220,518,512.53	\$39.18
	LeBaron Foundry	6.70	\$211,706,573.00	\$6.80
	Municipal Castings	1.02	\$32,158,334.00	\$1.03
	Neenah	45.47	\$1,436,373,790.00	\$46.11
	U.S. Foundry	5.50	\$173,791,631.00	\$5.58
	Total	100.00	\$3,158,921,952.53	\$101.41

Table continued on the following page.

**Table I-5--Continued**

**Heavy iron construction castings from Brazil: CDSOA claims and disbursements, Federal fiscal years 2001-03, 2005-09<sup>1 2 3</sup>**

Year	Claimant	Share of yearly allocation	Certification amount <sup>4</sup>	Amount disbursed
		Percent <sup>5</sup>	Dollars	
2006	Alhambra Foundry	2.50	\$88,229,674.00	\$1.55
	East Jordan	39.00	\$1,375,118,272.00	\$24.15
	LeBaron Foundry	6.43	\$226,751,170.20	\$3.98
	Municipal Castings	1.01	\$35,610,235.97	\$0.63
	Neenah	45.15	\$1,591,935,749.89	\$27.96
	U.S. Foundry	5.90	\$208,103,601.42	\$3.66
	Total	100.00	\$3,525,748,703.48	\$61.93
2007	Alhambra Foundry	( <sup>6</sup> )	\$92,027,832.74	( <sup>6</sup> )
	East Jordan	( <sup>6</sup> )	\$1,518,036,670.67	( <sup>6</sup> )
	LeBaron Foundry	( <sup>6</sup> )	\$242,913,688.22	( <sup>6</sup> )
	Municipal Castings	( <sup>6</sup> )	\$38,597,862.34	( <sup>6</sup> )
	Neenah	( <sup>6</sup> )	\$1,747,703,026.93	( <sup>6</sup> )
	U.S. Foundry	( <sup>6</sup> )	\$221,496,614.76	( <sup>6</sup> )
	Total	( <sup>6</sup> )	\$3,860,775,695.66	( <sup>6</sup> )
2008	Alhambra Foundry	( <sup>6</sup> )	\$92,027,834.00	( <sup>6</sup> )
	East Jordan	( <sup>6</sup> )	\$1,518,036,670.67	( <sup>6</sup> )
	LeBaron Foundry	( <sup>6</sup> )	\$16,162,515.20	( <sup>6</sup> )
	Neenah	( <sup>6</sup> )	\$1,747,703,101.00	( <sup>6</sup> )
	U.S. Foundry	( <sup>6</sup> )	\$221,496,614.76	( <sup>6</sup> )
	Total	( <sup>6</sup> )	\$3,595,426,735.63	( <sup>6</sup> )
2009	Alhambra Foundry	( <sup>6</sup> )	\$92,027,832.74	( <sup>6</sup> )
	East Jordan	( <sup>6</sup> )	\$1,518,036,670.67	( <sup>6</sup> )
	Neenah	( <sup>6</sup> )	\$1,747,703,101.00	( <sup>6</sup> )
	U.S. Foundry	( <sup>6</sup> )	\$221,496,614.76	( <sup>6</sup> )
	Total	( <sup>6</sup> )	\$3,579,264,219.17	( <sup>6</sup> )

<sup>1</sup> The Federal fiscal year is October 1-September 30.

<sup>2</sup> No CDSOA claims and disbursements were made with respect to iron construction castings from Brazil prior to 2001.

<sup>3</sup> No CDSOA data was available on iron construction castings from Brazil in 2004.

<sup>4</sup> Qualifying expenditures incurred by domestic producers since the issuance of an order.

<sup>5</sup> Total presented as reported in Annual Report may not add to figures shown.

<sup>6</sup> No disbursement for this period.

Source: Customs' CDSOA Annual Reports 2001-09,  
[http://www.cbp.gov/xp/cgov/trade/priority\\_trade/add\\_cvd/cont\\_dump/](http://www.cbp.gov/xp/cgov/trade/priority_trade/add_cvd/cont_dump/).

**Table I-6**  
**Iron construction castings from Brazil: CDSOA claims and disbursements, Federal fiscal years**  
**2001-03, 2005-09<sup>1 2 3</sup>**

Year	Claimant	Share of yearly allocation	Certification amount <sup>4</sup>	Amount disbursed
		<i>Percent<sup>5</sup></i>	<i>Dollars</i>	
2001	Allegheny Foundry	1.23	\$24,590,588.00	\$34.60
	East Jordan	38.90	\$777,833,568.00	\$1,094.55
	LeBaron Foundry	6.64	\$132,835,106.00	\$186.92
	Municipal Castings	1.36	\$27,097,240.00	\$38.13
	Neenah	44.22	\$884,163,700.00	\$1,244.17
	Tyler Pipe	1.84	\$36,831,011.00	\$51.83
	U.S. Foundry	5.81	\$116,133,044.00	\$163.42
	Total	100.00	\$1,999,484,257.00	\$2,813.62
2002	Alhambra Foundry	3.34	\$73,961,113.00	\$51.80
	Allegheny Foundry	1.18	\$26,045,840.40	\$18.24
	East Jordan	39.46	\$874,685,688.24	\$612.58
	LeBaron Foundry	7.10	\$157,457,022.08	\$110.27
	Municipal Castings	1.20	\$26,483,755.87	\$18.55
	Neenah	39.88	\$884,162,455.83	\$619.22
	Tyler Pipe	1.99	\$44,130,121.17	\$30.91
	U.S. Foundry	5.82	\$129,964,008.58	\$91.02
	Total	100.00	\$2,216,890,005.17	\$1,552.59
2003	Alhambra Foundry	2.93	\$77,720,891.20	\$796.79
	Allegheny Foundry	1.04	\$27,579,923.36	\$282.75
	East Jordan	36.85	\$978,788,500.47	\$10,034.45
	LeBaron Foundry	6.49	\$172,373,241.81	\$1,767.15
	Municipal Castings	1.10	\$29,247,787.32	\$299.85
	Neenah	44.25	\$1,175,478,431.61	\$12,050.89
	Tyler Pipe	1.94	\$51,554,869.26	\$528.54
	U.S. Foundry	5.41	\$142,583,332.56	\$1,472.00
	Total	100.00	\$2,656,326,977.59	\$27,232.42

Table continued on the following page.

**Table I-6--Continued**

**Iron construction castings from Brazil: CDSOA claims and disbursements, Federal fiscal years 2001-03, 2005-09<sup>1 2 3</sup>**

Year	Claimant	Share of yearly allocation	Certification amount <sup>4</sup>	Amount disbursed
		Percent <sup>5</sup>	Dollars	
2005	Alhambra Foundry	2.61	\$84,372,263.00	\$96.57
	East Jordan	37.80	\$1,220,506,770.95	\$1,396.92
	LeBaron Foundry	6.56	\$211,829,257.66	\$242.45
	Municipal Castings	1.00	\$32,157,977.47	\$36.81
	Neenah	44.54	\$1,438,330,562.72	\$1,646.23
	Tyler Pipe	2.11	\$68,105,221.72	\$77.95
	U.S. Foundry	5.38	\$173,789,904.56	\$198.91
	Total	100.00	\$3,229,091,958.08	\$3,695.84
2006	Alhambra Foundry	2.45	\$88,228,731.84	\$392.41
	East Jordan	38.15	\$1,375,105,173.00	\$6,116.00
	LeBaron Foundry	6.29	\$226,873,619.21	\$1,009.06
	Municipal Castings	0.99	\$35,609,487.13	\$158.38
	Neenah	44.22	\$1,593,890,922.49	\$7,089.08
	Tyler Pipe	2.13	\$76,825,372.77	\$341.69
	U.S. Foundry	5.77	\$208,101,681.65	\$925.56
	Total	100.00	\$3,604,634,988.09	\$16,032.18
2007	Alhambra Foundry	0.00	\$92,026,499.43	\$0.00
	East Jordan	0.00	\$1,518,017,479.50	\$0.00
	LeBaron Foundry	0.00	\$243,035,132.15	\$0.00
	Municipal Castings	0.00	\$38,596,955.75	\$0.00
	Neenah	0.00	\$1,749,651,109.41	\$0.00
	U.S. Foundry	0.00	\$221,493,773.09	\$0.00
	Total	0.00	\$3,862,820,949.33	\$0.00
2008	Alhambra Foundry	2.56	\$92,026,499.43	\$185.26
	East Jordan	42.20	\$1,518,017,479.50	\$3,055.87
	LeBaron Foundry	0.45	\$16,159,206.15	\$32.53
	Neenah	48.64	\$1,749,635,578.90	\$3,522.14
	U.S. Foundry	6.16	\$221,493,773.09	\$445.88
	Total	100.00	\$3,597,332,537.07	\$7,241.68

Table continued on the following page.

**Table I-6--Continued**

**Iron construction castings from Brazil: CDSOA claims and disbursements, Federal fiscal years 2001-03, 2005-09<sup>1 2 3</sup>**

Year	Claimant	Share of yearly allocation	Certification amount <sup>4</sup>	Amount disbursed
		Percent <sup>5</sup>	Dollars	
2009	Alhambra Foundry	0.00	\$92,026,314.17	\$0.00
	East Jordan	0.00	\$1,518,014,423.63	\$0.00
	Neenah	0.00	\$1,748,336,856.17	\$0.00
	U.S. Foundry	0.00	\$221,493,327.21	\$0.00
	Total	0.00	\$3,579,870,921.18	\$0.00

<sup>1</sup> The Federal fiscal year is October 1-September 30.

<sup>2</sup> No CDSOA claims and disbursements were made with respect to iron construction castings from Brazil prior to 2001.

<sup>3</sup> No CDSOA data was available on iron construction castings from Brazil in 2004.

<sup>4</sup> Qualifying expenditures incurred by domestic producers since the issuance of an order.

<sup>5</sup> Total presented as reported in Annual Report may not add to figures shown.

Source: Customs' *CDSOA Annual Reports 2001-09*,  
[http://www.cbp.gov/xp/cgov/trade/priority\\_trade/add\\_cvd/cont\\_dump/](http://www.cbp.gov/xp/cgov/trade/priority_trade/add_cvd/cont_dump/).



**Table I-7**  
**Iron construction castings from Canada: CDSOA claims and disbursements, Federal fiscal years**  
**2001-05<sup>1 2</sup>**

Year	Claimant	Share of yearly allocation	Certification amount <sup>3</sup>	Amount disbursed
		<i>Percent<sup>4</sup></i>	<i>Dollars</i>	
2001	Allegheny Foundry	1.25	\$24,934,857.00	\$479.70
	East Jordan	39.08	\$779,675,501.00	\$14,999.51
	LeBaron Foundry	6.72	\$134,066,761.00	\$2,579.20
	Municipal Castings	1.21	\$24,097,240.00	\$463.59
	Neenah	44.72	\$892,196,645.00	\$17,164.21
	Tyler Pipe	1.17	\$23,258,742.00	\$447.46
	U.S. Foundry	5.85	\$116,801,724.00	\$2,247.05
	Total	100.00	\$1,995,031,470.00	\$38,380.72
2002	Alhambra Foundry	3.35	\$73,961,113.00	\$2,082.55
	Allegheny Foundry	1.20	\$26,389,664.30	\$743.06
	East Jordan	39.70	\$876,513,715.61	\$24,680.27
	LeBaron Foundry	7.19	\$158,673,545.80	\$4,467.82
	Municipal Castings	1.19	\$26,483,330.41	\$745.70
	Neenah	40.41	\$892,179,480.79	\$25,121.37
	Tyler Pipe	1.05	\$23,258,294.54	\$654.89
	U.S. Foundry	5.92	\$130,630,604.95	\$3,678.21
	Total	100.00	\$2,208,089,749.40	\$62,173.87
2003	Alhambra Foundry	2.94	\$77,718,860.45	\$24,116.38
	Allegheny Foundry	1.06	\$27,923,024.24	\$8,664.59
	East Jordan	37.16	\$980,592,460.15	\$304,280.55
	LeBaron Foundry	6.58	\$173,585,407.98	\$53,864.03
	Municipal Castings	1.11	\$29,246,634.71	\$9,075.31
	Neenah	44.81	\$1,182,563,664.41	\$366,952.77
	Tyler Pipe	0.88	\$23,257,639.65	\$7,216.91
	U.S. Foundry	5.47	\$144,246,341.74	\$44,760.04
	Total	100.00	\$2,639,134,033.33	\$818,930.58

Table continued on the following page.

**Table I-7--Continued**

**Iron construction castings from Canada: CDSOA claims and disbursements, Federal fiscal years 2001-05<sup>1 2</sup>**

Year	Claimant	Share of yearly allocation	Certification amount <sup>3</sup>	Amount disbursed
		Percent <sup>4</sup>	Dollars	
2004	Alhambra Foundry	2.77	\$81,008,362.00	(\$3,285.01)
	Allegheny Foundry	1.01	\$29,447,795.65	(\$1,179.19)
	East Jordan	37.92	\$1,108,941,284.59	(\$41,122.82)
	LeBaron Foundry	6.70	\$195,843,049.95	(\$7,299.72)
	Municipal Castings	1.07	\$31,145,715.49	(\$1,228.46)
	Neenah	44.41	\$1,298,720,572.64	(\$48,648.22)
	Tyler Pipe	0.80	\$23,250,422.74	(\$989.50)
	U.S. Foundry	5.34	\$156,252,139.70	(\$6,058.92)
	Total	100.00	\$2,924,609,342.76	(\$109,811.84)
2005	Alhambra Foundry	2.64	\$84,350,198.00	\$2,372.12
	East Jordan	38.26	\$1,222,057,607.36	\$34,367.11
	LeBaron Foundry	6.67	\$212,996,626.67	\$5,989.96
	Municipal Castings	1.01	\$32,149,277.86	\$904.11
	Neenah	45.24	\$1,445,165,531.86	\$40,641.42
	Tyler Pipe	0.73	\$23,251,412.24	\$653.88
	U.S. Foundry	5.46	\$174,415,684.62	\$4,904.98
	Total	100.00	\$3,194,386,338.61	\$89,833.59

<sup>1</sup> The Federal fiscal year is October 1-September 30.

<sup>2</sup> No CDSOA claims and disbursements were made with respect to iron construction castings from Canada prior to 2001 or after 2005.

<sup>3</sup> Qualifying expenditures incurred by domestic producers since the issuance of an order.

<sup>4</sup> Total presented as reported in Annual Report may not add to figures shown.

Note.--Negative disbursement amounts are the result of refunds to importers as a result of liquidations or court cases.

Source: Customs' CDSOA Annual Reports 2001-09,  
[http://www.cbp.gov/xp/cgov/trade/priority\\_trade/add\\_cvd/cont\\_dump/](http://www.cbp.gov/xp/cgov/trade/priority_trade/add_cvd/cont_dump/).

**Table I-8**  
**Iron construction castings from China: CDSOA claims and disbursements, Federal fiscal years**  
**2001-09<sup>1 2</sup>**

Year	Claimant	Share of yearly allocation	Certification amount <sup>3</sup>	Amount disbursed
		<i>Percent<sup>4</sup></i>	<i>Dollars</i>	
2001	Allegheny Foundry	1.23	\$24,590,588.00	\$1,355.07
	East Jordan	38.96	\$777,833,568.00	\$42,862.79
	LeBaron Foundry	6.65	\$132,835,106.00	\$7,319.92
	Municipal Castings	1.21	\$24,097,240.00	\$1,327.89
	Neenah	44.29	\$884,163,700.00	\$48,722.14
	Tyler Pipe	1.84	\$36,831,011.00	\$2,029.59
	U.S. Foundry	5.82	\$116,133,044.00	\$6,399.55
	Total	100.00	\$1,996,484,257.00	\$110,016.95
2002	Alhambra Foundry	3.34	\$73,961,113.00	\$916.65
	Allegheny Foundry	1.18	\$26,044,519.93	\$322.79
	East Jordan	39.46	\$874,643,920.01	\$10,840.11
	LeBaron Foundry	7.10	\$157,449,889.08	\$1,951.39
	Municipal Castings	1.20	\$26,482,466.11	\$328.22
	Neenah	39.88	\$884,114,927.86	\$10,957.49
	Tyler Pipe	1.99	\$44,128,143.41	\$546.91
	U.S. Foundry	5.86	\$129,957,772.44	\$1,610.66
	Total	100.00	\$2,216,782,751.84	\$27,474.22
2003	Alhambra Foundry	2.93	\$77,720,026.35	\$41,012.28
	Allegheny Foundry	1.04	\$27,578,300.14	\$14,552.86
	East Jordan	36.85	\$978,736,504.71	\$516,472.00
	LeBaron Foundry	6.49	\$172,364,267.69	\$90,955.35
	Municipal Castings	1.10	\$29,246,178.89	\$15,432.99
	Neenah	44.25	\$1,175,420,565.37	\$620,260.72
	Tyler Pipe	1.94	\$51,552,375.50	\$27,203.81
	U.S. Foundry	5.41	\$143,575,576.78	\$75,763.77
	Total	100.00	\$2,656,193,795.43	\$1,401,653.78

Table continued on the following page.

**Table I-8--Continued**

**Iron construction castings from China: CDSOA claims and disbursements, Federal fiscal years 2001-09<sup>1 2</sup>**

Year	Claimant	Share of yearly allocation	Certification amount <sup>3</sup>	Amount disbursed
		Percent <sup>4</sup>	Dollars	
2004	Alhambra Foundry	2.77	\$80,992,632.00	\$12,846.87
	Allegheny Foundry	1.00	\$29,097,183.28	\$4,615.33
	East Jordan	37.06	\$1,082,893,137.71	\$171,766.09
	LeBaron Foundry	6.66	\$194,584,818.34	\$30,864.61
	Municipal Castings	1.07	\$31,138,910.99	\$4,939.18
	Neenah	44.20	\$1,291,269,192.65	\$204,818.23
	Tyler Pipe	1.93	\$56,241,629.69	\$8,920.92
	U.S. Foundry	5.32	\$155,550,371.01	\$24,673.05
	Total	100.00	\$2,921,767,875.67	\$463,444.28
2005	Alhambra Foundry	2.61	\$84,318,336.00	\$24,985.47
	East Jordan	37.80	\$1,219,776,571.55	\$361,447.99
	LeBaron Foundry	6.56	\$211,700,230.73	\$62,731.67
	Municipal Castings	1.00	\$32,136,305.72	\$9,522.73
	Neenah	44.54	\$1,437,459,668.42	\$425,952.53
	Tyler Pipe	2.11	\$68,067,131.77	\$20,169.86
	U.S. Foundry	5.38	\$173,683,183.96	\$51,466.34
	Total	100.00	\$3,227,141,428.15	\$956,276.60
2006	Alhambra Foundry	2.45	\$88,149,915.73	\$48.60
	East Jordan	38.15	\$1,374,014,923.00	\$757.47
	LeBaron Foundry	6.29	\$226,682,103.06	\$124.97
	Municipal Castings	0.99	\$35,556,657.71	\$19.60
	Neenah	44.22	\$1,592,595,721.19	\$877.97
	Tyler Pipe	2.13	\$76,767,190.91	\$42.32
	U.S. Foundry	5.77	\$207,943,693.62	\$114.64
	Total	100.00	\$3,601,710,205.22	\$1,985.56

Table continued on the following page.

**Table I-8--Continued**

**Iron construction castings from China: CDSOA claims and disbursements, Federal fiscal years 2001-09<sup>1 2</sup>**

Year	Claimant	Share of yearly allocation	Certification amount <sup>3</sup>	Amount disbursed
		Percent <sup>4</sup>	Dollars	
2007	Alhambra Foundry	0.00	\$91,948,027.13	\$0.00
	East Jordan	0.00	\$1,516,932,587.63	\$0.00
	LeBaron Foundry	0.00	\$242,844,500.09	\$0.00
	Municipal Castings	0.00	\$38,544,265.11	\$0.00
	Neenah	0.00	\$1,748,362,149.93	\$0.00
	Tyler Pipe	0.00	\$76,767,148.59	\$0.00
	U.S. Foundry	0.00	\$221,336,595.98	\$0.00
	Total	0.00	\$3,936,735,274.46	\$0.00
2008	Alhambra Foundry	2.51	\$91,948,076.00	\$1,572.81
	East Jordan	41.33	\$1,516,932,587.63	\$25,947.74
	LeBaron Foundry	0.44	\$15,968,574.09	\$273.15
	Neenah	47.60	\$1,747,051,438.82	\$29,884.01
	Tyler Pipe	2.09	\$76,767,180.91	\$1,313.13
	U.S. Foundry	6.03	\$2,213,365,950.98	\$3,786.05
	Total	100.00	\$3,670,004,453.43	\$62,776.89
2009	Alhambra Foundry	2.57	\$91,946,454.32	\$5,539.90
	East Jordan	42.40	\$1,516,906,639.89	\$91,395.67
	Neenah	48.84	\$1,747,021,554.81	\$105,260.41
	U.S. Foundry	6.19	\$221,332,809.93	\$13,335.60
	Total	100.00	\$3,577,207,458.95	\$215,531.58

<sup>1</sup> The Federal fiscal year is October 1-September 30.

<sup>2</sup> No CDSOA claims and disbursements were made with respect to iron construction castings from China prior to 2001.

<sup>3</sup> Qualifying expenditures incurred by domestic producers since the issuance of an order.

<sup>4</sup> Total presented as reported in Annual Report may not add to figures shown.

Source: Customs' CDSOA Annual Reports 2001-09,  
[http://www.cbp.gov/xp/cgov/trade/priority\\_trade/add\\_cvd/cont\\_dump/](http://www.cbp.gov/xp/cgov/trade/priority_trade/add_cvd/cont_dump/).

## Related Commission Investigations and Reviews

On October 8, 1980, the Commission published its determination that an industry in the United States was materially injured by reason of imports of certain iron metal castings from India that were being subsidized by the Government of India.<sup>23</sup> On October 16, 1980, Commerce issued a countervailing duty order in regards to the subject merchandise from India.<sup>24</sup> On November 2, 1998, the Commission instituted a five-year review concerning the countervailing duty order on India. On October 29, 1999, the Commission determined that revocation of the countervailing duty on iron metal castings from India 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,<sup>25</sup> and Commerce revoked the countervailing duty order effective January 1, 2000.<sup>26</sup>

On December 18, 1980, the Commission made an affirmative preliminary determination concerning imports of certain iron construction castings from India that were alleged to be sold at LTFV. Commerce subsequently issued a negative determination as to the existence of LTFV sales,<sup>27</sup> and the Commission's investigation was terminated.

On January 19, 1984, the Commission instituted investigation No. 332-176, *Competitive Assessment of the U.S. Foundry Industry*, of which Part III dealt with iron construction castings.<sup>28</sup> On December 2, 1985, the Commission instituted investigation No. TA-201-58, *Certain Metal Castings*, and at the end of its investigation made a negative determination.<sup>29</sup>

The Commission also conducted a countervailing duty investigation of light iron construction castings from Brazil. In August 1987, the Commission terminated the countervailing duty investigation of light iron construction castings from Brazil in response to petitioners' withdrawal of the petition.<sup>30</sup> The termination followed an affirmative preliminary determination<sup>31</sup> on remand from a decision of the Court of International Trade holding that the statute required those allegedly subsidized imports from Brazil to be cumulated with allegedly LTFV imports of light iron construction castings from Brazil and other countries.<sup>32</sup>

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<sup>23</sup> *Certain Iron-Metal Castings from India: Investigation No. 303-TA-13 (Final)*, USITC Publication 1098, September 1980.

<sup>24</sup> The scope of the order consisted of manhole covers and frames, clean-out covers and frames, and catch basin grates and frames, which are defined as heavy iron construction castings in these current reviews. *Certain Iron Metal Castings From India: Countervailing Duty Order*, 45 FR 68650, October 16, 1980.

<sup>25</sup> *Iron Metal Castings From India; Heavy Iron Construction Castings From Brazil; and Iron Construction Castings From Brazil, Canada, and China*, 64 FR 58442, October 29, 1999; determination upheld in *Neenah Foundry Co. v. United States*, 25 CIT 766, 155 F. Supp. 2d 766 (2001).

<sup>26</sup> *Revocation of Countervailing Duty Order: Iron Metal Castings From India*, 64 FR 61602, November 12, 1999.

<sup>27</sup> *Certain Iron Metal Castings From India; Antidumping: Final Determination of Sales at Not Less Than Fair Value*, 46 FR 39871, August 5, 1981.

<sup>28</sup> *Competitive Assessment of the U.S. Foundry Industry: Investigation No. 332-176*, USITC Publication 1582, September 1984.

<sup>29</sup> *Certain Metal Castings: Investigation No. TA-201-58*, USITC Publication 1849, June 1986.

<sup>30</sup> *Certain Light Iron Construction Castings From Brazil*, 52 FR 29902, August 12, 1987.

<sup>31</sup> *Iron Construction Castings From Brazil (Light)*, 51 FR 12217, April 9, 1986.

<sup>32</sup> *Bingham & Taylor, Division, Virginia Industries, Inc. V. United States*, 10 CIT 67, 627 F. Supp. 793 (1986), aff'd 815 F. 2d 1482 (Fed. Cir. 1987).

## THE PRODUCT

### Scope

The imported product subject to the countervailing duty and antidumping duty orders under review is heavy and light iron construction castings, provided for in the Harmonized Tariff Schedule of the United States (“HTSUS”) in subheading 7325.10. The specific production definitions for each subject country vary somewhat and are outlined below according to the most recent *Federal Register* notices.<sup>33</sup>

#### Heavy Iron Construction Castings from Brazil

The merchandise subject to the countervailing duty order consists of:

. . . certain heavy iron construction castings from Brazil. The merchandise is defined as manhole covers, rings and frames; catch basin grates and frames; and cleanout covers and frames used for drainage or access purposes for public utility, water and sanitary systems. The merchandise is currently classified under Harmonized Tariff Schedule (“HTS”) item number 7325.10.00. The HTS item number subject to the CVD order is provided for convenience and customs purposes. The written product description remains dispositive.

#### Heavy and Light Iron Construction Castings from Brazil

The merchandise covered by the antidumping duty order consists of:

. . . certain iron construction castings from Brazil, limited to manhole covers, rings, and frames, catch basin grates and frames, cleanout covers and frames used for drainage or access purposes for public utility, water and sanitary systems, classifiable as heavy castings under Harmonized Tariff Schedule (HTS) item number 7325.10.0010; and to valve, service, and meter boxes which are placed below ground to encase water, gas, or other valves, or water and gas meters, classifiable as light castings under HTS item number 7325.10.0050. The HTS item numbers are provided for convenience and customs purposes only. The written product description remains dispositive.

#### Heavy Iron Construction Castings from Canada

The merchandise covered by the antidumping duty order consists of:

. . . certain iron construction castings from Canada, limited to manhole covers, rings, and frames, catch basin grates and frames, clean-out covers, and frames used for drainage or access purposes for public utility, water and sanitary systems, classifiable as heavy castings under HTS item number 7325.10.0010. The HTS item number is provided for convenience and customs purposes only. The written product description remains dispositive.

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<sup>33</sup> For the scope product definitions included in this report, see *Certain Iron Construction Castings From Brazil, Canada, and the People’s Republic of China: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 75 FR 54595, September 8, 2010; *Final Results of Expedited Sunset Review: Heavy Iron Construction Castings From Brazil*, 75 FR 54596, September 8, 2010.

## Heavy and Light Iron Construction Castings from China

The merchandise covered by the antidumping duty order are:

. . .certain iron construction castings from the PRC, limited to manhole covers, rings and frames, catch basin grates and frames, cleanout covers and drains used for drainage or access purposes for public utilities, water and sanitary systems; and valve, service, and meter boxes which are placed below ground to encase water, gas, or other valves, or water or gas meters. These articles must be of cast iron, not alloyed, and not malleable. This merchandise is currently classifiable under the HTS item numbers 7325.10.0010 and 7325.10.0050. The HTS item numbers are provided for convenience and customs purposes. The written product description remains dispositive.

Commerce has completed and published 13 separate scope rulings since the original investigations. Commerce has completed a fourteenth request, but the ruling has not been published in the *Federal Register*. The requestors, outcomes, and completion dates of Commerce's scope rulings are listed in table I-9.

### U.S. Tariff Treatment

The heavy and light iron construction castings subject to these reviews currently are classified in HTSUS subheading 7325.10.00. During the period examined in the original investigations, heavy iron castings and light iron castings were provided for, in part, under Tariff Schedule for the United States, Annotated ("TSUSA") item 657.0990. Upon conversion to the HTSUS, iron construction castings initially were imported under statistical reporting numbers 7325.10.0010 (manhole covers, rings, and frames) and 7325.10.0050 (other). However, effective July 1, 1999, under changes approved by the Committee for Statistical Annotation of the Tariff Schedules, heavy and light castings are now reported under the following statistical reporting numbers (with explanatory descriptors added for clarity):

- 7325.10.0010 - Manhole covers, rings and frames (heavy)
- 7325.10.0020 - Catch basins, grates and frames (heavy)
- 7325.10.0025 - Cleanout covers and frames (heavy)
- 7325.10.0030 - Valve and service boxes (light)
- 7325.10.0035 - Meter boxes (light)
- 7325.10.0080 - Other

The general or NTR rate of duty for merchandise entering the United States under HTSUS subheading 7325.10 is "free" and applies to products of Brazil, Canada, and China.



**Table I-9**  
**Iron construction castings: Commerce's scope rulings**

<b>Subject country</b>	<b>Requestor</b>	<b>Scope ruling</b>	<b>Date of completion</b>	<b>Federal Register citation</b>
China	Customs/CNI Manufacturing	<b>Exclusion request granted.</b> Certain light-weight iron rings, not suitable for use with manhole covers, are not covered by the order.	June 15, 1992	57 FR 32973 (July 24, 1992)
Brazil	Southland Marketing	<b>Exclusion request granted.</b> DGO700 frame and DG0641 grate are outside the scope of the order.	April 28, 1995	60 FR 36782 (July 18, 1995)
China	Jack's International Trading Associates, Ltd.	<b>Exclusion request granted.</b> Cast iron, floor area drains (area drains) imported by Jack's are outside the scope of the order.	August, 28, 1995	60 FR 54213 (October 20, 1995)
China	Metraflex Company	<b>Exclusion request granted.</b> Certain "Y" pipe strainers, imported by Metraflex Company, are outside the scope of the order.	August, 13, 1997	62 FR 62288 (November 21, 1997)
China	Westview Sales, Ltd.	<b>Exclusion request denied.</b> Imports of manhole frames and solid covers are within the scope of the order.	October 17, 2003	70 FR 24533 (May 10, 2005)
China	Frank J. Martin Company	<b>Exclusion request granted.</b> Imports of cast iron full-flanged rings and certain cast iron gas lids are outside the scope of the order.	October 17, 2003	70 FR 24533 (May 10, 2005)
China	A.Y. McDonald Mfg. Co.	<b>Exclusion request denied.</b> Iron cast bases, iron cast upper bodies, and iron cast lids are within the scope of the antidumping duty order.  <b>Exclusion request granted.</b> Meter box frames, covers, and extension rings are excluded from the scope of the antidumping duty order.	September 7, 2005	70 FR 70785 (November 23, 2005)
China	Unisource International, Inc.	<b>Exclusion request granted.</b> Its Polycast Series 700 Frame and Grate are not covered by the order.	August 8, 2006	71 FR 66167 (November 13, 2006)
China	A.Y. McDonald Mfg. Co.	<b>Exclusion request granted.</b> The requestor's cast iron bases and upper bodies for meter boxes are not within the scope of the antidumping duty order.	January 18, 2007	72 FR 23802 (May 1, 2007)
Canada Brazil China	Deeter, East Jordan, LeBaron Foundry, Leed Foundry, Municipal Castings, Neenah, Tyler Pipe, and U.S. Foundry	<b>Exclusion request denied.</b> Iron construction castings made of gray and ductile cast iron are included within the scope of the antidumping and countervailing duty orders.	May 3, 2007	72 FR 43245 (August 3, 2007)
China	A.Y. McDonald Mfg. Co.	<b>Exclusion request granted.</b> Cast iron lids and bases independently sourced from the PRC for its "Arch Pattern" and "Minneapolis Pattern" curb boxes are not within the scope of the antidumping duty order.	July 21, 2008	73 FR 72771 (December 1, 2008)

Source: Cited *Federal Register* notices.

## Domestic Like Product and Domestic Industry

The domestic like product is the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. The domestic industry is the collection of U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. In its original determinations, its full first five-year review determinations, and its expedited second five-year review determinations concerning iron construction castings from Brazil, Canada, and China, the Commission found two separate domestic like products: “heavy” and “light” iron construction castings. The Commission also consistently found two separate domestic industries for all domestic producers of the corresponding domestic like products.<sup>34</sup>

Generally, foundries producing iron construction castings are dedicated to producing only one type of casting. Because of the high degree of specialization of product lines and mechanization of production operations, shifting of production between light and heavy castings generally does not occur. At the time of the original investigations, five of the six largest producers of iron construction castings produced either light or heavy castings, but not both.<sup>35</sup> In these current five-year reviews, two of the five responding producers, East Jordan and Neenah, produce both heavy and light castings, while U.S. Foundry and D&L Foundry produce only heavy castings and Vestal produces only light castings. The domestic interested parties indicated in their response to the Commission’s notice of institution in these current reviews that they are in agreement with the Commission’s definitions of two separate domestic like products and domestic industries.

## Physical Characteristics and Uses<sup>36</sup>

### Heavy Iron Construction Castings

Heavy construction castings are used for drainage or access purposes by utilities and municipalities in storm drainage, water transportation and water treatment, sanitary systems, natural gas transmission, and highways systems. Heavy construction castings are typically installed by general contractors or less frequently by municipal work crews. Manhole sets, consisting of a cover and a frame,

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<sup>34</sup> The current antidumping duty orders on iron construction castings from Brazil and China cover both heavy and light iron construction castings, whereas the countervailing duty order on iron construction castings from Brazil and the antidumping duty order on iron construction castings from Canada cover only heavy iron construction castings. The Commission’s original determination and the original antidumping duty order on iron construction castings from Canada covered both heavy and light castings; however, the order was subsequently revoked in part by Commerce to exclude light iron construction castings. *Antidumping Duty Order; Certain Iron Construction Castings From Canada*, 51 FR 7600, March 5, 1986; *Antidumping Duty Order; Iron Construction Castings From Brazil*, 51 FR 17220, May 9, 1986; *Countervailing Duty Order; Certain Heavy Iron Construction Castings From Brazil*, 51 FR 17786, May 15, 1986; *Iron Construction Castings From Canada; Amendment to Final Determination of Sales at Less Than Fair Value and Amendment to Antidumping Duty Order*, 51 FR 34110, September 25, 1986; *Iron Construction Castings From Canada: Notice of Final Results of Changed Circumstances Antidumping Duty Administrative Review, and Revocation in Part of Antidumping Duty Order*, 63 FR 49688, September 17, 1998; *Iron Construction Castings From Canada: Notice of Final Results of Changed Circumstances Antidumping Duty Administrative Review, and Revocation in Part of Antidumping Duty Order: Correction*, 63 FR 50881, September 23, 1998).

<sup>35</sup> *Iron Construction Castings from Brazil, India, and the People’s Republic of China: Investigation Nos. 731-TA-262, 264, and 265 (Final)*, USITC Publication 1838, April 1986, p. 6.

<sup>36</sup> Unless otherwise noted, the discussion in this section is based on information contained in *Certain Iron Construction Castings from Brazil, Canada, and China: Investigation Nos. 701-TA-249 and 731-TA-262, 263, and 265 (Second Review)*, USITC Publication 3781, June 2005.

and sometimes accessory parts such as rings, constitute the bulk of both domestic production and imports of heavy construction castings. Heavy castings generally range in weight from 270 to 1,000 pounds (123 to 454 kg) and are produced by the sand cast method. High-performance construction castings, such as those used in airport runways, are increasingly being made of ductile iron, a stronger and more expensive material than gray iron.

Although the basic configuration of the heavy construction castings included in these reviews vary little, there are many models of each of these products. Individual models are distinguished by their dimensions, markings, vents, pick holes, and other characteristics. Some differences in the models result from the different weather and wear problems characteristic of the different regions in which they are used. For example, castings used in the Northwest are designed to handle heavy rain runoff, whereas those sold in the Southwest are designed to prevent clogging with sand.

Other differences result from the preferences of the individual municipalities and utilities that are the end users of these products. Domestic foundries, by virtue of their proximity to the end users and construction supply distributors, require relatively short lead times and can fill most orders for less popular or customized models without maintaining inventories of such items. Importers, with their longer lead times, generally handle only the faster-moving, more standardized models because of the resulting inventory carrying costs incurred in supplying a complete range of products. Thus, while domestic producers may typically handle 4,000 to 5,000 items, importers may carry only 150 to 200.

### **Light Iron Construction Castings**

Light construction castings consist of valve, service, and meter boxes. These products are used by utilities and municipalities to encase the underground valves and meters of water, gas, or other utilities, and to provide access to this equipment for periodic adjustment or readings. Light castings are also manufactured in sets, usually containing three pieces – a base, a top, and a cover with lettering and/or a pattern. Light castings generally range in weight from 10 to 120 pounds (4.5 to 55 kg) and are produced in the United States by sand cast, shell mold, or permanent mold processes. Such castings are manufactured in a range of dimensions, but are relatively standardized nationwide. Valve, service, and meter boxes must reach below the frost line and consequently the type of boxes used in Northern regions may differ from those used in Southern regions. Light castings are typically made of gray iron, but other materials are increasingly being used. For natural gas applications, the underground sections and, occasionally, the covers of valve, service, and meter boxes, are increasingly made of plastic.

### **Manufacturing Process<sup>37</sup>**

#### **Heavy Iron Construction Castings**

Foundries produce iron castings by pouring molten iron into sand molds, allowing the iron to cool and solidify, and removing (“shaking out”) the solidified casting from the mold for finishing and sale. The molten iron is produced from pig and scrap iron, coke, and limestone in cupola furnaces, but can also be made in electric furnaces. The molds into which the iron is poured are produced in several ways. The sand-cast method is used to produce heavy castings and, in some foundries, light castings. In this process, green sand<sup>38</sup> is packed into metal frames (“flasks”) fitted with wood or metal patterns bearing the external shapes of the finished castings. Each mold consists of two flasks of sand – the “cope” with the pattern of

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<sup>37</sup> Unless otherwise noted, the discussion in this section is based on information contained in *Certain Iron Construction Castings from Brazil, Canada, and China: Investigation Nos. 701-TA-249 and 731-TA-262, 263, and 265 (Second Review)*, USITC Publication 3781, June 2005.

<sup>38</sup> Green sand is sand mixed (“mulled”) with a water-based binder, such as bentonite.

the casting's top half and the "drag" with the bottom half. After the sand has been packed firmly, the patterns are removed and the cope and drag are joined such that an internal cavity having the shape of the entire casting is created. Molten iron is poured into this cavity. After a cooling period, the green sand mold is shaken loose from the iron casting. Once completely cooled, the casting is finished, stored, and allowed to rust slightly to protect the casting from further deterioration. The green sand is reprocessed and used for further molds.

### **Light Iron Construction Castings**

Light castings have some inner surfaces that can be formed only with sand "cores" inserted into the cavity before the cope and drag are closed. Molten iron is poured into the mold cavity via a hole ("sprue") cut through the sand. After the iron cools, the casting is shaken out of the sand on shaker belts, and the sand from the molds and cores is reprocessed for further use. The casting is then particle blasted or ground to remove rough edges and overpourings, and then dip-painted or sold as is.

The shell mold process used by some producers to make light castings is similar to the sand cast method, except that the cores are made of resin-treated sand, which is baked and placed inside a metal mold. The sand-resin mold is designed to burn and separate itself from the iron casting at 1,200 degrees Fahrenheit. Some foundries produce light castings in permanent molds. These molds are made of a metal with a higher melting point than that of the cast gray iron and, instead of being discarded after each pour, are used for up to several thousand pours. However, initial tooling costs for permanent molds are high; therefore, the process is economical only for high-volume, standardized production.

### **Interchangeability and Customer and Producer Perceptions**

In the only full review that has been conducted on the subject orders, the Commission observed that iron construction castings "are routinely divided by U.S. industry terminology and usage into two categories: 'heavy' construction castings, and 'light' construction castings. Heavy castings are used for drainage or access purposes by utilities and municipalities in storm drainage, water transportation and water treatment, sanitary systems, natural gas transmission, and highway systems. Heavy castings generally weigh from 270 to 1,000 pounds. Light construction castings, in contrast, are used by utilities and municipalities to encase the underground valves and meters of water, gas, or other utilities and to provide access to this equipment for periodic adjustment or readings. Light castings generally weigh from 10 to 120 pounds. Having different functions and configurations, heavy castings and light castings are not interchangeable in end use and are perceived by producers and customers as separate products."<sup>39</sup> Neither the staff report in the second (expedited) reviews nor the response to the notice of institution by the domestic interested parties in the current (expedited) reviews suggest new or increasingly overlapping applications for heavy or light castings.

With respect to the U.S.-produced and imported construction castings, there has been general agreement in the past that such products are, within their specific applications, usually considered interchangeable. However, the use of imported castings is in certain instances prohibited by domestic content provisions. According to the staff report in the first reviews (the only full review of the subject orders), "Buy American" sales<sup>40</sup> accounted for 14 percent of the domestic sales of the largest U.S.

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<sup>39</sup> *Iron Metal Castings from India, Heavy Iron Construction Castings from Brazil, and Iron Construction Castings from Brazil, Canada, and China: Investigation Nos. 303-TA-13, 701-TA-249, and 731-TA-262, 263 and 265 (Review)*, USITC Publication 3247, October 1999, p. 7.

<sup>40</sup> "Buy America" requirements apply to iron construction castings that are purchased for the Federal-aid highway construction program (highways, bridges, transit systems, and terminals). Under "Buy America," Federal-aid funds may not be obligated for a project unless iron construction castings used in such projects are manufactured in the

(continued...)

producers of heavy iron castings and 28 percent of the domestic sales of the largest U.S. producers of light iron castings in 1997 and 1998. At that time, 11 of 15 purchasers of heavy iron castings indicated that such policies affected their purchases, while three of 10 purchasers of light iron castings reported an effect.<sup>41</sup>

### Channels of Distribution

Domestic foundries are in close proximity to the municipalities and construction supply distributors.<sup>42</sup> In the original investigations, staff noted that the vast bulk of construction castings are ultimately purchased and used by utilities, municipalities, and other such entities for civil construction purposes. Hence, iron construction castings have limited channels of distribution and end markets. Respondents to producer questionnaires reported that 35 percent of their shipments of iron construction castings went to distributors and 65 percent went to other markets (e.g., contractors, firms that construct municipal water and other utility systems, municipalities, and so forth). Importers that responded to the questionnaire reported that 60 percent of their shipments went to distributors. The higher proportion of sales to distributors by importers is typical of metalworking industries' markets.<sup>43</sup>

In the first five-year reviews, the Commission noted that U.S. sales of heavy castings are made through similar channels of distribution.<sup>44</sup> Based on the Commission's last large-scale survey of market participants, the majority of domestically produced heavy iron castings were sold to distributors (57 percent in 1998), with a not insubstantial share of sales directly to end users (43 percent). With respect to light iron castings, 86 percent of sales of domestically produced castings were sold to distributors and 14 percent were directly to end users. To the extent that such data were available for imported product, they suggested a similar focus on distributor sales.<sup>45</sup>

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<sup>40</sup> (...continued)

United States (with limited exceptions based on the product cost or its share of the original contract value). In addition, under an alternate-bid procedure, foreign-source materials may be used if the total project bid using foreign-source materials is 25 percent less than the lowest total bid using domestic materials. "Buy American" is a separate and distinct program from "Buy America," and has completely different rules. The Buy American Act, which covers specified products, requires the Federal Government to purchase domestic goods and services unless the head of the agency involved in the procurement has determined that the prices of the domestic suppliers are "unreasonable" or that their purchase would be "inconsistent with the public interest." Buy America and Buy American program descriptions are based on information from *Prestressed Concrete Steel Wire Strand from China: Investigation Nos. 701-TA-464 and 731-TA-1160 (Final)*, USITC Publication 4162, June 2010, p. 13.

<sup>41</sup> *Iron Metal Castings from India, Heavy Iron Construction Castings from Brazil, and Iron Construction Castings from Brazil, Canada, and China: Investigation Nos. 303-TA-13, 701-TA-249, and 731-TA-262, 263 and 265 (Review)*, USITC Publication 3247, October 1999, pp. II-8-II-9.

<sup>42</sup> *Iron Construction Castings from Brazil, India, and the People's Republic of China: Investigation Nos. 731-TA-262, 264, and 265 (Final)*, USITC Publication 1838, April 1986, p. A-5.

<sup>43</sup> *Ibid.*, p. A-10.

<sup>44</sup> *Certain Iron Construction Castings from Brazil, Canada, and China: Investigation Nos. 701-TA-249 and 731-TA-262, 263, and 265 (Second Review)*, USITC Publication 3781, June 2005, p. 9.

<sup>45</sup> *Iron Metal Castings from India, Heavy Iron Construction Castings from Brazil, and Iron Construction Castings from Brazil, Canada, and China: Investigation Nos. 303-TA-13, 701-TA-249, and 731-TA-262, 263 and 265 (Review)*, USITC Publication 3247, October 1999, p. II-1.

## Pricing

Based on the Commission's last large-scale survey of market participants, U.S. producers (and importers) utilized a combination of price lists and transaction-by-transaction negotiations to establish prices. The vast majority of sales of both domestic and imported product were on a spot basis, but producers and importers alike were divided on the practice of offering discounts, although those that did generally provided discounts on the basis of prompt or early payment.<sup>46</sup>

### Heavy Iron Construction Castings

In the original investigations, the Commission found that there was a general underselling of imports of heavy construction castings from Canada, Brazil, India, and China.<sup>47</sup> In the period of examined for the first five-year reviews, Canadian imports of heavy castings undersold domestic heavy castings in every quarter examined.<sup>48</sup> There has been no new price data on imports of heavy castings from Brazil, Canada, or China since the first reviews. In these current reviews, the domestic interested parties indicated in their response to the notice of institution that raw material costs for iron construction castings have increased and driven a price increase for the products, which has been passed through and greatly decreased the margin of underselling.<sup>49</sup> Specifically, the domestic interested parties submitted 2009 average unit value (“AUV”) comparisons and margins of underselling for heavy iron construction castings, as presented in the following tabulation.

Supplier	AUV (\$/pound)	Margin of underselling (%)
United States	***	--
Brazil	0.72	***
Canada	0.54	***
China	0.83	***

Source: U.S. domestic shipment average unit value, 2009; official Commerce statistics, HTS statistical reporting number 7325.10.0010; *Response* of domestic interested parties, June 2, 2010, p. 15.

### Light Iron Construction Castings

In the original investigations, the available pricing data for one Brazilian light castings product demonstrated margins of underselling in excess of 10 percent throughout 1985, while light castings from China undersold the domestic product in each quarter from 1983 to 1985, in most periods by margins of

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<sup>46</sup> *Iron Metal Castings from India, Heavy Iron Construction Castings from Brazil, and Iron Construction Castings from Brazil, Canada, and China: Investigation Nos. 303-TA-13, 701-TA-249, and 731-TA-262, 263 and 265 (Review)*, USITC Publication 3247, October 1999, pp. V-5 and V-6.

<sup>47</sup> *Iron Construction Castings from Brazil, India, and the People's Republic of China: Investigation Nos. 701-TA-249 and 731-TA-262, 264, and 265 (Final)*, USITC Publication 1838, April 1986, p. 15.

<sup>48</sup> *Iron Metal Castings from India, Heavy Iron Construction Castings from Brazil, and Iron Construction Castings from Brazil, Canada, and China: Investigation Nos. 303-TA-13, 701-TA-249, and 731-TA-262, 263, and 265 (Review)*, USITC Publication 3247, October 1999, pp. 22-23.

<sup>49</sup> *Response* of domestic interested parties, June 2, 2010, p. 15.

approximately 30 percent.<sup>50</sup> There has been no new price data on imports of light castings from China or Brazil since the original investigations.

## THE INDUSTRY IN THE UNITED STATES

### U.S. Producers

The 1985 petitions concerning Brazil, Canada, and China were filed by the Municipal Castings Fair Trade Council (“MCFTC”).<sup>51</sup> In the original investigations, the Commission found that, as of 1983, iron construction castings were produced in the United States in approximately 40 foundries on a regular basis and in number of small jobber foundries on an intermittent basis. In the first full five-year reviews, the Commission found 13 producers of iron construction castings. In the second five-year reviews, the domestic interested parties reported 12 producers of iron construction castings.

The domestic interested parties indicated in their response to the Commission’s notice of institution in these current reviews that since the Commission’s second five-year review of the orders completed in 2005, the U.S. industry has been characterized by foundry closures, consolidations, and a company bankruptcy. In 2008, East Jordan closed its Denham Springs, LA foundry and a production line at its East Jordan, MI production facility. In October 2008, LeBaron Foundry, Inc., one of the original petitioners, ceased its operations, located in Brockton, MA. In April 2009, Leed Foundry in St. Clair, PA ceased operations.<sup>52</sup> East Jordan, which has acquired no fewer than 15 firms since the original countervailing duty and antidumping duty orders,<sup>53</sup> acquired certain assets of LeBaron Foundry in 2008.<sup>54</sup> In addition, in 2006, East Jordan acquired the municipal castings business, but not the manufacturing facilities, of a Canadian manufacturer, McCoy Foundry, and set up a subsidiary, McCoy Construction Castings, to distribute CCC in Canada.<sup>55</sup> The parent company of Neenah Foundry, Neenah Enterprises Inc., filed for bankruptcy protection in February 2010, citing a decline in sales volume.<sup>56</sup> Neenah emerged from bankruptcy in July 2010, having reduced its debt by more than \$270 million.<sup>57</sup>

At the time of the original investigations, there were approximately 40 U.S. producers of domestic heavy and light iron construction castings. The top eight producers of construction castings

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<sup>50</sup> *Iron Construction Castings from Brazil, India, and the People’s Republic of China: Investigation Nos. 701-TA-249 and 731-TA-262, 264, and 265 (Final)*, USITC Publication 1838, April 1986, p. 23.

<sup>51</sup> At the time of the filing of the original petitions the MCFTC was comprised of the following 15 firms: Alhambra Foundry, Inc.; Allegheny Foundry Co.; Bingham & Taylor; Campbell Foundry Co. (“Campbell”); Charlotte Pipe & Foundry Co.; Deeter Foundry (“Deeter”); East Jordan; LeBaron Foundry; Municipal Castings; Neenah; Opelika Foundry Co., Inc.; Pinkerton Foundry, Inc.; Tyler Pipe Co. (“Tyler Pipe”); U.S. Foundry; and Vulcan Foundry, Inc.

<sup>52</sup> *Response* of domestic interested parties, June 2, 2010, p. 26-27.

<sup>53</sup> East Jordan Iron Works Acquisitions. <http://www.ejiw.com/acquisitions-11/>. Retrieved on August 5, 2010.

<sup>54</sup> *Response* of domestic interested parties, June 2, 2010, p. 26.

<sup>55</sup> McCoy History. <http://www.mccoycc.com/about-us.html>.

<sup>56</sup> “Neenah Enterprises Files for Bankruptcy Protection.” Bloomberg Businessweek. February 5, 2010. <http://www.businessweek.com/news/2010-02-05/neenah-enterprises-files-for-bankruptcy-protection-in-delaware.html>.

<sup>57</sup> Neenah Enterprises News Release. “Neenah Enterprises, Inc. Announces Successful Emergence from Bankruptcy.” July 30, 2010. <http://www.pnewswire.com/news-releases/neenah-enterprises-inc-announces-successful-emergence-from-bankruptcy-99624374.html>.

accounted for 60 percent of U.S. production.<sup>58</sup> In 1998 at the time of the first reviews, the top four firms accounted for 79 percent of the U.S. industry for heavy construction castings, and the top producing firm for light castings, \*\*\*, alone accounted for \*\*\* percent of all light iron construction castings production.<sup>59</sup> In 2003 during the second review process, seven firms produced an estimated \*\*\* percent of heavy castings and \*\*\* percent of light castings.<sup>60</sup> In these current reviews, the top three firms account for an estimated \*\*\* percent of U.S. domestic production of heavy iron construction castings, while the three largest producers of light iron construction castings account for an estimated \*\*\* percent of production.<sup>61</sup> This reflects the pattern of consolidation the industry has undergone since the original investigations 25 years ago.

In these current reviews, the domestic interested parties have identified 10 domestic producers of iron construction castings, of which seven produced heavy castings and six produced light castings. The producers, their locations, and estimated shares of the 2009 domestic production of heavy and light iron construction castings are listed in tables I-10 and I-11.

**Table I-10**  
**Heavy iron construction castings: U.S. producers, headquarters locations, and estimated company shares of 2009 total domestic production**

Firm	Headquarters Location	Estimated share of 2009 domestic production (percent)
Alhambra Foundry	Alhambra, CA	( <sup>1</sup> )
Campbell	Harrison, NJ	( <sup>1</sup> )
D&L Foundry	Moses Lake, WA	*** <sup>2</sup>
East Jordan	East Jordan, MI	***
Municipal Castings	Madison, MN	( <sup>1</sup> )
Neenah	Neenah, WI	***
U.S. Foundry	Medley, FL	***
Total		*** <sup>3</sup>
<sup>1</sup> Not provided. <sup>2</sup> Legal counsel for the domestic interested parties provided trade and financial data on behalf of D&L Foundry, but the data was not certified. See <i>Response of domestic interested parties</i> , June 2, 2010, pp. 4-5 n. 3. <sup>3</sup> When the production data for D&L Foundry is not included, the total share of 2009 domestic production as reported by the domestic industry parties is *** percent.		
Source: <i>Response of domestic interested parties</i> , June 2, 2010, pp.18-20.		

<sup>58</sup> *Iron Construction Castings from Brazil, India, and the People's Republic of China: Investigation Nos. 701-TA-249 and 731-TA-262, 264, and 265 (Final)*, USITC Publication 1838, April 1986, p. A-11.

<sup>59</sup> *Staff Report on Iron Metal Castings from India, Heavy Iron Construction Castings from Brazil, and Iron Construction Castings from Brazil, Canada, and China, Investigation Nos. 303-TA-13, 701-TA-249, and 731-TA-262, 263, and 265 (Review)*, September 29, 1999 (INV-W-222), p. I-30.

<sup>60</sup> *Staff Report on Certain Iron Construction Castings from Brazil, Canada, and China, Investigation Nos. 701-TA-249 and 731-TA-262, 263, and 265 (Second Review)*, May 3, 2005 (INV-CC-060), p. I-14.

<sup>61</sup> *Response of domestic interested parties*, June 2, 2010, pp. 21-23.



**Table I-11****Light iron construction castings: U.S. producers, headquarters locations, and estimated company shares of 2009 total domestic production**

Firm	Headquarters Location	Estimated share of 2009 domestic production (percent)
Alhambra Foundry	Alhambra, CA	(1)
Bingham & Taylor	Culpeper, VA	(1)
East Jordan	East Jordan, MI	***
Neenah	Neenah, WI	***
Tyler Pipe	Tyler, TX	(1)
Vestal	Sweetwater, TN	***2
Total		***3
<p><sup>1</sup> Not provided.</p> <p><sup>2</sup> Legal counsel for the domestic interested parties provided trade and financial data on behalf of Vestal Manufacturing, but the data was not certified. See <i>Response</i> of domestic interested parties, June 2, 2010, pp. 4-5 n. 3.</p> <p><sup>3</sup> When the production data for Vestal Manufacturing is not included, the total share of 2009 domestic production as reported by the domestic industry parties is *** percent.</p> <p>Source: <i>Response</i> of domestic interested parties, June 2, 2010, pp.18-20.</p>		

**U.S. Producers' Trade, Employment, and Financial Data**

Three producers responded jointly and in a timely manner to the Commission's notice of institution for these subject reviews: East Jordan, Neenah, and U.S. Foundry. Information on the U.S. industry is therefore based on the data provided by these three firms as well as data submitted on behalf of D&L and Vestal. Information on the domestic industry's capacity, production, shipments, and certain financial indicators are presented in tables I-12 and I-13.

**Table I-12**  
**Heavy iron construction castings: U.S. producers' trade, employment, and financial data, 1983-85,**  
**1997-98, 2003 and 2009<sup>1</sup>**

(Quantity=1,000 pounds; unit values and unit labor costs=\$/pound)

Item	1983	1984	1985	1997	1998	2003	2009
Capacity	390,782	413,827	458,432	523,626	533,763	( <sup>2</sup> )	***
Production	253,174	295,516	313,723	527,194	542,637	446,955	***
Capacity utilization (percent)	64.8	71.4	68.4	100.7	101.7	( <sup>2</sup> )	***
U.S. shipments:							
Quantity	323,000	376,000	407,000	518,062	543,430	448,273	***
Value (\$1,000)	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	244,560	259,790	202,445	***
Unit value	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	\$0.47	\$0.48	\$0.45	\$***
Exports:							
Quantity	<500	<500	<500	1,157	1,014	( <sup>2</sup> )	( <sup>2</sup> )
Value (\$1,000)	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	869	828	( <sup>2</sup> )	( <sup>2</sup> )
Unit value	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	\$0.75	\$0.82	( <sup>2</sup> )	( <sup>2</sup> )
Total shipments:							
Quantity	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	519,219	544,444	( <sup>2</sup> )	( <sup>2</sup> )
Value (\$1,000)	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	245,429	260,618	( <sup>2</sup> )	( <sup>2</sup> )
Unit value	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	\$0.47	\$0.48	( <sup>2</sup> )	( <sup>2</sup> )
End-of-period inventories	54,339	59,195	60,726	109,884	108,077	( <sup>2</sup> )	( <sup>2</sup> )
Production and related workers (number)	1,166	1,244	1,244	1,613	1,625	( <sup>2</sup> )	( <sup>2</sup> )
Hours worked (1,000 hours)	2,278	2,501	2,740	3,603	3,602	( <sup>2</sup> )	( <sup>2</sup> )
Wages paid (\$1,000)	19,508	22,482	25,137	47,982	49,408	( <sup>2</sup> )	( <sup>2</sup> )
Hourly wages	\$8.56	\$8.99	\$9.17	\$13.32	\$13.72	( <sup>2</sup> )	( <sup>2</sup> )
Productivity (pounds/hour)	111.0	118.0	114.0	146.3	150.6	( <sup>2</sup> )	( <sup>2</sup> )
Unit labor costs (per pound)	\$0.09	\$0.09	\$0.10	\$0.09	\$0.09	( <sup>2</sup> )	( <sup>2</sup> )
Net sales (\$1,000)	74,306	90,636	( <sup>2</sup> )	242,758	257,939	( <sup>2</sup> )	***
Cost of goods sold (\$1,000)	60,458	74,517	( <sup>2</sup> )	172,537	182,262	( <sup>2</sup> )	***
Gross profit or (loss) (\$1,000)	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	70,221	75,677	( <sup>2</sup> )	***
SG&A expenses (\$1,000)	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	38,993	35,611	( <sup>2</sup> )	***
Operating income or (loss) (\$1,000)	544	2,470	( <sup>2</sup> )	31,229	40,066	( <sup>2</sup> )	***
Operating income (loss)/sales (percent)	0.7	2.7	( <sup>2</sup> )	12.9	15.5	( <sup>2</sup> )	***

<sup>1</sup> Data presented for 2009 were provided by four producers (East Jordan, Neenah, U.S. Foundry, and D&L Foundry) that are believed to represent \*\*\* percent of heavy iron construction castings production during 2009.

<sup>2</sup> Not available.

Note.—The fiscal year of Neenah ends September 30; the fiscal year of \*\*\* coincides with the calendar year.

Source: Staff reports from the original investigations and the first and second five-year reviews (1983-85, 1997-98, 2003); Response of domestic interested parties, June 2, 2010, pp. 21-22 (2009).

**Table I-13**  
**Light iron construction castings: U.S. producers' trade, employment, and financial data, 1983-85,**  
**1997-98, 2003 and 2009<sup>1</sup>**

(Quantity=1,000 pounds; unit values and unit labor costs=\$/pound)

Item	1983	1984	1985	1997	1998	2003	2009
Capacity	64,726	67,201	70,236	***	***	( <sup>2</sup> )	***
Production	46,417	50,911	45,694	***	***	***	***
Capacity utilization (percent)	71.7	75.8	65.1	***	***	( <sup>2</sup> )	***
U.S. shipments:							
Quantity	57,000	61,000	57,000	***	***	***	***
Value (\$1,000)	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	***	***	***	***
Unit value	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	\$***	\$***	\$***	\$***
Exports:							
Quantity	( <sup>2</sup> )	( <sup>2</sup> )	<500	***	0	( <sup>2</sup> )	( <sup>2</sup> )
Value (\$1,000)	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	***	0	( <sup>2</sup> )	( <sup>2</sup> )
Unit value	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	\$***	( <sup>3</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Total shipments:							
Quantity	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	***	***	( <sup>2</sup> )	( <sup>2</sup> )
Value (\$1,000)	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	***	***	( <sup>2</sup> )	( <sup>2</sup> )
Unit value	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	\$***	\$***	( <sup>2</sup> )	( <sup>2</sup> )
End-of-period inventories	14,233	16,956	17,159	***	***	( <sup>2</sup> )	( <sup>2</sup> )
Production and related workers (number)	369	397	342	***	***	( <sup>2</sup> )	( <sup>2</sup> )
Hours worked (1,000 hours)	449	501	554	***	***	( <sup>2</sup> )	( <sup>2</sup> )
Wages paid (\$1,000)	4,874	5,600	6,119	***	***	( <sup>2</sup> )	( <sup>2</sup> )
Hourly wages	\$10.85	\$11.17	\$11.04	\$***	\$***	( <sup>2</sup> )	( <sup>2</sup> )
Productivity (pounds/hour)	110.0	102.0	82.0	***	***	( <sup>2</sup> )	( <sup>2</sup> )
Unit labor costs (per pound)	\$0.13	\$0.13	\$0.17	\$***	\$***	( <sup>2</sup> )	( <sup>2</sup> )
Net sales (\$1,000)	***	***	( <sup>2</sup> )	***	***	( <sup>2</sup> )	***
Cost of goods sold (\$1,000)	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	***	***	( <sup>2</sup> )	***
Gross profit or (loss) (\$1,000)	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	***	***	( <sup>2</sup> )	***
SG&A expenses (\$1,000)	***	***	( <sup>2</sup> )	***	***	( <sup>2</sup> )	***
Operating income or (loss) (\$1,000)	***	***	( <sup>2</sup> )	***	***	( <sup>2</sup> )	***
Operating income (loss)/sales (percent)	***	***	( <sup>2</sup> )	***	***	( <sup>2</sup> )	***

<sup>1</sup> Data presented for 2009 were provided by three producers (East Jordan, Neenah, and Vestal) that are believed to represent \*\*\* percent of heavy iron construction castings production during 2009.

<sup>2</sup> Not available.

<sup>3</sup> Not applicable.

Note.—The fiscal year of Neenah ends September 30; the fiscal year of \*\*\* coincides with the calendar year.

Source: Staff reports from the original investigations and the first and second five-year reviews (1983-85, 1997-98, 2003); Response of domestic interested parties, June 2, 2010, pp. 23-24 (2009).

## Related Party Issues

The domestic interested parties participating in these review reported in their response to the Commission's notice of institution that East Jordan and Tyler Pipe are each related to a producer of subject merchandise in one of the subject countries. East Jordan is a sister company to Wuxi Norlong Foundry Co., Ltd. in China. However, counsel reported that East Jordan does not import castings from Wuxi Norlong into the United States. Tyler Pipe is related to Bibby Ste. Croix (Canadian foundry) and Bibby USA (U.S. importer), all three of which are owned by U.S. firm McWane, Inc.<sup>62</sup>

## U.S. IMPORTS AND APPARENT U.S. CONSUMPTION

### Cumulation

In assessing whether subject imports are likely to compete with each other and with the domestic like product with respect to cumulation, the Commission generally has considered the following four factors: (1) the degree of fungibility, including specific customer requirements and other quality-related questions; (2) presence of sales or offers to sell in the same geographic markets; (3) common channels of distribution; and (4) simultaneous presence in the market. Channels of distribution and fungibility (interchangeability) are discussed in the section of this report entitled "The Product." Additional information concerning geographical markets and simultaneous presence in the market is presented below.

### Heavy Iron Construction Castings

In the original investigations, the Commission cumulated subject heavy castings imports from what were then the four subject countries, Brazil, Canada, China, and India, after finding a reasonable overlap among the importers and the domestic producers in regards to end users. In the first five-year reviews, the Commission majority did not cumulate subject imports from India with those from Brazil, Canada, and China. Subject imports from Brazil, Canada, and China were cumulated after the Commission found a "reasonable overlap" of competition between the subject imports of heavy iron construction castings and the domestic like product. In the second five-year reviews, based on the absence of information indicating any changes in the likely overlap of competition, the Commission again found a reasonable overlap of competition and cumulated subject imports from Brazil, Canada, and China.<sup>63</sup>

In terms of geographical markets, official statistics indicate that U.S. imports of heavy iron construction castings primarily entered the United States from the subject countries through the following districts during 2004-09:

- Brazil: Houston, TX; Tampa, FL; and Norfolk, VA;
- Canada: Ogdensburg, NY and St. Albans, VT; and
- China: Houston, TX; Los Angeles, CA; New York, NY; and San Francisco, CA.

In terms of presence in the market, U.S. imports of heavy iron construction castings from Brazil entered the United States in 45 of 72 months during 2004-09. U.S. imports of heavy iron construction castings from both Canada and China entered the United States in all 72 months during this period.

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<sup>62</sup> *Response of domestic interested parties*, June 2, 2010, pp. 18-20.

<sup>63</sup> *Certain Iron Construction Castings from Brazil, Canada, and China: Investigation Nos. 701-TA-249 and 731-TA-262, 263, and 265 (Second Review)*, USITC Publication 3781, June 2005, pp. 9-14 and nn. 32-34.

## **Light Iron Construction Castings**

In the original investigations, the Commission did not cumulate the subject light castings imports from Brazil and China in its threat of material injury determinations. In the first five-year reviews, the Commission cumulated the volume and effect of subject imports of light iron construction castings from Brazil and China after finding a “reasonable overlap” of competition between the subject imports and the domestic like product. In the second five-year reviews, based on the absence of information indicating any changes in the likely overlap of competition, the Commission again found a reasonable overlap of competition and cumulated Brazil and China.<sup>64</sup>

In terms of geographical markets, official statistics indicate that U.S. imports of light iron construction castings primarily entered the United States from the subject countries through the following districts during 2004-09:

- Brazil: New York, NY; and
- China: Houston, TX; Los Angeles, CA; and Charlotte, NC.

In terms of presence in the market, U.S. imports of light iron construction castings from Brazil entered the United States in 42 of 72 months during 2004-09. U.S. imports of light iron construction castings from China entered the United States in 65 months during this period.

### **U.S. Imports**

Table I-14 presents information on U.S. imports of heavy iron construction castings from Brazil, Canada, and China, and table I-15 presents information on imports of light iron construction castings from Brazil and China between 1983 and 1985 and 1997 and 2009. Tables I-16 and I-17 provide data on imports from nonsubject countries.

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<sup>64</sup> Ibid., pp. 9-10.

Table I-14

## Heavy iron construction castings: U.S. imports, by source, 1983-85, 1997-98, and 2000-09

Source	1983	1984	1985	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Quantity (1,000 pounds)</b>																
Brazil	1,873	11,328	19,508	227	73	--	1,146	607	505	391	1,458	838	2,614	213	106	685
Canada	8,635	14,313	21,004	11,879	10,178	--	10,912	12,223	9,921	9,557	12,834	10,747	8,384	8,880	7,754	6,619
China	10,799	15,123	19,482	518	1,279	--	4,217	2,131	1,179	2,285	3,462	5,674	6,799	5,308	4,216	1,418
Subtotal	21,307	40,764	59,994	12,624	11,530	--	16,274	14,962	11,605	12,233	17,754	17,260	17,797	14,401	12,075	8,722
All other	60,888	99,406	93,792	129,208	128,388	--	188,389	146,686	178,245	170,256	186,047	188,207	189,598	171,902	122,496	65,531
Total	82,195	140,170	153,786	141,832	139,918	--	204,663	161,648	189,851	182,488	203,801	205,466	207,395	186,302	134,572	74,253
<b>Value (1,000 dollars)<sup>1</sup></b>																
Brazil	255	1,473	2,911	67	37	--	261	171	133	156	686	711	1,665	133	94	540
Canada	2,352	3,461	5,128	3,799	3,558	--	4,038	4,370	3,714	3,359	5,171	4,892	4,215	4,458	4,336	3,588
China	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	339	588	--	1,366	752	547	1,136	2,130	3,496	4,862	3,708	4,036	1,257
Subtotal	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	4,205	4,183	--	5,665	5,293	4,394	4,652	7,988	9,098	10,742	8,299	8,466	5,385
All other	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	29,288	29,704	--	43,562	32,954	37,215	38,819	61,134	66,140	63,487	60,546	57,796	31,615
Total	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	33,493	33,887	--	49,227	38,247	41,608	43,470	69,121	75,238	74,229	68,845	66,262	37,000
<b>Unit value (per pound)</b>																
Brazil	\$0.14	\$0.13	\$0.15	\$0.30	\$0.51	--	\$0.23	\$0.28	\$0.26	\$0.40	\$0.47	\$0.85	\$0.64	\$0.62	\$0.89	\$0.79
Canada	0.27	0.24	0.24	0.32	0.35	--	0.37	0.36	0.37	0.35	0.40	0.46	0.50	0.50	0.56	0.54
China	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	0.65	0.46	--	0.32	0.35	0.46	0.50	0.62	0.62	0.72	0.70	0.96	0.89
Subtotal	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	0.33	0.36	--	0.35	0.35	0.38	0.38	0.45	0.53	0.60	0.58	0.70	0.62
All other	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	0.23	0.23	--	0.23	0.22	0.21	0.23	0.33	0.35	0.33	0.35	0.47	0.48
Average	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	0.24	0.24	--	0.24	0.24	0.22	0.24	0.34	0.37	0.36	0.37	0.49	0.50

<sup>1</sup> Landed, duty-paid.<sup>2</sup> Not available.<sup>3</sup> Not applicable.

Note.--U.S. import data for 1999 are unavailable as a result of the change in the HTSUS effective July 1, 1999.

Note.--Data for 1983-85 are for U.S. shipments of imports. Data for 1983-85 do not contain imports under former TSUSA item 657.0990, which encompassed some subject heavy iron construction castings and subject and nonsubject light iron construction castings.

Source: Compiled from data presented in the staff reports in the original investigation, the first and second five-year reviews, and official Commerce statistics.

Table I-15

## Light iron construction castings: U.S. imports, by source, 1983-85, 1997-98, and 2000-09

Source	1983	1984	1985	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Quantity (1,000 pounds)</b>																
Brazil	0	780	1,640	0	0	--	63	409	222	882	661	529	338	250	393	250
China	927	1,608	1,644	0	***	--	1,294	1,884	1,556	2,526	940	978	1,400	1,121	1,436	544
Subtotal	927	2,388	3,284	0	***	--	1,357	2,293	1,778	3,408	1,601	1,507	1,738	1,371	1,829	794
All other	18,228	27,753	33,933	30,073	***	--	99,630	104,063	81,910	83,776	102,241	113,868	113,108	106,406	75,579	34,908
Total	19,155	30,141	37,217	30,073	***	--	100,988	106,356	83,688	87,184	103,842	115,375	114,846	107,777	77,409	35,702
<b>Value (1,000 dollars)<sup>1</sup></b>																
Brazil	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	0	0	--	16	126	82	240	246	206	148	114	265	157
China	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	0	***	--	312	711	787	765	440	567	672	709	1,087	366
Subtotal	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	0	***	--	328	837	869	1,005	686	774	820	823	1,352	524
All other	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	8,866	***	--	26,050	26,804	20,222	21,675	35,573	44,639	47,348	47,724	47,546	17,380
Total	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	8,866	***	--	26,378	27,641	21,090	22,680	36,260	45,412	48,168	48,547	48,898	17,904
<b>Unit value (per pound)</b>																
Brazil	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	--	\$0.26	\$0.31	\$0.37	\$0.27	\$0.37	\$0.39	\$0.44	\$0.46	\$0.67	\$0.63
China	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>3</sup> )	\$***	--	0.24	0.38	0.51	0.30	0.47	0.58	0.48	0.63	0.76	0.67
Subtotal	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>3</sup> )	***	--	0.24	0.36	0.49	0.29	0.43	0.51	0.47	0.60	0.74	0.66
All other	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	\$0.29	***	--	0.26	0.26	0.25	0.26	0.35	0.39	0.42	0.45	0.63	0.50
Average	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	0.29	***	--	0.26	0.26	0.25	0.26	0.35	0.39	0.42	0.45	0.63	0.50

<sup>1</sup> Landed, duty-paid.<sup>2</sup> Not available.<sup>3</sup> Not applicable.

Note.—U.S. import data for 1999 are unavailable as a result of the change in the HTSUS effective July 1, 1999.

Note.—Data for 1983-85 are for U.S. shipments of imports. Data for 1983-85 do not contain imports under former TSUSA item 657.0990, which encompassed some subject light iron construction castings and subject and nonsubject light iron construction castings.

Source: Compiled from data presented in the staff reports in the original investigation, the first and second five-year reviews, and official Commerce statistics.

**Table I-16**  
**Heavy iron construction castings: Top U.S. imports, by volume, from subject and nonsubject countries, 2000-09**

Country	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Quantity (1,000 pounds)</b>											
<b>Subject countries:</b>											
Canada	--	10,912	12,223	9,921	9,557	12,834	10,747	8,384	8,880	7,754	6,619
China	--	4,217	2,131	1,179	2,285	3,462	5,674	6,799	5,308	4,216	1,418
Brazil	--	1,146	607	505	391	1,458	838	2,614	213	106	685
Subtotal	--	16,274	14,962	11,605	12,233	17,754	17,260	17,797	14,401	12,075	8,722
<b>Nonsubject countries:</b>											
India	--	172,527	132,389	165,208	156,021	166,542	168,501	169,285	159,939	112,563	56,427
Mexico	--	15,014	13,154	11,138	10,614	11,931	11,884	12,922	7,359	6,314	6,994
All others	--	849	1,143	1,900	3,621	7,573	7,822	7,391	4,604	3,620	2,110
Subtotal	--	188,389	146,686	178,245	170,256	186,047	188,207	189,598	171,902	122,496	65,531
Total, all imports	--	204,663	161,648	189,851	182,488	203,801	205,466	207,395	186,302	134,572	74,253
<b>Value (1,000 dollars)<sup>1</sup></b>											
<b>Subject countries:</b>											
Canada	--	4,038	4,370	3,714	3,359	5,171	4,892	4,215	4,458	4,336	3,588
China	--	1,366	752	547	1,136	2,130	3,496	4,862	3,708	4,036	1,257
Brazil	--	261	171	133	156	686	711	1,665	133	94	540
Subtotal	--	5,665	5,293	4,394	4,652	7,988	9,098	10,742	8,299	8,466	5,385
<b>Nonsubject countries:</b>											
India	--	38,771	28,356	32,934	33,691	52,097	56,207	51,972	51,823	49,921	21,182
Mexico	--	3,931	3,014	2,690	2,478	2,887	2,872	3,713	2,561	2,160	6,694
All others	--	860	1,584	1,591	2,650	6,149	7,060	7,802	6,162	5,715	3,739
Subtotal	--	43,562	32,954	37,215	38,819	61,134	66,140	63,487	60,546	57,796	31,615
Total, all imports	--	49,227	38,247	41,608	43,470	69,121	75,238	74,229	68,845	66,262	37,000
<sup>1</sup> Landed, duty-paid.											
Note.--Subject import data and nonsubject import data are presented according to 2009 import volume.											
Note.--U.S. import data for 1999 are unavailable as a result of the change in the HTSUS effective July 1, 1999.											
Source: Official Commerce statistics for HTS statistical reporting numbers 7325.10.0010, 7325.10.0020, and 7325.10.0025.											



**Table I-17**

**Light iron construction castings: U.S. imports, by volume, from subject and nonsubject countries, 2000-09**

Country	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Quantity (1,000 pounds)</b>											
<b>Subject countries:</b>											
China	--	1,294	1,884	1,556	2,526	940	978	1,400	1,121	1,436	544
Brazil	--	63	409	222	882	661	529	338	250	393	250
Subtotal	--	1,357	2,293	1,778	3,408	1,601	1,507	1,738	1,371	1,829	794
<b>Nonsubject countries:</b>											
India	--	89,345	90,450	70,829	73,880	92,970	102,977	100,069	95,399	62,214	32,712
Mexico	--	20	0	4	12	7	1,656	5,264	4,815	7,415	1,347
Canada	--	10,129	13,467	10,819	9,384	8,435	8,569	6,816	5,422	5,647	681
All others	--	137	146	257	500	829	667	959	770	304	169
Subtotal	--	99,630	104,063	81,910	83,776	102,241	113,868	113,108	106,406	75,579	34,908
Total, all imports	--	100,988	106,356	83,688	87,184	103,842	115,375	114,846	107,777	77,409	35,702
<b>Value (1,000 dollars)<sup>1</sup></b>											
<b>Subject countries:</b>											
China	--	312	711	787	765	440	567	672	709	1,087	366
Brazil	--	16	126	82	240	246	206	148	114	265	157
Subtotal	--	328	837	869	1,005	686	774	820	823	1,352	524
<b>Nonsubject countries:</b>											
India	--	20,210	19,739	13,962	15,950	29,742	35,351	32,912	33,641	28,694	13,621
Mexico	--	13	0	2	9	2	2,370	8,418	8,686	13,388	2,459
Canada	--	5,737	6,917	6,110	5,525	5,494	6,531	5,422	4,444	4,901	690
All others	--	90	149	147	190	336	388	596	953	563	610
Subtotal	--	26,050	26,804	20,222	21,675	35,573	44,639	47,348	47,724	47,546	17,380
Total, all imports	--	26,378	27,641	21,090	22,680	36,260	45,412	48,168	48,547	48,898	17,904
<sup>1</sup> Landed, duty paid. Note.--Subject import data and nonsubject import data are presented according to 2009 import volume. Note.--U.S. import data for 1999 are unavailable as a result of the change in the HTSUS effective July 1, 1999. Source: Official Commerce statistics for HTS statistical reporting numbers 7325.10.0030 and 7325.10.0035.											

### **Ratio of Imports to U.S. Production**

In 1985, the last full year reviewed in the original investigations, U.S. imports of heavy iron castings from Brazil, Canada, and China were 60.0 million pounds, a quantity equivalent to 19.1 percent of U.S. production of 313.7 million pounds. In that same year, U.S. imports of light iron castings from Brazil and China were 3.3 million pounds, a quantity equivalent to 7.2 percent of U.S. production of 45.7 million pounds. Comprehensive official import statistics were not available for the period examined in the first reviews, however, in 2003 (the final year for which production data were available in the second reviews), these ratios were 2.7 percent and \*\*\* percent. The ratio of imports from subject countries of heavy iron construction castings to 2009 U.S. production was \*\*\* percent. Imports from subject countries of light iron construction castings were \*\*\* percent of 2009 U.S. production.

### **Apparent U.S. Consumption and Market Shares**

Table I-18 provides information on the quantity and value of U.S. domestic shipments, imports, and apparent consumption of heavy iron construction castings. Table I-19 provides the same information, the quantity and value of U.S. domestic shipments, imports, and apparent consumption, for light iron construction castings.

### **Demand**

Since the last five-year reviews, demand in the United States for iron construction castings has fallen significantly. Between 2006 and 2009, U.S. residential and private construction fell 58.1 percent and 32.1 percent, respectively. In the first quarter of 2010, construction spending was down 14.0 percent compared to the first quarter in 2009.<sup>65</sup> As presented in tables I-18 and I-19, apparent U.S. consumption of heavy castings declined by \*\*\* percent between 2003 and 2009, while apparent U.S. consumption of light castings declined by \*\*\* percent.

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<sup>65</sup> *Response* of domestic interested parties, June 2, 2010, pp. 24-25

Table I-18

**Heavy iron construction castings: U.S. producers' U.S. shipments, U.S. shipments of imports, and apparent U.S. consumption, 1983-85, 1997-98, 2003, and 2009<sup>1</sup>**

Item	1983	1984	1985	1997	1998	2003	2009 <sup>1</sup>
<b>Quantity (1,000 pounds)</b>							
U.S. producers' U.S. shipments	323,000	376,000	407,000	518,062	543,430	448,273	***
U.S. shipments of imports from--							
Brazil	1,873	11,328	19,508	227	73	391	685
Canada	8,635	14,313	21,004	11,879	10,178	9,557	6,619
China	10,799	15,123	19,482	518	1,279	2,285	1,418
Subtotal	21,307	40,764	59,994	12,624	11,530	12,233	8,722
All other sources	60,888	99,406	93,792	129,208	128,388	170,255	65,394
Total import shipments	82,195	140,170	153,786	141,832	139,918	182,488	74,116
Apparent U.S. consumption	405,195	516,170	560,786	659,894	683,348	630,761	***
<b>Value (1,000 dollars)</b>							
U.S. producers' U.S. shipments	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	244,560	259,790	202,445	***
U.S. shipments of imports from--							
Brazil	255	1,473	2,911	67	37	156	529
Canada	2,352	3,461	5,128	3,799	3,558	3,359	3,515
China	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	339	588	1,136	1,142
Subtotal	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	4,206	4,183	4,651	5,186
All other sources	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	29,288	29,704	38,819	31,615
Total import shipments	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	33,493	33,887	43,470	36,801
Apparent U.S. consumption	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	278,053	293,677	245,915	***

Table continued on the following page.

**Table I-18—Continued**

**Heavy iron construction castings: U.S. producers' U.S. shipments, U.S. shipments of imports, and apparent U.S. consumption, 1983-85, 1997-98, 2003, and 2009**

Item	1983	1984	1985	1997	1998	2003	2009
<b>Share of consumption based on quantity (percent)</b>							
U.S. producers' U.S. shipments <sup>1</sup>	79.7	72.8	72.6	78.5	79.5	71.1	***
U.S. shipments of imports from--							
Brazil	0.5	2.2	3.5	( <sup>2</sup> )	( <sup>2</sup> )	0.1	***
Canada	2.1	2.8	3.7	1.8	1.5	1.5	***
China	2.7	2.9	3.5	0.1	0.2	0.4	***
Subtotal	5.3	7.9	10.7	1.9	1.7	1.9	***
All other sources	15.0	19.3	16.7	19.6	18.8	27.0	***
Total import shipments	20.3	27.2	27.4	21.5	20.5	28.9	***
Apparent U.S. consumption	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Share of consumption based on value (percent)</b>							
U.S. producers' U.S. shipments <sup>1</sup>	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	88.0	88.5	82.3	***
U.S. shipments of imports from--							
Brazil	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	0.1	***
Canada	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	1.4	1.2	1.4	***
China	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	0.1	0.2	0.5	***
Subtotal	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	1.5	1.4	1.9	***
All other sources	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	10.5	10.1	15.8	***
Total import shipments	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	12.0	11.5	17.7	***
Apparent U.S. consumption	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	100.0	100.0	100.0	100.0
<sup>1</sup> Data provided by the domestic interested parties in the response to Commerce's notice of institution. As a result, the data represents an estimated *** percent of the U.S. industry. <sup>2</sup> Less than 0.05 percent. <sup>3</sup> Data not available.							
Note.—Because of rounding, figures may not add to the totals shown.							
Source: Compiled from data presented in the original staff reports, the first and second five-year reviews, and the <i>Response</i> of domestic interested parties.							

Table I-19

**Light iron construction castings: U.S. producers' U.S. shipments, U.S. shipments of imports, and apparent U.S. consumption, 1983-85, 1997-98, 2003, and 2009<sup>1</sup>**

Item	1983	1984	1985	1997	1998	2003	2009 <sup>1</sup>
<b>Quantity (1,000 pounds)</b>							
U.S. producers' U.S. shipments	57,000	61,000	57,000	***	***	***	***
U.S. shipments of imports from--							
Brazil	0	780	1,640	0	0	882	250
China	927	1,608	1,644	0	***	2,526	544
Subtotal	927	2,388	3,284	0	***	3,408	794
All other sources	18,228	27,753	33,933	30,073	***	83,776	34,835
Total import shipments	19,155	30,141	37,217	30,073	***	87,184	35,631
Apparent U.S. consumption	76,155	91,141	94,217	***	***	***	***
<b>Value (1,000 dollars)</b>							
U.S. producers' U.S. shipments	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	***	***	***	***
U.S. shipments of imports from--							
Brazil	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	0	0	240	143
China	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	0	***	765	339
Subtotal	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	0	***	1,605	482
All other sources	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	8,866	***	21,675	17,381
Total import shipments	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	8,866	***	22,680	17,863
Apparent U.S. consumption	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	***	***	***	***

Table continued on the following page.

**Table I-19—Continued**

**Light iron construction castings: U.S. producers' U.S. shipments, U.S. shipments of imports, and apparent U.S. consumption, 1983-85, 1997-98, 2003, and 2009**

Item	1983	1984	1985	1997	1998	2003	2009
<b>Share of consumption based on quantity (percent)</b>							
U.S. producers' U.S. shipments <sup>1</sup>	74.8	66.9	60.5	***	***	***	***
U.S. shipments of imports from--							
Brazil	0.0	0.9	1.7	***	***	***	***
China	1.2	1.8	1.7	***	***	***	***
Subtotal	1.2	2.6	3.5	***	0.1	***	***
All other sources	23.9	30.5	36.0	***	***	***	***
Total import shipments	25.2	33.1	39.5	***	***	***	***
Apparent U.S. consumption	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Share of consumption based on value (percent)</b>							
U.S. producers' U.S. shipments <sup>1</sup>	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	***	69.7	45.1	***
U.S. shipments of imports from--							
Brazil	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	***	***	***	***
China	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	***	***	***	***
Subtotal	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	***	***	***	***
All other sources	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	***	***	***	***
Total import shipments	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	***	***	***	***
Apparent U.S. consumption	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	100.0	100.0	100.0	100.0
<p><sup>1</sup> Data provided by the domestic interested parties in the response to Commerce's notice of institution. As a result, the data only represents an estimated *** percent of the U.S. industry.</p> <p><sup>2</sup> Data not available.</p>							
<p>Source: Compiled from data presented in the original staff reports, the first and second five-year reviews, and the <i>Response</i> of domestic interested parties.</p>							

## THE INDUSTRY IN BRAZIL

During the original investigations on Brazil, there were approximately 1,000 foundries in that country, of which some 490 produced iron castings. The 30 largest iron foundries, each producing in excess of 44 million pounds annually, accounted for approximately 50 to 55 percent of iron castings production. Four known producers of heavy iron construction castings exported to the United States in 1984. Between 1980 and 1983 the production of manhole covers declined from 40 million pounds to 20 million pounds before rising to 32 million pounds in 1985; the annual capacity to produce manhole covers was about 44 million pounds. The foundry industry in Brazil was characterized as being well-developed, with production of construction castings being automated and probably as technologically efficient as the foundries in the United States and Canada.<sup>66</sup>

In the first reviews on Brazil, no producers of iron construction castings in Brazil responded to the Commission's questionnaires. In their response to the notice of institution, counsel for U.S. producers listed 79 producers of heavy and/or light iron construction castings in Brazil and estimated that Brazil had an aggregate production capacity of 449.5 million pounds.<sup>67</sup>

In the second reviews, domestic interested parties identified 96 producers/exporters of iron construction castings in Brazil. They mentioned that Brazil produced construction castings primarily for export and alleged that had the ability to greatly increase the capacities of its labor-intensive facilities in response to changes in demand.<sup>68</sup>

In these current reviews, domestic interested parties identified 98 producers/exporters of iron construction castings in Brazil. Counsel for the domestic interested parties suggested that producers and exporters of iron construction castings in Brazil have the ability to increase exports to the United States significantly, which would likely result in material injury to the U.S. industry, were the antidumping and countervailing duty orders to be revoked.<sup>69</sup>

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<sup>66</sup> *Iron Construction Castings from Brazil, India, and the People's Republic of China: Investigation Nos. 701-TA-249 and 731-TA-262, 264, and 265 (Final)*, USITC Publication 1838, April 1986, pp. A-34 to A-35.

<sup>67</sup> *Iron Metal Castings from India, Heavy Iron Construction Castings from Brazil, and Iron Construction Castings from Brazil, Canada, and China: Investigation Nos. 303-TA-13, 701-TA-249, and 731-TA-262, 263, and 265 (Review)*, USITC Publication 3247, October 1999, pp. IV-8-IV-9.

<sup>68</sup> *Certain Iron Construction Castings from Brazil, Canada, and China: Investigation Nos. 701-TA-249 and 731-TA-262, 263, and 265 (Second Review)*, USITC Publication 3781, June 2005, pp. I-20.

<sup>69</sup> *Response of domestic interested parties*, June 2, 2010, pp. 9-10.

## THE INDUSTRY IN CANADA

During the original investigation on Canada, there were approximately 120 iron foundries in that country, with total production capacity estimated to be three billion pounds. Canadian iron foundry shipments decreased from 2.4 billion pounds in 1979 to 1.2 billion pounds in 1982, but then rose to 1.9 billion pounds in 1984. Production of heavy castings rose from \*\*\* pounds in 1982 to \*\*\* pounds in 1984, while production of light castings increased from \*\*\* pounds to \*\*\* pounds during the same period. Exports to the United States in 1984 of heavy castings were \*\*\* pounds and of light castings were \*\*\* pounds; exports to other countries were negligible.<sup>70</sup>

In the first review on Canada, counsel for U.S. producers listed 13 producers of heavy iron construction castings in Canada. One Canadian producer (\*\*\*), accounting for about \*\*\* percent of U.S. imports of heavy iron construction castings from Canada in 1998, responded to the Commission's questionnaire. Its production in 1998 was \*\*\* pounds.<sup>71</sup>

In the second reviews, domestic interested parties identified 13 producers/exporters of iron construction castings in Canada. They mentioned that Canada possessed a fully developed public works sector and was known to have a viable home market for construction castings.<sup>72</sup>

In these current reviews, domestic interested parties identified 11 producers of iron construction castings in Canada. Counsel for the domestic interested parties also noted that between 2005 and 2009, exports of iron construction castings from Canada to the United States accounted for 98.7 percent of Canada's total export volume of these products. Counsel reasoned that, because the United States is such a key export market, exports would likely increase were the antidumping order to be revoked.<sup>73</sup>

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<sup>70</sup> *Staff Report on Iron Construction Castings from Canada, Investigation No. 731-TA-263 (Final)*, February 4, 1986 (INV-J-019), pp. A-42-A-44.

<sup>71</sup> *Iron Construction Castings from India, Heavy Iron Construction Castings from Brazil; and Iron Construction Castings from Brazil, India, and China, Investigation Nos. 303-TA-13, 701-TA-249, and 731-TA-262, 264, and 265 (Review)*, USITC Publication 3247, October 1999, pp. IV-8-IV-9.

<sup>72</sup> *Certain Iron Construction Castings from Brazil, Canada, and China: Investigation. Nos. 701-TA-249 and 731-TA-262, 263, and 265 (Second Review)*, USITC Publication 3781, June 2005, p. I-21.

<sup>73</sup> *Response of domestic interested parties*, June 2, 2010, pp. 10-11.



## THE INDUSTRY IN CHINA

Production and most other data were not available for the foundry industry in China during the original investigations. Exports to the United States of iron construction castings rose from 1.3 million pounds in 1981 to 31 million pounds in 1985. Exports to third countries were much larger throughout the period. Also, it was noted that there was a large home market for iron construction castings in China.<sup>74</sup>

In the first review on China, no producers in China responded to the Commission's questionnaires. In their response to the notice of institution, counsel for U.S. producers listed 86 producers of the subject merchandise (heavy or light) in China and estimated that China possessed a production capacity of 625.6 million pounds for iron castings.<sup>75</sup>

In the second reviews, domestic interested parties identified 120 producers of iron construction castings in China. They mentioned that China produced construction castings primarily for export and alleged that China had the ability to greatly increase the capacities of its labor-intensive facilities in response to changes in demand.<sup>76</sup>

In these current reviews, domestic interested parties identified 200 producers/exporters of iron construction castings in China. The domestic interested parties estimated Chinese production capacity to be approximately 3,666,000 short tons. Counsel for the domestic interested parties also noted that China still produces construction castings primarily for export and alleges that China maintains the ability to greatly increase the capacities of its labor-intensive facilities in response to changes in demand. In addition, China also faces an antidumping order in the European Community.<sup>77</sup>

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<sup>74</sup> *Iron Construction Castings from Brazil, India, and the People's Republic of China: Investigation Nos. 701-TA-249 and 731-TA-262, 264, and 265 (Final)*, USITC Publication 1838, April 1986, pp. A-36 to A-37.

<sup>75</sup> *Iron Metal Castings from India, Heavy Iron Construction Castings from Brazil, and Iron Construction Castings from Brazil, Canada, and China: Investigation Nos. 303-TA-13, 701-TA-249, and 731-TA-262, 263, and 265 (Review)*, USITC Publication 3247, October 1999, pp. IV-8-IV-9.

<sup>76</sup> *Certain Iron Construction Castings from Brazil, Canada, and China: Investigation. Nos. 701-TA-249 and 731-TA-262, 263, and 265 (Second Review)*, USITC Publication 3781, June 2005, p. I-21.

<sup>77</sup> *Response of domestic interested parties*, June 2, 2010, pp. 11-13.

## THE WORLD MARKET

India was the source of the majority of U.S. nonsubject imports. In 2009, imports from India were 56 million pounds of heavy iron construction castings and 33 million pounds of light iron construction castings. These volumes accounted for the large majority of U.S. imports of these products.<sup>78</sup>

India has the largest iron foundry industry in the world, outside of China. During 2008, the latest year for which data are available, production of gray iron castings in India totaled 5.0 million tons, 10.5 percent of the world total. Although the number of foundries producing gray iron castings is not available, the total number of foundries operating in India in 2008 was 4,700, more than double the number operating in any other country outside of China and gray iron accounted for 66 percent of the total foundry production in India.<sup>79</sup>

According to the Institute of Indian Foundrymen, a trade association representing the foundry industry in India, most (80 percent) of the foundries in India are considered “small” and 10 percent each are considered “medium” and “large”, however most of India’s exports of castings are from large (70 percent) and medium (17 percent) foundries. The industry is considered to be “labor intensive.” The small foundries are mainly dependent on manual labor whereas the medium and large units are semi- or largely mechanized and some of the large foundries are “world class”. Because of its low labor costs, the industry is considered to have a major competitive advantage over the foundry industries in the developed countries. The large foundries in India are modern and globally competitive and are working at nearly full capacity.<sup>80</sup>

Exports reported from India of non-malleable (gray iron) cast iron articles (commodity code 7325.10) in 2009 totaled 42,000 short tons. This quantity was 5.5 percent of exports from all countries, and 15 percent of exports from all countries excluding China.<sup>81</sup>

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<sup>78</sup> Tables I-16 and I-17.

<sup>79</sup> “42rd Census of World Casting Production—2008,” *Modern Casting*, December 2009, p. 18.

<sup>80</sup> “Profile Of Indian Foundry Industry,” published by Foundry Informatics Centre, Delhi, India.

<sup>81</sup> Global Trade Atlas.

**APPENDIX A**  
***FEDERAL REGISTER* NOTICES**



Year Review which covers the same orders.

**DATES:** *Effective Date:* May 3, 2010.

**FOR FURTHER INFORMATION CONTACT:** The Department official identified in the *Initiation of Review* section below at AD/CVD Operations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street & Constitution Ave., NW., Washington, DC 20230. For information from the Commission contact Mary Messer, Office of Investigations, U.S. International Trade Commission at (202) 205-3193.

**SUPPLEMENTARY INFORMATION:**

**Background**

The Department's procedures for the conduct of Sunset Reviews are set forth in its *Procedures for Conducting Five-Year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders*, 63 FR 13516 (March 20, 1998) and 70 FR 62061 (October 28, 2005). Guidance on methodological or analytical issues relevant to the Department's conduct of Sunset Reviews is set forth in the Department's Policy Bulletin 98.3—*Policies Regarding the Conduct of Five-Year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders: Policy Bulletin*, 63 FR 18871 (April 16, 1998).

**Initiation of Review**

In accordance with 19 CFR 351.218(c), we are initiating the Sunset Review of the following antidumping and countervailing duty orders:

**DEPARTMENT OF COMMERCE**

**International Trade Administration**

**Initiation of Five-Year ("Sunset") Review**

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

**SUMMARY:** In accordance with section 751(c) of the Tariff Act of 1930, as amended ("the Act"), the Department of Commerce ("the Department") is automatically initiating a five-year review ("Sunset Review") of the antidumping and countervailing duty orders listed below. The International Trade Commission ("the Commission") is publishing concurrently with this notice its notice of *Institution of Five-*

DOC case No.	ITC case No.	Country	Product	Department contact
A-570-898 .....	731-TA-1082 ...	PRC .....	Chlorinated Isocyanurates .....	Jennifer Moats, (202) 482-5047.
A-469-814 .....	731-TA-1083 ...	Spain .....	Chlorinated Isocyanurates .....	Jennifer Moats, (202) 482-5047.
A-570-101 .....	731-TA-101 .....	PRC .....	Greige Polyester Cotton Printcloth (3rd Review).	Jennifer Moats, (202) 482-5047.
A-570-001 .....	731-TA-125 .....	PRC .....	Potassium Permanganate (3rd Review).	Jennifer Moats, (202) 482-5047.
A-351-503 .....	731-TA-262 .....	Brazil .....	Iron Construction Castings (3rd Review).	Dana Mermelstein, (202) 482-1391.
A-122-503 .....	731-TA-263 .....	Canada .....	Iron Construction Castings (3rd Review).	Dana Mermelstein, (202) 482-1391.
A-570-502 .....	731-TA-265 .....	PRC .....	Iron Construction Castings (3rd Review).	Dana Mermelstein, (202) 482-1391.
C-351-504 .....	701-TA-249 .....	Brazil .....	Heavy Iron Construction Castings (3rd Review).	Brandon Farlander, (202) 482-0182.

**Filing Information**

As a courtesy, we are making information related to Sunset proceedings, including copies of the pertinent statute and Department's regulations, the Department schedule for Sunset Reviews, a listing of past revocations and continuations, and current service lists, available to the

public on the Department's Internet Web site at the following address: "<http://ia.ita.doc.gov/sunset/>." All submissions in these Sunset Reviews must be filed in accordance with the Department's regulations regarding format, translation, service, and certification of documents. These rules can be found at 19 CFR 351.303.

Pursuant to 19 CFR 351.103(d), the Department will maintain and make available a service list for these proceedings. To facilitate the timely preparation of the service list(s), it is requested that those seeking recognition as interested parties to a proceeding contact the Department in writing within 10 days of the publication of the Notice of Initiation.

Because deadlines in Sunset Reviews can be very short, we urge interested parties to apply for access to proprietary information under administrative protective order ("APO") immediately following publication in the **Federal Register** of this notice of initiation by filing a notice of intent to participate. The Department's regulations on submission of proprietary information and eligibility to receive access to business proprietary information under APO can be found at 19 CFR 351.304–306.

#### Information Required From Interested Parties

Domestic interested parties defined in section 771(9)(C), (D), (E), (F), and (G) of the Act and 19 CFR 351.102(b)) wishing to participate in a Sunset Review must respond not later than 15 days after the date of publication in the **Federal Register** of this notice of initiation by filing a notice of intent to participate. See 19 CFR 351.218(d)(1)(i). The required contents of the notice of intent to participate are set forth at 19 CFR 351.218(d)(1)(ii). In accordance with the Department's regulations, if we do not receive a notice of intent to participate from at least one domestic interested party by the 15-day deadline, the Department will automatically revoke the order without further review. See 19 CFR 351.218(d)(1)(iii).

If we receive an order-specific notice of intent to participate from a domestic interested party, the Department's regulations provide that *all parties* wishing to participate in the Sunset Review must file complete substantive responses not later than 30 days after the date of publication in the **Federal Register** of this notice of initiation. The required contents of a substantive response, on an order-specific basis, are set forth at 19 CFR 351.218(d)(3). Note that certain information requirements differ for respondent and domestic parties. Also, note that the Department's information requirements are distinct from the Commission's information requirements. Please consult the Department's regulations for information regarding the Department's conduct of Sunset Reviews.<sup>1</sup> Please consult the Department's regulations at 19 CFR Part 351 for definitions of terms and for other general information

concerning antidumping and countervailing duty proceedings at the Department.

This notice of initiation is being published in accordance with section 751(c) of the Act and 19 CFR 351.218 (c).

Dated: April 19, 2010.

**John M. Andersen,**

*Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.*

[FR Doc. 2010–10258 Filed 4–30–10; 8:45 am]

**BILLING CODE 3510–DS–P**

<sup>1</sup> In comments made on the interim final sunset regulations, a number of parties stated that the proposed five-day period for rebuttals to substantive responses to a notice of initiation was insufficient. This requirement was retained in the final sunset regulations at 19 CFR 351.218(d)(4). As provided in 19 CFR 351.302(b), however, the Department will consider individual requests to extend that five-day deadline based upon a showing of good cause.

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**INTERNATIONAL TRADE  
COMMISSION**

[Investigation Nos. 701-TA-249 and 731-TA-262, 263, and 265 (Third Review)]

**Iron Construction Castings From  
Brazil, Canada, and China**

**AGENCY:** United States International Trade Commission.

**ACTION:** Institution of five-year reviews concerning the countervailing duty order on “heavy” iron construction castings from Brazil, the antidumping duty order on “heavy” iron construction castings from Canada, and the antidumping duty orders on iron construction castings from Brazil and China.

**SUMMARY:** The Commission hereby gives notice that it has instituted 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 countervailing duty order on “heavy” iron construction castings from Brazil, the antidumping duty order on “heavy” iron construction castings from Canada, and the antidumping duty orders on iron construction castings from Brazil and China would be likely to lead to continuation or recurrence of material injury. Pursuant to section 751(c)(2) of the Act, interested parties are requested to respond to this notice by submitting the information specified below to the Commission;<sup>1</sup> to be assured of consideration, the deadline for responses is June 2, 2010. Comments on

<sup>1</sup> No response to this request for information is required if a currently valid Office of Management and Budget (OMB) number is not displayed; the OMB number is 3117-0016/USITC No. 10-5-215, expiration date June 30, 2011. Public reporting burden for the request is estimated to average 15 hours per response. Please send comments regarding the accuracy of this burden estimate to the Office of Investigations, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436.

the adequacy of responses may be filed with the Commission by July 16, 2010. For further information concerning the conduct of these reviews and rules of general application, consult the Commission’s Rules of Practice and Procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A, D, E, and F (19 CFR part 207), as most recently amended at 74 FR 2847 (January 16, 2009).

**DATES:** *Effective Date:* May 3, 2010.

**FOR FURTHER INFORMATION CONTACT:**

Mary Messer (202-205-3193), Office of Investigations, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission’s TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000. General information concerning the Commission may also be obtained by accessing its internet server (<http://www.usitc.gov>). The public record for these reviews may be viewed on the Commission’s electronic docket (EDIS) at <http://edis.usitc.gov>.

**SUPPLEMENTARY INFORMATION:**

*Background.*—The Department of Commerce issued antidumping duty orders on imports of “heavy” and “light” iron construction castings from Canada on March 5, 1986 (51 FR 7600) and from Brazil and China on May 9, 1986 (51 FR 17220). On May 15, 1986, Commerce issued a countervailing duty order on imports of “heavy” iron construction castings from Brazil (51 FR 17786). On September 23, 1998, Commerce issued the final results of a changed circumstance review concerning iron construction castings from Canada, in which the antidumping duty order with respect to “light” castings was revoked (63 FR 50881). Following full first five-year reviews by Commerce and the Commission, effective November 12, 1999, Commerce issued a continuation of the countervailing duty order on “heavy” iron construction castings from Brazil, a continuation of the antidumping duty order on “heavy” iron construction castings from Canada, and a continuation of the antidumping duty orders on “heavy” and “light” iron construction castings from Brazil and China (64 FR 61590-61592). Following expedited second five-year reviews by Commerce and the Commission, effective June 29, 2005, Commerce issued a second continuation of the subject orders (70 FR 27326). The Commission is now conducting third

reviews to determine whether revocation of the orders would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time. It will assess the adequacy of interested party responses to this notice of institution to determine whether to conduct full or expedited reviews. The Commission's determinations in any expedited reviews will be based on the facts available, which may include information provided in response to this notice.

*Definitions.*—The following definitions apply to these reviews:

(1) *Subject Merchandise* is the class or kind of merchandise that is within the scope of the five-year reviews, as defined by the Department of Commerce.

(2) The *Subject Countries* in these reviews are Brazil, Canada, and China.

(3) The *Domestic Like Product* is the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the *Subject Merchandise*. In its original determinations, its full first five-year review determinations, and its expedited second five-year review determinations concerning iron construction castings from Brazil, Canada, and China, the Commission found two separate *Domestic Like Products*: “heavy” and “light” iron construction castings.

(4) The *Domestic Industry* is the U.S. producers as a whole of the *Domestic Like Product*, or those producers whose collective output of the *Domestic Like Product* constitutes a major proportion of the total domestic production of the product. In its original determinations, its full first five-year review determinations, and its expedited second five-year review determinations, the Commission found two *Domestic Industries*: (1) all domestic producers of “heavy” iron construction castings and (2) all domestic producers of “light” iron construction castings.

(5) An *Importer* is any person or firm engaged, either directly or through a parent company or subsidiary, in importing the *Subject Merchandise* into the United States from a foreign manufacturer or through its selling agent.

*Participation in the reviews and public service list.*—Persons, including industrial users of the *Subject Merchandise* and, if the merchandise is sold at the retail level, representative consumer organizations, wishing to participate in the reviews as parties must file an entry of appearance with the Secretary to the Commission, as

provided in section 201.11(b)(4) of the Commission's rules, no later than 21 days after publication of this notice in the **Federal Register**. The Secretary will maintain a public service list containing the names and addresses of all persons, or their representatives, who are parties to the reviews.

Former Commission employees who are seeking to appear in Commission five-year reviews are advised that they may appear in a review even if they participated personally and substantially in the corresponding underlying original investigation. The Commission's designated agency ethics official has advised that a five-year review is not considered the “same particular matter” as the corresponding underlying original investigation for purposes of 18 U.S.C. 207, the post employment statute for Federal employees, and Commission rule 201.15(b) (19 CFR 201.15(b)), 73 FR 24609 (May 5, 2008). This advice was developed in consultation with the Office of Government Ethics.

Consequently, former employees are not required to seek Commission approval to appear in a review under Commission rule 19 CFR § 201.15, even if the corresponding underlying original investigation was pending when they were Commission employees. For further ethics advice on this matter, contact Carol McCue Verratti, Deputy Agency Ethics Official, at 202–205–3088.

*Limited disclosure of business proprietary information (BPI) under an administrative protective order (APO) and APO service list.*—Pursuant to section 207.7(a) of the Commission's rules, the Secretary will make BPI submitted in these reviews available to authorized applicants under the APO issued in the reviews, provided that the application is made no later than 21 days after publication of this notice in the **Federal Register**. Authorized applicants must represent interested parties, as defined in 19 U.S.C. 1677(9), who are parties to the reviews. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

*Certification.*—Pursuant to section 207.3 of the Commission's rules, any person submitting information to the Commission in connection with these reviews must certify that the information is accurate and complete to the best of the submitter's knowledge. In making the certification, the submitter will be deemed to consent, unless otherwise specified, for the Commission, its employees, and contract personnel to use the

information provided in any other reviews or investigations of the same or comparable products which the Commission conducts under Title VII of the Act, or in internal audits and investigations relating to the programs and operations of the Commission pursuant to 5 U.S.C. Appendix 3.

*Written submissions.*—Pursuant to section 207.61 of the Commission's rules, each interested party response to this notice must provide the information specified below. The deadline for filing such responses is June 2, 2010. Pursuant to section 207.62(b) of the Commission's rules, eligible parties (as specified in Commission rule 207.62(b)(1)) may also file comments concerning the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews. The deadline for filing such comments is July 16, 2010. All written submissions must conform with the provisions of sections 201.8 and 207.3 of the Commission's rules and any submissions that contain BPI must also conform with the requirements of sections 201.6 and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's rules, as amended, 67 FR 68036 (November 8, 2002). Also, in accordance with sections 201.16(c) and 207.3 of the Commission's rules, each document filed by a party to the reviews must be served on all other parties to the reviews (as identified by either the public or APO service list as appropriate), and a certificate of service must accompany the document (if you are not a party to the reviews you do not need to serve your response).

*Inability to provide requested information.*—Pursuant to section 207.61(c) of the Commission's rules, any interested party that cannot furnish the information requested by this notice in the requested form and manner shall notify the Commission at the earliest possible time, provide a full explanation of why it cannot provide the requested information, and indicate alternative forms in which it can provide equivalent information. If an interested party does not provide this notification (or the Commission finds the explanation provided in the notification inadequate) and fails to provide a complete response to this notice, the Commission may take an adverse inference against the party pursuant to section 776(b) of the Act in making its determinations in the reviews.

*Information To Be Provided In Response To This Notice of Institution:*



Please provide the requested information separately for each *Domestic Like Product/Domestic Industry*, as defined by the Commission in its original and previous review determinations, and for each of the products identified by Commerce as *Subject Merchandise*. If you are a domestic producer, union/worker group, or trade/business association; import/export *Subject Merchandise* from more than one *Subject Country*; or produce *Subject Merchandise* in more than one *Subject Country*, you may file a single response. If you do so, please ensure that your response to each question includes the information requested for each pertinent *Subject Country*. As used below, the term "firm" includes any related firms.

(1) The name and address of your firm or entity (including World Wide Web address) and name, telephone number, fax number, and E-mail address of the certifying official.

(2) A statement indicating whether your firm/entity is a U.S. producer of the *Domestic Like Product*, a U.S. union or worker group, a U.S. importer of the *Subject Merchandise*, a foreign producer or exporter of the *Subject Merchandise*, a U.S. or foreign trade or business association, or another interested party (including an explanation). If you are a union/worker group or trade/business association, identify the firms in which your workers are employed or which are members of your association.

(3) A statement indicating whether your firm/entity is willing to participate in these reviews by providing information requested by the Commission.

(4) A statement of the likely effects of the revocation of the antidumping and countervailing duty orders on the *Domestic Industries* in general and/or your firm/entity specifically. In your response, please discuss the various factors specified in section 752(a) of the Act (19 U.S.C. 1675a(a)) including the likely volume of subject imports, likely price effects of subject imports, and likely impact of imports of *Subject Merchandise* on the *Domestic Industries*.

(5) A list of all known and currently operating U.S. producers of the *Domestic Like Products*. Identify any known related parties and the nature of the relationship as defined in section 771(4)(B) of the Act (19 U.S.C. 1677(4)(B)).

(6) A list of all known and currently operating U.S. importers of the *Subject Merchandise* and producers of the *Subject Merchandise* in each *Subject Country* that currently export or have exported *Subject Merchandise* to the

United States or other countries after 2003.

(7) A list of 3–5 leading purchasers in the U.S. market for the *Domestic Like Products* and the *Subject Merchandise* (including street address, World Wide Web address, and the name, telephone number, fax number, and E-mail address of a responsible official at each firm).

(8) A list of known sources of information on national or regional prices for the *Domestic Like Products* or the *Subject Merchandise* in the U.S. or other markets.

(9) If you are a U.S. producer of the *Domestic Like Product(s)*, provide the following information on your firm's operations on each product during calendar year 2009, except as noted (report quantity data in pounds and value data in U.S. dollars, f.o.b. plant). If you are a union/worker group or trade/business association, provide the information, on an aggregate basis, for the firms in which your workers are employed/which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total U.S. production of each *Domestic Like Product* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm to produce each *Domestic Like Product* (i.e., the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix);

(c) The quantity and value of U.S. commercial shipments of each *Domestic Like Product* produced in your U.S. plant(s); and

(d) The quantity and value of U.S. internal consumption/company transfers of each *Domestic Like Product* produced in your U.S. plant(s).

(e) The value of (i) net sales, (ii) cost of goods sold (COGS), (iii) gross profit, (iv) selling, general and administrative (SG&A) expenses, and (v) operating income of each *Domestic Like Product* produced in your U.S. plant(s) (include both U.S. and export commercial sales, internal consumption, and company transfers) for your most recently completed fiscal year (identify the date on which your fiscal year ends).

(10) If you are a U.S. importer or a trade/business association of U.S. importers of the *Subject Merchandise* from the *Subject Country(ies)*, provide the following information on your firm's(s') operations on that product

during calendar year 2009 (report quantity data in pounds and value data in U.S. dollars). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) The quantity and value (landed, duty-paid but not including antidumping or countervailing duties) of U.S. imports and, if known, an estimate of the percentage of total U.S. imports of *Subject Merchandise* from each *Subject Country* accounted for by your firm's(s') imports;

(b) The quantity and value (f.o.b. U.S. port, including antidumping and/or countervailing duties) of U.S. commercial shipments of *Subject Merchandise* imported from each *Subject Country*; and

(c) The quantity and value (f.o.b. U.S. port, including antidumping and/or countervailing duties) of U.S. internal consumption/company transfers of *Subject Merchandise* imported from each *Subject Country*.

(11) If you are a producer, an exporter, or a trade/business association of producers or exporters of the *Subject Merchandise* in the *Subject Country(ies)*, provide the following information on that product during calendar year 2009 (report quantity data in pounds and value data in U.S. dollars, landed and duty-paid at the U.S. port but not including antidumping or countervailing duties). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total production of *Subject Merchandise* in each *Subject Country* accounted for by your firm's(s') production; and

(b) Capacity (quantity) of your firm to produce the *Subject Merchandise* in each *Subject Country* (i.e., the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix); and

(c) The quantity and value of your firm's(s') exports to the United States of *Subject Merchandise* and, if known, an estimate of the percentage of total exports to the United States of *Subject Merchandise* from each *Subject Country* accounted for by your firm's(s') exports.

(12) Identify significant changes, if any, in the supply and demand conditions or business cycle for the *Domestic Like Products* that have occurred in the United States or in the market for the *Subject Merchandise* in the *Subject Country(ies)* after 2003, and significant changes, if any, that are likely to occur within a reasonably foreseeable time. Supply conditions to consider include technology; production methods; development efforts; ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production); and factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market demand abroad). Demand conditions to consider include end uses and applications; the existence and availability of substitute products; and the level of competition among the *Domestic Like Products* produced in the United States, *Subject Merchandise* produced in the *Subject Country(ies)*, and such merchandise from other countries.

(13) (OPTIONAL) A statement of whether you agree with the above definitions of the *Domestic Like Products* and *Domestic Industries*; if you disagree with either or both of these definitions, please explain why and provide alternative definitions.

**Authority:** These reviews are being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.61 of the Commission's rules.

By order of the Commission.

Issued: April 22, 2010.

**Marilyn R. Abbott,**

*Secretary to the Commission.*

[FR Doc. 2010-9813 Filed 4-30-10; 8:45 am]

**BILLING CODE 7020-02-P**

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**INTERNATIONAL TRADE  
COMMISSION**

[Investigation Nos. 701–TA–249 and 731–  
TA–262, 263, and 265 (Third Review)]

**Iron Construction Castings From  
Brazil, Canada, and China**

**AGENCY:** United States International  
Trade Commission.

**ACTION:** Scheduling of expedited five-  
year reviews concerning the  
countervailing duty and antidumping  
duty orders on iron construction  
castings from Brazil, Canada, and China.

**SUMMARY:** The Commission hereby gives  
notice of the scheduling of expedited  
reviews pursuant to section 751(c)(3) of  
the Tariff Act of 1930 (19 U.S.C.  
1675(c)(3)) (the Act) to determine  
whether revocation of the  
countervailing duty and or antidumping  
duty orders on iron construction  
castings from Brazil, Canada, and China  
would likely lead to continuation or  
recurrence of material injury within a  
reasonably foreseeable time. For further  
information concerning the conduct of  
these reviews and rules of general  
application, consult the Commission's  
Rules of Practice and Procedure, part  
201, subparts A through E (19 CFR part  
201), and part 207, subparts A, D, E, and  
F (19 CFR part 207).

**DATES:** *Effective Date:* August 6, 2010.

**FOR FURTHER INFORMATION CONTACT:** Fred Ruggles (202–205–31887 or [fred.ruggles@usitc.gov](mailto:fred.ruggles@usitc.gov)), Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202–205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>). The public record for these reviews may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>.

**SUPPLEMENTARY INFORMATION:**

*Background.*—On August 6, 2010, the Commission determined that the domestic interested party group response to its notice of institution (75 FR 23295, May 3, 2010) of the subject five-year reviews was adequate and that the respondent interested party group response was inadequate. The Commission did not find any other circumstances that would warrant conducting full reviews.<sup>1</sup> Accordingly, the Commission determined that it would conduct expedited reviews pursuant to section 751(c)(3) of the Act.

*Staff report.*—A staff report containing information concerning the subject matter of the reviews will be placed in the nonpublic record on September 16, 2010, and made available to persons on the Administrative Protective Order service list for these reviews. A public version will be issued thereafter, pursuant to section 207.62(d)(4) of the Commission's rules.

*Written submissions.*—As provided in section 207.62(d) of the Commission's rules, interested parties that are parties to the reviews and that have provided individually adequate responses to the notice of institution,<sup>2</sup> and any party other than an interested party to the

reviews may file written comments with the Secretary on what determination the Commission should reach in the reviews. Comments are due on or before September 22, 2010, and may not contain new factual information. Any person that is neither a party to the five-year reviews nor an interested party may submit a brief written statement (which shall not contain any new factual information) pertinent to the reviews by September 22, 2010.

However, should the Department of Commerce extend the time limit for its completion of the final results of its reviews, the deadline for comments (which may not contain new factual information) on Commerce's final results is three business days after the issuance of Commerce's results. If comments contain business proprietary information (BPI), they must conform with the requirements of sections 201.6, 207.3, and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's rules, as amended, 67 FR 68036 (November 8, 2002). Even where electronic filing of a document is permitted, certain documents must also be filed in paper form, as specified in II (C) of the Commission's Handbook on Electronic Filing Procedures, 67 FR 68168, 68173 (November 8, 2002).

In accordance with sections 201.16(c) and 207.3 of the rules, each document filed by a party to the reviews must be served on all other parties to the reviews (as identified by either the public or BPI service list), and a certificate of service must be timely filed. The Secretary will not accept a document for filing without a certificate of service.

*Determination.*—The Commission has determined to exercise its authority to extend the review period by up to 90 days pursuant to 19 U.S.C. 1675(c)(5)(B).

**Authority:** These reviews are being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.62 of the Commission's rules.

By order of the Commission.

Issued: August 10, 2010.

**Marilyn R. Abbott,**

*Secretary to the Commission.*

[FR Doc. 2010–20121 Filed 8–13–10; 8:45 am]

**BILLING CODE 7020–02–P**

<sup>1</sup> A record of the Commissioners' votes, the Commission's statement on adequacy, and any individual Commissioner's statements will be available from the Office of the Secretary and at the Commission's web site.

<sup>2</sup> The Commission has found the responses submitted by four producers of heavy iron construction castings (D & L Foundry Inc., East Jordan Iron Works Inc., Neenah Foundry Co., and U.S. Foundry & Manufacturing Co.) and three producers of light iron construction castings (East Jordan Iron Works Inc., Neenah Foundry Co., and Vestal Manufacturing Enterprises, Inc.) to be individually adequate. Comments from other interested parties will not be accepted (*see* 19 CFR 207.62(d)(2)).

**DEPARTMENT OF COMMERCE****International Trade Administration****[A-351-503, A-122-503, A-570-502]****Certain Iron Construction Castings From Brazil, Canada, and the People's Republic of China: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders****AGENCY:** Import Administration, International Trade Administration, Department of Commerce.**SUMMARY:** On May 3, 2010, the Department of Commerce (the Department) initiated the third sunset reviews of the antidumping duty orders on certain iron construction castings from Brazil, Canada, and the People's Republic of China (PRC), pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act). *See Initiation of Five-year ("Sunset") Review*, 75 FR 23240 (May 3, 2010) (*Notice of Initiation*). The Department has conducted expedited (120-day) sunset reviews of these orders. As a result of these sunset reviews, the Department finds that revocation of the antidumping duty orders would be likely to lead to continuation or recurrence of dumping as indicated in the "Final Results of Reviews" section of this notice.**EFFECTIVE DATE:** September 8, 2010.**FOR FURTHER INFORMATION:** Dustin Ross or Mino Hatten, AD/CVD Operations, Office 5, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0747 or (202) 482-1690, respectively.**SUPPLEMENTARY INFORMATION:****Background**

On May 3, 2010, the Department published the notice of initiation of the sunset reviews of the antidumping duty orders<sup>1</sup> on certain iron construction castings from Brazil, Canada, and the PRC pursuant to section 751(c) of the Act. *See Notice of Initiation*.

The Department received notices of intent to participate in these sunset reviews from the domestic interested parties, East Jordan Iron Works, Inc., Neenah Foundry Company, and U.S. Foundry & Manufacturing Co. (collectively, the petitioners) within the

15-day period specified in 19 CFR 351.218(d)(1)(i). The domestic interested parties claimed interested-party status under section 771(9)(C) of the Act as producers of a domestic like product in the United States.

The Department received complete substantive responses to the *Notice of Initiation* from the domestic interested parties within the 30-day period specified in 19 CFR 351.218(d)(3)(i). The Department received no substantive responses from any respondent interested parties. In accordance with section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department is conducting expedited (120-day) sunset reviews of the antidumping duty orders on certain iron construction castings from Brazil, Canada, and the PRC.

**Scope of the Orders***Brazil*

The merchandise covered by the order consists of certain iron construction castings from Brazil, limited to manhole covers, rings, and frames, catch basin grates and frames, cleanout covers and frames used for drainage or access purposes for public utility, water and sanitary systems, classifiable as heavy castings under Harmonized Tariff Schedule (HTS) item number 7325.10.0010; and to valve, service, and meter boxes which are placed below ground to encase water, gas, or other valves, or water and gas meters, classifiable as light castings under HTS item number 7325.10.0050. The HTS item numbers are provided for convenience and customs purposes only. The written product description remains dispositive.

*Canada*

The merchandise covered by the order consists of certain iron construction castings from Canada, limited to manhole covers, rings, and frames, catch basin grates and frames, clean-out covers, and frames used for drainage or access purposes for public utility, water and sanitary systems, classifiable as heavy castings under HTS item number 7325.10.0010. The HTS item number is provided for convenience and customs purposes only. The written product description remains dispositive.

*PRC*

The products covered by the order are certain iron construction castings from the PRC, limited to manhole covers, rings and frames, catch basin grates and frames, cleanout covers and drains used for drainage or access purposes for public utilities, water and sanitary

<sup>1</sup> *Antidumping Duty Order; Certain Iron Construction Castings From Canada*, 51 FR 7600 (March 5, 1986), *Antidumping Duty Order; Iron Construction Castings From Brazil*, 51 FR 17220 (May 9, 1986), and *Antidumping Duty Order; Iron Construction Castings From the People's Republic of China (the PRC)*, 51 FR 17222 (May 9, 1986).

systems; and valve, service, and meter boxes which are placed below ground to encase water, gas, or other valves, or water or gas meters. These articles must be of cast iron, not alloyed, and not malleable. This merchandise is currently classifiable under the HTS item numbers 7325.10.0010 and 7325.10.0050. The HTS item numbers are provided for convenience and customs purposes. The written product description remains dispositive.

**Analysis of Comments Received**

All issues raised in these reviews are addressed in the “Issues and Decision Memorandum for the Expedited Sunset Reviews of the Antidumping Duty Orders on Certain Iron Construction Castings From Brazil, Canada, and the

People’s Republic of China” from Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations Edward C. Yang to Deputy Assistant Secretary for Import Administration Ronald K. Lorentzen dated concurrently with this notice (Issues and Decision Memo), which is hereby adopted by this notice. The issues discussed in the Issues and Decision Memo include the likelihood of continuation or recurrence of dumping and the magnitude of the margin likely to prevail if the orders were revoked. Parties can find a complete discussion of all issues raised in these reviews and the corresponding recommendations in this public memorandum which is on file in the

Central Records Unit, room 1117 of the main Department of Commerce building.

In addition, a complete version of the Issues and Decision Memo can be accessed directly on the Web at <http://ia.ita.doc.gov/frn>. The paper copy and electronic version of the Issues and Decision Memo are identical in content.

**Final Results of Reviews**

The Department determines that revocation of the antidumping duty orders on certain iron construction castings from Brazil, Canada, and the PRC would be likely to lead to continuation or recurrence of dumping at the following weighted-average percentage margins:

Country	Company	Weighted-Average Margin (Percent)
Brazil	Fundicao Aldebara Ltda.	58.74
	Sociedade de Metalurgia E Processos, Ltda.	16.61
	Usina Siderurgica Paraensa S.A.	5.95
	All other manufacturers/producers/exporters	26.16
Canada	Mueller Canada, Inc.	9.80
	LaPerle Foundry, Ltd.	4.40
	Bibby Ste. Croix Foundries, Ltd.	8.60
	All Others	7.50
PRC	PRC-wide Rate	25.52

**Notification Regarding APO**

This notice 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(a). Timely written notification of the destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

The Department is issuing and publishing the final results and notice in accordance with sections 751(c), 752(c), and 777(i)(1) of the Act.

Dated: August 31, 2010.

**Ronald K. Lorentzen,**

*Deputy Assistant Secretary for Import Administration.*

[FR Doc. 2010-22373 Filed 9-7-10; 8:45 am]

**BILLING CODE 3510-DS-S**

**DEPARTMENT OF COMMERCE****International Trade Administration**

[C-351-504]

**Final Results of Expedited Sunset Review: Heavy Iron Construction Castings from Brazil**

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

**SUMMARY:** On May 3, 2010, the Department of Commerce (“the Department”) initiated the third sunset review of the countervailing duty order (“CVD”) on heavy iron construction castings from Brazil pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”). On the basis of a notice of intent to participate and an adequate substantive response filed on behalf of the domestic interested parties and an inadequate response from respondent interested parties (in this case, no response), the Department conducted an expedited sunset review of the CVD order pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(B). As a result of this sunset review, the Department finds that revocation of the CVD order would be likely to lead to continuation or recurrence of a countervailable subsidy

at the level indicated in the “Final Results of Review” section of this notice.

**EFFECTIVE DATE:** September 8, 2010.

**FOR FURTHER INFORMATION CONTACT:** Christopher Hargett or David Goldberger, AD/CVD Enforcement, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-4161 or (202) 482-4136, respectively.

**SUPPLEMENTARY INFORMATION:****Background**

On May 3, 2010, the Department initiated the third sunset review of the CVD order on iron construction castings from Brazil pursuant to section 751(c) of the Act. *See Initiation of Five-year (“Sunset”) Reviews*, 75 FR 23240 (May 3, 2010). The Department received a notice of intent to participate from the following domestic interested parties: East Jordan Iron Works, Inc., Neenah Foundry Company, and U.S. Foundry & Manufacturing Co. (collectively, “domestic interested parties”), within the deadline specified in 19 CFR 351.218(d)(1)(i). The domestic interested parties claimed interested party status under section 771(9)(C) of the Act, as domestic producers engaged

in the production of subject merchandise in the United States.

The Department received an adequate substantive response collectively from the domestic interested parties within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i). However, the Department did not receive a substantive response from any government or respondent interested party to this proceeding. As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department conducted an expedited review of the CVD order.

#### Scope of the Order

The merchandise subject to the CVD order consists of certain heavy iron construction castings from Brazil. The merchandise is defined as manhole covers, rings and frames; catch basin grates and frames; and cleanout covers and frames used for drainage or access purposes for public utility, water and sanitary systems. The merchandise is currently classified under Harmonized Tariff Schedule (“HTS”) item number 7325.10.00.

The HTS item number subject to the CVD order is provided for convenience and customs purposes. The written product description remains dispositive.

#### Analysis of Comments Received

All issues raised in this review are addressed in the Issues and Decision Memorandum (“Decision Memorandum”) from Edward C. Yang, Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Deputy Assistant Secretary for Import Administration, dated August 31, 2010, which is hereby adopted by this notice. Parties can find a complete discussion of all issues raised in this review and the corresponding recommendation in this public memorandum which is on file in the Central Records Unit room B-1117 of the main Commerce building. In addition, a complete version of the Decision Memorandum can be accessed directly on the Web at <http://ia.ita.doc.gov/frn>. The paper copy and electronic version of the Decision Memorandum are identical in content.

#### Final Results of Review

The Department determines that revocation of the CVD order would be likely to lead to continuation or recurrence of a countervailable subsidy at the following weighted-average percentage margins:

Manufacturers/ Exporters/Producers	Weighted-Average Margin (Percent)
Country-wide rate .....	1.06

#### Notification Regarding Administrative Protective Order

This notice serves as the only reminder to parties subject to administrative protective order (“APO”) of their responsibility concerning the return or destruction 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.

We are issuing and publishing the results and notice in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: August 31, 2010.

**Ronald K. Lorentzen,**

*Deputy Assistant Secretary for Import Administration.*

[FR Doc. 2010-22375 Filed 9-7-10; 8:45 am]

**BILLING CODE 3510-DS-S**



**APPENDIX B**  
**COMMISSION'S STATEMENT ON ADEQUACY**



## **EXPLANATION OF COMMISSION DETERMINATION ON ADEQUACY**

in

*Iron Construction Castings from Brazil, Canada, and China,*  
Inv. Nos. 701-TA-249, 731-TA-262, 263, 265 (Third Review).

On August 6, 2010, the Commission determined that it should proceed to expedited reviews in the subject five-year reviews pursuant to section 751(c)(3)(B) of the Tariff Act of 1930, as amended, 19 U.S.C. § 1675(c)(3)(B).

With regard to each of the reviews, the Commission determined that the domestic interested party group response to the notice of institution was adequate. The Commission received a joint response with company specific data from three domestic producers: East Jordan Iron Works, Inc.; Neenah Foundry; and U.S. Foundry & Manufacturing Co. That response also contained individual data and statements of willingness to cooperate with Commission data requests from domestic producers D & L Foundry and Vestal Manufacturing Enterprises, Inc. The Commission found each of the five producer responses to be individually adequate. Because the Commission received an adequate response for domestic producers accounting for a substantial percentage of U.S. production, the Commission determined that the domestic interested party group response was adequate.

The Commission did not receive a response from any respondent interested parties concerning subject imports from Brazil, Canada, or China and therefore determined that the respondent interested party group responses to the notice of institution were inadequate with regard to each of the reviews.

The Commission did not find any circumstances that would warrant conducting full reviews of the orders. The Commission, therefore, determined to conduct expedited reviews of the orders.

A record of the Commissioners' votes is available from the Office of the Secretary and on the Commission's website (<http://www.usitc.gov>).

