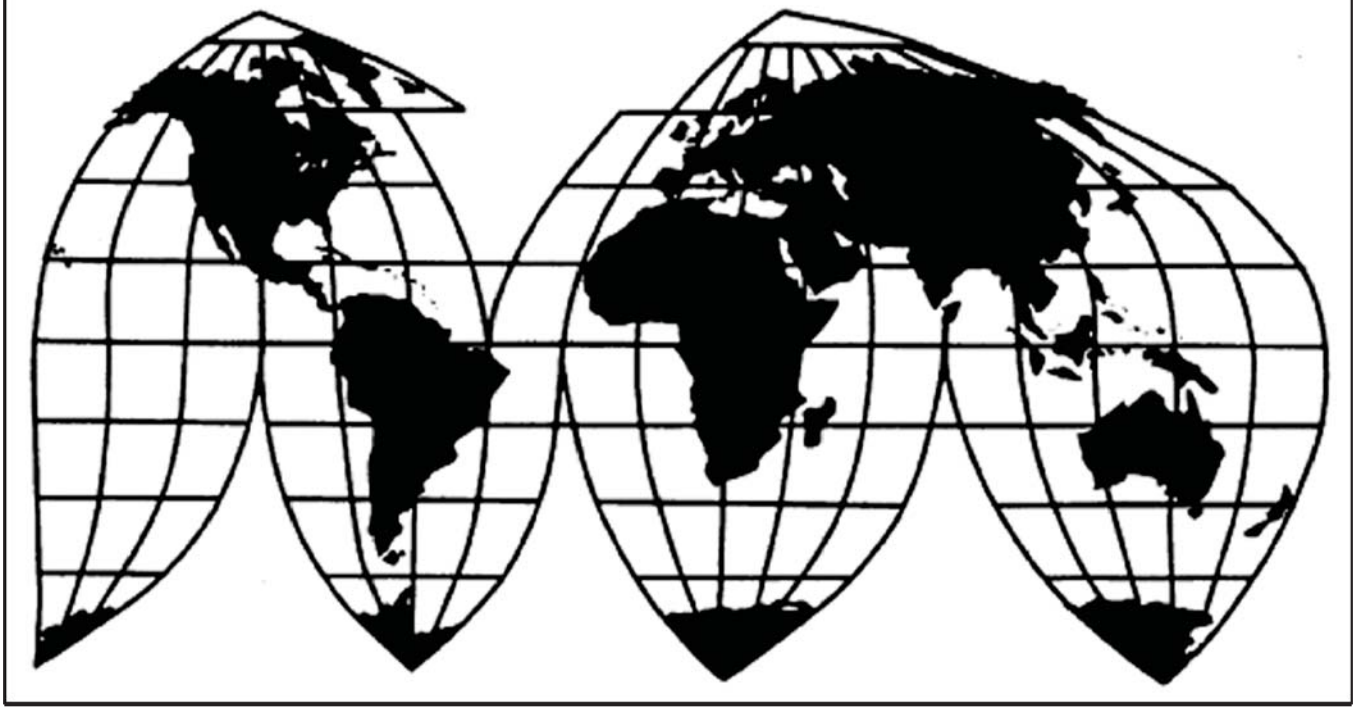
Certain Circular Welded Pipe and Tube from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey

Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 532-534 and 536 (Third Review)

Publication 4333 **June 2012**

U.S. International Trade Commission



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CONTENTS

Page

Determinations 1
Views of the Commission 3

Part I: Introduction I-1
Background I-1
The original investigations I-2
Summary data I-2
Subsequent five-year reviews I-10
Previous and related investigations I-10
Previous and related safeguard investigations I-12
Statutory criteria and organization of the report I-14
Statutory criteria I-14
Organization of the report I-15
Commerce's reviews I-16
Administrative reviews I-16
Five-year reviews I-20
The subject merchandise I-22
Commerce's scope I-22
Tariff treatment I-24
The product I-24
Description and applications I-24
Manufacturing processes I-27
Domestic like product issues I-28
U.S. market participants I-29
U.S. producers I-29
U.S. importers I-31
U.S. purchasers I-33
Apparent U.S. consumption I-33
U.S. market shares I-34

Part II: Conditions of competition in the U.S. market II-1
U.S. market characteristics II-1
Channels of distribution II-1
Geographic distribution II-1
Supply and demand considerations II-3
Supply II-3
U. S. demand II-8
Substitutablity issues II-11
Factors affecting purchasing decisions II-11
Country of origin II-14
Elasticity estimates II-15
U.S. supply elasticity II-15
U.S. demand elasticity II-16
Substitution elasticity II-16

CONTENTS

Page

Part III: Condition of the U.S. industry III-1
Overview III-1
Changes experienced by the industry III-4
Anticipated changes in operations III-4
U.S. producers' capacity, production, and capacity utilization III-5
Constraints on capacity III-6
Alternative and downstream operations III-7
U.S. producers' shipments III-8
U.S. producers' inventories III-9
U.S. producers' imports and purchases III-10
U.S. producers' employment, wages, and productivity III-10
U.S. producers' financial condition and experience III-11
Background III-11
Producers' operations on circular welded pipe III-11
Net sales quantity and value III-15
Cost of goods sold III-16
Gross profit or (loss) III-17
SG&A expenses and operating income or (loss) III-18
Non-recurring items III-19
Capital expenditures and research and development expenses III-19

Part IV: U.S. imports and the foreign industry IV-1
U.S. imports IV-1
Overview IV-1
Imports from subject and nonsubject countries IV-2
U.S. importers' imports subsequent to December 31, 2011 ..... IV-6
U.S. importers' inventories IV-6
Cumulation considerations IV-7
Geographic markets IV-7
Presence in the market IV-8
The industry in Brazil IV-8
Overview IV-8
Operations on circular welded pipe IV-11
The industry in India IV-11
Overview IV-11
Operations on circular welded pipe IV-13
The industry in Korea IV-14
Overview IV-14
Operations on circular welded pipe IV-16

CONTENTS

Page

Part IV--*Continued*

The industry in Mexico IV-17
- Overview IV-17
- Operations on circular welded pipe IV-19
- Alternative and downstream operations IV-20

The industry in Taiwan IV-21
- Overview IV-21
- Operations on circular welded pipe IV-22
- Alternative and downstream operations IV-23

The industry in Thailand IV-23
- Overview IV-23
- Operations on circular welded pipe IV-25
- Alternative and downstream operations IV-26

The industry in Turkey IV-26
- Overview IV-26
- Operations on circular welded pipe IV-28
- Alternative and downstream operations IV-30

Antidumping and countervailing duty investigations in third-country markets IV-30

Global market IV-31
- Supply IV-31
- Demand IV-34
- Prices IV-35

Part V: Pricing and related information V-1

Factors affecting pricing V-1
- Raw material costs V-1
- U.S. inland transportation costs V-1
- Published price data V-2

Pricing practices V-2

Price data V-3
- General price trends V-4

Appendixes

A. *Federal Register* notices and the Commission's statement on adequacy market A-1

B. Hearing witnesses B-1

C. Summary data C-1

D. Responses of U.S. producers, U.S. importers, U.S. purchasers, and foreign producers concerning the significance of the antidumping duty and countervailing duty orders and the likely effects of revocation D-1

E. Period-to-period change: Components of COGS-to sales ratio, average sales value, and average components of COGS by U.S. producer E-1

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 532-534 and 536 (Third Review)

CERTAIN CIRCULAR WELDED PIPE AND TUBE FROM BRAZIL, INDIA, KOREA, MEXICO, TAIWAN, THAILAND, AND TURKEY

DETERMINATIONS

On the basis of the record[1] 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)), that revocation of the countervailing duty order on certain circular welded pipe and tube from Turkey and the antidumping duty orders on certain circular welded pipe and tube from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission instituted these reviews on July 1, 2011 (76 F.R. 38691) and determined on October 4, 2011 that it would conduct full reviews (76 F.R. 65748, October 24, 2011). Notice of the scheduling of the Commission's reviews and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* on January 17, 2012 (77 F.R. 2318). The hearing was held in Washington, DC, on May 3, 2012, and all persons who requested the opportunity were permitted to appear in person or by counsel.

[1] 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 Tariff Act"), that revocation of the countervailing duty order on imports of certain circular welded pipe from Turkey and the antidumping duty orders on certain circular welded pipe from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey 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

Original Investigations: The orders at issue in these reviews followed from a series of original investigations.[1] As a result of the Commission's April 17, 1984 material injury finding, Commerce issued an antidumping duty order on small-diameter circular welded carbon steel pipe and tube from Taiwan in May 1984.[2] On February 12, 1986, two Commissioners determined that a domestic industry was materially injured, and two found the industry threatened with material injury by subsidized imports from Turkey and less-than-fair value ("LTFV") imports from Thailand of welded carbon steel standard pipe and tube.[3] On April 21, 1986, two Commissioners determined that the domestic industry was materially injured, and one Commissioner found the domestic industry threatened with material injury by reason of LTFV imports of standard pipe and tube from India and Turkey.[4] On October 20, 1992, the Commission determined that a domestic industry was materially injured by LTFV imports of standard and structural pipe and tube from Brazil, Korea, Mexico, Taiwan (those imports not already subject to order), and Venezuela.[5]

First Reviews: In the first five-year reviews, instituted on May 3, 1999, the preceding circular welded pipe orders were grouped for initiation with certain antidumping and countervailing duty orders on imports of light-walled rectangular pipe and tube ("LWR pipe"),[6] in order to promote administrative

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[1] Confidential Report, Memorandum INV-KK-060 (May 29, 2012), as supplemented by Memorandum INV-K-061 (May 30, 2012) and as revised by Memorandum INV-KK-065 (June 5, 2012) ("CR") at Table I-2; Public Report, Certain Circular Welded Pipe and Tube from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Invs. 701-TA-253 and 731-TA-132, 252, 271, 273, 532-534 and 536 (Third Reviews), USITC Pub. 4333 (July 2012) ("PR") at Table I-2.

[2] 49 Fed. Reg. 19369 (May 7, 1984); Certain Welded Carbon Steel Pipes and Tubes from the Republic of Korea and Taiwan, Invs. Nos. 731-TA-131, 132, and 138 (Final), USITC Pub. 1519 (Apr. 1984).

[3] Certain Welded Carbon Steel Pipes and Tubes from Turkey and Thailand, Invs. Nos. 701-TA-253 and 731-TA-252 (Final), USITC Pub. 1810 (Feb. 1986). Commerce issued antidumping and countervailing duty orders respectively on these products on March 7 and March 11, 1986. 51 Fed. Reg. 8341 (Mar. 11, 1986) (Thailand) (AD); 51 Fed. Reg. 7984 (Mar. 7, 1986) (Turkey) (CVD).

[4] Certain Welded Carbon Steel Pipes and Tubes from India, Taiwan, and Turkey, Invs. Nos. 731-TA-271 to 273 (Final), USITC Pub. 1839 (Apr. 1986) (also making a negative final determination concerning imports of line pipe from Taiwan and Turkey). Commerce issued antidumping duty orders on May 12 and May 15, 1986, respectively. 51 Fed. Reg. 17784 (Turkey); 51 Fed. Reg. 17384 (India) (excluding Zenith Steel Pipes & Industries, Ltd. ("Zenith") and Gujarat Steel Tubes Ltd. ("Gujarat") from the order after finding each made no sales at less-than-fair value).

[5] Certain Circular, Welded, Non-Alloy Steel Pipes and Tubes from Brazil, the Republic of Korea, Mexico, Romania, Taiwan, and Venezuela, Invs. Nos. 731-TA-532 to 537 (Final), USITC Pub. 2564 (Oct. 1992) (also making a negative injury determination regarding imports from Romania that the Commission concluded were negligible); 57 Fed. Reg. 49453 (Nov. 2, 1992) (Brazil, Korea, Mexico, and Venezuela); 57 Fed. Reg. 49454 (Nov. 2, 1992) (Taiwan).

[6] At the time of the first reviews, these orders were also grouped with orders regarding various oil country tubular goods ("OCTG"). The Commission made negative first-review determinations concerning all OCTG orders. Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey,

(continued...)

efficiency due to similarities in the products and/or market participants. The Commission conducted full reviews of all orders in the group.[7] With respect to circular welded pipe, the Commission made a negative determination concerning imports from Venezuela and affirmative determinations concerning imports from Brazil, India, Korea, Mexico, Taiwan (two orders), Thailand, and Turkey (two orders).[8]

Second Reviews: In second reviews instituted on July 1, 2005, the circular welded pipe orders again were grouped with orders on LWR pipe, and the Commission conducted full reviews of all orders.[9] With respect to circular welded pipe, the Commission determined that revocation of the nine orders on imports from the seven subject countries would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[10]

There were no appeals of the Commission's original determinations or first- or second-review determinations that resulted in a court decision.

Third Reviews: The Commission instituted these third reviews of the remaining orders on imports of circular welded pipe and the order on imports of LWR pipe from Taiwan on July 1, 2011.[11] On October 4, 2011, the Commission decided to conduct full reviews of the nine circular welded pipe orders and to conduct an expedited review of the order on LWR pipe from Taiwan.[12]

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[6] (...continued)
and Venezuela, Invs. Nos. 701-TA-253, 731-TA-132, 152, 271, 273, 276, 277, 296, 409, 410, 532-34, 536 & 537 (Review), USITC Pub. 3316 at 3 (July 2000).

[7] As the Commission explained: (1) it received adequate domestic interested party group responses for all orders and adequate respondent interested party group responses for the circular welded pipe orders on imports from Turkey (two orders), Korea, Mexico, and Venezuela, and (2) it concluded that conducting full reviews of all other orders subject to the reviews for which it received no respondent-interested party responses to the notice of institution (i.e., circular welded pipe from Brail, India, Taiwan (two orders), and Thailand; LWR pipe from Argentina, Singapore, and Taiwan) would promote administrative efficiency. USITC Pub. 3316 at 6.

[8] USITC Pub. 3316 at 3 (Commissioner Okun dissenting with respect to Mexico, Commissioner Askey dissenting with respect to India, Mexico, and Turkey, Commissioner Hillman dissenting with respect to Mexico, and Commissioner Bragg dissenting with respect to Venezuela). With respect to LWR pipe, the Commission made affirmative determinations concerning Argentina and Taiwan but a negative determination concerning Singapore. Id.

[9] As the Commission explained: (1) it received adequate domestic interested party group responses for all orders and adequate respondent interested party group responses for three of the circular welded pipe orders (on imports from Turkey (two orders) and Mexico), and (2) it concluded that conducting full reviews of all other orders subject to the reviews (i.e., circular welded pipe from Brazil, India, Korea, Taiwan (two orders), and Thailand as well as LWR pipe from Argentina and Taiwan) would promote administrative efficiency. Certain Pipe and Tube from Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Invs. Nos. 701-TA-253, 731-TA-132, 152, 271, 273, 409, 410, 532 to 534, and 536 (Second Review), USITC Pub. 3867 at 4-5 (July 2006).

[10] USITC Pub. 3867 at 3, 16 (Views of Commissioners Okun, Pearson, Aranoff, Hillman, Koplan, and Lane, all of whom exercised their discretion to cumulate subject imports from all seven subject countries). With respect to LWR pipe, the Commission made an affirmative determination regarding Taiwan and a negative determination concerning Argentina. Id. at 3, 54.

[11] 76 Fed. Reg. 38691 (July 1, 2011).

[12] As the Commission explained: (1) it received adequate domestic interested party group responses for all orders; (2) it received no respondent interested party response regarding the order on LWR pipe from Taiwan, and it did not find any circumstances that would warrant conducting a full review of that order; and (3) it received adequate respondent interested party group responses for four of the circular welded pipe orders (on imports from Mexico, Thailand, and Turkey (two)), and it concluded that conducting full reviews of the other circular welded pipe orders (i.e., on imports from Brazil, India, Korea, and Taiwan (two orders)) would promote administrative efficiency. CR/PR at Appendix B (Adequacy Statement) (Commissioner Lane voted to conduct a full review of the order on
(continued...)

Two sets of domestic circular welded pipe producers responded to the notice instituting these reviews, submitted briefs, and appeared at the Commission's hearing: (1) Allied Tube and Conduit ("Allied"), JMC Steel Group ("JMC")/Wheatland Tube Co. ("Wheatland"); Leavitt Tube Company ("Leavitt"), Northwest Pipe Company ("Northwest"), and TMK IPSCO Tubulars ("TMK IPSCO") (collectively "Joint Domestic Producers") and (2) United States Steel Corp. ("U.S. Steel"). The Commission obtained data from 17 firms that are believed to account for the vast majority of U.S. circular welded pipe production in 2011.[13]

Five sets of respondent interested parties responded to the notice of institution: (1) Pytco, S.A. de C.V. ("Pytco"), a Mexican producer; (2) Ternium México, S.A. de C.V. ("Ternium") (successor to Hylsa, S.A. de C.V. ("Hylsa")), a Mexican producer/exporter; (3) Saha Thai Steel Pipe (Public) Co., Ltd. ("Saha Thai"), a Thai producer, exporter, and importer; (4) the Government of Turkey; and (5) an association[14] and several member producers and exporters of circular welded pipe from Turkey in their individual and collective capacities.[15] Despite their initial submissions expressing a willingness to provide data in these reviews, Pytco and Ternium did not submit questionnaire responses but instead withdrew from the proceedings, although Conduit, S.A. de C.V. ("Conduit"), believed to account for *** percent of Mexican production, did submit questionnaire data.[16] Saha Thai, which accounted for *** percent of Thai production, submitted questionnaire data as did Turkish Producers/Exporters, which collectively accounted for *** percent of total production in Turkey.[17] No producers in Brazil, Korea,[18] or India submitted questionnaire responses, and the one Taiwan producer submitting a response, Tension Steel Industries Co., Ltd. ("Tension Steel"), did not estimate the size of its production operations relative to

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[12] (...continued)
LWR pipe from Taiwan). Earlier this year, the Commission made an affirmative determination in the expedited review of the order on LWR pipe from Taiwan. Light-Walled Rectangular Pipe and Tube from Taiwan, Inv. No. 731-TA-410 (Third Review), USITC Pub. 4301 (Jan. 2012).

[13] CR at I-36; PR at 29; CR/PR at Table I-13.

[14] The association's name is Çelik İhracatçıları Birliği – Steel Exporters Association ("CIB"). Based on information CIB reported on its membership, the association does not qualify as an interested party association under 19 U.S.C. § 1677(9)(A), because it is not the case that "a majority of the members of {the association} are producers, exporters, or importers of {subject} merchandise." While it is true that CIB counts among its members producers that account for all exports of subject merchandise from Turkey to the United States and producers that account for a large share of production (about *** percent) of subject merchandise in Turkey, these data show that CIB's membership predominantly includes others that are not producers, exporters, or importers of the subject merchandise. See, e.g., Turkish Producers/Exporters' Sept. 2, 2011, Supplemental Response to NOI.

[15] These firms include the following: Noksel Celik Boru Sanayi A.S. ("Noksel"), a Turkish producer of circular welded pipe; Borusan Mannesmann Boru Sanayi ve Ticaret AS ("Borusan"), a Turkish producer/exporter; and two sets of affiliated companies – the Yucel Group (Yucel Boru ve Profil Endustirisi A.S., an exporter; Cayirova Boru San. ve Tic. A.S., a producer; and Yucelboru Ihracat Ithalat Ve Pazarlama A.S., a producer) and the Toscelik group (Toscelik Profil ve Sac Endustrisi A.S., a producer; Toscelik Metal Ticaret A.S., and Tosyali Dis Ticaret A.S., an exporter) (excluding the Yucel Group, collectively referred to herein as the "Turkish Producers/Exporters").

[16] CR at IV-31 n.54, IV-32; PR at IV-20 & n.54. Foreign exporter Mueller Comercial de Mexico ("Mueller") and affiliated U.S. importer Southland Pipe Nipples Co. ("Southland Pipe") submitted notices of appearance but not questionnaire responses, despite multiple Commission staff requests to do so. Id at n.54.

[17] CR at I-18, IV-42, IV-49 to IV-50; PR at I-15 to I-16, IV-25 to IV-29. ***. CR at II-11; PR at II-8.

[18] Korean producer/exporter Husteel Co., Ltd. ("Husteel") (formerly known as Shinho Steel Co. ("Shinho") and previously as Korea Steel Pipe Co. ("KSP")) entered an appearance at the outset of the reviews but withdrew prior to the deadline for submitting prehearing briefs and without filing a response to the notice of institution, questionnaire, or other such substantive submission. CR at IV-28 n.43; PR at IV-17 n.43.

total production in Taiwan.[19] The 21 importers submitting useable data represented over half of total subject imports during the review period, based on official Commerce statistics.[20] On behalf of respondent interested parties, only the Turkish Producers/Exporters participated in the hearing and submitted briefs in these reviews. Due to the failure of a number of respondent interested parties to respond to the questionnaires and/or participate in these reviews, where appropriate, we have relied on the facts available, which consist primarily of the evidence in the record from the Commission's original investigations and two prior five-year reviews, the information collected by the Commission since the institution of these reviews, and information submitted by parties in these reviews.[21]

Other Proceedings involving the Same or Similar Products: In addition to the various original investigations that produced the orders subject to these reviews, the Commission has conducted several other antidumping, countervailing duty, and safeguard investigations involving circular welded pipe.[22] On September 18, 1984, the President announced that he would not implement the safeguard remedies that the Commission had proposed after making affirmative determinations with respect to five of nine investigated carbon and certain alloy steel products.[23] Instead, as part of a nine-point plan, the President recommended negotiating voluntary restraint agreements ("VRAs") with U.S. trading partners to address unfair surges in steel imports.[24] Between October 1, 1984, and March 31, 1992, the United States used VRAs to limit imports into the U.S. market of non-alloy carbon steel products from Europe and 19 other sources and in exchange terminated various existing investigations and orders involving steel products.[25] Among other products, the VRAs covered circular welded pipe (as well as other pipe and tube products) from, among other countries, Brazil, Korea, and Mexico.[26] Moreover, between March 2002 and September 2003, after a different Commission safeguard investigation, the United States implemented

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[19] CR at I-18; PR at I-15 to I-16.

[20] CR at I-39; PR at I-31 to I-32; CR/PR at Table I-14. Firms submitting importer questionnaire data accounted for the following shares of subject imports from individual subject countries (as a share of official import statistics, by value) in 2011: none of the subject imports from Brazil; 52.2 percent of subject imports from India; less than one percent of subject imports from Korea; none of the subject imports from Mexico; 95.0 percent of subject imports from Taiwan; the vast majority of subject imports from Thailand; the vast majority of subject imports from Turkey; and 23.9 percent of non-subject imports from all other sources in 2011. CR at IV-1 to IV-2; PR at IV-1.

[21] Section 751(c)(3) of the Tariff Act and the Commission's regulations provide that in five-year reviews, the Commission may issue a final determination "based on the facts available, in accordance with section 776 of the Act." Commissioner 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. 19 U.S.C. § 1675(e). 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 and the interpretations urged by participating parties, 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." Uruguay Round Agreements Act Statement of Administrative Action ("URAA SAA"), H.R. Rep. No. 103-316, vol. I at 869 (1994).

[22] CR/PR at Table I-2.

[23] Carbon and Certain Alloy Steel Products, Inv. TA-201-51, USITC Pub. 1553 at I-13 (Jul. 1984); CR at I-14; PR at I-12.

[24] CR at I-14; PR at I-12 (citing 49 Fed. Reg. 36813 (Sept. 20, 1984) (President's Memorandum)).

[25] CR at I-14; PR at I-12; CR/PR at Table I-2.

[26] Although there was no VRA with Taiwan, Taiwan voluntarily undertook to restrain unilaterally its U.S. steel exports. CR at I-14; PR at I-13.

measures on various steel imports, including welded tubular products (other than OCTG); imports from Mexico were not subject to those measures.[27] Furthermore, the Commission also conducted antidumping and countervailing duty investigations of circular welded pipe from China, and the resulting orders have been in effect since July 2008.[28] Finally, separate final-phase antidumping and countervailing duty investigations are ongoing regarding U.S. imports of circular welded pipe from India, Oman, the United Arab Emirates, and Vietnam.[29]

II. DOMESTIC LIKE PRODUCT

In making its determination under section 751(c) of the Tariff Act, the Commission defines the "domestic like product" and the "industry."[30] The Tariff 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 an investigation under this subtitle."[31] The Commission's practice in five-year reviews is to examine the domestic like product definition from the original investigations and any completed reviews and consider whether the record indicates any reason to revisit the prior findings.[32]

A. Scopes of the Orders Under Review and Background on Product and Scope Issues

As the Commission observed in its second-review determinations,[33] Commerce used several different formulations to define the imported products in the scope of the various orders subject to review.[34] The 1984 antidumping duty order with respect to Taiwan encompasses only circular carbon welded steel pipe between 0.375 inches and 4.5 inches in outside diameter (i.e., small-diameter circular welded pipe).[35] The 1992 Taiwan antidumping duty order includes product over 4.5 inches, but not more than 16 inches, in diameter, and contains numerous exclusions.[36] The remaining circular welded pipe orders generally cover circular welded non-alloy steel pipe not more than 16 inches in outside diameter,

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[27] CR at I-14 to I-15; PR at I-13. In 2005, the Commission made an affirmative market disruption determination after conducting a China-specific safeguard investigation of circular welded non-alloy steel pipe and recommended remedies, but the President decided not to impose temporary import relief. CR at I-15; PR at I-13.

[28] CR/PR at Table I-2; Circular Welded Carbon-Quality Steel Pipe from China, Invs. Nos. 701-TA-447 and 731-TA-1116 (Final), USITC Pub. 4019 (July 2008).

[29] CR/PR at Table I-2; Circular Welded Carbon-Quality Steel Pipe from India, Oman, the United Arab Emirates, and Vietnam, Invs. Nos. 701-TA-482-485 and 731-TA-1191-1194 (Prelim.), USITC Pub. 4298 (Dec. 2011).

[30] 19 U.S.C. § 1677(4)(A).

[31] 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, 96th Cong., 1st Sess. 90-91 (1979).

[32] 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).

[33] USITC Pub. 3867 at 6.

[34] The full scope definitions are found in CR/PR at Table I-12.

[35] CR/PR at Table I-12.

[36] CR/PR at Table I-12.

but vary in terms of outside wall thickness specifications and product exclusions.[37]

Producers manufacture the circular welded pipe product subject to these reviews in standard diameters and wall thicknesses to American Society for Testing and Material ("ASTM") specifications for use in plumbing and heating systems, air conditioning units, machinery, buildings, sprinkler systems, irrigation systems, and water wells for low-pressure conveyance of air, steam, natural gas, water, oil, or other liquids and gases.[38] The product, sometimes referred to as standard pipe, is used in light load-bearing, mechanical, and structural applications and may be galvanized (coated by dipping in molten zinc), lacquered (black finish), or painted (black) to provide corrosion-resistance for storage in humid conditions or ocean transport.[39]

Producers primarily make circular welded pipe to ASTM specifications A53, A135, and A795.[40] As these standards often require engineering characteristics that overlap with other specifications, a pipe may be dual-stenciled, i.e., stamped to indicate compliance with two different specifications, such as ASTM53 and API5L. This dual-stenciled pipe, which for U.S. customs purposes enters as line pipe under a different tariff subheading, is not within the scope of the orders.[41]

Circular welded pipe also is used for structural or load-bearing purposes above ground by the construction industry and for structural members in ships, trailers, farm equipment, and similar uses.[42]

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[37] CR/PR at Table I-12.

[38] CR at I-29 to I-30; PR at I-24 to I-25.

[39] CR at I-31; PR at I-26.

[40] CR at I-30; PR at I-25; Joint Domestic Producers' Posth'g Br. at A-4.

[41] CR at I-30; PR at I-25. In April 1993, domestic producers petitioned Commerce to investigate whether API 5L line pipe and dual-certified pipe were circumventing the November 1992 antidumping duty orders on circular welded pipe from Brazil, Mexico, and Korea. Rather than conduct an anti-circumvention inquiry, Commerce instead conducted a scope inquiry to determine whether API 5L line pipe and dual-certified pipe, when actually used in standard pipe applications, were within the scope of the circular welded pipe orders. 59 Fed. Reg. 1929, 1933 (Jan. 13, 1994). After initially making a preliminary affirmative scope finding, Commerce ultimately concluded in its final negative scope finding that these products were not within the scope, because the orders clearly excluded line pipe and dual-certified pipe. 61 Fed. Reg. 11608 (Mar. 21, 1996). Wheatland appealed to the U.S. Court of International Trade ("CIT") both the final negative scope finding and Commerce's decision to conduct a scope rather than the requested anti-circumvention inquiry. The CIT denied Commerce's request for a voluntary remand to reconsider the petition, granted Wheatland's separate motion to dismiss the case with respect to imports from Mexico that Wheatland had failed to appeal properly, upheld Commerce's treatment of the matter as a scope inquiry, and upheld Commerce's negative final scope determination. Wheatland Tube Co. v. United States, 973 F. Supp. 149 (Ct. Int'l Trade 1997), aff'd, 161 F.3d 1365 (Fed. Cir. 1998).

Meanwhile, in January 1997, Commerce initiated an anti-circumvention inquiry based on the same underlying petition to determine if imports of line pipe or dual-certified pipe were circumventing the Mexican circular welded pipe order. 62 Fed. Reg. 1429 (Jan. 10, 1997). Mexican producer Hylsa sought to permanently enjoin Commerce from conducting the anti-circumvention inquiry, and the CIT eventually granted that request. Hylsa, S.A. de C.V. v. United States, 960 F. Supp. 320 (Ct. Int'l Trade 1997) (dismissing Hylsa's appeal filed at the time the anti-circumvention inquiry was initiated for lack of jurisdiction), appeal dismissed, 185 F.3d 881 (Fed. Cir. Jan. 22, 1999) (table); Hylsa, S.A. de C.V. v. United States, 22 CIT 44 (Ct. Int'l Trade 1998) (after Commerce's affirmative preliminary anti-circumvention finding, the CIT found it had jurisdiction, issued an injunction against conducting the inquiry, and enjoined Commerce from suspending liquidation of entries pursuant to its affirmative preliminary anti-circumvention finding), appeal dismissed, 185 F.3d 881 (Fed. Cir. Jan. 20, 1999) (table).

[42] CR at I-31; PR at I-26.

For these applications, it is produced in nominal wall thicknesses and sizes, primarily to ASTM A500 or A252 as well as to American Society of Mechanical Engineers specifications.[43]

Furthermore, circular welded pipe may be used in light load-bearing and mechanical applications, such as for fence tubing, scaffolding components, or conduit shells that protect electrical wiring.[44] Fence tubing can be produced to ASTM specification F1083, ***, which covers hot-dipped galvanized welded steel pipe used for fence structures,[45] but it also can be produced to a general specification such as ASTM A513,[46] or without reference to an ASTM specification.[47]

B. Definition of the Domestic Like Product

Because of differences in wall thicknesses and excluded products among the circular welded pipe scope definitions, the domestic like products defined by the Commission in the various underlying original investigations differed from one another in some respects. In each of the original investigations, the Commission's domestic like product definition generally conformed with Commerce's scope definition for the corresponding original investigation, with two principal exceptions.[48]

In the first five-year reviews, all parties expressing a position on the issue asked the Commission to reconsider the domestic like product definition and to define a single domestic like product consisting of all circular welded non-alloy steel pipe and tube not more than 16 inches in outside diameter. After

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[43] CR at I-31; PR at I-26.

[44] CR at I-31; PR at I-26.

[45] CR at I-31; PR at I-26; Joint Domestic Producers' Posth'g Br. at A-4.

[46] ASTM A513 mechanical tubing is designed and produced for a wide range of specific end uses including aircraft tubing, furniture, and precision-pump tube. It covers welded tubing of any wall thickness, shape, heat treatment, chemical composition, and production method. It is not used to convey liquid, so hydrostatic testing is not usually required. CR at I-31 n.35; PR at I-26 n.35. Domestic interested parties assert that to meet ASTM F1083 fence tubing products must meet minimum zinc coating requirements, whereas ASTM A513 does not require any zinc galvanizing, because in their view, the "ASTM A513 specification is essentially a mechanical property specification governing the type of steel used for chemistry properties of the tubing for mechanical applications." Joint Domestic Producers' Posth'g Br. at A-4 to A-5.

[47] CR at I-31; PR at I-26. According to domestic interested parties, the domestic industry has never produced fence tubing certified to ASTM A513, but they assert Mexican producers have been exporting galvanized fence tubing certified to ASTM A513 in order to evade the order on circular welded pipe from Mexico. Joint Domestic Producers' Posth'g Br. at A-5; Hearing Tr. at 24. The scope of the order excludes mechanical tubing. USITC Pub. 2525 at 5, 8-17 (defining circular welded pipe as a separate domestic like product from mechanical tubing and making negative final determinations regarding imports of mechanical tubing that was not cold-drawn or cold-rolled). Domestic interested parties contend that the scope includes products used for structural light load-bearing fencing applications that also happen to be certified to ASTM A513, although they report that Customs and Border Protection has hesitated to enforce vigorously such a reading. They intend to "pursue scope clarifications" at Commerce "to make the relief effective." Joint Domestic Producers' Preh'g Br. at A-4 to A-6.

[48] In the 1992 investigation concerning circular welded pipe from Taiwan, the Commission's domestic like product definition included circular welded pipe between 0.375 and 4.5 inches in diameter (which Commerce had excluded from the scope of the Taiwan investigation because it was already covered by the 1984 antidumping duty order). Additionally, in the 1992 investigations concerning imports from Brazil, Korea, Mexico, and Taiwan, the Commission defined finished conduit and mechanical tubing, which were not entirely excluded from the scope of those investigations, as separate like products from circular welded pipe, and it made negative final determinations regarding imports from Brazil, Korea, Mexico, Romania, Taiwan, and Venezuela of both finished conduit and mechanical tubing that was not cold-drawn or cold-rolled. USITC Pub. 2525 at 5, 8-17.

considering the record and party arguments, the Commission agreed and applied the requested domestic like product definition to all orders under review.[49]

In the second reviews, domestic interested parties urged the Commission to define the domestic like product as it had in the first reviews, no party argued otherwise, and the record did not indicate any changes in the relevant facts. Consequently, the Commission again defined the domestic like product as all circular, welded, non-alloy steel pipe and tube not more than 16 inches in outside diameter.[50]

In these third reviews, domestic interested parties ask for the same definition as in prior reviews,[51] and no party argued for a different definition.[52] The current record does not indicate any significant changes in the facts supporting the Commission's previous domestic like product finding.[53] In light of this and the lack of any contrary argument, we again define a single domestic like product consisting of circular, welded, non-alloy steel pipe and tube not more than 16 inches in outside diameter (also referred to herein as "circular welded pipe").

III. DOMESTIC INDUSTRY

Section 771(4)(A) of the Tariff 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."[54] 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.[55] Given our definition of the domestic like product, we define the domestic industry to include all domestic producers of circular welded pipe, as we did in the original investigations and first and second reviews.[56]

The Commission also determines whether any producer of the domestic like product should be excluded from the domestic industry pursuant to section 771(4)(B) of the Tariff Act. That provision of the statute allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise or that are themselves importers.[57]

In each of the original investigations, the Commission did not discuss any related party issues.[58] In the first reviews, the Commission defined the domestic industry as encompassing all domestic circular

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[49] USITC Pub. 3316 at 11-12.

[50] USITC Pub. 3867 at 6-7.

[51] Joint Domestic Producers' Preh'g Br. at 2; U.S. Steel's Preh'g Br. at 1; U.S. Steel's Response to the NOI at 23; Joint Domestic Producers' Response to the NOI at 20-21.

[52] In their response to the Notice of Institution, the Turkish Producers/Exporters stated that they did "not wish to comment on the definitions of the domestic like product and domestic industry." Response to the NOI at 12.

[53] CR at I-28 to I-35; PR at I-24 to I-29.

[54] 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 apply 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.

[55] See, e.g., United States Steel Group v. United States, 873 F. Supp. 673, 682-83 (Ct. Int'l Trade 1994), aff'd, 96 F.3d 1352 (Fed. Cir. 1996).

[56] USITC Pub. 1519 at 4; USITC Pub. 1810 at 7; USITC Pub. 1839 at 6-7; USITC Pub. 2564 at 8; USITC Pub. 3316 at 16; USITC Pub. 3867 at 8.

[57] 19 U.S.C. § 1677(4)(B).

[58] See, e.g., USITC Pub. 1519 at 4; USITC Pub. 1810 at 7; USITC Pub. 1839 at 6-7; USITC Pub. 2564 at 8.

welded pipe producers, and it concluded that appropriate circumstances did not exist to exclude from the domestic industry ***.[59]

In the second reviews, domestic interested parties agreed with the Commission's prior domestic industry definition, and no party argued otherwise. The Commission *** found that domestic producer Tex-Tube was a related party because it was owned and controlled by the Villacero Group, which also owned and controlled an importer of subject merchandise from Mexico (S&P Steel Products and Services ("S&P Steel")) and a Mexican producer/exporter (TuNa). Nevertheless, the Commission found that appropriate circumstances did not exist to exclude Tex-Tube from the domestic industry as a related party. The Commission again defined the domestic industry as all domestic circular welded pipe producers.[60]

In these third reviews, three domestic producers are potentially subject to exclusion pursuant to the related parties provision: (1) Maverick Tube Corporation ("Maverick") (which is related through an affiliate Tenaris to Mexican producer Ternium and Brazilian producer TenarisConfab Industrial, S.A. ("TenarisConfab"); (2) Tex-Tube (which is related to importer S&P Steel and to Mexican producer Lamina y Placa Comercial, S.A. de C.V. ("Lamina y Placa"), the successor to TuNa), and (3) U.S. Steel (which has an ownership interest in Apolo Tubulars S.A. ("Apolo"), a Brazilian producer, through a 50/50 joint venture with Grupo Peixoto de Castro Group).[61] Maverick ***, whereas Tex-Tube and U.S. Steel accounted for *** and *** percent of domestic production, respectively, in 2011.[62] No party made any related party arguments during these reviews. Even if we were to find any of these firms to be a related party, there is no allegation or indication that any of them benefitted from their relationships with the subject producers, exporters, and/or importers or that inclusion or exclusion of these firms would skew the domestic industry data, given the small size of their operations.[63] [64] [65] We do not find that appropriate circumstances exist to exclude any firm from the domestic industry pursuant to the related parties provision. Thus, for purposes of these reviews, we define the domestic industry as all U.S. circular welded pipe producers.

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[59] USITC Pub. 3316 at 18-19; Confidential Version of First-Review Determinations, EDIS document number 458850 at 23-25 (not finding appropriate circumstances to exclude *** from the domestic industry based on its ***, its ***, and the absence of any evidence that its ***).

[60] USITC Pub. 3867 at 7-9; Confidential Version of Second-Review Determinations, EDIS document number 458587, file identification number 659116 at 12-13 & n.41 (noting that Tex-Tube *** and finding no indication that Tex-Tube's *** domestic production operations benefitted from the small quantities of circular welded pipe exported or imported by its sibling firms).

[61] CR/PR at Table I-13; CR at IV-15; PR at IV-10.

[62] CR/PR at Table I-13.

[63] CR/PR at Table III-11 (***).

[64] Commissioner Aranoff does not rely on individual-company operating income margins, which reflect a domestic producer's financial operations related to production of the domestic like product, in assessing whether a related party has benefitted from its corporate affiliation with importers or exporters of the subject merchandise.

[65] Commissioner Pinkert does not rely upon Maverick's, Tex-Tube's or U.S. Steel's financial performance as a factor in determining whether there are appropriate circumstances to exclude them from the domestic industry in these reviews. The record is not sufficient to infer from their profitability on U.S. operations whether they have derived a specific benefit from their corporate affiliations. See Allied Mineral Products v. United States, 28 C.I.T. 1861, 1865-1867 (2004).

IV. CUMULATION

A. Legal Standard

With respect to five-year reviews, section 752(a) of the Tariff 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.[66]

Cumulation therefore is discretionary in five-year reviews, unlike original investigations, which are governed by section 771(7)(G)(i) of the Tariff Act.[67] The Commission may exercise its discretion to cumulate, however, only if the reviews are initiated on the same day, 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.[68] 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.

Because the orders at issue originated from a series of original investigations conducted over a span of several years, the Commission observed that the first reviews provided the initial opportunity to consider cumulation with respect to all orders subject to review.[69] As discussed below, in the first and second five-year reviews, the Commission exercised its discretion to cumulate subject imports from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey.[70]

In these third reviews, the statutory threshold for cumulation is satisfied, because all reviews were initiated on the same day, July 1, 2011.[71] Domestic interested parties again ask the Commission to

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[66] 19 U.S.C. § 1675a(a)(7).

[67] 19 U.S.C. § 1677(7)(G)(i); see, e.g., Nucor Corp. v. United States, 601 F.3d 1291, 1293 (Fed. Cir. 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).

[68] 19 U.S.C. § 1677(7)(G)(i).

[69] USITC Pub. 3867 at 11.

[70] USITC Pub. 3316 at 26-27 (also determining that Venezuelan circular welded pipe imports were likely to have no discernible adverse impact on the domestic industry, not cumulating those imports with other subject imports, and making a negative five-year review determination concerning Venezuela) (Commissioner Bragg dissenting with respect to Venezuela) (Commissioners Okun, Askey, and Hillman exercising their discretion not to cumulate imports from Mexico and making negative dissenting determinations) (Commissioner Hillman exercising her discretion not to cumulate Korean imports but making an affirmative determination concerning Korea) (Commissioner Askey exercising her discretion not to cumulate subject imports from India and Turkey with any other subject imports and also making negative determinations regarding these orders); USITC Pub. 3867 at 11-16.

[71] 76 Fed. Reg. 38691 (July 1, 2011).

cumulate subject imports from all seven subject countries,[72] whereas Turkish Producers/Exporters ask the Commission not to cumulate imports from Turkey with other subject imports, either based on a likely no discernible adverse impact finding or based on differences in likely conditions of competition.[73] Based on the record, we find that subject imports from each of the seven subject countries would not be likely to have no discernible adverse impact on the domestic industry were the corresponding countervailing or antidumping duty orders revoked. We also find a likely reasonable overlap of competition among the subject imports and between the subject imports and the domestic like product were the orders to be revoked. We further find that imports from each of the subject countries are likely to compete in the U.S. market under similar conditions of competition should the orders be revoked.[74] We therefore exercise our discretion to cumulate subject imports from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey for our analysis of whether material injury to the domestic industry is likely to continue or recur if the orders were to be revoked.

B. Likelihood of No Discernible Adverse Impact

The statute precludes cumulation if the Commission finds that subject imports from a country are likely to have no discernible adverse impact on the domestic industry in the event of revocation of the corresponding order.[75] Neither the statute nor the URAA SAA provides specific guidance on what factors the Commission is to consider in determining that imports "are likely to have no discernible adverse impact" on the domestic industry.[76] With respect to this provision, the Commission generally considers the likely volume of subject imports and the likely impact of those imports on the domestic industry within a reasonably foreseeable time in the event of revocation.

In the first reviews, the Commission majority rejected arguments that imports from Korea,[77]

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[72] U.S. Steel's Posth'g Br. at 3-7; U.S. Steel's Preh'g Br. at 3-15; Joint Domestic Producers' Preh'g Br. at 5-8.

[73] Turkish Producers/Exporters' Posth'g Br. at 2; Turkish Producers/Exporters' Preh'g Br. at 4-11.

[74] Commissioner Pinkert explains his analysis of other conditions below. He joins his colleagues in cumulating imports from all subject countries.

[75] 19 U.S.C. § 1675a(a)(7).

[76] URAA SAA, H.R. Rep. No. 103-316, vol. I at 887.

[77] The Korean respondents had argued that, until the March 1, 2000 safeguards went into effect, they enjoyed unlimited access to the U.S. circular welded pipe market by exporting dual-stenciled pipe that met both line pipe and circular welded pipe specifications but that entered as out-of-scope line pipe for customs purposes. They had argued that, if the order were revoked, they would simply export single- instead of dual-stenciled pipe. In rejecting their argument of no likely discernible adverse impact, the Commission cited the Korean industry's excess capacity, its status as the largest U.S. exporter, and its established position in and continued interest in the U.S. market, despite declines in its production and exports to the U.S. market. USITC Pub. 3316 at 28.

Mexico,[78] or Turkey[79] were likely to have no discernible adverse impact on the domestic industry if each of the corresponding orders were revoked.[80]

In the second reviews, the Commission rejected Mexican respondent interested parties' no discernible adverse impact argument.[81] It did not find that subject imports from any other subject country were likely to have no discernible adverse impact on the domestic industry in the event of revocation.[82]

Based on the record in these third reviews, we do not find that imports from any of the seven subject countries are likely to have no discernible adverse impact on the domestic industry in the event of revocation.[83] Our analysis for each of the subject countries takes into account the nature of the product and the behavior of subject imports during the original periods of investigation and in the prior and

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[78] Like the Korean respondents, Hylsa had argued that the order had not affected Mexican producers' exports to the U.S. market because they instead sold dual-stenciled line pipe. Mexican respondents admitted, however, that they had only limited access to the portion of the U.S. market demanding galvanized circular welded pipe, because galvanized circular welded pipe could not be dual-stenciled as line pipe. In rejecting their no discernible adverse impact argument, the Commission cited the high substitutability between U.S. and Mexican products, the relative ease of switching production among welded pipe products, the existence of some excess capacity in Mexico, the Mexican industry's demonstrated interest in and commitment to the U.S. market, and the opportunity to expand sales of galvanized products. USITC Pub. 3316 at 29-30.

[79] In finding that imports from Turkey were not likely to have no discernible adverse impact on the domestic industry if these orders were revoked, the Commission noted the high substitutability between U.S. and Turkish products, Borusan's reported excess capacity and export orientation, and Turkey's increased U.S. market share at the time of those reviews, despite the existence of other third-country markets for Turkish products. USITC Pub. 3316 at 29.

[80] USITC Pub. 3316 at 28-30 (Commissioner Askey dissenting with respect to imports from India and Turkey). The Commission did find imports from Venezuela were likely to have no discernible adverse impact on the domestic industry if that order were revoked, and it made a negative determination concerning that antidumping duty order in the first reviews. USITC Pub. 3316 at 26-27 (Commissioner Bragg dissenting).

[81] The Commission found that the order suppressed imports from Mexico, noting that Mexico had higher volumes and a larger market share during the original investigations, even if its market share was lower during the second reviews. The Commission also relied on the Mexican industry's size and available capacity as well as the relatively small volume needed to have a discernible adverse impact in light of the price-sensitive nature of this product. USITC Pub. 3867 at 11-14.

[82] The Commission found that the industries in Brazil, India, Korea, Taiwan, Thailand, and Turkey each had significant production capacity and either considerable unused capacity or planned capacity increases. It also relied on the high substitutability of and standard nature of circular welded pipe from all sources and the fact that even small volumes of unfairly traded imports would likely have significant price-depressing or suppressing effects. USITC Pub. 3867 at 11-12.

[83] Commissioners Okun and 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).

current five-year review periods. We recognize that the composition of the subject circular welded pipe industries in many of the subject countries has changed substantially since the original investigations, both in terms of the number and identities of the producers of subject merchandise and the size of individual firms' operations.[84] The failure of certain producers, exporters, and/or importers of subject merchandise to submit questionnaire data in the original investigations, first reviews, second reviews, and/or current reviews, however, has hindered our analysis of, inter alia, these changes in the subject industries' operations and U.S. market behavior over time, and complicated comparisons of data from one period to another. In addition to questionnaire data, we also considered as information available evidence obtained through the Commission's investigative efforts, submitted by the parties to the proceedings, and available from industry publications and the Commission's reports in the underlying proceedings. In some cases, these alternate data sources correspond to a broader product and thus may overstate data for the circular welded pipe product under review,[85] whereas in other cases, they do not include the data of one or more producers and thus understate the data; moreover, these alternate sources sometimes conflict with one another or are unavailable for one or more of the relevant time periods.[86] Given the limited responses from foreign producers, importers, and exporters of the subject merchandise, however, this is the information available to the Commission. Our review of the record indicates that there is no basis for concluding that revocation of any of the orders subject to these five-year reviews would be likely to have no discernible adverse impact on the domestic industry.[87]

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[84] See, e.g., CR at IV-14 to IV-53; PR at IV-8 to IV-30.

[85] For example, we rely on import data based on official Commerce statistics for circular welded pipe for statistical reporting numbers 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, and 7306.30.5090. In addition to subject merchandise, these statistical reporting numbers may also include certain other products such as mechanical tubing. CR at IV-2; PR at IV-1. Mechanical tubing imports are believed to be intended for relatively specialized applications, such as automotive applications. Id. at n.5. With regard to Canada, staff removed such imports from the data set based on data provided by Statistics Canada's Cansim. CR/PR at Table I-1. The Commission also asked U.S. importers to identify imports of circular welded pipe certified to ASTM A513 but which were produced as fence tubing, sold as fence tubing, and/or sold to a fence tubing distributor since January 1, 2006. One U.S. importer *** reported such imports ***. CR at IV-2 n.5; PR at IV-2 n.5.

Moreover, Global Trade Atlas data on exports for HTS subheading 7306.30 include all circular welded non-alloy steel tubular products, which covers most welded carbon steel pipe and tube (other than line pipe and OCTG), including welded circular pipe together with tapered welded pipe and pipe that is used in boilers, superheaters, and heat exchangers that is not included as subject product. CR at IV-55 n.88; PR at IV-31; CR/PR at Note to Table IV-20. World Steel Association global production data include data for all welded tube, and so substantially overstate data with respect to subject circular welded pipe products. CR/PR at Note to Table IV-19. Simdex Publishing's Simdex Steel Tube Manufacturers Worldwide Guide provides data on manufacturing of steel tube, a product that greatly overstates circular welded pipe because it encompasses both seamless and welded tube and includes various non-subject products such as line pipe and OCTG. See, e.g., CR at IV-20 n.26; PR at IV-13 n.26; ***.

[86] For example, Global Trade Atlas data on exports of round, welded, non-energy tubular products do not include export data for India for 2011, as these data are not yet available. See, e.g., CR/PR at Note to Table IV-20. World Steel Association global welded tube production data do not include data for India, Thailand, or Turkey for the period 2008 to 2010. CR/PR at Note to Table IV-19. Brazil has not provided data on welded tube production to the World Steel Association since 2007. CR at IV-14 n.14; PR at IV-8 n.14.

[87] We recognize that circular welded pipe imports from Turkey are subject to both antidumping and countervailing duty orders and that circular welded pipe imports from Taiwan are subject to two antidumping duty orders, one pertaining to small-diameter imports and the other encompassing circular welded pipe imports not already covered in the latter order. Having examined likely imports under each order separately, we conclude that the likely volume of imports from each subject country under each order is not likely to have no discernible adverse impact on the domestic industry, were any of the orders to be revoked.

Other subject imports. The information available indicates that the industries producing subject circular welded pipe in Brazil,[88] India,[89] Korea,[90] Mexico,[91] Taiwan,[92] and Thailand,[93] each currently has significant production capacity. As further evidence of the size of the subject industries, according to Global Trade Atlas data on global exports of round, welded, non-energy tubular products, many of the subject industries export substantial volumes to other global markets if not also to the United States.[94] As discussed further below, subject imports from each of the subject countries undersold the domestic like product in each of the underlying original investigations, and those subject countries that maintained a U.S. market presence continued to undersell the domestic like product in the first, second, and the current

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[88] No subject producer in Brazil submitted data on its circular welded pipe operations in these reviews. Several major circular welded pipe producers operate in Brazil, and *** as follows, where applicable: Brastubo Construcoes Metalicas S.A. ("Brastubo") (***); Apolo (***); TenarisConfab; Persico Pizzamiglio; V&M (***); Zambrogna (***); and Tubonal. CR at IV-14 to IV-16, IV-18; PR at IV-8 to IV-11; ***.

[89] No subject producer in India submitted data on its circular welded pipe operations. Reportedly, there are several leading circular welded pipe producers in India, and *** as follows, where applicable: Zenith (which is not subject to the order under review), Good Luck Steel Tube Limited (***); Welspun (***); TISCO (***); and Jindal (***). CR at IV-19 to IV-20; PR at IV-13; ***.

[90] No subject producer in Korea submitted data on its circular welded pipe operations. Reportedly, there are at least six major circular welded pipe producers in Korea, including Dongbu (***); Histeel; Husteel (***); Hyundai (***); Miju Steel MFG Co. Ltd.; and SeAH (formerly PSP) (***). CR at IV-23 to IV-25; PR at IV-14 to IV-16; ***.

[91] According to Mexican producer Ternium (the successor to Hylsa), there are at least four major circular welded pipe producers in Mexico other than itself, including Lamina y Placa (the successor to TuNa); Pytco; Procarsa; and Compania Mexicana de Tubos, S.A. de C.V. In addition, Commerce conducted administrative reviews of Mueller Comercial de Mexico, S.A. de C.V. which has exported subject merchandise it purchased from Ternium and TuNa. According to Simdex data, there are at least five smaller-capacity producers of circular welded tube in Mexico. *** identifies the following ***: Omega Tubo Conduit (***); Ternium Hylsa (***); Tuberia Laguna (***); and Lamina y Placa, TuNa's successor (***). CR at IV-28 to IV-29 & n.46; PR at IV-17 to IV-19 & n.46; ***. The one responding subject producer in Mexico, Conduit, estimated that it accounted for only *** percent of subject production in Mexico, and it reported production of *** short tons in 2011 compared to a capacity of *** short tons, a capacity utilization of *** percent. CR/PR at Table IV-9; CR at IV-32; PR at IV-20.

[92] The one responding subject producer in Taiwan did not report its production capacity or estimate its share of total production in Taiwan. CR at IV-37, IV-39; PR at IV-23. Reportedly, the two leading circular welded pipe producers in Taiwan are Far East (***) and Chung Hung. ***; CR at IV-35; PR at IV-21. According to the WSA, Taiwan was the seventh leading global producer of welded tube in 2009, the most recent year for which Taiwan reported data to the organization. CR at IV-35; PR at IV-21.

[93] The one responding Thai producer, which estimated that it accounted for *** percent of Thai production of circular welded pipe in 2011, reported *** production capacity from *** short tons in 2006 to *** short tons in 2011. According to ***, the following firms manufacture ***. CR at IV-40, IV-42; PR at IV-23, IV-25; CR/PR at Table IV-13, Table IV-14; ***.

[94] See, e.g., CR/PR at Table II-3, Table IV-5 (showing Brazil's exports in 2011 of 19,316 short tons), Table IV-6 (showing India's exports in 2010 of 81,465 short tons), Table IV-7 (showing Korea's exports in 2011 of 326,949 short tons), Table IV-8 (showing Mexico's exports in 2011 of 124,610 short tons), Table IV-11 (showing Taiwan's exports in 2011 of 89,492 short tons), Table IV-13 (showing Thailand's exports in 2011 of 88,632 short tons), and Table IV-16 (showing Turkey's exports in 2011 of 446,016 short tons of round, welded, non-energy tubular products). Global Trade Atlas data thus indicate that in 2011, Turkey and Korea were the third and fourth largest global exporters of round, welded, non-energy tubular products, respectively, and World Steel Association data indicate that Korea's welded tube production capacity was more than double the size of welded tube production capacity in the United States. CR/PR at Table IV-20.

reviews, even after imposition of the orders.[95] As discussed below, the United States is one of the largest global circular welded pipe markets and thus continues to be attractive to imports, as shown by increased imports into the U.S. market between 2006 and 2011, first from China, then from other sources, after imports from China became subject to antidumping and countervailing duty orders. As also discussed further below, circular welded pipe, regardless of source, is produced to standard specifications, so domestically produced circular welded pipe is highly substitutable with imports from each of the subject countries.[96] Consequently, sustained underselling by even relatively small volumes of dumped or subsidized imports would be likely to significantly depress or suppress prices of the domestic like product.[97] In light of these factors, we cannot conclude that revocation of any of the individual antidumping orders on circular welded pipe from Brazil, India, Korea, Mexico, Taiwan, or Thailand, would likely have no discernible adverse impact on the domestic industry.

Imports from Turkey. In these third reviews, Turkey is the sole subject country for which an argument has been asserted that revocation of the orders under review would likely have no discernible adverse impact on the domestic circular welded pipe industry. As the Commission's reviewing courts

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[95] In the various original investigations, subject imports from Brazil undersold the domestic like product in 33 of 36 possible observations, compared to 22 of 22 observations for subject imports from India, 110 of 124 observations for subject imports from Korea, 19 of 22 observations for subject imports from Mexico, 32 of 36 observations for subject imports from Taiwan, 12 of 14 observations for subject imports from Thailand, and 37 of 37 observations for subject imports from Turkey. In the first reviews, cumulated subject imports undersold the domestic like product in 173 of 253 possible observations, and in the second reviews, cumulated subject imports undersold the domestic like product in 277 of 323 possible observations. CR/PR at Table V-10. Imports from each subject country for which price comparisons were available also predominantly undersold the domestic like product between 2006 and 2011; pricing data were not available for imports from Brazil. CR/PR at Table V-9 (showing underselling in 46 of 53 comparisons for imports from India, in 41 of 45 comparisons for imports from Korea, in 125 of 137 comparisons for imports from Taiwan, and for 101 of 120 comparisons for imports from Thailand. These data also showed underselling in all 15 possible comparisons for imports from Mexico; importer *** initially reported all of these imports to be sales to distributors of subject merchandise corresponding to pricing product 8, a galvanized fence tubing product, but subsequently reported these imports to involve non-subject A513 products). CR at IV-1 n.4, IV-2 n.5, V-5 & n.2; PR at IV-1 n.4, IV-1 n.5, V-4 & n.2; CR/PR at Note to Table V-8.

[96] CR at I-29 to I-30, II-20; PR at I-24 to I-25, II-14; CR/PR at Table II-8; purchaser responses to Question IV-2; importer responses to Question III-25; domestic producer responses to Question IV-26.

[97] We note that Turkish Producers/Exporters argued that, over time, they "responsibly established" zero subsidy and reduced or zero antidumping duty margins, and they claim that all of their antidumping duty margins would have been de minimis had Commerce not used zeroing in administrative reviews. Turkish Producers/Exporters' Preh'g Br. at 1, 4-5, 8. First, to the extent that they advocate for negative determinations on the basis that Commerce incorrectly calculated antidumping duty margins during administrative reviews (e.g., by zeroing), the Commission does not have the authority to look behind Commerce's margins. See, e.g., 19 U.S.C. § 1675a(c)(3) (directing Commerce to provide the Commission with "the magnitude of the margin of dumping that is likely to prevail if the order is revoked"); URAA SAA at 850-51, 891 (instructing the Commission not to calculate any margins itself); Algoma Steel Corp. v. United States, 688 F. Supp. 639 (Ct. Int'l Trade 1988), aff'd, 865 F.2d 240 (Fed. Cir. 1989). Second, in five-year reviews the Commission is given discretion (but is not required) to consider the "likely" dumping margins provided by Commerce, but the statute does not refer to the antidumping duty margins Commerce calculates in any annual administrative reviews of the orders. 19 U.S.C. §§ 1675a(a)(6), 1675a(c)(3); Stainless Steel Sheet and Strip from France et al., Invs. Nos. 701-TA-381-382 and 731-TA-797-804 (Review), USITC Pub. 3788 at 14, n.85 (Jul. 2005) (citing 19 U.S.C. § 1675a(6); 19 U.S.C. § 1677(35)(C)(iv); URAA SAA at 853-54, 887); Rhone Poulenc, S.A. v. United States, 592 F. Supp. 1318, 1324 (Ct. Int'l Trade 1984). Third, the Commission has repeatedly recognized that the discipline of an existing order, or the suspension of liquidation for subject imports, may itself inhibit levels of importation, regardless of a low or even a zero margin. See, e.g., Polychloroprene Rubber from Japan, Inv. No. AA-1921-129 (Second Review), USITC Pub. 3786 at 9 (June 2005) (noting that the antidumping duty finding had a restraining effect on exports to the United States, notwithstanding a zero percent margin).

have made clear, however, the statute does not require more than a low threshold for finding imports to have a likely discernible adverse impact on the domestic industry,[98] requiring less than what is necessary to find a sufficient causal nexus for purposes of causation on an individual country basis.[99] Indeed, circumstances where the Commission has found the "no discernible adverse impact" standard applied have been relatively limited.[100]

U.S. imports from Turkey in the event of revocation are likely to be both discernible and adverse to the domestic industry, even based on the data reported by the three Turkish producers submitting questionnaire responses in these reviews (Borusan, Toscelik, and Noksel). For 2011, these producers collectively reported capacity to produce circular welded pipe of *** short tons, and they had *** short tons of unused circular welded pipe capacity, despite the fact that their capacity in 2011 was lower than at its peak of *** short tons in 2007 and their capacity utilization of *** percent in 2011 was higher than at any other time since 2006.[101] Moreover, these figures do not represent actual capacity or actual unused capacity for the entire industry in Turkey, because they do not account for producers that failed to submit questionnaire data in these reviews. The three responding Turkish producers themselves estimated that they accounted for only *** percent of circular welded pipe production in Turkey in 2011.[102]

Other record evidence also demonstrates that the reported data seriously understate capacity and thus likely unused capacity for the industry in Turkey. For example, Borusan, Toscelik, and Noksel collectively reported a total plant capacity of *** short tons in 2011 at facilities used to produce circular welded pipe as well as ***,[103] a considerably lower figure than even the non-spirally welded large-diameter pipe installed steel pipe capacity of 3.4 million short tons reported by trade organization Turkish

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[98] See, e.g., Nippon Steel Corp v. United States, 494 F.3d 1371, 1379, n.6 (Fed. Cir. 2007); Nucor Corp. v. United States, 675 F. Supp. 2d 1340, 1360-61 (Ct. Int'l Trade 2010).

[99] Usinor Industeel, S.A. v. United States, 27 CIT 1359, Slip Op. 03-118 at 6-7 (Ct. Int'l Trade Sept. 8, 2003) (to require a greater effect for discernible adverse impact "would defeat the purpose of cumulation, i.e., to guard against the 'hammering' effect of imports which, in isolation, do not cause material injury.") (citing Neenah Foundry Co. v. United States, 155 F. Supp. 2d 766, 772-73 (Ct. Int'l Trade 2001)), aff'd per curiam, 112 Fed. Appx. 59 (Fed. Cir. Nov. 8, 2004); see also AG v. United States, 525 F. Supp. 2d 1353, 1364-65 (Ct. Int'l Trade 2007), aff'd per curiam sub nom. Wieland-Werke, 290 Fed. Appx. 348 (Fed. Cir. 2008).

[100] See, e.g., Purified Carboxymethylcellulose from Finland, Mexico, the Netherlands, and Sweden, Invs. Nos. 731-TA-1084 to 1087 (Review), USITC Pub. 4225 at 11 (May 2011) (finding imports from Sweden of purified carboxymethylcellulose were likely to have no discernible adverse impact on the domestic industry in the event of revocation where the sole plant in Sweden was closed, most of the equipment was moved to China, and the domestic industry stipulated that there would be no continuation or recurrence of material injury to the domestic industry if the order were revoked); Certain Carbon Steel Products From Australia, Belgium, Brazil, Canada, Finland, France, Germany, Japan, Korea, Mexico, Poland, Romania, Spain, Sweden, Taiwan, and the United Kingdom, Invs. Nos. AA1921-197, 701-TA-319, 320, 325-327, 348, and 350, and 731-TA-573, 574, 576, 578, 582-587, 612, and 614-618 (Second Review), USITC Pub. 3899 at 44-46 (Jan. 2007) (finding imports of cut-to-length plate from Mexico were likely to have no discernible adverse impact on the domestic industry where Mexico was a net importer of cut-to-length plate, prices in Mexico closely tracked U.S. prices, the sole producer in Mexico had a small capacity, was not export-oriented, had only limited U.S. exports over the review period including when it had an advantage over other industries being exempt from safeguard remedies, operated at high capacity utilization levels, and lacked access to financing to expand its production capacity).

[101] The three firms reported combined capacity utilization of *** percent in 2006, *** percent in 2007, *** percent in 2008, *** percent in 2009, *** percent in 2010, and *** percent in 2011. CR/PR at Table IV-17.

[102] Derived from CR at IV-49 to IV-50; PR at IV-29.

[103] CR/PR at Table IV-18.

Steel Pipe Manufacturers Association.[104] As further evidence that the questionnaire data seriously understate data for the circular welded pipe industry in Turkey, the three Turkish producers submitting questionnaire responses reported U.S. circular welded pipe exports in 2011 of *** short tons and total circular welded pipe exports in 2011 of *** short tons.[105] Meanwhile, according to Global Trade Atlas data on Turkey's exports of round, welded, non-energy tubular products – a product that also is broader than circular welded pipe but that is a somewhat closer proxy than the Turkish Steel Pipe Manufacturers' Association data on steel pipe – the Turkish industry's U.S. exports were 68,048 short tons in 2011 and its global exports were 446,016 short tons.[106]

Whereas data reported by the three Turkish producers submitting questionnaire responses suggest that their overall capacity to produce circular welded pipe was lower in 2011 than earlier in the review period, a comparison of even these data to the data from the original investigations demonstrates the substantial growth of the industry in Turkey since then. The three producers that accounted for all U.S. exports from Turkey in 1985 reported combined production capacity of *** short tons in the first nine months of 1985;[107] the three Turkish producers submitting questionnaires in these reviews reported combined capacity of *** short tons in 2011.[108] The Turkish Steel Pipe Manufacturers Association reports that the country's steel pipe production grew by 125 percent between 2000 and 2011, and by 2010, the country became the largest steel pipe producing country in Europe and the fifth largest global steel pipe producer after China, Russia, Japan, and South Korea.[109]

Moreover, contrary to their assertion that they are more likely to use any shared production equipment to manufacture products other than circular welded pipe, such as OCTG and line pipe,[110] the ***.[111] Indeed, ***.[112]

Furthermore, the Turkish industry exports vigorously. The three Turkish producers submitting questionnaire responses in these reviews collectively reported exporting ***.[113] According to Global Trade Atlas data, Turkey became the world's second largest exporter of round, welded, non-energy

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[104] CR at IV-46; PR at IV-26. Likewise, *** identifies the following producers and corresponding annual capacity to produce ***, but these data also overstate circular welded pipe capacity in Turkey: ***. ***. Although this evidence shows that the industry in Turkey has substantial capacity that could be shifted from the manufacture of other products to manufacture circular welded pipe, we do not need to rely on the likelihood of product shifting to reach our finding of a likely discernible adverse impact.

[105] CR/PR at Table IV-17.

[106] CR/PR at Table IV-16.

[107] Confidential Report in Certain Welded Carbon Steel Pipes and Tubes from India, Taiwan, and Turkey, Invs. Nos. 731-TA-271 through 273 (Final), Memorandum INV-J-061 (Oct. 8, 1986) ("1986 India and AD Turkey Original Investigations CR") at a-8, Table 3; USITC Pub. 1839 at a-6, Table 3; Confidential Report in Certain Welded Carbon Steel Pipes and Tubes from Turkey and Thailand, Invs. Nos. 701-TA-253 and 731-TA-252 (Final), Memorandum INV-J-020 (Feb. 5, 1986), as amended by Memorandum INV-J-025 (Feb. 11, 1986) ("1986 CVD Turkey Thailand Original Investigations CR") at a-6, a-8, Table 1; USITC Pub. 1810 at a-5, Table 1.

[108] CR/PR at Table IV-17.

[109] CR at IV-46; PR at IV-26.

[110] See, e.g., Turkish Producers/Exporters' Posth'g Br. at 1, 3-5, 10-14, 23; Turkish Producers/Exporters' Preh'g Br. at 5, 11; Hearing Tr. at 15.

[111] CR/PR at Table IV-18.

[112] CR/PR at Table IV-18.

[113] CR/PR at Table IV-17.

tubular products, behind only China.[114] Indeed, the United States was one of the most important export markets for the Turkish industry, even with the orders in place.[115] Despite their claims of a robust home market demand for circular welded pipe in Turkey,[116] the three responding producers in Turkey collectively reported declining home market shipments during the review period.[117]

Subject imports from Turkey continued to have a U.S. market presence between 2006 and 2011, just as they had in the first and second reviews.[118] These imports undersold the domestic like product in 124 of 129 possible comparisons between 2006 and 2011 and also undersold the domestic like product in the prior reviews and in the original investigations.[119]

Given the size of the Turkish circular welded pipe industry, its presence in the U.S. market, the availability of significant unused capacity, the attractiveness of the U.S. market, and the relatively small amount of additional subject import volumes needed to have a discernible adverse impact on the domestic industry in light of the price-sensitive nature of circular welded pipe, we find no basis to conclude that revocation of the orders on circular welded pipe from Turkey would likely have no discernible adverse impact.

C. Likelihood of a Reasonable Overlap of Competition

The Commission generally has considered four factors intended to provide a framework for determining whether subject imports compete with each other and with the domestic like product.[120] Only a "reasonable overlap" of competition is required.[121] In five-year reviews, the relevant inquiry is whether

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[114] CR/PR at Table IV-16; CR at IV-46; PR at IV-26.

[115] The three Turkish producers submitting questionnaire responses reported U.S. circular welded pipe exports in 2011 of *** short tons and total circular welded pipe exports in 2011 of *** short tons. CR/PR at Table IV-17. Meanwhile, according to Global Trade Atlas data the Turkish industry's exports of round, welded, non-energy tubular products to the United States were 68,048 short tons in 2011 and its global exports were 446,016 short tons. CR/PR at Table IV-16.

[116] See, e.g., Turkish Producers/Exporters' Preh'g Br. at 6-7.

[117] Home market shipments as a share of total shipments were *** percent in 2006, *** percent in 2007, *** percent in 2008, *** percent in 2009 and 2010, and *** percent in 2011. CR/PR at Table IV-17.

[118] In these third reviews, U.S. subject imports from Turkey were 31,797 short tons in 2006, 3,146 short tons in 2007, 53,583 short tons in 2008, 26,032 short tons in 2009, 37,225 short tons in 2010, and 31,723 short tons in 2011, equivalent to 1.3 percent of the U.S. market in 2006, 0.1 percent in 2007, 2.8 percent in 2008, 2.1 percent in 2009, 2.6 percent in 2010, and 2.2 percent in 2011. CR First Reviews at Table C-1; CR Second Reviews at Table C-1; CR/PR at Table C-1.

[119] CR/PR at Tables V-9 & V-10.

[120] The four factors generally considered by the Commission in assessing whether imports compete with each other and with the domestic like product are as follows: (1) the degree of fungibility between subject imports from different countries and between subject imports and the domestic like product, 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 subject imports from different countries and the domestic like product; and (4) whether subject imports are simultaneously present in the market with one another and the domestic like product. See, e.g., Wieland Werke, AG v. United States, 718 F. Supp. 50 (Ct. Int'l Trade 1989).

[121] 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).

there likely would be competition even if none currently exists because the subject imports are absent from the U.S. market.[122]

In the first and second reviews, the Commission found a likely reasonable overlap of competition among the domestic like product and subject imports from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey.[123] In these third reviews, domestic interested parties argue that, consistent with the Commission's prior findings and the current record, subject imports from all seven subject countries are likely to compete with one another and with the domestic like product.[124] No party argued otherwise.

Fungibility. As was the case in the first and second reviews, circular welded pipe is a standardized product generally made to ASTM A53, A135, A795 or similar common specifications.[125] Moreover, a majority of market participants in the current and earlier reviews that compared products from different sources found them to be at least "frequently" if not "always" interchangeable.[126] The majority of questionnaire respondents reported products made in the subject countries "comparable" to one another and the domestic like product in terms of all but two identified criteria, only reporting differences in availability and delivery time between imports from Mexico and product imported from Korea, Taiwan, Thailand, and Turkey.[127] As was the case in the second reviews, fewer market participants offered views concerning the comparability of subject imports from Brazil.[128]

Geographic Overlap. In the first and second reviews, the Commission found a likely geographic overlap on the basis that many domestic producers sold their products nationwide, and importers of subject merchandise were located throughout the United States.[129] In these reviews, questionnaire respondents reported that circular welded pipe manufactured in the United States, India, Korea, Taiwan, Thailand, and Turkey served the nationwide U.S. market, despite the fact that not all subject imports entered the U.S. market in overlapping ports of entry.[130] Questionnaire respondents did not report geographic markets for imports from Brazil and Mexico, although Commerce data showed a large share of imports from Brazil in the Galveston-Houston, Texas and New York, New York ports and that U.S. imports from Mexico primarily entered through Laredo, Texas – regions where other subject imports and the domestic like product also were sold.[131]

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[122] See generally Chefline Corp. v. United States, 219 F. Supp. 2d 1313, 1314 (Ct. Int'l Trade 2002).

[123] USITC Pub. 3316 at 30; USITC Pub. 3867 at 14.

[124] U.S. Steel's Preh'g Br. at 11-14; Joint Domestic Producers' Preh'g Br. at 1, 4.

[125] USITC Pub. 3316 at 30; USITC Pub. 3867 at 14; CR at I-30 to I-31; PR at I-25 to I-26; Hearing Tr. at 30-31.

[126] Joint Domestic Producers' Preh'g Br. at 1, 7; USITC Pub. 3316 at 30-31; USITC Pub. 3867 at 14 & n.72; CR at II-20; PR at II-14; CR/PR at Table II-8; purchaser responses to Question IV-2; importer responses to Question III-25; domestic producer responses to Question IV-26.

[127] For non-price factors, questionnaire respondents reported product from Mexico to be superior in availability and delivery time to product imported from Korea, Taiwan, Thailand, and Turkey. CR at II-18; PR at II-12.

[128] USITC Pub. 3867 at 14 & n.72; CR at II-17; PR at II-12; CR/PR at Table II-7, Table II-8.

[129] USITC Pub. 3316 at 31; USITC Pub. 3867 at 14. The Commission rejected the argument that imports from Mexico would likely be concentrated in those parts of the U.S. market adjacent to the Mexican border, noting that purchaser questionnaire responses showed that circular welded pipe from Mexico (and from other sources) was purchased in multiple regions of the U.S. market. USITC Pub. 3867 at 15.

[130] Joint Domestic Producers' Preh'g Br. at 1, 7; CR at II-3 to II-4, IV-12; PR at II-1, IV-7 to IV-8; CR/PR at Table II-2.

[131] CR at II-3, IV-12 n.12; PR at II-1, IV-7 n.12; CR/PR at Table II-2.

Channels of Distribution. In the first and second reviews, the Commission found that circular welded pipe, regardless of source, was principally sold through distributors.[132] In these reviews, questionnaire respondents reported that the overwhelming majority of circular welded pipe, whether produced domestically or imported, was sold through distributors.[133]

Simultaneous Presence in Market. In the current review and in prior reviews, the record showed domestic industry shipments and imports from each of the subject countries throughout the relevant periods, although to a lesser degree for imports from Brazil since the first review period.[134]

Conclusion. The record in these reviews indicates that market participants generally perceive circular welded pipe made in each of the subject countries to be interchangeable with one another and with the domestic like product, although some questionnaire respondents reported preferring product imported from Mexico for availability and delivery time reasons. Additionally, as in the prior reviews, both the domestic like product and imports from each subject country are sold in overlapping channels of distribution, predominantly sold to distributors, and are sold throughout the U.S. market. Although the volume of subject imports from Brazil was very low between 2006 and 2011, official import statistics indicate that the domestic like product and imports from each of the subject countries were simultaneously present in the U.S. market between 2006 and 2011. We focus, however, on likely competition in the event of revocation, and as the Commission found in the second reviews,[135] imports from Brazil were sold throughout the U.S. market during the original investigations[136] and their more limited recent U.S. market presence has been a function of the antidumping duty order. Upon revocation, subject imports from Brazil made to the same standards as circular welded pipe manufactured in the United States and the other subject countries likely would return to the U.S. market, indicating a likelihood of simultaneous presence, overlapping geographic markets, and common channels of distribution.

In view of the foregoing and based on the record, we find that should the orders be revoked, subject imports from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey are likely to be fungible with one another and with the domestic like product, that they will likely be sold in overlapping channels of distribution to overlapping geographic markets, and that subject circular welded pipe made in the United States and each of the subject countries would be simultaneously present in the U.S. market. Consequently, and in the absence of any contrary argument, we find a likely reasonable overlap of competition among the domestic like product and subject imports from each of the seven subject countries in the event the orders were to be revoked.

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[132] USITC Pub. 3316 at 31; USITC Pub. 3867 at 15.

[133] Joint Domestic Producers' Preh'g Br. at 1, 7; CR at II-1; PR at II-1; CR/PR at Table II-1.

[134] USITC Pub. 3316 at 31; USITC Pub. 3867 at 15; Joint Domestic Producers' Preh'g Br. at 8; CR at IV-13 & n.13; PR at IV-8 & n.13; CR/PR at Table IV-4.

[135] USITC Pub. 3867 at 15.

[136] Joint Domestic Producers' Preh'g Br. at 1, 7; USITC Pub. 3867 at 15.

D. Other Factors[137]

In determining whether to exercise our discretion to cumulate subject imports, we assess whether subject imports from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey are likely to compete under similar or different conditions in the U.S. market in the event the corresponding antidumping duty and/or countervailing duty orders are revoked.[138]

In the first reviews, the Commission majority found that any differences in likely dumping margins, economic conditions, or export marketing patterns among the individual subject countries were outweighed by considerations supporting cumulation – particularly the commodity nature of the product and the existence of excess capacity in each subject country. It consequently did not find that any difference in likely conditions of competition was sufficient to warrant it to decline to exercise discretion to cumulate any individual subject country.[139]

In the second reviews, only respondent interested parties from Mexico argued that their imports would likely face different conditions of competition than other subject imports. The Commission rejected their request to examine imports from Mexico separately,[140] and it also did not find any likely

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[137] Commissioner Pinkert explains his analysis of other conditions as follows. Where, in a five-year review, he does not find that imports of the subject merchandise would be likely to have no discernible adverse impact on the domestic industry in the event of revocation, and he finds that such imports would be likely to compete with each other and with the domestic like product in the U.S. market, he cumulates them 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.

Based on the record in these reviews, and for the reasons discussed in the text, he finds no such condition or propensity with respect to Turkey. He would emphasize that subject merchandise from Turkey is substitutable with the domestic like product and with merchandise from other subject sources and that Turkish producers have shown a sustained interest in the U.S. market.

[138] See, e.g., Nucor Corp. v. United States, 601 F.3d 1291, 1296-97 (Fed. Cir. 2010) (Commission may reasonably consider likely differing conditions of competition in deciding whether to cumulate subject imports in five-year reviews); Allegheny Ludlum Corp., 475 F. Supp. 2d at 1378 (recognizing the wide latitude the Commission has in selecting the type of factors it considers relevant in deciding whether to exercise discretion to cumulate subject imports in five-year reviews); Nucor Corp., 569 F. Supp. 2d at 1337-38; U.S. Steel, Slip Op. 08-82.

[139] USITC Pub. 3316 at 31-32. In contrast, because they found that these imports would likely compete in the U.S. market under significantly different conditions of competition than other subject imports, Commissioners Okun, Askey, and Hillman exercised their discretion not to cumulate subject imports from Mexico in the first reviews and reached negative determinations concerning imports from Mexico. USITC Pub. 3316 at 71-72. Commissioner Hillman also did not cumulate imports from Korea with other subject imports based on likely differences in conditions of competition, but she reached an affirmative determination concerning these imports. USITC Pub. 3316 at 61-62.

[140] With respect to imports from Mexico, the Commission found that the low import volumes from Mexico during the second review period did not distinguish these imports from other subject countries, nor did the volume trends of imports from Mexico. It rejected as unsupported by the record the assertion that imports from Mexico were priced much higher than other subject imports. With respect to the assertion that an import surge was less likely from the industry in Mexico due to its ability to ship small truckloads of product to the United States very quickly as demand conditions warranted, the Commission instead found that Mexican producers had the ability to increase their U.S. market presence more quickly than other subject producers, and that the trends for imports from Mexico would not likely differ from those for the other subject countries. In any event, the Commission concluded, the closer proximity of Mexican producers to the United States did not provide a sufficient basis not to cumulate subject imports from Mexico, given the general homogeneity of circular welded pipe from domestic and subject sources and the lack of any other significant differences in historical or likely trends. USITC Pub. 3867 at 16.

differences in conditions of competition among subject imports from any of the other subject countries.[141] The Commission thus decided to exercise its discretion to cumulate subject imports from Brazil, India, Korea, Mexico, Thailand, Taiwan, and Turkey.[142]

For the reasons discussed below, in these third reviews, we do not find that subject imports from any of the subject countries are likely to compete with one another under such different conditions in the event of revocation as to warrant declining to exercise our discretion to cumulate these imports. In these reviews, only Turkish Producers/Exporters make any argument concerning this issue.[143] As discussed below, however, their arguments are not supported by the record and/or they have not identified distinctions in the likely conditions of competition facing subject imports from Turkey and other subject imports.

First, Turkish Producers/Exporters assert that, unlike other subject industries, they have had a limited, consistent, and responsible presence in the U.S. market.[144] In the various underlying original investigations, however, each of the subject industries was attempting to secure a share of the U.S. market either as the United States negotiated VRAs with other industries supplying circular welded pipe[145] or as those VRAs were expiring.[146] Despite the orders, imports from Turkey have maintained a share of the U.S. market, and rather than a steady presence, they showed a willingness to send additional volumes to

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[141] USITC Pub. 3867 at 15-16.

[142] USITC Pub. 3867 at 16.

[143] Turkish Producers/Exporters' Preh'g Br. at 9-11; Turkish Producers/Exporters' Posth'g Br. at 25-26.

[144] Turkish Producers/Exporters' Preh'g Br. at 10-11; Turkish Producers/Exporters' Posth'g Br. at 25.

[145] During the 1985 and 1986 original investigations, subject imports from Turkey rose from 0 percent of the U.S. market in 1982 and 1983 to 0.1 percent in 1984, and 1.5 percent in the first nine months of 1985. 1986 India and AD Turkey Original Investigations CR at Table I-11; USITC Pub. 1839 at Table I-11. During the original investigations, subject imports from India had a U.S. market share ranging from *** in 1982 to *** percent in 1985. Id. During the original investigations, subject imports of small-diameter circular welded pipe from Taiwan had a U.S. market share that ranged from 4.6 percent in 1981 to 6.9 percent in 1983. Confidential Report in Certain Welded Carbon Steel Pipes and Tubes from Korea and Taiwan, Invs. Nos. 731-TA-131, 138, 138 (Final), Memorandum INV-H-061 (Apr. 11, 1984) ("1984 Small-Diameter Taiwan Original Investigation CR") at Table 19; USITC Pub. 1519 at Table 19. During the 1986 original investigations, subject imports from Thailand had a U.S. market share that ranged from 0 percent in 1982 to 0.7 percent in the first nine months of 1985. 1986 CVD Turkey Thailand Original Investigations CR at Table I-11; USITC Pub. 1810 at Table I-11. At the time of the original investigations, petitioners and respondents asserted that one reason why countries such as Turkey that previously did not export to the United States were able to do so was "because of a void in the marketplace previously filled by imports from countries which have signed {VRAs} with the United States." Id. at a-10 to a-11.

[146] During the 1992 original investigations, U.S. imports from Brazil ranged from 30,748 short tons to 63,855 short tons, and their market share ranged from 1.5 percent to 3.0 percent. Confidential Report in Certain Circular, Welded, Non-alloy Steel Pipes and Tubes from Brazil, the Republic of Korea, Mexico, Romania, Taiwan, and Venezuela, Invs. Nos. 731-TA-532 through 537 (Final), Memorandum INV-P-162 (Oct. 8, 1992), as supplemented by Memorandum INV-P-164 (Oct. 15, 1992) and Memorandum INV-P-168 (Oct. 20, 1992) ("1992 Brazil Mexico Korea and Taiwan Original Investigations CR") at Table C-2; USITC Pub. 2564 at Table C-2. Subject imports from Korea ranged from 295,643 short tons to 324,704 short tons and ranged in market share from 14.2 percent to 16.9 percent. Id. Subject imports from Mexico ranged from 48,240 short tons to 68,828 short tons, and their U.S. market share ranged from 2.5 percent to 3.2 percent. Id. Subject imports from Taiwan ranged from 38,533 short tons to 42,173 short tons, and they held 2.0 percent of the U.S. market during this time. Id.

the U.S. market at various times during the first, second, and third reviews,[147] not unlike the subject industries in India,[148] Korea,[149] Mexico,[150] Taiwan,[151] and Thailand.[152]

[147] In the first reviews, subject imports from Turkey were 2,674 short tons in 1997 and 7,396 short tons in 1998, equivalent to a U.S. market share of 0.1 percent in 1997 and 0.2 percent in 1998. In the second reviews, subject imports from Turkey ranged from *** short tons to *** short tons, and their U.S. market share ranged from *** percent to *** percent. In these third reviews, subject imports from Turkey ranged from 3,146 short tons to 53,583 short tons, and their share of the U.S. market ranged from 0.1 percent to 2.8 percent. Confidential Report in Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Inv. Nos. 701-TA-253 & 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, & 537 (Review), Memorandum INV-X-111 (May 22, 2000), as amended by Memorandum INV-X-113 (May 25, 2000) ("CR First Reviews") at Table C-1; Confidential Report in Certain Pipe and Tube from Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Invs. Nos. 701-TA-253 & 731-TA-132, 252, 271, 273, 409, 410, 532-534, and 536 (Second Review), Memorandum INV-DD-083 (June 12, 2006), as amended by Memorandum INV-DD-093 (June 20, 2006) ("CR Second Reviews") at Table C-1; CR/PR at Table C-1.

[148] During the first reviews, subject imports from India were 10,095 short tons in 1997 and 12,137 short tons in 1998, equivalent to a U.S. market share of 0.4 percent in each year. During the second reviews, subject imports from India ranged from *** short tons to *** short tons, or less than ***. During these third reviews, subject imports from India ranged from *** short tons to *** short tons, and their market share ranged from *** percent to *** percent. CR First Reviews at Table C-1; CR Second Reviews at Table C-1; CR/PR at Table C-1.

[149] During the first reviews, subject imports from Korea were 173,579 short tons in 1997 and 174,929 short tons in 1998, equivalent to a U.S. market share of 6.2 percent in 1997 and 5.8 percent in 1998. During the second reviews, subject imports from Korea ranged from *** short tons to *** short tons, and their share of the U.S. market ranged from *** percent to *** percent. During these third reviews, subject imports from Korea ranged from 31,437 short tons to 123,952 short tons, and their share of the U.S. market ranged from 1.4 percent to 6.4 percent. CR First Reviews at Table C-1; CR Second Reviews at Table C-1; CR/PR at Table C-1.

[150] During the first reviews, subject imports from Mexico were 3,407 short tons in 1997 and 18,282 short tons in 1998, equivalent to a U.S. market share of 0.1 percent in 1997 and 0.5 percent in 1998. During the second reviews, subject imports from Mexico ranged from *** short tons to *** short tons, equivalent to ***. During these third reviews, U.S. imports from Mexico ranged from 52,245 short tons to 74,808 short tons, and their share of the U.S. market ranged from 2.7 percent to 5.4 percent. CR First Reviews at Table C-1; CR Second Reviews at Table C-1; CR/PR at Table C-1. In these third reviews, Joint Domestic Producers argued that to avoid paying antidumping duties, ***, exports to the U.S. market ***, product conforming to standard fence pipe specifications but certified as ASTM A513 mechanical tubing, even though, they argued, the imported product serves no mechanical function, does not form a part of any machine, and is intended for strictly structural applications. Joint Domestic Producers' Preh'g Br. at 1, 4; Joint Domestic Producers' Preh'g Br. at A-4 to A-6. The Commission sought information on this issue and asked questionnaire respondents to identify imports of circular welded pipe certified to ASTM A513 but that were produced as fence tubing, sold as fence tubing, imported as fence tubing and/or sold to a fence tubing distributor since January 1, 2006. One U.S. importer *** reported such imports ***, CR at IV-2 n.5, V-5 n.2; PR at IV-1 to IV-2 & n.5, V-4 n.2; CR/PR at Table II-1 n.2, Table V-8 at Note, but the majority of foreign producers, exporters, and importers from Mexico decided not to submit questionnaire responses in these reviews. As noted earlier, the domestic industry intends to "pursue scope clarifications" at Commerce. Even if Commerce were to determine that the imports in question do not consist of product within the scope of the order on circular welded pipe

(continued...)

Second, Turkish Producers/Exporters assert that, unlike the subject circular welded pipe industries in other subject countries, their industry operates at high capacity utilization rates, and their overall capacity fluctuated relatively narrowly and declined between 2006 and 2011.[153] Due to the failure of a number of subject producers to submit information on their circular welded pipe operations in these and earlier proceedings, we do not have information on all subject industries. Nevertheless, the Turkish Producers/Exporters' characterization of their own subject industry is not borne out by record evidence. The subject industry in Turkey has only operated at high capacity utilization levels in two recent years, but historically operated at much lower utilization levels.[154] Rather than narrowly fluctuating, the Turkish industry's capacity to produce circular welded pipe has grown dramatically since the original

[150] (...continued)
from Mexico, any such imports illustrate the continued importance of the U.S. market to producers in Mexico of products made using the same production equipment.

[151] During the first reviews, subject imports from Taiwan were 23,027 short tons in 1997 and 41,007 short tons in 1998, equivalent to a U.S. market share of 0.8 percent in 1997 and 1.4 percent in 1998. During the second reviews, subject imports from Taiwan ranged from *** short tons to *** short tons, and their U.S. market share ranged from *** percent to *** percent. During these third reviews, subject imports from Taiwan ranged from 7,600 short tons to 75,017 short tons, and their share of the U.S. market ranged from 0.6 percent to 3.9 percent. CR First Reviews at Table C-1; CR Second Reviews at Table C-1; CR/PR at Table C-1.

[152] During the first reviews, subject imports from Thailand were 62,328 short tons in 1997 and 28,049 short tons in 1998, equivalent to a U.S. market share of 2.2 percent in 1997 and 0.9 percent in 1998. During the second reviews, subject imports from Thailand ranged from *** short tons to *** short tons, and their share of the U.S. market ranged from *** percent to *** percent. During these third reviews, subject imports from Thailand ranged from *** short tons to *** short tons, and their share of the U.S. market ranged from *** percent to *** percent. CR First Reviews at Table C-1; CR Second Reviews at Table C-1; CR/PR at Table C-1.

[153] Turkish Producers/Exporters' Posth'g Br. at 25-26.

[154] The subject industry in Turkey had unused production capacity during the original investigations, when it operated at *** percent in 1982, *** percent in 1983, *** percent in 1984, *** percent in the first nine months of 1984, and *** percent in the first nine months of 1985. 1986 India and AD Turkey Original Investigations CR at Table 3; USITC Pub. 1839 at Table 3; 1986 CVD Turkey Thailand Original Investigations CR at Table 1; USITC Pub. 1810 at Table 1. The one responding Turkish producer in the first reviews (Borusan Birlesik Boru Fabrikalari A.S.) also reported unused production capacity, given that its capacity utilization was *** percent in 1997, *** percent in 1998, *** percent in the first nine months of 1998, and *** percent in the first nine months of 1999. CR First Reviews at Table CIRC-IV-6. At the time of the second reviews, the four firms submitting questionnaire data (Borusan Mannesmann Boru Sanayi ve Ticaret, A.S. ("Borusan Mannesmann"); Erbosan Erciyas Boru Sanayii ve Ticaret, A.S. ("Erbosan"); Güven Boru Profil Sanayi ve Ticaret, Ltd. ("Güven"); and Noksel Celik Boru Sanayi, Steel Pipe Co., A.S. ("Noksel")) also reported unused capacity, given that their collective capacity utilization was 70.7 percent in 1999, 73.5 percent in 2000, 62.5 percent in 2001, 60.0 percent in 2002, 62.1 percent in 2003, 54.8 percent in 2004, and 54.5 percent in 2005. CR Second Reviews at Table CIRCULAR-IV-15. In these third reviews, the three Turkish producers submitting questionnaire data also reported unused capacity throughout most of the period between 2006 and 2011, reporting combined capacity utilization of *** percent in 2006, *** percent in 2007, *** percent in 2008, *** percent in 2009, *** percent in 2010, and *** percent in 2011. CR/PR at Table IV-17.

investigations.[155] Moreover, as discussed above, record evidence shows that the subject industries in each of the subject countries have substantial capacity and unused capacity.

Finally, Turkish Producers/Exporters contend that, unlike other subject industries, their industry supplies different, more attractive non-U.S. markets such as their home market in Turkey, Middle Eastern construction markets such as Iraq, Syria, and Egypt, and European construction markets in Germany, the United Kingdom, Romania, Belgium, and Italy.[156] Again, the record evidence does not support their argument. The responding producers in Turkey reported that the home market in Turkey ***,[157] whereas their exports ***,[158] and their U.S. exports as a share of total shipments ***,[159] just as their ***.[160] Indeed, ***.[161] Moreover, as noted above, ***.[162]

Given that we also did not find any differences in likely conditions of competition among subject imports from any of the other subject countries, we exercise our discretion to cumulate subject imports from Brazil, India, Korea, Mexico, Thailand, Taiwan, and Turkey for purposes of these reviews.

V. LIKELIHOOD OF CONTINUATION OR RECURRENCE OF MATERIAL INJURY IF THE ANTIDUMPING AND COUNTERVAILING DUTY ORDERS ARE REVOKED

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless (1) Commerce 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 and/or countervailing duty order "would be likely to lead to continuation or

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[155] The three producers that accounted for all U.S. exports from Turkey in 1985 (Borusan Holding (which was only subject to the countervailing duty order), Mannesman, and Erkboru) reported a combined production of *** short tons between 1982 and 1984, and *** short tons in the first nine months of 1985. 1986 India and AD Turkey Original Investigations CR at a-8, Table 3; USITC Pub. 1839 at a-6, Table 3; 1986 CVD Turkey Thailand Original Investigations CR at a-6, a-8, Table 1; USITC Pub. 1810 at a-5, Table 1. By the first reviews, Borusan Birlesik Boru Fabrikalari A.S., alone, reported production capacity of *** short tons in 1997, *** short tons in 1998, *** short tons in the first nine months of 1998, and *** short tons in the first nine months of 1999. CR First Reviews at Table CIRC-IV-6. At the time of the second reviews, the four firms submitting data (Borusan Mannesmann, Erbosan, Guven, and Noksel) collectively reported capacity of 416,000 short tons in 1999 and 2000, 488,000 short tons in 2001, 528,000 short tons in 2002 and 2003, 598,000 short tons in 2004, and 696,000 short tons in 2005. In the third reviews, the three Turkish producers submitting data (Borusan, Toscelik, and Noksel) reported collective production capacity of *** short tons in 2006, *** short tons in 2007, *** short tons in 2008, *** short tons in 2009, *** short tons in 2010, and *** short tons in 2011, but these firms estimated that they accounted for only *** percent of circular welded pipe production in Turkey. CR/PR at Table IV-17; CR at IV-49 to IV-50; PR at IV-29.

[156] Turkish Producers/Exporters' Posth'g Br. at 25; Turkish Producers/Exporters' Preh'g Br. at 9-10.

[157] Home market shipments as a share of total shipments accounted for *** percent in 2006, *** percent in 2007, *** percent in 2008, *** percent in 2009, *** percent in 2010, and *** percent in 2011. CR/PR at Table IV-17.

[158] Exports as a share of total shipments accounted for *** percent in 2006, *** percent in 2007, *** percent in 2008, *** percent in 2009, *** percent in 2010, and *** percent in 2011. CR/PR at Table IV-17.

[159] U.S. exports as a share of total shipments accounted for *** percent in 2006, *** percent in 2007, *** percent in 2008, *** percent in 2009, *** percent in 2010, and *** percent in 2011. CR/PR at Table IV-17.

[160] CR/PR at Table IV-17 (showing ***).

[161] CR at IV-8; PR at IV-6 (showing actual and arranged imports of subject merchandise from Turkey of *** short tons in the first quarter of 2012, *** short tons in the second quarter of 2012, *** short tons in the third quarter of 2012, and *** short tons in the fourth quarter of 2012).

[162] CR/PR at Table IV-18.

recurrence of material injury within a reasonably foreseeable time."[163] The URAA 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."[164] Thus, the likelihood standard is prospective in nature.[165] The CIT has found that "likely," as used in the five-year review provisions of the Tariff Act, means "probable," and the Commission applies that standard in five-year reviews.[166] [167]

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."[168] According to the URAA 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."[169]

Although the standard in a five-year review is not the same as the standard applied in an original antidumping or countervailing duty investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to "consider the likely volume, price effects, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated."[170] 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 under review, whether the industry is vulnerable to material injury if the order were revoked, and any findings by

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[163] 19 U.S.C. § 1675a(a).

[164] URAA SAA at 883-84. The URAA 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.

[165] While the URAA 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." URAA SAA at 884.

[166] 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. 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, 26 CIT 1059, 2003 WL 1338983 at *9 (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'").

[167] For a complete statement of Commissioner 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).

[168] 19 U.S.C. § 1675a(a)(5).

[169] URAA 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.

[170] 19 U.S.C. § 1675a(a)(1).

Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).[171] 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.[172]

B. Conditions of Competition and the Business Cycle

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."[173] We find the following conditions of competition relevant to our analysis in these reviews.

1. Demand Conditions

Circular welded pipe is used in plumbing and heating systems, air conditioning units, machinery, buildings, sprinkler systems, irrigation systems, and water wells for low-pressure conveyance of air, steam, natural gas, water, oil, or other liquids and gases.[174] Circular welded pipe's share of the total cost of the final products in which it is used varies depending on the final products.[175] As we also previously have found, demand for circular welded pipe generally depends on demand for these products and thus on construction levels, particularly spending levels for non-residential construction.[176] In the first reviews, both non-residential construction spending and apparent U.S. consumption of circular welded pipe were increasing.[177] During the second reviews, total U.S. spending on public and private non-residential construction, when adjusted for inflation, declined slightly, and apparent U.S. consumption of circular welded pipe declined overall.[178]

In these third reviews, most responding U.S. producers, importers, and purchasers characterized demand since 2006 as having decreased or fluctuated.[179] Following sharp declines in overall U.S.

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[171] 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings with respect to the orders under review. USITC Pub. 3867 at 17 n.91; CR at I-18 to I-25; PR at I-16 to I-20.

[172] 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. URAA SAA at 886.

[173] 19 U.S.C. § 1675a(a)(4).

[174] CR at I-29 to I-30, II-1; PR at I-24 to I-25, II-1. U.S. producers and importers reported no change in the circular welded pipe's end uses since 2006. CR at II-15; PR at II-11.

[175] End-user purchasers reported that circular welded pipe accounts for nearly the entire cost of products such as pipe nipples and fittings, approximately 35 percent of the cost of fence panels and gates, and a small share of the cost of products such as metal buildings and appliances. Domestic producers reported that circular welded pipe accounts for approximately 80 percent of the cost of pipe systems, 50-65 percent of fire sprinkler systems, 40 percent of fencing, and 12 percent of construction projects incorporating circular welded pipe. CR at II-15; PR at II-10 to II-11.

[176] USITC Pub. 3316 at 32-33; USITC Pub. 3867 at 19; CR at II-1, II-12; PR at II-1, II-8; Joint Domestic Producers' Preh'g Br. at 8. Circular welded pipe production may also be influenced by changes in demand for products such as line pipe and OCTG that may be manufactured on some of the same equipment and machinery as circular welded pipe. CR at II-1; PR at II-1.

[177] USITC Pub. 3316 at 32-33.

[178] USITC Pub. 3867 at 19.

[179] CR at II-14; PR at II-10; CR/PR at Table II-4. As factors affecting U.S. circular welded pipe demand, domestic producers identified building construction levels (***) and the overall market or economy (***), whereas (continued...)

economic activity in 2008,[180] annual expenditures on U.S. non-residential construction declined to period lows in 2010 and 2011.[181] U.S. demand for circular welded pipe as measured by apparent U.S. consumption decreased from 2.4 million short tons in 2006 to 2.3 million short tons in 2007, 1.9 million short tons in 2008, and 1.2 million short tons in 2009, and rose to 1.4 million short tons in 2010 and 1.5 million short tons in 2011.[182] Consequently, the level of apparent U.S. consumption in 2011 is considerably lower (38.9 percent lower) than in 2006, the beginning of the period of review.[183] Moreover, apparent U.S. consumption increased between 2010 and 2011 at a lower pace than it increased between 2009 and 2010.[184]

In these reviews, most questionnaire respondents anticipated an increase or no change in future U.S. demand.[185] According to a May 16, 2012, press release by the American Institute of Architects, "after five months of positive readings," the Architectural Billings Index (an economic indicator of construction activity that reflects "the approximate nine to twelve month lag time between architecture billings and construction spending") "has fallen into negative terrain," although the decline "is possibly a brief pause from unusually strong winter activity."[186]

2. Supply Conditions

Throughout these reviews, the domestic industry, subject imports, and non-subject imports supplied the U.S. market with circular welded pipe.[187] The domestic industry held at least half of the U.S. market between 2006 and 2011, although its share of the market and the shares held by subject imports and non-subject imports varied by at least ten percentage points during this period.[188] In the cumulation analysis above, we reviewed changes in the subject industries since the original investigations.[189]

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[179] (...continued)
responding importers most often reported global economic trends and construction trends and purchasers most-often reported the global economy. CR at II-14; PR at II-10.

[180] Quarterly growth of real quarterly gross domestic product ("GDP") fluctuated between just above five percent and just above one percent between 2006 and 2007, fell dramatically from about one percent in the second quarter of 2008 to negative nine percent in fourth quarter 2008, became positive by second quarter 2009, and has been positive and relatively stable after the third quarter of 2009. CR at II-12; PR at II-8; CR/PR at Figure II-1.

[181] Between 2006 and 2011, annual expenditures on U.S. non-residential construction first increased from $298 billion in 2006 to $409 billion in 2008, before declining to lows of $262 billion in 2010 and $269 billion in 2011. CR at II-12; PR at II-8; CR/PR at Figure II-2.

[182] CR/PR at Table C-1.

[183] CR/PR at Table C-1.

[184] CR/PR at Table C-1.

[185] CR at II-14; PR at II-10; CR/PR at Table II-4. As factors affecting U.S. circular welded pipe demand, domestic producers identified building construction levels (***) and the overall market or economy (***), whereas responding importers most often reported global economic trends and construction trends and purchasers most often reported the global economy. CR at II-14; PR at II-10.

[186] CR at II-12 to II-13; PR at II-8 to II-9.

[187] CR/PR at Table C-1.

[188] CR/PR at Table C-1.

[189] In their arguments in these reviews, the Turkish Producers/Exporters frequently referred to the advanced age of the orders. See, e.g., Turkish Producers/Exporters' Preh'g Br. at 1-2. While the statute does not identify the age of the orders as a specific criterion relevant to revocation or continuation of the orders, we have considered changes in conditions of competition since imposition of the orders, such as, for example, changes in the composition of the
(continued...)

Domestic industry: The composition of the domestic industry has changed since the original investigations due to new entrants, consolidations, and closures that affected the identities of firms as well as the types of production facilities manufacturing circular welded pipe. At the time of the 1984 original investigations of small-diameter circular welded pipe from Taiwan, the Commission's report differentiated between large, fully integrated producers that manufactured the hot-rolled skelp used to produce circular welded pipe as well as a variety of other steel products and non- or partially integrated producers.[190] As is the case now, domestic producers manufactured circular welded pipe using either the electric resistance-welding ("ERW") or the continuous-welding ("CW") process.[191] Integrated producers reported using both the ERW and CW processes,[192] while most responding non-integrated producers reported using the ERW process exclusively.[193]

In the 1986 original investigations of imports from Turkey, Thailand, and India, the Commission's reports identified about two dozen U.S. producers of circular welded pipe and again differentiated between integrated producers such as U.S. Steel and LTV Steel Corp. ("LTV") and non-integrated producers, with the integrated firms generally experiencing losses and the non-integrated firms having operating income margins in the range of *** percent between 1982 and 1985.[194] In the 1992 original investigations of imports from Brazil, Korea, Mexico, and Taiwan, the Commission's report identified 21 U.S. firms producing circular welded pipe.[195] During the first reviews, 25 firms provided data on their U.S. circular welded pipe operations,[196] and 20 firms submitted data in the second reviews;[197] these firms accounted for the vast majority of U.S. circular welded pipe production in those respective periods.[198] In these third reviews, the Commission obtained questionnaire data from 17 firms,[199] and they are believed to account for the vast majority of U.S. circular welded pipe production in 2011.[200]

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[189] (...continued)
U.S. and foreign industries, as part of our analysis in these reviews. See, e.g., 19 U.S.C. §§ 1675a(a)(1)(a), 1675a(a)(4); URAA SAA at 884.

[190] At the time, integrated producers accounted for 36 percent of small-diameter circular welded pipe production. 1984 Small-Diameter Taiwan Original Investigation CR at A-15 to A-16; USITC Pub. 1519 at A-11.

[191] CR at I-32; PR at I-27. In 1983, 52 percent of the reported small-diameter circular welded pipe production was made by the ERW process, whereas 48 percent was made by the CW process. 1984 Small-Diameter Taiwan Original Investigation CR at A-16 to A-17; USITC Pub. 1519 at A-11.

[192] Integrated producers of small-diameter circular welded pipe included Republic Steel Corp. ("Republic"); Jones & Laughlin Steel, Inc. ("J&L"); U.S. Steel; Armco, Inc. ("Armco"); and Bethlehem Steel Corp. ("Bethlehem"), although Bethlehem permanently closed its operations, which were located in Sparrows Point, MD, effective April 30, 1983. 1984 Small-Diameter Taiwan Original Investigation CR at A-15; USITC Pub. 1519 at A-11.

[193] 1984 Small-Diameter Taiwan Original Investigation CR at A-17; USITC Pub. 1519 at A-11. Non-integrated producers of small-diameter circular welded pipe included ***. 1984 Small-Diameter Taiwan Original Investigation CR at Table 1; USITC Pub. 1519 at A-10 to A-11.

[194] 1986 India and AD Turkey Original Investigations CR at a-12, Table I-2; USITC Pub. 1839 at I-5, Table I-2; 1986 CVD Turkey Thailand Original Investigations CR at Table I-2; USITC Pub. 1810 at Table I-2.

[195] USITC Pub. 2564 at Table D-1.

[196] USITC Pub. 3316 at Table CIRC-I-4.

[197] USITC Pub. 3867 at Table CIRCULAR-I-11.

[198] CR at I-36; PR at 29.

[199] CR/PR at Table I-13.

[200] CR at I-36; PR at I-29.

Since the original investigations, Allied has consistently accounted for *** of domestic production.[201] Most of the other large producers have changed substantially since the original investigations.[202] Wheatland, a subsidiary of JMC, has grown to be the largest producer in the domestic industry, acquiring, consolidating, and ultimately rationalizing the operations of Sawhill and Sharon Tube.[203] As the only remaining U.S. producer with a CW mill, Wheatland also has ERW mills and reports producing a wide range of circular welded pipe products.[204]

Imports from subject and non-subject sources: The composition of circular welded pipe imports in the U.S. market changed substantially between 2006 and 2011. In 2006 and 2007, non-subject source China supplied more circular welded pipe to the U.S. market than any other import source.[205] Imports of circular welded pipe from China were large in the first three quarters of 2007 but declined substantially when Commerce announced affirmative preliminary antidumping, countervailing duty, and critical circumstances findings in November 2007.[206] As a share of total circular welded pipe imports into the U.S. market, cumulated subject imports declined from *** percent in 2006 to *** percent in 2007, but then increased to *** percent in 2008 as imports from China largely exited the U.S. market.[207] Cumulated subject imports' share of total circular welded pipe imports into the U.S. market declined thereafter to *** percent in 2009, *** percent in 2010, and *** percent in 2011.[208] On October 26, 2011, the domestic industry filed antidumping and countervailing duty petitions regarding circular welded pipe imports from India, Oman, the United Arab Emirates, and Vietnam.[209] The Commission made affirmative preliminary material injury determinations concerning those imports, and those final-phase investigations are ongoing.[210]

Production Capacity: Some circular welded pipe producers in the United States and in the subject countries also manufacture other products using the same manufacturing equipment and employees.[211] Depending on changes in market demand, they may be able to shift production among products.[212] Some of the other products that circular welded pipe producers may also manufacture include small/medium line pipe; large-diameter line pipe; mechanical tubing; OCTG; or other products (such as square and rectangular structural tubing, electrical conduit, slurry pipe, coupling stock, and

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[201] CR at I-35; PR at I-29.

[202] CR at I-35; PR at I-29.

[203] CR at I-35; PR at I-29.

[204] Hearing Tr. at 17-19.

[205] CR/PR at Table IV-1 (showing that imports from China were 55.1 percent of all U.S. circular welded pipe imports in 2006 and 68.6 of all U.S. circular welded pipe imports in 2007).

[206] CR/PR at Table IV-2; CR at IV-7; PR at IV-5.

[207] CR/PR at Table C-1.

[208] CR/PR at Table IV-1.

[209] CR/PR at Table I-2.

[210] CR/PR at Table I-2.

[211] See, e.g., CR/PR at Table III-6, Table IV-10, Table IV-15, Table IV-17; CR at II-6, II-7, II-9, II-10, II-11, III-11, III-12, IV-14 to IV-16, IV-19 to IV-20, IV-23 to IV-25, IV-28 to IV-29, IV-35, IV-39, IV-40 to IV-41, IV-45 to IV-47, IV-53; PR at II-4, II-5, II-7, II-8, III-7, IV-8 to IV-23, IV-25 to IV-26, IV-28 to IV-30.

[212] See, e.g., CR/PR at Table III-6, Table IV-10, Table IV-15, Table IV-17; CR at II-6, II-7, II-9, II-10, II-11, III-11, III-12, IV-14 to IV-16, IV-19 to IV-20, IV-23 to IV-25, IV-28 to IV-29, IV-35, IV-39, IV-40 to IV-41, IV-45 to IV-47, IV-53; PR at II-4, II-5, II-7, II-8, III-7, IV-8 to IV-23, IV-25 to IV-26, IV-28 to IV-30.

strut).[213] Among domestic producers, most focus their overall operations primarily on products such as line pipe, mechanical tubing, OCTG, and/or rectangular and square pipe, whereas Wheatland focuses primarily on circular welded pipe, and Allied divides its production between circular welded pipe, mechanical tubing, and conduit and strut.[214] The domestic industry's total plant capacity increased irregularly between 2006 and 2011,[215] whereas its capacity allocated to circular welded pipe production decreased by 1.6 percent during this period.[216] Each year between 2006 and 2011, the domestic industry's capacity to produce circular welded pipe approached or exceeded apparent U.S. consumption,[217] although its circular welded pipe capacity utilization level declined overall during this period.[218]

Raw Material Prices and Other Costs. Between 2006 and 2011, raw material costs accounted for an average of 78 percent of the domestic industry's cost to produce circular welded pipe.[219] The chief material input to produce circular welded pipe is hot-rolled steel.[220] Monthly average prices of hot-rolled steel sheet varied from a minimum of $388 per short ton to a maximum of $1,089 per short ton in May 2008, with monthly average prices fluctuating around $600 per short ton between January 2006 and

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[213] See, e.g., CR/PR at Table III-6, Table IV-10, Table IV-15, Table IV-17; CR at II-6, II-7, II-9, II-10, II-11, III-11, III-12, IV-14 to IV-16, IV-19 to IV-20, IV-23 to IV-25, IV-28 to IV-29, IV-35, IV-39, IV-40 to IV-41, IV-45 to IV-47, IV-53; PR at II-4, II-5, II-7, II-8, III-7, IV-8 to IV-23, IV-25 to IV-26, IV-28 to IV-30.

[214] CR at III-18; PR at III-11. Ten of 13 responding domestic producers reported the ability to shift production between circular welded pipe and other products in response to a relative change in price. ***. CR at II-6; PR at II-4. To the extent that there are variations among domestic producers, domestic interested parties explain this may be due to ***. Joint Domestic Producers' Posth'g Br. at A-1 to A-3. They note that ***, and that ***. Id. at A-2.

[215] The domestic industry's total plant capacity was 6,793,231 short tons in 2006, 7,159,233 short tons in 2007, 7,175,848 short tons in 2008, 7,177,264 short tons in 2009, 7,160,489 short tons in 2010, and 7,185,589 short tons in 2011. CR/PR at Table III-6. Seven producers reported changes in total plant production capacity, with *** accounting for the majority of the increase between 2006 and 2011. CR at III-13 to III-14; PR at III-8. The domestic industry's overall plant production increased between 2006 and 2008, declined in 2009, and then rose through 2011; the largest production decline in 2009 was attributable to OCTG, followed by small/medium line pipe, whereas these two products had the largest increase in production in 2010, despite remaining below 2009 production levels, and again in 2011, to the highest levels in the 2006 to 2011 period. The 2008 decline in production of leading products OCTG and small/medium line pipe caused the share of total plant production for circular welded pipe to increase to its highest level of the period (35.4 percent, compared to 23.2 to 28.8 percent during the preceding five years). CR at III-14; PR at III-8; CR/PR at Table III-6.

[216] CR at III-8; PR at III-5. The domestic industry's capacity to produce circular welded pipe was 2,088,327 short tons in 2006, 2,009,829 short tons in 2007, 1,944,986 short tons in 2008, 1,938,832 short tons in 2009, 2,009,753 short tons in 2010, and 2,054,223 short tons in 2011. CR/PR at Table III-4. Six domestic producers reported declines in production capacity whereas four reported an increase and five reported no change in 2011 compared to 2006. CR at III-8 to III-9; PR at III-5. Data for *** were included in 2006 and partial year 2009, when ***. CR/PR at Note to Table III-4. *** and *** accounted for the majority of the domestic industry's increased capacity between 2006 and 2011. ***. This increase in capacity was offset by the closure of Sharon Tube and by ***, which accounted for the majority of the decline in production capacity between 2006 and 2011. ***. CR at III-10 to III-11; PR at III-6.

[217] The domestic industry's capacity to produce circular welded pipe exceeded apparent U.S. consumption of circular welded pipe between 2008 and 2011, but was less than apparent U.S. consumption in 2006 and 2007. Derived from CR/PR at Table C-1.

[218] The domestic industry's capacity utilization was 61.4 percent in 2006, 63.8 percent in 2007, 62.3 percent in 2008, 46.4 percent in 2009, 48.2 percent in 2010, and 49.8 percent in 2011. CR/PR at Table III-4.

[219] CR at V-1; PR at V-1.

[220] CR at V-1; PR at V-1.

January 2008, declining sharply from the May 2008 peak to the June 2009 low, and then fluctuating but trending upwards thereafter.[221]

3. Substitutability and Factors Important in Purchasing Decisions

Price continues to be an important factor in purchasing decisions for circular welded pipe in the U.S. market.[222] As the Commission also has found in prior reviews, circular welded pipe, regardless of source, is a standardized product generally made to ASTM standards.[223] Market participants generally reported that circular welded pipe, whether imported or produced in the United States, was at least "frequently" if not "always" interchangeable, could be used for the same applications and was comparable in most non-price characteristics.[224] In view of the importance of price in purchasing decisions and the substitutability of the products, the U.S. circular welded pipe market is price competitive.[225]

Based on the record of these reviews, we find that current conditions of competition in the U.S. circular welded pipe market are not likely to change significantly in the reasonably foreseeable future. Accordingly, in these reviews, we find that current conditions of competition provide us with a reasonable basis on which to assess the likely effects of revocation of the orders in the reasonably foreseeable future.

C. Likely Volume of Cumulated Subject Imports

In evaluating the likely volume of imports of subject merchandise if the antidumping and/or 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.[226] 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

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[221] CR at V-1; PR at V-1; CR/PR at Figure V-1.

[222] When asked to identify the three major factors considered by their firm in purchasing circular welded pipe, U.S. purchasers most often reported price, quality, and availability. CR at II-16; PR at II-11; CR/PR at Table II-5. When asked to rate the importance of 15 factors in their purchasing decisions, purchasers rated price and quality meeting industry standards as "very important." CR at II-17; PR at II-12; CR/PR at Table II-6.

[223] USITC Pub. 3316 at 30; USITC Pub. 3867 at 14; CR at I-30 to I-31; PR at I-24 to I-25; Hearing Tr. at 30-31.

[224] USITC Pub. 3316 at 33; USITC Pub. 3867 at 21; Joint Domestic Producers' Preh'g Br. at 1, 7; CR at II-20; PR at II-14; CR/PR at Table II-8; purchaser responses to Question IV-2; importer responses to Question III-25; domestic producer responses to Question IV-26. The majority of questionnaire respondents reported products made in the subject countries to be "comparable" to one another and the domestic like product in terms of all but two identified criteria, only reporting differences in availability and delivery time between imports from Mexico and product imported from Korea, Taiwan, Thailand, and Turkey. CR at II-18; PR at II-12. As noted earlier, fewer questionnaire respondents provided information concerning circular welded pipe manufactured in Brazil. USITC Pub. 3867 at 14 & n.72; CR at II-17; PR at II-12; CR/PR at Table II-7, Table II-8.

[225] See, e.g., Hearing Tr. at 30, 103, 143.

[226] 19 U.S.C. § 1675a(a)(2).

foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.[227]

1. The Prior Proceedings

The Commission's analysis of subject import volume differed slightly in each of the original investigations. In the 1984 Taiwan investigation, the Commission focused on volume and market share increases by the subject imports.[228] In the 1986 antidumping duty investigation of imports from Thailand and the countervailing duty investigation of imports from Turkey, the two Commissioners who made affirmative present material injury determinations focused on increases in the volume and market share of subject imports.[229] The two Commissioners making affirmative threat determinations noted that, although subject producers had a small market share, they had increased their market share substantially, had the ability to shift production between various tubular products, and, in the case of Turkey, had substantial underutilized capacity.[230] In the 1986 antidumping duty investigations of imports from India and Turkey, the Commission emphasized subject imports' dramatic increases in market share.[231] In the 1992 investigations, the Commission based its volume analysis on the absolute and relative increases in cumulated subject imports from Brazil, Mexico, Korea, and Taiwan.[232]

In the first five-year reviews, the Commission majority found that the orders had restrained subject imports. If the orders were revoked, it concluded that the likely volume of subject imports would be significant both in absolute terms and relative to U.S. consumption. It based this conclusion on significant unused capacity in the subject countries, the ability of several subject producers to switch production from other tubular products to circular welded pipe, the attractiveness of the large, growing U.S. market, and subject producers' demonstrated ability to increase U.S. market share rapidly.[233]

In the second reviews, the Commission based its finding on the restraining effect of the orders, including responses by several foreign producers in questionnaires that the orders had precluded them from participating in the U.S. market or that they would increase U.S. shipments if the orders were revoked. Although circular welded pipe inventories were generally stable, the Commission found that revoking the orders would provide incentives for subject producers to use what it found to be substantial excess capacity to increase their U.S. exports, particularly given that producers in most of the subject countries faced antidumping duty orders in one or more of their major non-U.S. markets. Given the large amount of unused circular welded pipe capacity, which the Commission found was likely understated due to the failure of numerous firms to submit data, and the subject producers' ability in the original investigations to increase imports rapidly, it found that the likely volume of cumulated subject imports in the event of revocation would be significant absolutely and relative to U.S. consumption.[234]

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[227] 19 U.S.C. § 1675a(a)(2)(A) to (D).

[228] USITC Pub. 1519 at 14.

[229] USITC Pub. 1810 at 15-16, 21. These two Commissioners' volume analyses shared this common rationale although each examined different combinations of subject imports due to divergent cumulation decisions.

[230] USITC Pub. 1810 at 25-28.

[231] USITC Pub. 1839 at 12-13.

[232] USITC Pub. 2564 at 34-35.

[233] USITC Pub. 3316 at 34-36.

[234] USITC Pub. 3867 at 21-24 (noting that some subject producers had the ability to shift production from other products to circular welded pipe but explaining that it did not rely on this in making its affirmative determinations).

2. The Current Reviews

Even with the orders in place, cumulated subject imports continued to maintain a substantial presence in the U.S. market. Between 2006 and 2011, the quantity of cumulated subject imports from all seven subject countries varied from a period low of *** short tons in 2007 to a period high of *** short tons in 2008.[235] During this period, the U.S. market share of cumulated subject imports of circular welded pipe from all seven countries ranged from a period low of *** percent in 2007 to a period high of *** percent in 2008.[236] Consequently, subject producers already have existing sales and distribution contacts in the U.S. market that they could use to increase their U.S. exports upon revocation.

In assessing the likely volume of cumulated subject imports if the circular welded pipe orders under review were revoked, we find, as discussed above, that each of the subject countries has substantial capacity. Based solely on the data reported by subject foreign producers that submitted questionnaire responses, such producers collectively had *** short tons of circular welded production capacity in 2011, equivalent to *** percent of domestic production in that year.[237] In the aggregate, the amount of reported unused capacity in the subject countries also is substantial. Only one producer of subject circular welded pipe in Mexico, one producer in Thailand, and three producers in Turkey submitted questionnaire data on both their capacity and production levels between 2006 and 2011. These subject producers collectively operated at *** percent capacity utilization in 2011, and their collective unused circular welded capacity in 2011 was *** short tons, equivalent to *** percent of domestic production in that year.[238] Moreover, these five foreign producers' questionnaires seriously understate both actual capacity and actual unused capacity in the cumulated subject countries, because for three of the seven subject countries (Brazil, India, and Korea) not one foreign producer submitted a questionnaire response. Moreover, the sole questionnaire respondent from a fourth subject country, Taiwan, did not estimate what portion of production in Taiwan it represented, so no data for Taiwan were included in the above figures. Additionally, the single responding Mexican producer estimated that it represented only *** percent of production in Mexico, the single responding Thai producer estimated it represented *** percent of subject production in Thailand, and the three responding Turkish producers estimated that they collectively represented only *** percent of subject production in Turkey.[239]

We also have examined inventories of subject merchandise. Inventories of subject merchandise reported by U.S. importers submitting questionnaire data were modest, although Metals Service Center Institute data on distributor inventories of pipe and tube relative to sales suggest that distributor inventories of pipe and tube – which include both domestic and imported product – remain high relative to other steel products.[240] The limited information available concerning end-of-period inventories in the subject countries indicates that inventory levels grew irregularly between 2006 and 2011, and they were

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[235] CR/PR at Table C-1 (showing cumulated subject imports from all seven subject countries of *** short tons in 2006, *** short tons in 2007, *** short tons in 2008, *** short tons in 2009, *** short tons in 2010, and *** short tons in 2011).

[236] CR/PR at Table C-1 (showing cumulated subject imports from all seven subject countries had a market share of *** percent in 2006, *** percent in 2007, *** percent in 2008, *** percent in 2009, *** percent in 2010, and *** percent in 2011).

[237] Derived from CR/PR at Table C-1, Table IV-9, Table IV-14, Table IV-17.

[238] Derived from CR/PR at Table IV-9 (Mexico), Table IV-14 (Thailand), Table IV-17 (Turkey).

[239] CR at IV-32, IV-42, IV-49 to IV-50; PR at IV-20, IV-25, IV-29.

[240] CR/PR at Table IV-3 (showing combined end-of-period inventories of *** short tons in 2011); CR at II-6; PR at II-4 (regarding distributor inventories).

at moderate to high levels relative to production, ***.[241] Again, these figures understate actual end-of-period inventories held by foreign producers of subject merchandise, because they only reflect data from the few foreign producers submitting questionnaire data.

Circular welded pipe producers in several of the subject countries reported producing other welded tubular products at the facilities that they use to produce circular welded pipe;[242] nevertheless, we do not rely on product shifting as a basis for finding that significant quantities of subject imports are likely upon revocation. In ***, line pipe and OCTG are among the principal other products produced.[243] Between 2006 and 2011, OCTG sold at higher average-unit prices than circular welded pipe, although pricing trends for other products are less clear, making it difficult to assess whether subject producers would have an economic incentive to shift capacity from non-OCTG products to circular welded pipe production.[244] In any event, as discussed above, there is substantial circular welded pipe capacity and unused capacity in the subject countries without the need for product shifting.

As discussed above, many of the subject industries already export substantial volumes of round, welded, non-energy tubular products, according to Global Trade Atlas data. The U.S. market is likely to be attractive to them if the U.S. orders under review were to be revoked. For instance, the United States is the largest single global importing country of round, welded, non-energy tubular products.[245] Furthermore, several subject producers face orders on their exports of circular welded pipe to third countries and/or are currently being investigated by authorities in third-country markets. Specifically, Saha Thai reported that Australia imposed an antidumping duty tariff of ten percent in 2000, and the European Union imposed an antidumping duty tariff of 21 percent in 2004 on imports of circular welded pipe from Thailand.[246] Moreover, on May 14, 2012, Canada initiated antidumping and countervailing duty investigations on imports of circular welded pipe from India, Korea, Turkey, and Thailand.[247] Indeed, importers reported already having arranged to import sizeable volumes from the subject countries

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[241] CR/PR at Table IV-9 (showing end-of-period inventories *** for the producer from Mexico), Table IV-12 (showing end-of-period inventories *** for the one producer in Taiwan), Table IV-14 (showing end-of-period inventories *** for the producer from Thailand), Table IV-17 (showing end-of-period inventories *** for the three responding producers in Turkey).

[242] CR at Table IV-10 (showing that Mexican producer ***), Table IV-15 (showing that Thai producer ***), Table IV-18 (showing that the three responding Turkish producers ***).

[243] CR/PR at Table IV-18; CR at IV-53; PR at IV-30.

[244] Between 2006 and 2011, average monthly OCTG prices were consistently higher than average monthly circular welded pipe prices, whereas average monthly line pipe prices were generally higher than average monthly circular welded pipe prices between 2006 and early 2009 but then similar or lower thereafter; average monthly hollow structural shape prices were similar to average monthly circular welded pipe prices between 2006 and mid-2008 but generally lower thereafter. CR at V-2; PR at V-2; CR/PR at Figure V-2.

[245] CR/PR at Table IV-23 (showing that the United States imported more round, welded, non-energy tubular products in 2011 than Germany, Canada, France, the United Kingdom, Netherlands, Belgium, Poland, Mexico, Austria, China, and Japan). The record contains only limited information concerning how circular welded prices in the U.S. market compare to prices in other global markets. Few questionnaire respondents reported information on comparative prices across global markets, and the highly variable mix of products among countries and from one period to another make direct comparisons between countries problematic using available information on average unit values of imports of round, welded, non-energy tubular products. CR at IV-60; PR at IV-35 to IV-36; CR/PR at Table IV-24.

[246] CR at IV-54; PR at IV-30.

[247] CR at IV-54; PR at IV-30.

in 2012 even with the orders in place.[248] Finally, the attractiveness of the U.S. market is further evidenced by the growing volumes of imports of circular welded pipe exported to the United States from China until those products became subject to antidumping and countervailing duty orders and by the growing volumes of imports from subject and non-subject sources to the U.S. market in the wake of the orders being placed on imports from China.[249]

The record in these third five-year reviews continues to support the conclusion that the orders have served to restrain subject import volumes. Numerous market participants confirmed in their questionnaire responses either that the orders currently preclude them from participating in the U.S. market with respect to subject imports or that they would increase shipments from the subject countries to the United States upon revocation.[250] Revocation of the orders would remove a current disincentive to the subject producers' participation in the U.S. circular welded pipe market, and would provide an incentive for the subject producers, many of whom already have existing customers or sales networks in the United States, to use their excess circular welded pipe capacity and/or their existing foreign inventories of subject circular welded pipe to increase their exports to the United States. The fact that subject producers in several of the subject countries face orders and/or investigations of their circular welded pipe exports to one or more of their non-U.S. export markets would provide further incentive for them to direct additional shipments to the large U.S. market. Given the large amount of unused capacity and the subject producers' ability to increase imports rapidly both in the original investigations and in the current period as imports from China exited the U.S. market, we find that the likely quantity of additional circular welded pipe shipments will be significant. We consequently conclude that if the orders under review were revoked, the likely volume of cumulated subject imports would be significant in absolute terms and relative to consumption in the United States.

D. Likely Price Effects of Cumulated Subject Imports

When examining the likely price effects of subject imports if the orders under review were to be revoked, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product 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.[251]

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[248] CR at IV-8; PR at IV-36 (showing actual and arranged imports from the subject countries of *** short tons for 2012).

[249] CR/PR at Table IV-1. Domestic interested parties contend that dumped and/or subsidized imports from India, Oman, the United Arab Emirates, and Vietnam surged into the U.S. market. Final-phase investigations of those imports are ongoing. Whatever the outcome of those investigations, the presence of non-subject imports in the U.S. market would not sever the likely causal nexus between the likely significant volume of low-priced subject imports and likely adverse impact on the domestic industry were the orders currently under review to be revoked. Over the period of review, cumulated subject imports increased their share of the U.S. market while the share held by non-subject imports declined. Moreover, during the most recent years of the period of review, the average-unit values for cumulated subject imports were below the average-unit values for non-subject imports. CR/PR at Table C-1.

[250] For example, importer *** reported that "***. CR at D-8; PR at D-3; see also, e.g., CR at D-8; PR at D-3 (listing importers' responses when asked about changes in their imports in the event the orders were revoked); CR at D-9 to D-10; PR at D-3 (listing purchasers' responses when asked about the likely effects on their purchases if the orders were revoked); CR at D-11 to D-12; PR at D-3 (listing purchasers' responses when asked about the effect on the U.S. market as a whole if the orders were to be revoked).

[251] See 19 U.S.C. § 1675a(a)(3). The URAA 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." (continued...)

1. The Prior Proceedings

In each of the original determinations, the Commission centered its price effects analysis on pervasive underselling by the subject imports.[252] In several of the determinations, the Commission also found that the subject imports had significant price-depressing effects.[253]

In the first five-year reviews, the Commission characterized circular welded pipe as a price-sensitive product. Because circular welded pipe from various sources was generally interchangeable, price was important in purchasing decisions. The Commission observed that should the orders be revoked, there would likely be pervasive underselling by the subject imports, based on pricing patterns observed during both the original investigations and the period of review. Because the market for circular welded pipe was price-sensitive, it found that the addition of even relatively small amounts of additional subject imports upon revocation would be likely to have significant price-suppressing or depressing effects.[254]

In the second reviews, the Commission found that price continued to be critical to purchasing decisions, and it found that the presence of likely significant U.S. circular welded pipe imports after revocation of the orders that were likely to undersell the domestically produced product would force domestic producers to either lower prices or lose sales. It found domestic producers' raw material costs to be volatile. It found the addition of significant quantities of low-priced subject imports would likely impair the domestic industry's ability to recover increased costs should these costs continue to rise as they did during the bulk of the second review period. In light of these considerations and the price-sensitive nature of the circular welded pipe market, the Commission concluded that cumulated subject imports would likely have price-depressing or price-suppressing effects were the orders to be revoked.[255]

2. The Current Reviews

As explained above, price continues to be an important factor in purchasing decisions for circular welded pipe in the U.S. market.[256] Circular welded pipe, whether made domestically or imported into the United States, is generally made to ASTM standards,[257] and market participants reported circular welded pipe regardless of source to be at least "frequently" if not "always" interchangeable.[258] Thus, even small

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[251] (...continued)
URAA SAA at 886.

[252] USITC Pub. 1518 at 15-16; USITC Pub. 1810 at 16, 22, 25-26; USITC Pub. 1839 at 13-14; USITC Pub. 2564 at 36-37.

[253] USITC Pub. 1810 at 16, 22; USITC Pub. 1839 at 13-14; USITC Pub. 2564 at 36-37.

[254] USITC Pub. 3316 at 37.

[255] USITC Pub. 3867 at 23-25.

[256] When asked to identify the three major factors considered by their firm in purchasing circular welded pipe, U.S. purchasers most often reported price, quality, and availability. CR at II-16; PR at II-11; CR/PR at Table II-5. When asked to rate the importance of 15 factors in their purchasing decisions, purchasers rated price and quality meeting industry standards as "very important." CR at II-17; PR at II-12; CR/PR at Table II-6.

[257] USITC Pub. 3316 at 30; USITC Pub. 3867 at 14; CR at I-30 to I-31, II-16; PR at I-24 to I-25, II-11; Hearing Tr. at 30-31.

[258] USITC Pub. 3316 at 33; USITC Pub. 3867 at 21; Joint Domestic Producers' Preh'g Br. at 1, 7; CR at II-20; PR at II-14; CR/PR at Table II-8; purchaser responses to Question IV-2; importer responses to Question III-25; domestic producer responses to Question IV-26. The majority of questionnaire respondents reported products made in the subject countries to be "comparable" to one another and the domestic like product in terms of all but two
(continued...)

price differentials between products are likely to influence purchasing decisions, meaning that the U.S. circular welded pipe market remains price-sensitive. We consequently reaffirm our finding from the first and second reviews that sustained underselling by even a relatively small amount of subject imports is likely to depress or suppress prices of the domestic like product to a significant degree.[259]

Even with the orders in place, cumulated subject imports continued to undersell the domestic like product pervasively between 2006 and 2011, in 452 of 492 possible observations at underselling margins that ranged from 0.2 percent to 68.1 percent.[260] Given the subject producers' demonstrated interest in the U.S. market during the original investigations and the continued presence of cumulated subject imports in the U.S. market after imposition of the orders, as well as the subject producers' willingness to undersell the domestic product in the original investigations in order to gain market share, the subject producers are likely to find the large U.S. market attractive upon revocation of the orders, just as they and imports from non-subject sources found the U.S. market to be in recent years, as discussed above. In light of this and the underselling observed during the original investigations and prior and current reviews,[261] we conclude that there will likely be significant price underselling should the orders under review be revoked.

Because price is critical to purchasing decisions, the likely significant volume of low-priced subject imports upon revocation would force the domestic industry to lower prices, limit price increases, or lose sales in this price-sensitive market.[262] Hence, we conclude that the increased cumulated subject imports likely would have significant price-depressing or price-suppressing effects.

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[258] (...continued)
identified criteria, only reporting differences in availability and delivery time between imports from Mexico and product imported from Korea, Taiwan, Thailand, and Turkey. CR at II-18; PR at II-12. As noted earlier, fewer questionnaire respondents provided information concerning circular welded pipe manufactured in Brazil. USITC Pub. 3867 at 14 & n.72; CR at II-17; PR at II-12; CR/PR at Table II-7, Table II-8.

[259] USITC Pub. 3316 at 37; USITC Pub. 3867 at 24.

[260] Imports from each subject country for which price comparisons were available predominantly undersold the domestic like product between 2006 and 2011; pricing data were not available for imports from Brazil. CR/PR at Table V-9 (showing underselling in 46 of 53 comparisons for imports from India, in 41 of 45 comparisons for imports from Korea, in 125 of 137 comparisons for imports from Taiwan, for 101 of 120 comparisons for imports from Thailand, and in 124 of 129 comparisons for imports from Turkey. These data also showed underselling in all 15 possible comparisons for imports from Mexico; importer *** initially reported all of these imports to be subject merchandise corresponding to pricing product 8, a fence tubing product, but subsequently reported these imports to involve non-subject galvanized A513 products for sale to distributors). CR at IV-1 n.4, IV-2 n.5, V-5 n.2; PR at IV-1 nn.4-5, V-4 n.2; CR/PR at Note to Table V-8.

[261] In the second reviews, cumulated subject imports undersold the domestic like product in 277 of 323 possible observations, and in the first reviews, cumulated subject imports undersold the domestic like product in 173 of 253 possible observations. In the various original investigations, subject imports from Brazil undersold the domestic like product in 33 of 36 possible observations, compared to 22 of 22 observations for subject imports from India, 110 of 124 observations for subject imports from Korea, 19 of 22 observations for subject imports from Mexico, 32 of 36 observations for subject imports from Taiwan, 12 of 14 observations for subject imports from Thailand, and 37 of 37 observations for subject imports from Turkey. CR/PR at Table V-10.

[262] Moreover, prices of hot-rolled steel sheet, the domestic industry's main raw material input, continued to fluctuate widely between 2006 and 2011, as they had in prior reviews, varying from a minimum of $388 per short ton to a maximum of $1,089 per short ton. CR/PR at Figure V-1. During periods of high hot-rolled steel sheet costs, the addition of significant quantities of low-priced subject imports would likely impair the domestic industry's ability to recover increased costs. Domestic producers generally confirmed that, while circular welded pipe prices incorporate (or attempt to incorporate) current raw material costs, there is no specific raw material passthrough component in prices, meaning that sometimes pipe producers are successful in passing along higher raw material costs through higher prices, but sometimes they are unsuccessful. CR at III-29 & n.29; PR at III-15 & n.29.

We have found that the volume of cumulated subject imports is likely to increase significantly in the reasonably foreseeable future if the orders are revoked. At these increased volumes, which would be likely to undersell the domestic like product at significant margins, cumulated subject imports would be likely to have a significant depressing or suppressing effect on prices of the domestic like product.

E. Likely Impact of Cumulated Subject Imports[263]

In analyzing the likely impact of imports of subject merchandise if the orders under review were to be 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.[264] 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.[265] 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 are revoked.[266]

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[263] Under the statute, "the Commission may consider the magnitude of the margin of dumping or the magnitude of the net countervailable subsidy" 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 URAA SAA at 887. Commerce conducted expedited third five-year reviews of all orders subject to these reviews. With respect to the antidumping duty orders, Commerce announced likely margins of 103.38 percent for Persico Pizzamiglio and all other Brazilian producers/exporters; 7.08 percent for TISCO and all other subject Indian producers/exporters; 4.91 percent for PSP (now SeAH), 6.21 percent for KSP, 6.86 for Hyundai, 11.63 percent for Masan, and 6.37 percent for all other Korean producers/exporters; 38.50 percent for Yieh Phui (successor to Yieh Hsing), 43.70 for Tai Feng, and 9.70 percent for Kao Hsing Chang and all other Taiwan producers/exporters; 15.69 percent for Shai Thai, Thai Steel, and all other Thai producers/exporters; and 1.26 percent for Borusan, 23.12 percent for Erkboru and Mannesmann-Sumerbank Boru, and 14.74 percent for all other Turkish producers/exporters. Commerce announced likely subsidy margins of 0.79 percent for Borusan; 3.01 percent for Bant Boru, ERBOSAN, and all other Turkish producers/exporters, and 0.95 percent for Yucel Boru Group. CR/PR at Tables I-10 & I-11. Under the statute, if a countervailable subsidy is involved, the Commission "shall consider information regarding the nature of the countervailable subsidy and whether the subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement. 19 U.S.C. § 1675a(a)(6). We considered the information Commerce provided concerning the nature of the countervailable subsidies provided by the Government of Turkey. CR/PR at Table I-10; 76 Fed. Reg. 64900 (Oct. 19, 2011).

[264] 19 U.S.C. § 1675a(a)(4).

[265] 19 U.S.C. § 1675a(a)(4).

[266] 19 U.S.C. § 1675a(a)(1)(B) to (C). The URAA SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is revoked, the Commission "considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports." URAA SAA at 885.

1. The Prior Proceedings

In each of the original determinations, the Commission's impact analysis focused on the poor operating performance of the domestic circular welded pipe industry.[267] Other factors the Commission cited in individual original determinations included declines in production, shipments, and employment (in the 1984 Taiwan investigation),[268] declines in market share and employment (in both 1986 determinations),[269] and declines in employment and capacity utilization (in the 1992 investigations).[270]

In the first reviews, the Commission found that the industry's condition had improved markedly since the original investigations, due both to the existence of the orders and to the recent increases in demand for construction materials. It specifically cited increases in market share, capacity, and capacity utilization. Although the domestic industry's operating performance had declined during that period of review, it was consistently higher than during the original investigations. The Commission did not find the domestic industry to be vulnerable, but it concluded that if the orders were revoked, the adverse price effects associated with increased subject imports would likely have a significant adverse impact on the domestic industry.[271]

In the second reviews, the Commission did not find the domestic industry to be vulnerable to material injury.[272] The Commission, however, did conclude that subject imports would likely increase to significant levels if the orders were revoked. Because the subject imports were good substitutes for the domestic like product, the domestic industry supplied the majority of the U.S. market, and there appeared to be no significant market segments in which the domestic industry participated exclusively, the Commission found that any increase in subject import volumes would likely be in substantial part at the domestic industry's expense. In light of what was then stagnant U.S. demand for circular welded pipe that was unlikely to increase robustly in the reasonably foreseeable future, the Commission found such increases in subject import volume would likely exacerbate declines in production, shipments, market share, and employment that the domestic industry sustained during that period. Additionally, because of the likely aggressive pricing of the subject imports, it found the domestic industry would either need to cut prices for the domestic like product or lose sales. Under either scenario, it found that the domestic industry's revenues would likely decline significantly in light of the anticipated volume of subject imports. This, in turn, would likely lead to declines in the industry's operating performance, from its then profitable condition to the much more depressed state observed during the original investigations. The Commission consequently found that revoking the orders would likely have a significant adverse impact on the domestic industry.[273]

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[267] USITC Pub. 1519 at 7-8; USITC Pub. 1810 at 8-9; USITC Pub. 1839 at 7-9; USITC Pub. 2564 at 36-37.

[268] USITC Pub. 1519 at 7-8.

[269] USITC Pub. 1810 at 8-9; USITC Pub. 1839 at 7-9.

[270] USITC Pub. 2564 at 36-37.

[271] USITC Pub. 3316 at 38-39.

[272] The Commission found that the domestic industry's performance indicators moved in divergent directions, with most output-related indicators declining. The domestic industry's financial performance fluctuated considerably during that period of review, but the domestic industry had operating profits throughout, comparable to its performance in the first reviews but considerably better than that observed during the original investigations. USITC Pub. 3867 at 26-27.

[273] USITC Pub. 3867 at 25-28.

2. The Current Reviews

We have considered performance indicators for the domestic industry as a whole, while also taking into consideration that the industry consists of a variety of firms that differ in such attributes as size, product mix, cost methodologies, and the extent to which they manufacture products other than circular welded pipe.[274] Many of the domestic industry's performance indicators declined overall between 2006 and 2011, peaking earlier in the period and not recovering to earlier levels by the end of the period. Average production capacity fluctuated annually but remained relatively stable.[275] Production reached a period low of 899,463 short tons in 2009 and, at 968,312 short tons in 2010 and 1,023,578 short tons in 2011, had not recovered to the levels of 1,282,325 short tons in 2006, 1,282,391 short tons in 2007, and 1,212,165 short tons in 2008.[276] Capacity utilization also reached a period low of 46.4 percent in 2009 and had not recovered by 2011 to the higher levels experienced in 2006, 2007, and 2008.[277] Trends in the domestic industry's U.S. shipments mirrored those for production.[278] End-of-period inventories relative to production and shipments fluctuated within a fairly narrow range between 2006 and 2011.[279] The domestic industry's share of apparent U.S. consumption varied considerably between 2006 and 2011 and was higher in 2011 than in 2006 but down from its peak in 2009.[280]

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[274] See, e.g., CR at III-18 to III-38; PR at III-11 to III-19; CR/PR at Appendix E (presenting differences among domestic producers). The Turkish Producers/Exporters argued that the domestic industry's condition would have been better had the domestic industry modeled itself after the Turkish industry, by inter alia ***. See, e.g., Turkish Producers/Exporters' Preh'g Br. at 13-14. As a factual matter, they are mistaken, because the record indicates that ***. CR at III-18; PR at III-11. Moreover, the Commission's analysis "takes the domestic industry as it finds it," and neither ignores evidence of an adverse effect nor finds an effect where none exists due to an assessment of the relative efficiency of the domestic industry. See, e.g., Certain Frozen or Canned Warmwater Shrimp and Prawns from Brazil, China, Equador, India, Thailand and Vietnam, Invs. Nos. 731-TA-1063-1068 (Final), USITC Pub. 3748 at 34 & n.239 (Jan. 2005) ("inefficient operations by a domestic industry do not preclude the Commission from making an affirmative injury determination") citing Iwatsu Electric Co. v. United States, 758 F. Supp. 1506, 1512, 1518 (Ct. Int'l Trade 1991).

[275] The domestic industry's capacity to produce circular welded pipe was 2,088,327 short tons in 2006, 2,009,829 short tons in 2007, 1,944,986 short tons in 2008, 1,938,832 short tons in 2009, 2,009,753 short tons in 2010, and 2,054,223 short tons in 2011. CR/PR at Table III-4. Average annual production capacity in the original investigations had been approximately 1.8 million short tons between 1982 and 1985 and between 2.1 and 2.3 million short tons between 1989 and 1991. 1986 India and AD Turkey Original Investigations CR at I-8, Table I-4; USITC Pub. 1839 at I-7, Table I-4; 1992 Brazil Mexico Korea and Taiwan Original Investigations CR at Table 3; USITC Pub. 2564 at Table 3.

[276] CR/PR at Table III-4.

[277] CR/PR at Table III-4 (showing the domestic industry's capacity utilization was 61.4 percent in 2006, 63.8 percent in 2007, 62.3 percent in 2008, 46.4 percent in 2009, 48.2 percent in 2010, and 49.8 percent in 2011).

[278] CR/PR at Table III-7 (showing the domestic industry's U.S. shipments were 1,230,404 short tons in 2006, 1,274,984 short tons in 2007, 1,239,555 short tons in 2008, 881,430 short tons in 2009, 921,844 short tons in 2010, and 966,015 short tons in 2011).

[279] End-of-period inventories were 193,218 short tons in 2006, 168,394 short tons in 2007, 151,707 short tons in 2008, 139,243 short tons in 2009, 142,504 short tons in 2010, and 151,164 short tons in 2011. As a ratio to production, they were 15.1 percent in 2006, 13.1 percent in 2007, 12.5 percent in 2008, 15.5 percent in 2009, 14.7 percent in 2010, and 14.8 percent in 2011. As a ratio to the domestic industry's U.S. shipments, end-of-period inventories were 15.7 percent in 2006, 13.2 percent in 2007, 12.2 percent in 2008, 15.8 percent in 2009, 15.5 percent in 2010, and 15.6 percent in 2011. CR/PR at Table III-8.

[280] The domestic industry's share of apparent U.S. consumption, by quantity, was 51.1 percent in 2006, 56.2 percent in 2007, 64.3 percent in 2008, 71.3 percent in 2009, 65.6 percent in 2010, and 65.6 percent in 2011. CR/PR (continued...)

The number of production and related workers ("PRWs") declined overall between 2006 and 2011, as did total hours worked, whereas hours worked per worker increased overall during this period.[281] Hourly wages increased steadily whereas productivity in short tons per 1,000 hours increased irregularly overall between 2006 and 2011.[282]

The domestic industry's net sales peaked in 2008 and were lower in 2011 than in 2006, and operating income followed a similar trend.[283] Between 2006 and 2011, the domestic industry made annual capital expenditures that ranged from a low of $*** to a high of $***, and ***.[284]

Unlike the second reviews wherein the domestic industry operated profitably throughout, in these third reviews, the domestic industry had relatively poorer financial performance. The domestic industry's operating ratio fluctuated over the review period but declined overall, and was 11.2 percent in 2006, 3.3 percent in 2007, 15.8 percent in 2008, negative 14.7 percent in 2009, 3.7 percent in 2010, and 2.9 percent in 2011.[285] One domestic producer reported an operating loss in 2006 compared to three in 2007, one in 2008, eleven in 2009, three in 2010, and seven in 2011.[286] The domestic industry's operating results between 2006 and 2011 also reflected asset impairments, plant closures, and ***.[287] [288] [289]

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[280] (...continued)
at Table C-1.

[281] The domestic industry's PRWs were 2,192 in 2006, 2,032 in 2007, 1,906 in 2008, 1,589 in 2009, 1,451 in 2010, and 1,549 in 2011. Total hours worked declined overall from 4,555 in 2006 to 4,191 in 2007, 4,343 in 2008, 2,893 in 2009, 3,074 in 2010, and 3,397 in 2011. Hours worked per PRW were 2,078 hours in 2006, 2,063 hours in 2007, 2,279 hours in 2008, 1,821 hours in 2009, 2,119 in 2010, and 2,193 hours in 2011. CR/PR at Table III-9.

[282] The domestic industry's hourly wages were $21.77 in 2006, $22.93 in 2007, $23.42 in 2008, $25.35 in 2009, $26.14 in 2010, and $28.33 in 2011. Productivity in short tons per 1,000 hours was 281.5 in 2006, 306.0 in 2007, 279.1 in 2008, 310.3 in 2009, 315.0 in 2010, and 301.3 in 2011. CR/PR at Table III-9.

[283] The domestic industry's net sales were $1.3 billion in 2006, $1.2 billion in 2007, $1.7 billion in 2008, $858.8 million in 2009, $914.7 million in 2010, and $1.1 billion in 2011. Its operating income was $143.5 million in 2006, $39.9 million in 2007, $271.0 million in 2008, an operating loss of $126.5 million in 2009, and operating income of $34.3 million in 2010 and $31.1 million in 2011. CR/PR at Table III-10.

[284] CR/PR at Table III-13.

[285] CR/PR at Table III-10.

[286] CR/PR at Table III-10.

[287] CR at III-32, III-35 to III-36; PR at III-17, III-18 to III-19.

[288] Chairman Williamson, Commissioner Pinkert, and Commissioner Johanson find that the domestic industry is currently vulnerable to material injury by cumulated subject imports. Several factors highlight the weakened condition of the domestic industry. Apparent U.S. consumption was considerably lower (38.9 percent) in 2011 than in 2006, the beginning of the period examined. Moreover, while apparent U.S. consumption has improved since the depths of the recession, the pace of recovery slowed in 2011. CR/PR at Table C-1. As discussed above, the domestic industry's U.S. shipments, production, capacity utilization, and net sales have improved since the 2009 recession, but remain well below 2006 to 2008 levels. CR/PR at Table I-15, Table III-4 & Table III-10. In 2009 the industry recorded operating losses of $126.6 million and a negative operating income to net sales ratio of 14.7 percent. As the U.S. economy staged a recovery, the industry benefitted and regained profitability in 2010 and 2011, albeit at low margins. CR/PR at Table III-10. The domestic industry's workforce in 2011 was smaller than in 2009, and approximately one-third smaller than in 2006. CR/PR at Table III-9 & Table C-1.

[289] Commissioners Okun, Pearson, and Aranoff find that overall the record shows that the domestic industry was not doing as well in 2011, at the end of the period, as it was in 2006, when this period of review began. In recent years, however, many of the domestic industry's performance indicators have improved as the economic recovery continues. This is not true across the board, as the domestic industry experienced an increase in its COGS/net sales ratio between 2010 and 2011 and also experienced a decline in its operating income ratio over the same period.
(continued...)

As explained above, we find that cumulated subject imports would likely increase to significant levels in the reasonably foreseeable future if the orders under review were revoked. Because subject imports are good substitutes for the domestic like product, the domestic industry supplies the majority of the U.S. market, and there appear to be no significant market segments in which the domestic industry participates exclusively, any increase in cumulated subject import volumes would likely be in substantial part at the domestic industry's expense. In light of the fact that U.S. demand for circular welded pipe has not returned to the higher levels of earlier in the period and is unlikely to increase substantially in the reasonably foreseeable future, such increases in cumulated subject imports would likely lead to declines in the domestic industry's production, shipments, market share, and employment.

We have further found that these additional volumes of subject imports would be priced in a manner that would likely undersell the domestic like product to a significant degree and have significant depressing or suppressing effects on prices for the domestic like product. Consequently, to compete with the likely additional volumes of subject imports, the domestic industry would need to cut prices, forgo needed price increases, or lose sales. The resulting loss of revenues would likely cause further deterioration in the financial performance of the domestic industry. Further deterioration in financial performance would result in likely reductions in employment and, ultimately, likely losses in output and market share.

We consequently find that revocation of the orders under review would likely have a significant adverse impact on the domestic industry. We therefore determine that revocation of the countervailing duty order on circular welded pipe from Turkey and the antidumping duty orders on circular welded pipe from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey would likely lead to continuation or recurrence of material injury to the domestic circular welded pipe industry within a reasonably foreseeable time.

CONCLUSION

For the foregoing reasons, we determine that revocation of the countervailing duty order on imports of certain circular welded pipe from Turkey and the antidumping duty orders on certain circular welded pipe from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

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[289] (...continued)
(They recognize, however, that the pattern with respect to operating income appears to have been largely driven by an increase in ***). CR/PR at Table III-10; CR at III-35 to III-36, n.46; PR at III-19, n.46. On balance, they do not find the domestic industry to be vulnerable to material injury within a reasonably foreseeable timeframe if the orders were revoked.

PART I: INTRODUCTION

BACKGROUND

On July 1, 2011, the U.S. International Trade Commission ("Commission" or "USITC") gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act")[1], that it had instituted reviews to determine whether revocation of the countervailing duty order on circular welded nonalloy steel pipe and tube ("circular welded pipe") from Turkey and the antidumping duty orders on such pipe and tube from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey would likely lead to the continuation or recurrence of material injury to a domestic industry.[2] [3] On October 4, 2011, the Commission determined that it would conduct full reviews pursuant to section 751(c)(5) of the Act.[4] The following tabulation presents information relating to the background and schedule of this proceeding:[5]

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[1] 19 U.S.C. 1675(c).

[2] *Certain Pipe and Tube From Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey,* 76 FR 38691, July 1, 2011. All interested parties were requested to respond to this notice by submitting the information requested by the Commission.

[3] 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 antidumping and countervailing duty orders concurrently with the Commission's notice of institution. *Initiation of Five-Year ("Sunset") Review*, 76 FR 38613, July 1, 2011.

[4] *Certain Pipe and Tube From Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey; Commission Determination To Conduct Full Five-Year Reviews,* 76 FR 65748, October 24, 2011. On October 4, 2011, the Commission determined to conduct a separate expedited review of the antidumping duty order on light-walled rectangular pipe and tube from Taiwan. With respect to the orders at issue in the current proceeding, the Commission determined that it should proceed to full reviews pursuant to section 751(c)(5) of the Act. The Commission found that both the domestic and respondent interested party group responses to its notice of institution with respect to Mexico, Thailand, and Turkey were adequate (76 FR 38691, July 1, 2011) were adequate. The Commission found that the respondent interested party group responses with respect to Brazil, India, Korea, and Taiwan were inadequate. However, the Commission determined to conduct full reviews concerning the antidumping duty orders on welded carbon steel pipe and tube from India, circular welded nonalloy steel pipe from Brazil, Korea, and Taiwan, and small diameter carbon steel pipe and tube from Taiwan to promote administrative efficiency in light of its decision to conduct full reviews with respect to certain pipe and tube orders concerning Mexico, Thailand, and Turkey.

[5] The Commission's notice of institution, notice to conduct full reviews, scheduling notice, and statement on adequacy appear in appendix A and may also be found at the Commission's web site (internet address *www.usitc.gov*). Commissioners' votes on whether to conduct expedited or full reviews may also be found at the web site. Appendix B presents the witnesses appearing at the Commission's hearing.

Effective date	Action
August 22, 2000	Commerce's continuation of antidumping and countervailing duty orders after first five-year reviews (65 FR 50955)
August 8, 2006	Commerce's continuation of antidumping and countervailing duty orders after second five-year reviews (71 FR 44996)
July 1, 2011	Commission's institution of five-year reviews (76 FR 38691)
	Commerce's initiation of five-year reviews (76 FR 38613)
October 4, 2011	Commission's determinations to conduct full five-year reviews (76 FR 65748, October 24, 2011)
October 19, 2011	Commerce's final results of expedited five-year review of the countervailing duty order on circular welded pipe from Turkey (76 FR 64900)
October 28, 2011	Commerce's final results of expedited five-year reviews of the antidumping duty orders on circular welded pipe from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey (76 FR 66899 and 76 FR 66893)
January 3, 2012	Commission's scheduling of the reviews (77 FR 2318, January 17, 2012)
May 3, 2012	Commission's hearing
June 14, 2012	Commission's vote
June 28, 2012	Commission's determinations transmitted to Commerce

Summary Data

Table I-1 (beginning on page I-4) presents a summary of data from the final years of the original investigations, first five-year reviews, and second five-year reviews, as well as the data collected in the current proceeding.

The Original Investigations

These reviews of the countervailing duty order for circular welded pipe from Turkey and the antidumping duty orders for circular welded pipe from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey follow from a series of countervailing and antidumping duty petitions filed with Commerce and the Commission since 1983. The following tabulation presents information on the dates of the original orders issued by Commerce, the products and countries covered, the investigation numbers at both Commerce and the Commission, and the Federal Register citations for the subject orders.

Order date	Subject merchandise	Country	Investigation number		*Federal Register* notice
			Commerce	Commission	
5/7/84	Small diameter carbon steel pipe tube	Taiwan	A-583-008	731-TA-132	49 FR 19369
3/7/86	Welded carbon steel pipe and tube	Turkey	C-489-502	701-TA-253	51 FR 7984
3/11/86	Welded carbon steel pipe and tube	Thailand	A-549-502	731-TA-252	51 FR 8341
5/12/86	Welded carbon steel pipe and tube	India	A533-502	731-TA-271	51 FR 17384
5/15/86	Welded carbon steel pipe and tube	Turkey	A-489-501	731-TA-273	51 FR 17784
	Circular welded nonalloy steel pipe	Brazil	A-351-809	731-TA-532	57 FR 49453
	Circular welded nonalloy steel pipe	Korea	A-580-809	731-TA-533	57 FR 49453
	Circular welded nonalloy steel pipe	Mexico	A-201-805	731-TA534	57 FR 49453
11/2/92	Circular welded nonalloy steel pipe	Taiwan	A-583-814	731-TA536	57 FR 49454
Source: Cited *Federal Register* notices.					

On April 17, 1984, the Commission determined that an industry in the United States was materially injured by reason of imports of certain small-diameter circular welded carbon steel pipes and tubes from Taiwan that were being sold in the United States at less than fair value ("LTFV").[6] Commerce issued an antidumping duty order on imports of certain small-diameter circular welded carbon steel pipes and tubes from Taiwan on May 7, 1984.

On February 12, 1986, the Commission determined that an industry in the United States was materially injured or threatened with material injury by reason of subsidized imports from Turkey and LTFV imports from Thailand of certain welded carbon steel pipes and tubes.[7] Commerce issued antidumping and countervailing duty orders on these products from Thailand and from Turkey on March 7 and March 11, 1986, respectively.

On April 21, 1986, the Commission determined that an industry in the United States was materially injured by reason of LTFV imports of certain welded carbon steel pipes and tubes from India and Turkey.[8] Commerce issued antidumping duty orders on these products on May 12 and May 15, 1986, respectively.

On October 20, 1992, the Commission determined that an industry in the United States was materially injured by reason of LTFV imports of standard and structural pipes and tubes from Brazil, Korea, Mexico, Taiwan, and Venezuela.[9] On November 2, 1992, Commerce issued antidumping duty orders on these products.

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[6] *Certain Welded Carbon Steel Pipes and Tubes from the Republic of Korea and Taiwan, Invs. Nos. 731-TA-131, 132, and 138 (Final)*, USITC Publication 1519 (April 1984). The Commission also determined that an industry in the United States was not materially injured or threatened with material injury by reasons of imports from Korea of heavy-walled rectangular (including square) welded pipes and tubes.

[7] *Certain Welded Carbon Steel Pipes and Tubes from Turkey and Thailand, Invs. Nos. 701-TA-253 and 731-TA-252 (Final)*, USITC Publication 1810 (February 1986). Of the four affirmative voting Commissioners, two found material injury by reason of subject imports and two found threat of material injury by reason of subject imports.

[8] *Certain Welded Carbon Steel Pipes and Tubes from India, Taiwan, and Turkey, Invs. Nos. 731-TA-271 to 273 (Final)*, USITC Publication 1839 (April 1986). The Commission also determined that an industry in the United States was not materially injured or threatened with material injury by reasons of imports of line pipes and tubes from Taiwan and Turkey.

[9] *Certain Circular, Welded, Non-Alloy Steel Pipes and Tubes from Brazil, the Republic of Korea, Mexico, Romania, Taiwan, and Venezuela, Invs. Nos. 731-TA-532-537 (Final),* USITC Publication 2564, October 1992. The Commission also determined that an industry in the United States was not materially injured or threatened with material injury by reasons of imports from Romania of subject pipe and tube, and by reason of imports from Brazil, Korea, Mexico, Taiwan, and Venezuela of finished conduit or mechanical tubing.

Table I-1
Circular welded pipe: Comparative data from the original investigations and subsequent reviews, 1983, 1984, 1985, 1991, 1998, 2005, and 2006-11

(Quantity in 1,000 short tons, value in 1,000 dollars, shares/ratios in percent)

Item	1983	1984	1985	1991	1998	2005
U.S. consumption quantity:						
Amount	1,968	2,422	2,433	1,920	2,996	2,339
U.S. producers' share	52.5	36.3	41.1	63.1	73.0	56.0
U.S. importers' share						
Brazil	(1)	(1)	(1)	2.8	(2)	***
India (subject)	(1)	(1)	0.9	(1)	0.4	***
Korea	(1)	(1)	(1)	16.9	5.8	***
Mexico	(1)	(1)	(1)	2.5	0.5	***
Taiwan	6.9	(1)	2.4	2.0	1.4	***
Thailand	(1)	(2)	(1)	(1)	0.9	***
Turkey	(1)	0.1	1.5	(1)	0.2	***
Subtotal, subject sources[3]	6.9	0.1	4.8	24.2	9.4	7.5
All other sources[3]	40.6	63.6	54.1	12.7	17.7	36.5
Total imports	47.5	63.7	58.9	36.9	27.0	44.0
U.S. imports from:						
Brazil:						
Quantity	(1)	(1)	(1)	54	(4)	***
Value	(1)	(1)	(1)	26,715	82	***
Average unit value	(1)	(1)	(1)	$490	$1,808	***
India:						
Quantity	(1)	(1)	22	(1)	12	***
Value	(1)	(1)	7,834	(1)	6,211	***
Average unit value	(1)	(1)	$351	(1)	$512	$***
Korea:						
Quantity	(1)	(1)	(1)	325	175	***
Value	(1)	(1)	(1)	172,590	79,702	***
Average unit value	(1)	(1)	(1)	$532	$456	$***
Mexico:						
Quantity	(1)	(1)	(1)	48	16	***
Value	(1)	(1)	(1)	25,268	8,262	***
Average unit value	(1)	(1)	(1)	$524	$507	$***

Table continued on next page.

Table I-1--*Continued*

Item	2006	2007	2008	2009	2010	2011
U.S. consumption quantity:						
Amount	2,410	2,267	1,928	1,237	1,406	1,473
U.S. producers' share	51.1	56.2	64.3	71.3	65.6	65.6
U.S. importers' share						
Brazil	0.0	0.0	0.0	0.0	0.0	0.0
India (subject)	***	***	***	***	***	***
Korea	1.8	1.4	6.4	3.1	5.4	3.3
Mexico	3.1	2.9	2.7	5.4	4.5	4.5
Taiwan	1.8	1.5	3.9	0.6	2.0	1.6
Thailand	3.2	2.1	4.4	2.5	2.0	3.2
Turkey	1.3	0.1	2.8	2.1	2.6	2.2
Subtotal, subject sources[3]	***	***	***	***	***	***
All other sources[3]	***	***	***	***	***	***
Total imports	48.9	43.8	35.7	28.7	34.4	34.4
U.S. imports from:						
Brazil:						
Quantity	1	0	1	0	1	0
Value	841	696	1,288	1,059	1,394	1,041
Average unit value	$1,475	$1,803	$2,321	$2,161	$2,241	$2,596
India (subject):						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Average unit value	***	***	***	***	***	***
Korea:						
Quantity	44	31	124	39	76	48
Value	35,399	29,031	126,895	33,714	68,178	51,190
Average unit value	$798	$923	$1,024	$868	$899	$1,065
Mexico:						
Quantity	75	65	52	67	63	66
Value	61,461	52,858	58,380	49,111	52,473	63,670
Average unit value	$822	$814	$1,117	$735	$831	$964

Table I-1--*Continued*
Circular welded pipe: Comparative data from the original investigations and subsequent reviews, 1983, 1984, 1985, 1991, 1998, 2005, and 2006-11
(Quantity in 1,000 short tons, value in 1,000 dollars, shares/ratios in percent)

Item	1983	1984	1985	1991	1998	2005
Taiwan:						
Quantity	131	([1])	59	39	41	***
Value	38,760	([1])	19,207	18,295	18,144	***
Average unit value	$297	([1])	$325	$475	$442	$***
Thailand:						
Quantity	([1])	([4])	([1])	([1])	28	***
Value	([1])	15	([1])	([1])	13,996	***
Average unit value	([1])	$291	([1])	([1])	$499	$***
Turkey:						
Quantity	([1])	3	36	([1])	7	***
Value	([1])	821	12,389	([1])	3,334	***
Average unit value	([1])	$318	$341	([1])	$451	$***
Subtotal, subject sources:						
Quantity	131	3	118	466	280	176
Value	38,760	836	39,430	242,868	129,731	129,786
Average unit value	$297	$318	$335	$521	$464	$739
All other sources:						
Quantity	777	1,542	1,316	242	530	853
Value	270,565	574,027	512,354	148,065	301,272	651,863
Average unit value	$348	$372	$389	$611	$568	$764
Total:						
Quantity	909	1,544	1,434	708	810	1,028
Value	309,325	574,863	551,784	390,933	431,002	781,648
Average unit value	$340	$372	$385	$552	$532	$760

Table continued on next page.

Table I-1--*Continued*

Item	2006	2007	2008	2009	2010	2011
Taiwan:						
Quantity	43	33	75	8	28	23
Value	26,302	22,296	70,947	7,871	22,370	20,989
Average unit value	$611	$669	$946	$1,036	$810	$914
Thailand:						
Quantity	78	48	86	31	29	48
Value	52,738	36,736	89,600	30,594	26,785	46,507
Average unit value	$678	$770	$1,045	$974	$932	$975
Turkey:						
Quantity	32	3	54	26	37	32
Value	21,087	3,295	58,346	23,731	30,399	30,124
Average unit value	$663	$1,047	$1,089	$912	$817	$950
Subtotal, subject sources:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Average unit value	$***	$***	$***	$***	$***	$***
All other sources:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Average unit value	$***	$***	$***	$***	$***	$***
Total:						
Quantity	1,179	992	689	356	484	507
Value	741,189	672,368	709,014	312,059	434,328	505,746
Average unit value	$628	$678	$1,029	$877	$898	$998

Table I-1--*Continued*
Circular welded pipe: Comparative data from the original investigations and subsequent reviews, 1983, 1984, 1985, 1991, 1998, 2005, and 2006-11

(Quantity in 1,000 short tons, value in 1,000 dollars, shares/ratios in percent)

Item	1983	1984	1985	1991	1998	2005
U.S. producers:						
Capacity quantity	3,606	1,718	1,824	1,887	3,039	2,629
Production quantity	1,032	908	1,003	1,202	2,227	1,325
Capacity Utilization	28.4	52.9	55.0	62.5	73.3	50.9
U.S. shipments:						
Quantity	1,032	878	999	1,212	2,186	1,310
Value	([5])	532,209	584,602	709,494	1,296,421	1,212,496
Unit value	([5])	$606	$585	$585	$593	$925
Export shipments:						
Quantity	***	***	***	***	48	***
Value	([5])	***	***	***	28,862	***
Unit value	([5])	$***	$***	$***	$596	$***
Ending inventory quantity	136	130	129	151	270	152
Inventory/total shipments	13.3	14.3	13.0	12.5	12.1	11.3
Production workers	4,080	2,860	2,874	2,605	2,996	2,046
Hours worked (*1,000*)	([5])	5,339	5,553	4,634	6,160	4,097
Wages paid (*1,000 dollars*)	([5])	71,537	78,969	95,320	102,421	79,992
Hourly wages	([5])	$13	$14	$21	$16	$20
Productivity (*tons per 1,000 hours*)	([5])	168	177	259	324	323
Net sales:						
Quantity	([5])	([5])	([5])	([5])	2,140	1,348
Value	514,014	484,187	494,814	673,332	1,301,467	1,245,783
Unit value	([5])	([5])	([5])	([5])	$608	$924
Cost of goods sold	484,553	446,312	445,346	58,041	1,106,748	1,063,038
Gross profit or (loss)	29,461	37,875	49,468	([5])	194,719	182,745
SG&A	40,919	41,673	44,233	([5])	77,188	73,528
Operating income or (loss) (*value*)	(11,458)	(3,798)	5,235	38,324	117,531	109,217
Unit cost of goods sold	([5])	([5])	([5])	([5])	$517	$788
Unit operating income or (loss)	([5])	([5])	([5])	([5])	$55	$81
Cost of goods sold/sales (percent)	94.3	92.2	90.0	86.2	85.0	85.3
Operating income or (loss)/sales	(2.2)	(0.8)	1.1	5.7	9.0	8.8

[1] Nonsubject country in the applicable original investigation.
[2] Less than 0.05 percent.
[3] Varies based on investigation period.
[4] Fewer than 500 short tons.
[5] Not applicable/available.

Table I-1--*Continued*

Item	2006	2007	2008	2009	2010	2011
U.S. producers:						
Capacity quantity	2,088	2,010	1,945	1,939	2,010	2,054
Production quantity	1,282	1,282	1,212	899	968	1,024
Capacity Utilization	61.4	63.8	62.3	46.4	48.2	49.8
U.S. shipments:						
Quantity	1,230	1,275	1,240	881	922	966
Value	1,216,918	1,204,071	1,521,473	787,540	898,256	1,043,584
Unit value	$989	$944	$1,227	$893	$974	$1,080
Export shipments:						
Quantity	33	47	38	39	46	55
Value	30,728	43,305	49,907	33,390	42,215	58,615
Unit value	$920	$919	$1,307	$849	$925	$1,074
Ending inventory quantity	193	168	152	139	143	151
Inventory/total shipments	15.3	12.7	11.9	15.1	14.7	14.8
Production workers	2,192	2,032	1,906	1,589	1,451	1,549
Hours worked (*1,000*)	4,555	4,191	4,343	2,893	3,074	3,397
Wages paid (*1,000 dollars*)	99,169	96,098	101,721	73,328	80,361	96,222
Hourly wages	$22	$23	$23	$25	$26	$28
Productivity (*tons per 1,000 hours*)	282	306	279	310	315	301
Net sales:						
Quantity	1,362	1,321	1,425	900	950	1,016
Value	1,281,582	1,218,151	1,719,099	858,849	914,734	1,075,973
Unit value	$941	$922	$1,206	$954	$963	$1,059
Cost of goods sold	1,076,829	1,103,506	1,351,533	900,451	806,893	950,989
Gross profit or (loss)	204,753	114,645	367,566	(41,602)	107,841	124,984
SG&A	61,301	74,710	96,564	84,972	73,543	93,915
Operating income or (loss) (*value*)	143,452	39,935	271,002	(126,574)	34,298	31,069
Unit cost of goods sold	$791	$835	$948	$1,000	$850	$936
Unit operating income or (loss)	$105	$30	$190	$(140)	$36	$30
Cost of goods sold/sales (percent)	84.0	90.6	78.6	104.8	88.2	88.4
Operating income or (loss)/sales	11.2	3.3	15.8	(14.7)	3.7	2.9

Note.—Historical data are presented as originally reported. Import data in the third reviews and the second reviews are not based on the same methodology as the import data from the first reviews and the original investigations. The data in the former removed imports of nonsubject material from Canada and nonsubject Indian producer Zenith's exports to the United States. In addition, in the second reviews "dutied" import data were used. Because of the large number of administrative and new shipper reviews over the life of the orders, however, Staff did not replicate this approach. Finally, data for unit values for imports from India between 1983 and 1985 do not appear reconcile with the quantities and values reported, in the current reviews however, these data were published in the first reviews with a footnote indicating that the quantities reflected only LTFV imports as reported by the Engineering Export Promotion Council.

Source: Compiled from data presented in original staff report and subsequent reviews, official Commerce import statistics, Customs data, data compiled from responses to Commission questionnaires, and Cansim (Canada) data.

Subsequent Five-Year Reviews

In June 2000, the Commission completed full five-year reviews of the subject orders and determined that revocation of countervailing duty order on circular welded pipe from Turkey and the antidumping duty orders on circular welded pipe from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey would be likely to lead to the continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[10] On August 22, 2000, Commerce published notice of the continuation of the countervailing duty order on circular welded pipe from Turkey and the antidumping duty orders on circular welded pipe from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey.[11]

In June 2007, the Commission completed full five-year reviews of the subject orders and determined that revocation of the countervailing duty order on circular welded pipe from Turkey and the antidumping duty orders on circular welded pipe from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[12] Consequently, Commerce issued a continuation of the countervailing duty order on imports of circular welded pipe from Turkey, and the antidumping duty orders on imports of circular welded pipe from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, effective August 8, 2006.[13]

PREVIOUS AND RELATED INVESTIGATIONS

The Commission has conducted a number of previous import relief investigations on circular welded pipe or substantially similar merchandise. Table I-2 presents data on previous and related title VII investigations.

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[10] *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Invs. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276-277, 296, 409-410, 532-534, and 536-537 (Review)*, USITC Publication 3316 (July 2000) ("First Reviews"). The Commission also determined that revocation of the antidumping duty orders on circular welded carbon steel pipe from Venezuela, on light-walled rectangular pipe and tube from Singapore, imports of oil country tubular goods (other than drill pipe) from Canada and Taiwan, and imports of drill pipe from Canada and Taiwan 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.

[11] *Continuation of Antidumping Duty Orders: Light-Walled Rectangular Welded Carbon Steel Pipe and Tube From Argentina and Taiwan; Circular Welded Non-Alloy Steel Pipe and Tube from Brazil, Korea, Mexico, and Taiwan; Welded Carbon Steel Pipe and Tube From India, Thailand, and Turkey; and Small Diameter Standard and Rectangular Steel Pipe and Tube From Taiwan*, 65 FR 50955, August 22, 2000.

[12] *Certain Pipe and Tube From Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Invs. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276-277, 296, 409-410, 532-534, and 536-537 (Second Review),* USITC Publication 3867 (July 2007) ("Second Reviews"). The Commission also determined that revocation of the antidumping duty order on light-walled rectangular pipe and tube from Argentina 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.

[13] *Continuation of Antidumping Duty Orders on Circular Welded Non–Alloy Pipes and Tubes from Brazil, Mexico, Republic of Korea, Antidumping Duty Orders on Welded Carbon Steel Pipe from India, Thailand and Turkey, and Countervailing Duty Order on Welded Carbon Steel Standard Pipe from Turkey*, 71 FR 44996, August 8, 2006.

Table I-2

Circular weld pipe: Previous and related title VII investigations, 1982-2011

Product	Inv. no.	Year of petition	Country	Original determination	Current status of order
Circular welded pipe	701-TA-165	1982	Brazil	Terminated	(1)
	701-TA-166	1982	France	Terminated	(1)
	701-TA-167	1982	Italy	Negative (P)	(1)
	701-TA-168	1982	Korea	Affirmative	Order revoked by Commerce --1985
	701-TA-169	1982	West Germany	Terminated	(1)
	731-TA-132	1983	Taiwan	Affirmative	Order under review.
	701-TA-220	1984	Spain	Terminated	(1)
	731-TA-183	1984	Brazil	Terminated	(1)
	731-TA-197	1984	Brazil	Terminated	(1)
	731-TA-198	1984	Spain	Terminated	(1)
	701-TA-242	1985	Venezuela	Terminated	(1)
	701-TA-251	1985	India	ITA Negative	(1)
	701-TA-252	1985	Taiwan	ITA Negative	(1)
	701-TA-253	1985	Turkey	Affirmative	Order under review
	731-TA-211	1985	Taiwan	Negative	(1)
	731-TA-212	1985	Venezuela	Terminated	(1)
	731-TA-252	1985	Thailand	Affirmative	Order under review
	731-TA-253	1985	Venezuela	Terminated	(1)
	731-TA-271	1985	India	Affirmative	Order under review
	731-TA-273	1985	Turkey	Affirmative	Order under review
	731-TA-274	1985	Yugoslavia	Terminated	(1)
	731-TA-292	1986	China	Negative	(1)
	731-TA-293	1986	Philippines	Negative	(1)
	731-TA-294	1986	Singapore	Negative	(1)
	701-TA-311	1991	Brazil	ITA Negative	(1)
	731-TA-532	1991	Brazil	Affirmative	Order under review
	731-TA-533	1991	Korea	Affirmative	Order under review
	731-TA-534	1991	Mexico	Affirmative	Order under review
	731-TA-535	1991	Romania	Negative	(1)
	731-TA-536	1991	Taiwan	Affirmative	Order under review
	731-TA-537	1991	Venezuela	Affirmative	ITC negative, 2000 review
	731-TA-732	1995	Romania	Negative	(1)
	731-TA-733	1995	South Africa	Negative	(1)
	731-TA-943	2001	China	Negative	(1)
	731-TA-944	2001	Indonesia	Negative (P)	(1)
	731-TA-945	2001	Malaysia	Negative (P)	(1)
	731-TA-946	2001	Romania	Negative (P)	(1)
	731-TA-947	2001	South Africa	Negative (P)	(1)

Table continued on next page.

Table I-2--*Continued*

Circular weld pipe: Previous and related title VII investigations, 1982-2011

Product	Inv. no.	Year of petition	Country	Original determination	Current status of order
Circular welded pipe	701-TA-447	2007	China	Affirmative	Order in place
	731-TA-1116	2007	China	Affirmative	Order in place
	701-TA-482	2011	India	Affirmative (P)	Under investigation
	701-TA-483	2011	Oman	Affirmative (P)	Under investigation
	701-TA-484	2011	United Arab Emirates	Affirmative (P)	Under investigation
	701-TA-485	2011	Vietnam	Affirmative (P)	Under investigation
	731-TA-1191	2011	India	Affirmative (P)	Under investigation
	731-TA-1192	2011	Oman	Affirmative (P)	Under investigation
	731-TA-1193	2011	United Arab Emirates	Affirmative (P)	Under investigation
	731-TA-1194	2011	Vietnam	Affirmative (P)	Under investigation

[1] Not applicable.

Source: *Circular Welded Carbon-Quality Steel Pipe from China, Inv. Nos. 701-TA-447 and 731-TA-1116 (Final)*, USITC Publication 4019, July 2008 and *Circular Welded Carbon-Quality Steel Pipe from India, Oman, the United Arab Emirates, and Vietnam, Investigation Nos. 701-TA-482-485 and 731-TA-1191-1194 (Preliminary)*, USITC Publication 4298, December 2011.

PREVIOUS AND RELATED SAFEGUARD INVESTIGATIONS

During the 1980s, the United States took steps to limit imports of various steel products into the U.S. market. In October 1982, the United States concluded an agreement with what was then known as the European Coal and Steel Community regulating trade in certain steel products.[14] In response to a January 24, 1984 petition filed by Bethlehem Steel Corp. and the United Steelworkers of America, the Commission conducted an investigation under section 201 of the Trade Act of 1974 regarding imports of a wide range of carbon and certain alloy steel products, including carbon and alloy steel ingots, blooms, billets, slabs, and sheet bars; plates; sheets and strip; wire rods; wire and wire products; railway-type products; bars; structural shapes and units; and pipes and tubes and blanks.[15] The Commission made affirmative determinations with respect to 5 of the 9 investigated products, and the Commission majority recommended various relief measures.[16] On September 18, 1984, the President announced that he would not implement the remedies proposed by the Commission as they were not "in the national economic interest," but instead, as part of a 9-point plan to assist the domestic steel industry to compete with imports, he recommended the negotiation of voluntary restraint agreements ("VRAs") with trading partners to address unfair surges in imports of steel products.[17] Between October 1, 1984, and March 31, 1992, the United States limited imports into the U.S. market of non-alloy carbon steel products from the European Union and 19 other sources through voluntary restraint agreements ("VRAs").[18] The VRAs

[14] 47 FR 49058, October 29, 1982.

[15] *Carbon and Certain Alloy Steel Products, Inv. TA-201-51*, USITC Publication 1553, July 1984, p. 7.

[16] *Carbon and Certain Alloy Steel Products, Inv. TA-201-51*, USITC Publication 1553, July 1984, p. 7.

[17] 49 FR 36813, September 20, 1984 (President's Memorandum).

[18] *Certain Circular, Welded, Non-Alloy Steel Pipes and Tubes from Brazil, the Republic of Korea, Mexico, Romania, Taiwan, and Venezuela, Invs. Nos. 731-TA-532-537 (Final),* USITC Publication 2564, October 1992, p. I-48.

covered circular welded pipe (as well as other pipe and tube products) from, among other countries, Brazil, Korea, and Mexico.[19] Although there was no VRA with Taiwan, Taiwan established a voluntary unilateral restraint on its steel exports to the United States through an exchange of letters between the Coordination Council for North American Affairs and the American Institute in Taiwan.[20]

In 2001, the Commission determined that certain carbon and alloy steel welded tubular products other than oil country tubular goods (including circular welded pipe as defined in the current proceeding) were being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or threat thereof, to the domestic industry producing such articles, and recommended a tariff-rate quota decreasing from 20 percent to 11 percent over four years.[21] On March 5, 2002, President George W. Bush announced the implementation of steel safeguard measures. Import relief relating to welded tubular products (other than oil country tubular goods) consisted of an additional tariff for a period of three years and one day (15 percent *ad valorem* on imports in the first year, 12 percent in the second year, and 9 percent in the third year).[22] Following receipt of the Commission's mid-term monitoring report in September 2003, and after seeking information from the U.S. Secretary of Commerce and U.S. Secretary of Labor, President Bush determined that the effectiveness of the action taken had been impaired by changed circumstances. Therefore, he terminated the U.S. measure with respect to increased tariffs on December 4, 2003.[23] On March 21, 2005, the Commission instituted an investigation under section 204(d) of the Trade Act of 1974 for the purpose of evaluating the effectiveness of the relief action imposed by President Bush on imports of certain steel products. The Commission's report on the evaluation was transmitted to the President and the Congress on September 19, 2005.

In 2005, the Commission conducted a China-specific safeguard investigation on circular welded nonalloy steel pipe (Inv. No. TA-421-6). Following the Commission's affirmative determination of market disruption and remedy recommendations, President Bush issued a proclamation on December 30, 2005, determining not to impose temporary import relief.[24]

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[19] Ibid.

[20] Ibid.

[21] *Steel; Import Investigations*, 66 FR 67304, December 28, 2001.

[22] *Presidential Proclamation 7529 of March 5, 2002, To Facilitate Positive Adjustment to Competition From Imports of Certain Steel Products*, 67 FR 10553, March 7, 2002. The President also instructed the Secretaries of Commerce and the Treasury to establish a system of import licensing to facilitate steel import monitoring.

[23] *Presidential Proclamation 7741 of December 4, 2003, To Provide for the Termination of Action Taken With Regard to Imports of Certain Steel Products*, 68 FR 68483, December 8, 2003. Import licensing, however, remained in place through March 21, 2005, and continues in modified form at this time.

[24] *Presidential Proclamation 2006-7 of December 30, 2005, Presidential Determination on Imports of Circular Welded Non-Alloy Steel Pipe from the People's Republic of China*, 71 FR 871, January 6, 2006.

STATUTORY CRITERIA AND ORGANIZATION OF THE REPORT

Statutory Criteria

Section 751(c) of the Act requires Commerce and the Commission to conduct a review no later than five years after the issuance of an antidumping or countervailing duty order or the suspension of an investigation to determine whether revocation of the order or termination of the suspended investigation "would be likely to lead to continuation or recurrence of dumping or a countervailable subsidy (as the case may be) and of material injury."

Section 752(a) of the Act provides that in making its determination of likelihood of continuation or recurrence of material injury--

> *(1) IN GENERAL.-- . . . the Commission shall determine whether revocation of an order, or termination of a suspended investigation, would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. The Commission shall consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the order is revoked or the suspended investigation is terminated. The Commission shall take into account--*
>
> > *(A) its prior injury determinations, including the volume, price effect, and impact of imports of the subject merchandise on the industry before the order was issued or the suspension agreement was accepted,*
> > *(B) whether any improvement in the state of the industry is related to the order or the suspension agreement,*
> > *(C) whether the industry is vulnerable to material injury if the order is revoked or the suspension agreement is terminated, and*
> > *(D) in an antidumping proceeding . . ., (Commerce's findings) regarding duty absorption . . ..*
>
> *(2) VOLUME.--In evaluating the likely volume of imports of the subject merchandise if the order is revoked or the suspended investigation is terminated, the Commission shall consider whether the likely volume of imports of the subject merchandise would be significant if the order is revoked or the suspended investigation is terminated, either in absolute terms or relative to production or consumption in the United States. In so doing, the Commission shall consider all relevant economic factors, including--*
>
> > *(A) any likely increase in production capacity or existing unused production capacity in the exporting country,*
> > *(B) existing inventories of the subject merchandise, or likely increases in inventories,*
> > *(C) the existence of barriers to the importation of such merchandise into countries other than the United States, and*
> > *(D) 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.*

(3) PRICE.--In evaluating the likely price effects of imports of the subject merchandise if the order is revoked or the suspended investigation is terminated, the Commission shall consider whether--

> *(A) there is likely to be significant price underselling by imports of the subject merchandise as compared to domestic like products, and*
> *(B) imports of the subject merchandise are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of domestic like products.*

(4) IMPACT ON THE INDUSTRY.--In evaluating the likely impact of imports of the subject merchandise on the industry if the order is revoked or the suspended investigation is terminated, the Commission shall consider all relevant economic factors which are likely to have a bearing on the state of the industry in the United States, including, but not limited to–

> *(A) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity,*
> *(B) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment, and*
> *(C) 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.*

The Commission shall evaluate all such relevant economic factors . . . within the context of the business cycle and the conditions of competition that are distinctive to the affected industry.

Section 752(a)(6) of the Act states further that in making its determination, "the Commission may consider the magnitude of the margin of dumping or the magnitude of the net countervailable subsidy. If a countervailable subsidy is involved, the Commission shall consider information regarding the nature of the countervailable subsidy and whether the subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement."

Organization of the Report

Information obtained during the course of the reviews that relates to the statutory criteria is presented throughout this report. A summary of trade and financial data for circular welded pipe as collected in the reviews is presented in appendix C. U.S. industry data are based on the questionnaire responses of 17 U.S. producers of circular welded pipe that are believed to have accounted for the vast majority of domestic production of circular welded pipe in 2011. U.S. import data and related information are based on Commerce's official import statistics and the questionnaire responses of 21 U.S. importers of circular welded pipe that are believed to have accounted for more than one-half of the total subject U.S. imports during 2011. Foreign industry data and related information are based on the questionnaire responses of six producers of circular welded pipe. No producers in Brazil, India, or Korea provided questionnaire responses; one producer in Mexico accounting for *** percent of total production,

one producer in Taiwan,[25] one producer in Thailand accounting for *** percent of total production, and three producers in Turkey accounting for *** percent of total production submitted questionnaire responses. Responses by U.S. producers, importers, purchasers, and foreign producers of circular welded pipe to a series of questions concerning the significance of the existing antidumping and countervailing duty orders and the likely effects of revocation of such orders are presented in appendix D. Additional detailed financial data appear in appendix E.

COMMERCE'S REVIEWS

Administrative Reviews

The following tables present information on Commerce's administrative reviews of the subject orders.

Brazil

Commerce has not conducted any administrative reviews with regard to the antidumping duty order on Brazil since the second five-year reviews.

India

Since the second five-year reviews, Commerce has completed one administrative review with regard to the antidumping duty order on India. The results are presented in table I-3.

Table I-3
Circular welded pipe: Commerce's administrative review of the antidumping duty order on India

Period of review	Action	Manufacturer/Exporter	Firm-specific margin (*percent*)
05/01/2008 – 04/30/2009 (75 FR 69626, November 15, 2010)	Administrative review	Lloyds Metals & Engineers Limited (LMEL) and Lloyds Line Pipe Ltd. (LLPL)	6.33
		Jindal Pipes Limited	
		Maharashtra Seamless Limited	
		Ratnamani Metals Tubes Ltd.	
		Lloyds Steel Industries Limited (LSIL)	([1])
		Makalu Trading Pvt. Ltd.	([2])
		Universal Tube and Plastic Ind.	([1])
		Ushdev International Ltd.	([2])
		Uttam Galva Steels Ind.	([2])

[1] No shipments or sales subject to this review. The firm has no individual rate from any segment of this proceeding.
[2] No shipments or sales subject to this review. This company reported that its supplier had knowledge that its merchandise was destined for the United States.

Source: Cited *Federal Register* notice.

[25] The responding producer did not provide an estimate of the share of total production of circular welded pipe in Taiwan for which it accounted.

Korea

Since the second five-year reviews, Commerce has completed two administrative reviews with regard to the antidumping duty order on Korea. The results are presented in table I-4.

Table I-4
Circular welded pipe: Commerce's administrative reviews of the antidumping duty order on Korea

Period of review	Action	Manufacturer/Exporter	Firm-specific margin (*percent*)
11/01/2007 – 10/31/2008 (75 FR 34980, June 21, 2010)	Administrative review	SeAH Steel Corporation.	3.28
		Dongbu Steel Co., Ltd.	
		Korea Iron & Steel Co., Ltd	
		Union Steel Co., Ltd.	
		Nexteel Co., Ltd.	
		A-JU Besteel Co., Ltd.	
11/01/2008 – 10/31/2009 (76 FR 36089, June 21, 2011; amended 76 FR 44304, July 25, 2011)	Administrative review	SeAH Steel Corporation	4.99
		Husteel Co., Ltd.	2.25
		Nexteel Co., Ltd..	12.90
		Hyunday HYSCO	([1])
		Kungkang Industrial Co., Ltd.	8.17
		A-JU Besteel Co., Ltd.	8.17

[1] No entries or sales subject to this review.

Source: Cited *Federal Register* notices.

Mexico

Since the second five-year reviews, Commerce has completed three administrative reviews with regard to the antidumping duty order on Mexico. The results are presented in table I-5. In addition, Commerce conducted two changed circumstances reviews, in which it determined that Ternium Mexico S.A. de C.V. (Ternium) is the successor-in-interest to Hylsa S.A. de C.V. (Hylsa) and Lamina y Placa Comercial, S.A. de C.V. (Lamina y Placa) is the successor-in-interest to Tuberia Nacional, S.A. de C.V. (TUNA), respectively.[26]

[26] *Final Results of Antidumping Duty Changed Circumstances Review: Certain Circular Welded Non-Alloy Steel Pipe and Tube from Mexico*, 74 FR 41681, August 18, 2009; and *Notice of Final Results of Antidumping Duty Changed Circumstances Review: Certain Circular Welded Non-Alloy Steel Pipe From Mexico*, 75 FR 82374, December 30, 2010.

Table I-5
Circular welded pipe: Commerce's administrative reviews of the antidumping duty order on Mexico

Period of review	Action	Manufacturer/Exporter	Firm-specific margin (*percent*)
11/01/2007 – 10/31/2008 (75 FR 20342, April 19, 2010)	Administrative review	Ternium	
		Mueller	48.33
11/01/2008 – 10/31/2009 (76 FR 36086, June 21, 2011)	Administrative review	Ternium	48.33
		Mueller	19.81
11/01/2009 – 10/31/2010 (76 FR 77770, December 14, 2011)	Administrative review	Ternium	48.33[1]
		Mueller	19.81[1]

[1] Because there were no reviewable sales, shipments, or entries, Commerce found no change in the antidumping duty margins.

Source: Cited *Federal Register* notices.

Taiwan

Since the second five-year reviews, Commerce has completed two administrative reviews with regard to the antidumping duty orders on Taiwan. The results are presented in table I-6. In addition, Commerce conducted one changed circumstances review, in which it determined that Yieh Phui is the successor-in-interest to Yieh Hsing for antidumping duty purposes.[27]

Table I-6
Circular welded pipe: Commerce's administrative reviews of the antidumping duty orders on Taiwan

Period of review	Action	Manufacturer/Exporter	Firm-specific margin (*percent*)
05/01/2008 – 04/30/2009 (75 FR 62366, October 8, 2010)	Administrative review	Yieh Phui Enterprise Co., Ltd.	5.04
05/01/2009 – 04/30/2010 (76 FR 63902, October 14, 2011)	Administrative review	Yieh Phui Enterprise Co., Ltd.	11.47

Source: Cited *Federal Register* notices.

Thailand

Since the second five-year reviews, Commerce has amended the final results in its 2002-03 administrative review and completed three additional administrative reviews and one new shipper review with regard to the antidumping duty order on Thailand. The results are presented in table I-7.

[27] *Certain Circular Welded Carbon Steel Pipes and Tubes from Taiwan: Final Results of Antidumping Duty Changed Circumstance Review*, 70 FR 71802, November 30, 2005.

Table I-7
Circular welded pipe: Commerce's administrative reviews and new shipper review of the antidumping duty order on Thailand

Period of review	Action	Manufacturer/Exporter	Firm-specific margin (*percent*)
03/01/2002 – 02/28/2003 (Amended 71 FR 33726, June 12, 2006)	Administrative review	Saha Thai	4.13[1]
03/01/2004 – 02/28/2005 (71 FR 54266, September 14, 2006)	Administrative review	Saha Thai	2.26
03/01/2006 – 02/28/2007 (73 FR 61019, October 15, 2008; amended 76 FR 27987, May 13, 2011)	Administrative review	Saha Thai	4.21
03/01/2008 – 09/30/2008 (75 FR 4529, January 28, 2010)	New shipper review	Pacific Pipe Public Co., Ltd.	5.14
03/01/2008 – 02/29/2009 (75 FR 64696, October 20, 2010; amended 75 FR 73033, November 29, 2010)	Administrative review	Saha Thai	1.76

[1] Saha Thai's firm-specific margin was previously 0.17 percent (*de minimis)*.

Source: Cited *Federal Register* notices.

Turkey

Since the second five-year reviews, Commerce has completed four administrative reviews and one new shipper review with regard to the countervailing duty order on Turkey. Commerce has also completed three administrative reviews and one new shipper review with regard to the antidumping duty order on Turkey. The results are presented in tables I-8 and I-9.

Table I-8
Circular welded pipe: Commerce's administrative reviews and new shipper review of the countervailing duty order on Turkey

Period of review	Action	Manufacturer/Exporter	Firm-specific net subsidy rate (*percent*)
01/01/2004 – 12/31/2004 (71 FR 43111, July 31, 2006)	Administrative review	Borusan	0.27[1]
01/01/2005 – 12/31/2005 (72 FR 13479, March 22, 2007)	Administrative review	Borusan	0.23[1]
01/01/2005 – 12/31/2005 (72 FR 24278, May 2, 2007)	New shipper review	Toscelik	0.20[1]
01/01/2006 – 12/31/2006 (73 FR 12080, March 6, 2008)	Administrative review	Borusan	0.23[1]
01/01/2008 – 12/31/2008 (75 FR 44766, July 29, 2010)	Administrative review	Borusan	0.12[1]
		Toscelik	0.09[1]

[1] Margins less than 0.50 percent were considered *de minimis* and liquidated without regard to countervailing duties.

Source: Cited *Federal Register* notices.

Table I-9
Circular welded pipe: Commerce's administrative reviews and new shipper review of the antidumping duty order on Turkey

Period of review	Action	Manufacturer/Exporter	Firm-specific margin (*percent*)
05/01/2004 – 04/30/2005 (71 FR 43444, August 1, 2006)	New shipper review	Toscelik	0.00[1]
05/01/2007 – 04/30/2008 (74 FR 22883, May 15, 2009)	Administrative review	Borusan	7.59
05/01/2008 – 04/30/2009 (75 FR 64250, October 19, 2010)	Administrative review	Borusan	5.57
		Erbosan	
		Toscelik	0.00[1]
		All others	14.74
05/01/2009 – 04/30/2010 (76 FR 76939, December 9, 2011)	Administrative review	Borusan	4.46
		Toscelik	0.95

[1] Margins less than 0.50 percent were considered *de minimis* and liquidated without regard to antidumping duties.

Source: Cited *Federal Register* notices.

Five-Year Reviews

On October 19, 2011, Commerce issued the final results of its expedited reviews with respect to circular welded pipe from Turkey. Table I-10 presents the countervailable subsidy margins calculated by Commerce in its original investigations, first reviews, second reviews, and third reviews.

Table I-10
Circular weld pipe: Commerce's original, first five-year, second five-year, and third five-year countervailable subsidy margins for producers/exporters in Turkey[1]

Producer/exporter	Original margin (*percent*)	First five-year reviews margin (*percent*)	Second five-year reviews margin (*percent*)	Third five-year reviews margin (*percent*)
Bant Boru	18.81	0.00	0.00	3.01
Borusan Group	18.81	0.68	0.68	0.79
ERBOSAN	18.81	2.89	2.89	3.01
Yucel Boru Group	18.81	0.84	0.84	0.95
All Others	18.81	2.90	2.90	3.01

[1] Countervailing duty order, 51 FR 1268, January 10, 1986; final results of Commerce's reviews, 65 FR 17486, April 3, 2000; final results of Commerce's second reviews, 70 FR 62097, October 28, 2005; final results of Commerce's third reviews, 76 FR 64900, October 19, 2011.

Source: Cited *Federal Register* notices.

On October 28, 2011, Commerce found that revocation of the antidumping orders on Brazil, India, Mexico, Taiwan, Thailand, and Turkey would likely lead to the continuation or reoccurrence of dumping.[28] [29] Table I-11 presents the likely margins of dumping calculated by Commerce.

[28] *Certain Circular Welded Carbon Steel Pipes and Tubes From India, Thailand, and Turkey; Final Results of Expedited Five-Year (''Sunset'') Reviews of Antidumping Duty Orders*, 76 FR 66893, October 28, 2011 and *Certain*
(continued…)

Table I-11
Circular welded pipe: Final results of Commerce's original determinations and first, second, and third five-year reviews of antidumping duty orders on Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey

Order	Producer or exporter	Weighted-average margin (*percent*)			
		Original	First five-year reviews	Second five-year reviews	Third five-year reviews
Brazil	Persico Pizzamiglio S.A.	103.38	103.38	103.38	103.38
(731-TA-532)	All others	103.38	103.38	103.38	103.38
India[1]	Tata Iron and Steel Company, Ltd	7.08	7.08	7.08	7.08
(731-TA-271)	All others	7.08	7.08	7.08	7.08
	Hyundai Steel Pipe Co., Ltd	5.60	4.62	6.86	6.86
	Korea Steel Pipe Co., Ltd	6.21	4.08	6.21	6.21
	Masan Steel Tube Works Co., Ltd	11.63	11.63	11.63	11.63
Korea	Pusan Steel Pipe Co., Ltd[2]	4.91	5.35	4.91	4.91
(731-TA-533)	All others[3]	5.97	4.80	6.37	6.37
Mexico	HYLSA S.A. de C.V.[4]	32.62	32.62	32.62	32.62
(731-TA-534)	All others[5]	32.62	32.62	32.62	32.62
	Kao Hsing Chang Iron & Steel Corp.	9.70	9.70	9.70	9.70
	Tai Feng Industries, Inc.	43.70	43.70	43.70	43.70
Taiwan	Yieh Phui Enterprise Co, Ltd.[6]	38.50	38.50	38.50	38.50
(731-TA-132)	All others	9.70	9.70	9.70	9.70
	Kao Hsing Chang Iron & Steel Corp.	19.46	19.46	19.46	19.46
Taiwan	Yieh Phui Enterprise Co, Ltd.[6]	27.65	27.65	27.65	27.65
(731-TA-536)	All others	23.56	23.56	23.56	23.56
	Saha Thai Steel Pipe Co	15.69	15.69	15.69	15.69
Thailand	Thai Steel Pipe Industry Co	15.60	15.60	15.60	15.69
(731-TA-252)	All others	15.67	15.67	15.67	15.69
	Borusan Ithicat ve Dagitim	1.26	1.26	1.26	1.26
	Erkboru Profil Sanayi ve Ticaret	23.12	23.12	23.12	23.12
Turkey	Mannesmann-Sumerbank Boru Industrisi	23.12	23.12	23.12	23.12
(731-TA-273)	All others	14.74	14.74	14.74	14.74

[1] Zenith and Gujarat Steel Tubes were excluded from original order.
[2] Commerce found that SeAH Steel Corp. is the successor-in-interest to Pusan Steel Pipe.
[3] Commerce found that Husteel Co., Ltd. is the successor-in-interest to Shinho Steel Co. Ltd.
[4] Commerce found that Ternium Mexico S.A. de C.V. is the successor-in-interest to HYLSA S.A. de C.V.
[5] Commerce found that Lamina y Placa Comercial, S.A. de C.V.is the successor-in-interest to Tuberia Nacional, S.A. de C.V.
[6] Commerce found that Yieh Phui Enterprise Co. is the successor-in-interest to Yieh Hsing Enterprise Co, Ltd.

Source: Compiled from *Federal Register* notices presented in original staff report and subsequent reviews, *Certain Circular Welded Carbon Steel Pipes and Tubes From India, Thailand, and Turkey; Final Results of Expedited Five-Year ("Sunset") Reviews of Antidumping Duty Orders*, 76 FR 66893, October 28, 2011 and *Certain Circular Welded Non-Alloy Steel Pipe From Brazil, Mexico, the Republic of Korea, and Taiwan; and Certain Circular Welded Carbon Steel Pipes and Tubes From Taiwan: Final Results of the Expedited Third Sunset Reviews of the Antidumping Duty Order*, 76 FR 66899, October 28, 2011.

(continued…)
Circular Welded Non-Alloy Steel Pipe From Brazil, Mexico, the Republic of Korea, and Taiwan; and Certain Circular Welded Carbon Steel Pipes and Tubes From Taiwan: Final Results of the Expedited Third Sunset Reviews of the Antidumping Duty Order, 76 FR 66899, October 28, 2011

[29] Zenith Steel Pipes and Industries Ltd. ("Zenith") was excluded from original order and as such is included as India (nonsubject) in this report. Gujarat Steel Tubes Ltd. was also excluded from the original order ***.

THE SUBJECT MERCHANDISE

Commerce's scope

Table I-12 presents the imported product subject to the antidumping and countervailing duty orders under review, as defined by Commerce.

Table I-12
Circular welded pipe: Commerce's scope definitions

Brazil, Mexico, and Korea	AD 731-TA-532, 533, and 534	…circular welded non-alloy steel pipes and tubes, of circular cross-section, not more than 406.4 millimeters (16 inches) in outside diameter, regardless of wall thickness, surface finish (black, galvanized, or painted), or end finish (plain end, beveled end, threaded and coupled). These pipes and tubes are generally known as standard pipes and tubes and are intended for the low pressure conveyance of water, steam, natural gas, and other liquids and gasses in plumbing and heating systems, air conditioning units, automatic sprinkler systems, and other related uses, and generally meets American Society for Testing Materials ("ASTM") A–53 specifications. Standard pipe may also be used for light load-bearing applications, such as for fence tubing, and as structural pipe tubing used for farming and support members for reconstruction or load bearing purposes in the construction, shipbuilding, trucking, farm equipment, and related industries. Unfinished conduit pipe is also included in the orders. All carbon steel pipes and tubes within the physical description outlined above are included within the scope of the orders, except line pipe, oil country tubular goods, boiler tubing, mechanical tubing, pipe and tube hollows for redraws, finished scaffolding, and finished conduit. Standard pipe that is dual or triple certified/stenciled that enters the U.S. as line pipe of a kind used for oil or gas pipelines is also not included in the orders. Imports of the products covered by the orders are currently classifiable under the following Harmonized Tariff Schedule of the United States ("HTS") subheadings: 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, and 7306.30.5090.
India	AD 731-TA-271	…certain welded carbon steel standard pipes and tubes with an outside diameter of 0.375 inch or more but not over 16 inches. These products are commonly referred to in the industry as standard pipes and tubes produced to various specifications, most notably ASTM A–53, A–120, or A–135. This merchandise is currently classifiable under HTS item numbers 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, 7306.30.5090.
Taiwan (1 of 2)	AD 731-TA-132	…certain circular welded carbon steel pipes and tubes from Taiwan, which are defined as: welded carbon steel pipes and tubes, of circular cross section, with walls not thinner than 0.065 inch, and 0.375 inch or more but not over 4.5 inches in outside diameter, currently classified under HTS item numbers 7306.30.5025, 7306.30.5032, 7306.30.5040, and 7306.30.5055.

Table continued on next page.

Table I-12--*Continued*
Circular weld pipe: Commerce's scope definitions

Taiwan (2 of 2)	AD 731-TA-536	…(1) circular welded non-alloy steel pipes and tubes, of circular cross section over 114.3 millimeters (4.5 inches), but not over 406.4 millimeters (16 inches) in outside diameter, with a wall thickness of 1.65 millimeters (0.065 inches) or more, regardless of surface finish (black, galvanized, or painted), or end-finish (plain end, beveled end, threaded, or threaded and coupled); and (2) circular welded non-alloy steel pipes and tubes, of circular cross-section less than 406.4 millimeters (16 inches), with a wall thickness of less than 1.65 millimeters (0.065 inches), regardless of surface finish (black, galvanized, or painted) or end-finish (plain end, beveled end, threaded, or threaded and coupled). These pipes and tubes are generally known as standard pipes and tubes and are intended for the low pressure conveyance of water, steam, natural gas, air, and other liquids and gases in plumbing and heating systems, air conditioning units, automatic sprinkling systems, and other related uses, and generally meet ASTM A–53 specifications. Standard pipe may also be used for light load-bearing applications, such as for fence-tubing and as structural pipe tubing used for framing and support members for construction, or load-bearing purposes in the construction, shipbuilding, trucking, farm-equipment, and related industries. Unfinished conduit pipe is also included in the order. All carbon steel pipes and tubes within the physical description outlined above are included within the scope of the order, except line pipe, oil country tubular goods, boiler tubing, mechanical tubing, pipe and tube hollows for redraws, finished scaffolding, and finished conduit. Standard pipe that is dual or triple certified/stenciled that enters the U.S. as line pipe of a kind or used for oil and gas pipelines is also not included in the scope of the order. Imports of the products covered by the order are currently classifiable under the following HTS subheadings, 7306.30.1000, 7306.30.5085, and 7306.30.5090.
Thailand	AD 731-TA-252	…certain welded carbon steel standard pipes and tubes with an outside diameter of 0.375 inch or more but not over 16 inches. These products are commonly referred to in the industry as standard pipes and tubes produced to various ASTM specifications, most notably A–53, A–120, or A–135. This merchandise is currently classifiable under HTS item numbers 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, and 7306.30.5090.
Turkey	CVD 701-TA-253	…certain welded carbon steel pipe and tube with an outside diameter of 0.375 inch or more, but not over 16 inches, of any wall thickness (pipe and tube) from Turkey. These products are currently provided for under the HTS as item numbers 7306.30.10, 7306.30.50, and 7306.90.10.[1]
Turkey	AD 731-TA-273	…circular welded non-alloy steel pipes and tubes, of circular cross-section, not more than 406.4 millimeters (16 inches) in outside diameter, regardless of wall thickness, surface finish (black, or galvanized, painted), or end finish (plain end, beveled end, threaded and coupled). Those pipes and tubes are generally known as standard pipe, though they may also be called structural or mechanical tubing in certain applications. Standard pipes and tubes are intended for the low pressure conveyance of water, steam, natural gas, air, and other liquids and gases in plumbing and heating systems, air conditioner units, automatic sprinkler systems, and other related uses. Standard pipe may also be used for light load-bearing and mechanical applications, such as for fence tubing, and for protection of electrical wiring, such as conduit shells. The scope is not limited to standard pipe and fence tubing, or those types of mechanical and structural pipe that are used in standard pipe applications. All carbon steel pipes and tubes within the physical description outlined above are included in the scope of this order, except for line pipe, oil country tubular goods, boiler tubing, cold-drawn or cold-rolled mechanical tubing, pipe and tube hollows for redraws, finished scaffolding, and finished rigid conduit. Imports of these products are currently classifiable under the following HTS subheadings: 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, and 7306.30.5090.

[1] The Commission does not believe any material within the scope is classifiable in HTS 7306.90.10.

Source: Commerce continuation orders (76 F.R. 64900, 76 F.R. 66893, and 76 F.R. 66899).

Tariff Treatment

As previously discussed, circular welded pipe is classifiable and imported under the following subheadings of the Harmonized Tariff Schedule of the United States ("HTS"): 7306.30.10 and 7306.30.50. The current general rate of duty for circular pipe and tube is free.

THE PRODUCT

In its first reviews of the countervailing duty order on circular welded pipe from Turkey and the antidumping duty orders on circular welded pipe from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, the Commission found a single domestic like product consisting of all circular welded pipe made of non-alloy steel, that is produced to ASTM or similar specifications and that is used in both standard (i.e. conveyance of low-pressure liquid or gas) and structural (i.e. support for structures, such as in scaffolding and fences) applications. In those first reviews in 2000, the Commission did not find a distinction between circular welded steel pipes and tubes based on manufacturing process, i.e. whether the domestic mill used the continuous weld method or the electric resistance welded method, for the purposes of its definition the domestic like product. In the first reviews in 2000, the Commission noted that while purchasers often seek product matching a particular ASTM or proprietary specification, certain circular welded non-alloy pipes and tubes with different diameters, wall thicknesses, or end finishes were generally substitutable for each other in their particular end uses. Therefore, the Commission found a single domestic like product of all circular welded pipe up to and including 16 inches in outside diameter, regardless of wall thickness.[30]

In its second reviews of the countervailing duty order on circular welded pipe from Turkey and the antidumping duty orders on circular welded pipe from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, the Commission found a single a single domestic like product in the same manner as in the first reviews.[31]

Description and Applications[32]

Steel pipes and tubes[33] in general are produced in various grades of carbon, alloy, or stainless steel. Tubular products frequently are distinguished by the following six end uses as defined by the American Iron and Steel Institute ("AISI").

- *Standard pipe* is ordinarily used for low-pressure conveyance of air, steam, gas, water, oil, or other fluids for mechanical applications. It is used primarily in machinery, buildings, sprinkler systems,

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[30] *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela (Review), Inv. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, and 537*, USITC Publication 3316, July 2000, p. 12.

[31] *Certain Pipe and Tube From Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532-534 and 536 (Second Review),* USITC Publication 3867, July 2006, p. 7.

[32] Unless otherwise noted, the information from this section is drawn from *Circular Welded Carbon-Quality Steel Pipe from India, Oman, the United Arab Emirates, and Vietnam, Investigation Nos. 701-TA-482-485 and 731-TA-1191-1194 (Preliminary), USITC Publication 4298*, December 2011, pp. I-11-15.

[33] Pipe dimensions (*e.g.*, outside diameter ("O.D.") and wall thickness) are standardized while tube dimensions are design-specific. The HTSUS generally makes no distinction between pipes and tubes.

irrigation systems, and water wells rather than in pipe lines or utility distribution systems. It may carry fluids at elevated temperatures which are not subject to external heat applications. It is usually produced in standard diameters and wall thicknesses to ASTM specifications.

- *Line pipe* is used for transportation of gas, oil, or water generally in a pipeline or utility distribution system. It is produced to API-5L and American Water Works Association ("AWWA") specifications.

- *Structural pipe and tubing* is welded or seamless pipe and tubing generally used for structural or load-bearing purposes above ground by the construction industry, as well as for structural members in ships, trailers, farm equipment, and other similar uses. It is produced in nominal wall thicknesses and sizes to ASTM specifications in round, square, rectangular, or other cross-sectional shapes.

- *Mechanical tubing* is welded or seamless tubing produced in a large number of shapes of varied chemical composition. It is not normally produced to meet any specification other than that required to meet the end use. It is produced to meet exact O.D. and decimal wall thickness.

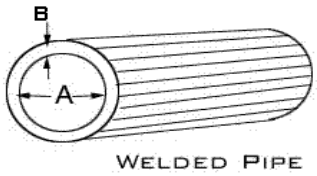
- *Pressure tubing* is used to convey fluids at elevated temperatures or pressures, or both, and is suitable to be subjected to heat applications. It is produced to exact O.D. and decimal wall thickness in sizes ½ inch to 6 inches O.D. inclusive, usually to specifications such as ASTM.

- *Oil country tubular goods* ("OCTG") are pipe produced to API specifications and used in wells in oil and gas industries:
  - *Casing* is the structural retainer for the walls of oil or gas wells and covers sizes 4½ to 20 inches O.D. inclusive.
  - *Tubing* is used within casing oil wells to convey oil to ground level and ordinarily includes sizes 1.050 to 4.500 inches O.D. inclusive.
  - *Drill pipe* is used to transmit power to a rotary drilling tool below ground level and covers sizes 2⅜ to 6¾ inches O.D., inclusive.

Standard pipe of non-alloy steel is the primary product within the scope of these investigations (*see* figure I-1). Standard pipe is intended for the low-pressure conveyance of water, steam, natural gas, air, and other liquids and gases in plumbing and heating systems, air conditioning units, automatic sprinkler systems, and other related uses. Standard pipe may carry liquids at elevated temperatures but may not be subject to the application of external heat. It is made primarily to ASTM A53, A135, and A795 specifications, but can also be made to other specifications, such as British Standard ("BS") 1387. Since these standards often specify required engineering characteristics that overlap, a pipe also can be dual stenciled, meaning that the pipe is stamped with monograms signifying compliance with two different specifications, such as ASTM A53 and API 5L; however, such dual-stenciled pipe is not within the scope of the subject orders.[34]

[34] Produced to API specifications, welded line pipe for use in oil and gas pipelines requires higher hydrostatic test pressures and more restrictive weight tolerances than standard pipe. Pipe that is in conformance with API specification 5L Grade B is automatically also in conformance with the less restrictive standard pipe specification of the American Society for Testing and Materials, ASTM A53 Grade B. As a consequence, manufacturers often mark such product with both specifications (so-called "dual stencil") so that it may be applied for either use. The API 5L specification also states that "products in compliance with multiple compatible standards may be marked with the name of each standard."

Figure I-1
Circular welded pipe: Cross section of welded pipe showing inside diameter "A" and wall thickness "B"



Source: ASA Alloys, Inc., retrieved at http://www.asaalloys.com/diagrams.html.

Other uses of circular welded pipe include light load-bearing and mechanical applications, such as for fence tubing; scaffolding components; and protection of electrical wiring, such as conduit shells. Fence tubing can be produced to ASTM specification F-1083, which covers hot-dipped galvanized welded steel pipe used for fence structures. However, fence tubing can also be produced without reference to an ASTM specification, or to a general specification such as ASTM A513.[35]

In addition, circular welded pipe is used for structural applications in general construction. Structural pipe is generally used for structural or load-bearing purposes above ground by the construction industry, as well as for structural members in ships, trailers, farm equipment, and other similar uses. It is produced in nominal wall thicknesses and sizes. These products also are manufactured primarily to standard ASTM specifications (such as A500 or A252),[36] as well as American Society of Mechanical Engineers ("ASME") specifications.

Standard pipe used in light load-bearing, mechanical, and structural applications may be galvanized (zinc-coated by dipping in molten zinc), lacquered (black finish), or painted (black) to provide corrosion resistance, which is important for storage in humid conditions or for ocean transport. End finishes include plain end, which may be either cut, or beveled suitable for welding, or include threaded

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[35] ASTM A513 mechanical tubing is designed and produced for a wide range of specific end uses including aircraft tubing, automotive tubing, furniture, tubes for bearings, and precision pump tubes. It covers welded tubing of any wall thickness, shape, heat treatment, chemical composition, and production method. It is not used for the conveyance of liquid and therefore hydrostatic testing is not usually required. Mechanical tubing may be produced from either cold- or hot-rolled steel. Cold-rolling may be specified for producing high-precision (or tight-tolerance) products because it provides stricter control of the dimension of the outside and inside diameters. *Circular Welded Carbon-Quality Steel Pipe from India, Oman, the United Arab Emirates, and Vietnam, Investigation Nos. 701-TA-482-485 and 731-TA-1191-1194 (Preliminary)*, USITC Publication 4298, December 2011, pp. I-13, and 2009 Annual Book of ASTM Standards, Volume 01.01, January 2009.

[36] ASTM specification A500 is applicable to common structural tubular products for above-ground use; because it is designed for load bearing applications, not for liquid conveyance, such tubing does not require hydrostatic testing. ASTM specification A252 applies to piling pipe (pipe that typically is filled with concrete and used as a permanent load-carrying member below ground in foundation work). *See, e.g., Circular Welded Non-Alloy Steel Pipe from China, Inv. No. TA-421-6*, USITC Publication 3807, October 2005, pp. I-7 through I-9.

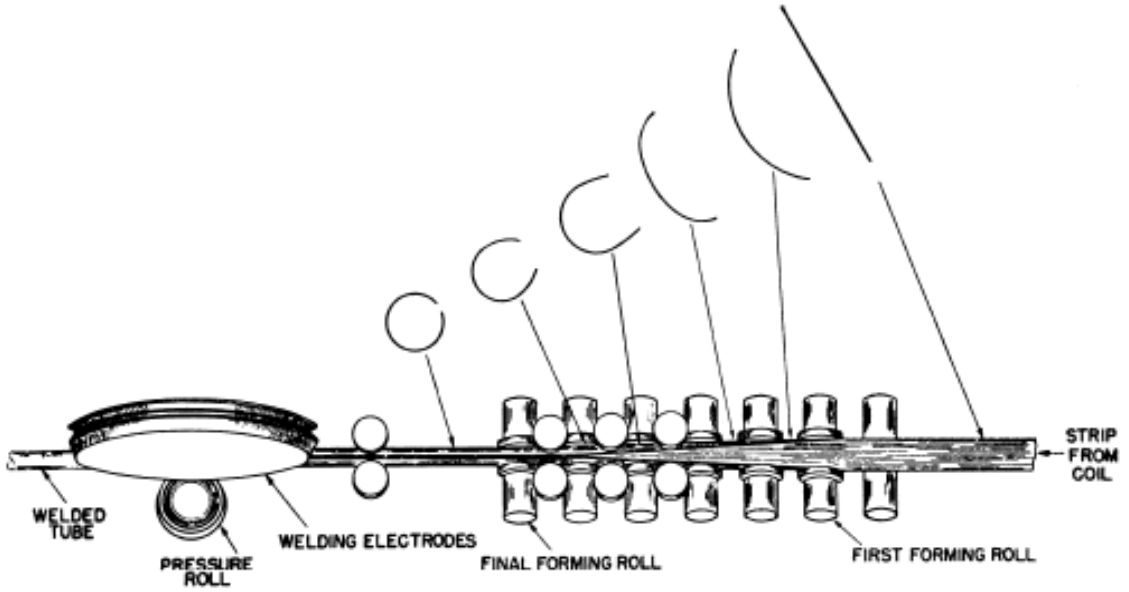
In addition, ASTM specification A589 is the standard specification for water-well pipe (including water-well casing), although circular welded pipe produced to ASTM A53 and A500 frequently are used for this application. *Circular Welded Carbon-Quality Steel Pipe from China, Inv. Nos. 701-TA-447 and 731-TA-1116 (Final)*, USITC Publication 4019, July 2008.

ends, or threaded or coupled, as well as other special end finishes. Pipe with threaded ends is usually provided "threaded and coupled," meaning that a coupling is attached to one end of each length of pipe.

Manufacturing Processes

Circular welded pipes of the sizes subject to these investigations are manufactured by either the electric resistance-welding ("ERW") process or the continuous-welding ("CW") process.[37] The ERW process is a cold-forming process. The raw material input is steel sheet which has been slit into strips of appropriate width that will be consistent with the diameter of the pipe to be welded. The strips, or "skelp," are formed into a tubular shape by passing them through a series of rollers, which provide the initial shaping into round form, as well as guidance into the welding section (figure I-2).

Figure I-2
Circular welded pipe: Operations to make ERW tubes from steel strip



Source: AISI, *Steel Products Manual – Steel Specialty Tubular Products*, p. 20.

After the strips have been formed to a tubular shape, the edges are heated by electrical resistance[38] and welded by a combination of heat and pressure. The welding pressure causes some of the

[37] Wheatland is the only remaining producer of CW circular welded pipe in the United States. Hearing transcript, p. 18 (Seeger).

[38] The heat for welding is generated by the resistance of the steel to the flow of an electric current. In one process, a low frequency current (typically 60 to 360 hertz) is conducted to the strip edges by a pair of copper alloy discs that rotate as the pipe is propelled under them. A second variation uses high frequency current (typically 400 to 500 kilohertz), which enters the tubing through shoes that act as sliding contacts. An induction coil can also be used with this high frequency current to induce current in the edges of the steel to be welded together. No direct contact is made between the induction coil and the tubing. *See* AISI, *Steel Products Manual – Steel Specialty Tubular Products*, October, 1980, pp. 19-20; and United States Steel, *The Making, Shaping and Treating of Steel*, 10th Ed. (Pittsburgh, PA: Herbick & Held, 1985), pp. 1030-1031.

metal to be squeezed from the joint, forming a bead of metal on both the inside and outside of the tube. While still in the continuous processing line, the tube is then subjected to post-weld heat treatment, as required. This may involve heat treatment of the welded seam only, or treatment of the entire pipe. After heat treatment, sizing rolls shape the tube to the correct diameter. The product is cooled and then cut at the end of the tube mill by a flying shear or saw, synchronized with the tube's movement so that it is not necessary to stop the process.[39] The ERW process can be used to cover the full range of standard pipe diameters pertinent to these investigations.[40]

In the CW process, the entire strip of steel sheet is heated to approximately 2,450 degrees Fahrenheit in a gas-fired, continuous furnace. As the strip leaves the furnace, a blower is normally furnished to provide a blast of air to raise the temperature of the edges to approximately 2,600 degrees Fahrenheit for welding. The strip is formed into tubular shape by a series of rollers, and the edges are butted together under pressure to form the weld. While still hot, the product may be processed through a stretch reduction mill, which simultaneously reduces the diameter and wall thickness of the pipe. The continuous tube is then cut into predetermined lengths by a flying saw or shear. The CW method can be used to produce pipe up to 4.5 inches in O.D.

Finishing operations on standard pipe and tube may include hydrostatic testing, oiling,[41] and galvanizing. The process of galvanizing involves the application of a zinc coating to steel pipe for protection from atmospheric corrosion. In a hot-dip process of galvanizing, cut lengths of steel pipe are dipped in a bath of molten zinc maintained at a temperature of 820 to 860 degrees Fahrenheit.[42] The combination of the temperature of both the zinc and the steel, as well as the immersion time within the zinc bath, determine the thickness of the coating.[43] The zinc coating may be applied to the outside only, or both the inside and outside of the steel pipe, depending on end-use application and industry specification (*e.g.*, ASTM). In a continuous galvanizing process, the zinc coating may be applied to the outside of the pipe before the steel pipe is cut to length by passing it through a bath of molten zinc.

End finishing may include square cutting, beveling, threading, or grooving. Threaded pipe may be furnished "threaded and coupled," in which case both ends of each length of pipe are threaded and a threaded coupling is applied to one end.

DOMESTIC LIKE PRODUCT ISSUES

No issues with respect to domestic like product have been raised in these reviews. In its notice of institution in these current five-year reviews, the Commission solicited comments from interested parties regarding the appropriate domestic like product and domestic industry.[44] In its response to the notice of

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[39] United States Steel, *The Making, Shaping and Treating of Steel*, 10th Ed. (Pittsburgh, PA: Herbick & Held, 1985), p. 1029.

[40] Circular welded pipe often is produced on the same equipment and machinery, by the same employees, as small/medium line pipe, large diameter line pipe, OCTG, and other products. *See* Part III of this report for data on U.S. producers' production of other pipe products on their circular welded pipe facilities.

[41] The oil is a hardening transparent oil that leaves a lacquer finish. United States Steel, *The Making, Shaping and Treating of Steel*, 10th Ed. (Pittsburgh, PA: Herrick & Held, 1985), p. 1062.

[42] Ibid.

[43] *See* "Zinc Coatings," American Galvanizers Association, found at http://www.galvanizeit.org/showContent,289,333.cfm, retrieved April 10, 2006.

[44] *Certain Pipe and Tube From Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey*, 76 FR 38691, July 1, 2011.

institution the domestic interested parties commented that they agreed with the domestic like product and industry definitions.[45] The respondent interested parties did not comment on the domestic like product in response to the notice of institution. No party requested that the Commission collect data concerning other possible domestic like products in their comments on the Commission's draft questionnaires.

U.S. MARKET PARTICIPANTS

U.S. Producers

Over time the composition of the domestic circular welded pipe industry has shifted. Allied has consistently accounted for *** of domestic production. However, most of the other large producers from the initial investigations have changed substantially. LTV, formed from the merger of Republic Steel and Jones & McLaughlin Steel, was the ***-largest producer in 1984-85 ***. LTV subsequently entered into bankruptcy, though several of its former mills produce circular welded pipe as Atlas (which acquired LTV's Copperweld division and portions of Maverick's product line after Maverick acquired LTV's Tubular division). U.S. Steel, the ***-largest producer in 1984-85, spun off its Geneva and Fairless Hills facilities to Geneva Steel and Laclede Steel, both sizeable producers that subsequently ceased production. Wheatland, on the other hand, has grown to be the largest producer in the domestic industry, acquiring, consolidating, and ultimately rationalizing the operations of Sawhill Tubular and Sharon Tube.[46]

During the first reviews, twenty-five firms supplied the Commission with information on their U.S. operations with respect to circular welded pipe,[47] and twenty firms responded during the second reviews.[48] These firms accounted for the vast majority of U.S. production of circular welded pipe during the period for which were collected in those reviews. In these current proceedings, the Commission obtained data from 17 producers.[49] [50] These firms are believed to account for the vast majority of U.S. production of circular welded pipe in 2011. Presented in table I-13 is a list of current domestic producers of circular welded pipe, and each company's position on continuation of the orders, production location(s), related and/or affiliated firms, and share of reported production of circular welded pipe in 2011.

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[45] Domestic interested parties' submission of August 1, 2011, p. 20 and domestic interested party U.S. Steel's submission of August 1, 2011, p. 23. Domestic interested parties reiterated their position in their prehearing brief. Domestic interested parties' prehearing brief, p. 2.

[46] *See* confidential staff reports from the original investigations and subsequent reviews (plant locations and shares of production). <u>See also</u> *Steel: Evaluation of the Effectiveness of Import Relief, Investigation No. TA-204-12*, USITC Publication 3797, September 2005, Chapters CIRCULAR I and II.

[47] The responding firms were Allied Tube & Conduit, American Steel Pipe, Bull Moose, California Steel, Century Tube, Ex-L-Tube, IPSCO Tubulars, Laclede Steel, Leavitt Tube, Lone Star Steel, LTV Tubular, Maruichi American, Maverick Tube, Newport Steel, Northwest Pipe, Parthenon Metal Works, Prudential Steel, Sawhill Tubular, Searing Industries, Sharon Tube, Tex-Tube, USX, Western Tube & Conduit, and Wheatland Tube.

[48] The responding firms were Allied, American, Atlas, Bull Moose, California, Hanna, IPSCO, Laclede, Leavitt, Lone Star, LTV Copperweld, Maruchi, Maverick, Newport, Northwest, Sawhill, Sharon, Stupp, Tex-Tube, U.S. Steel, and Vest.

[49] In addition to responses to questionnaires in these reviews, data are also included for ***.

[50] Since 2006, the U.S. circular welded pipe industry has experienced several mergers and acquisitions, including U.S. Steel's acquisition of Lone Star in 2007 and JMC Steel Group's acquisition of Atlas in 2006 and Sharon Tube in 2007. For more details on changes in the U.S. industry see Part III.

Table I-13
Circular welded pipe: U.S. producers, positions on the continuation of orders, U.S. production locations, related and/or affiliated firms, and shares of 2011 reported U.S. production

Firm	Position on orders	U.S. plant location(s)	Parent company	Share of production (percent)
Allied	***	Harvey, IL Philadelphia, PA Phoenix, AZ Morrisville, PA	***% Clayton Dubilier & Rice LLC (US) ***% Tyco International (US)	***
American	***	Birmingham, AL	None	***
Atlas[1]	***	Chicago, IL Plymouth, MI Blytheville, AR	JMC Steel Group	***
Bull Moose[2]	***	Gerald, MO Chicago Heights, IL Trenton, GA Masury, OH Casa Grande, AZ	Caparo Holdings Ltd. (UK)	***
California Steel	***	Fontana, CA	***% JFE Steel (Japan) ***% Vale S.A. (Brazil)	***
Hanna	***	Fairfield, AL Tuscaloosa, AL Pekin, IL	Hanna Holdings, Inc. (US)	***
Hannibal	***	Stockton, CA	--	***
Leavitt[4]	***	Chicago, IL	***% MKK USA, Inc. (US) ***% Sumitomo Corp. of America (US) ***% Summit Steel LV Holding (US)	***
Maruichi[5]	***	Santa Fe Springs, CA	***% Maruichi Steel Tube (Japan) ***% Metal One Corp. (Japan) ***% Japanese Banks	***
Maverick	***	Houston, TX	--	***
Northwest	***	Atchison, KS Houston, TX Bossier City, LA	None	***
Skyline	***	Parsippany, NJ	--	***
Texas Tubular[8]	***	Lone Star, TX	–	***
Tex-Tube[9]	***	Houston, TX	***% Visteel (US) ***% Vi Capital (US)	***
TMK IPSCO[10]	***	Blytheville, AR Camanche, IA Wilder, KY	OAO TMK (Russia)	***
U.S. Steel[11]	***	McKeesport, PA Lone Star, TX Bellville, TX[12]	None	***
Vest	--	Los Angeles, CA	--	***
Welded Tube-Berkeley	***	Huger, SC	Welded Tube of Canada (Canada)	***
Western Tube[14]	***	Long Beach, CA	***% Sumitomo Metals (Japan) ***% Sumikin Bussan Int'l (US) ***% Sumitomo Pipe & Tube (Japan) ***% Sumitomo Corp. of America ***% Sumitomo Corp. (Japan)	***

Table continued on next page.

Table I-13--*Continued*
Circular welded pipe: U.S. producers, positions on the continuation of orders, U.S. production locations, related and/or affiliated firms, and shares of 2011 reported U.S. production

Firm	Position on orders	U.S. plant location(s)	Parent company	Share of production (percent)
Wheatland[1]	***	Chicago, IL Sharon,PA Wheatland, PA Warren, OH	JMC Steel Group	***

[1] Atlas and Wheatland are sister companies.
[2] Bull Moose is related by common management and ownership to foreign producer Bull Moose Tube Ltd. (Canada). The company is also related by common ownership to foreign producers Caparo Tubes (UK) and Caparo Tubes India.
[3] Hannibal produces approximately *** tons of subject structural pipe per year.
[4] Leavitt is related to U.S. producer Maruichi American Corp., and both are related to foreign exporter Sun Steel Joint Stock Co. (Vietnam), and foreign producer Maruichi Steel Tube (Japan, Indonesia, China, and Vietnam). Leavitt's ultimate parent is Maruichi Steel Tube (Japan).
[5] Maruichi is related to nonsubject foreign producers Sun Steel Joint Stock Co. (Vietnam) and Maruichi Steel Tube (Japan, Indonesia, China, and Vietnam).
[6] Maverick reported ***. E-mail from ***, February 23, 2012. Maverick is related via an affiliate company, Tenaris, to foreign producer Ternium Mexico. Ternium Mexico's response to notice of institution, August 1, 2011.
[7] Although Skyline Steel did not provide a producer questionnaire response, the company is a steel foundation supplier and is a wholly-owned subsidiary of ArcelorMittal. http://www.skylinesteel.com/, retrieved on April 2, 2012.
[8] Although Texas Tubular did not provide a producer questionnaire response, data presented are compiled from a prior investigation of circular welded pipe.
[9] Tex-Tube has two related sister companies: U.S. importer S&P Steel Products and foreign producer Lamina y Placa (Mexico).
[10] TMK IPSCO is a sister company of foreign producer Seversky Tube Works (Russia).
[11] U.S. Steel is related to foreign producer Apolo Tubulars S.A. (Brazil). It is a 50/50 joint venture between U.S. Steel Tubular Products and Grupo Peixoto de Castro Group.
[12] U.S. Steel also produces hot-rolled steel used to make welded standard pipe at the following facilities: Gary Works, Gary, IN; Mon Valley Works, Dravosburg, PA; and Granite City Steel Division, Granite City, IL.
[13] Vest reported that it is not currently a producer of circular welded pipe.
[14] Western's parent company, Sumitomo Metal Industries, Ltd. (Japan) is a foreign exporter of subject merchandise.

Note.–Because of rounding, shares may not total to 100.0 percent.

Source: Compiled from data submitted in response to Commission questionnaires.

As indicated in the table above, seven U.S. producers are related to foreign producers of circular welded pipe (three of the seven are related to subject foreign producers of the subject merchandise); one U.S. producer are related to U.S. importers of the subject merchandise. In addition, as discussed in greater detail below, no U.S. producers directly imported the subject merchandise, although one purchased the subject merchandise from U.S. importers

U.S. Importers

In the first reviews, 43 U.S. importing firms supplied the Commission with usable information on their operations involving the importation of circular welded pipe, and 34 firms provided usable data in the second reviews, accounting for over 50 percent of subject imports, based on official Commerce statistics, over the period for which data were collected.

In these current proceedings, the Commission issued importers' questionnaires to 91 firms believed to be importers of circular welded pipe, as well as to all U.S. producers of circular welded pipe. Usable questionnaire responses were received from 21 companies, representing over one-half of total

subject imports during 2006-11 and during 2011, based on official Commerce statistics.[51] Table I-14 lists all responding U.S. importers of circular welded pipe, their locations, and their shares of U.S. imports in 2011.

Table I-14
Circular welded pipe: U.S. importers, source(s) of imports, U.S. headquarters, and share of imports in 2011

Firm	Headquarters	Source of imports	Share of imports (*percent*)[1]		
			Subject	Other	Total
Adler Steel Limited[2]	Toronto, ON	***	***	***	***
ArcelorMittal	–	***	***	***	***
Borusan Mannesmann Boru Sanayi ve Ticaret[4]	Istanbul, Turkey	***	***	***	***
Coutinho and Ferrostaal[5]	Houston, TX	***	***	***	***
Empire Resources	Fort Lee, NJ	***	***	***	***
Ferrum International	New York, NY	***	***	***	***
James Steel	Compton, CA	***	***	***	***
Kurt Orban Partners LLC	Burlingame, CA	***	***	***	***
Maurice Pincoffs	Houston, TX	***	***	***	***
NMI Steel[6]	Fullerton, CA	***	***	***	***
Oxbow Steel	Pleasant Hill, CA	***	***	***	***
Saha Thai Steel Pipe	Samuthprakarn, Thailand	***	***	***	***
Shamrock	Portland, OR	***	***	***	***
Shivom Jay Steel[8]	Lowell, AR	***	***	***	***
Stemcor[9]	New York, NY	***	***	***	***
Sumitomo Corporation of America[10]	Houston, TX	***	***	***	***
Sunbelt[11]	Houston, TX	***	***	***	***
Sunset Forest Products	Portland, OR	***	***	***	***
ThyssenKrupp Materials NA Inc.[12]	Southfield, MI	***	***	***	***
TMK IPSCO[13]	Downers Grove, IL	***	***	***	***
Tosyali Dis Ticaret A.S.[14]	Iskenderun, Turkey	***	***	***	***
Toyota Tsusho[15]	Houston, TX New York, NY	***	***	***	***
Total			100.0	100.0	100.0

* * * * * * *

Note.–Because of rounding, figures may not add to the totals shown.

Source: Compiled from data submitted in response to Commission questionnaires.

[51] For further discussion of the relative coverage from each subject sources, see Part IV.

U.S. Purchasers

Questionnaires were sent to 116 firms believed to be U.S. purchasers of circular welded pipe. Two responded that they had not purchased circular welded pipe, as defined, since January 2006. Two responding purchasers reported only purchases of nonsubject line pipe and OCTG. Thirty purchasers were able to respond with useable information, although not all purchasers were able to respond to all questions. In general, more responding purchasers were located near the Gulf Coast than any other region. Responding purchasers were predominately distributors, however, responses were also received from manufacturers of ***. The largest responding purchasers of circular welded pipe were ***.

APPARENT U.S. CONSUMPTION

Data concerning apparent U.S. consumption of circular welded pipe during 2006-11 are shown in table I-15 and figure I-3. Apparent U.S. consumption declined between 2006 and 2009, before increasing moderately in 2010 and 2011, ending 38.9 percent lower than in 2006.

Table I-15
Circular welded pipe: U.S. shipments of domestic product, U.S. imports, and apparent U.S. consumption, 2006-11

Item	Calendar year					
	2006	2007	2008	2009	2010	2011
	Quantity (*short tons*)					
U.S. producers' U.S. shipments	1,230,404	1,274,984	1,239,555	881,430	921,844	966,015
U.S. imports from--						
Brazil	570	386	555	490	622	401
India (subject)	***	***	***	***	***	***
Korea	44,348	31,437	123,952	38,833	75,857	48,054
Mexico	74,808	64,935	52,245	66,813	63,151	66,017
Taiwan	43,038	33,306	75,017	7,600	27,621	22,966
Thailand	77,832	47,736	85,760	31,399	28,751	47,696
Turkey	31,797	3,146	53,583	26,032	37,225	31,723
Subtotal, subject	***	***	***	***	***	***
China	649,718	680,311	12,081	2,105	3,196	3,244
India (nonsubject)[1]	***	***	***	***	***	***
Oman	16,112	6,446	24,404	18,888	33,442	35,378
U.A.E.	6,389	2,219	18,579	17,461	33,188	63,996
Vietnam	2,279	3,227	29,734	22,417	35,678	55,079
All others	184,651	104,632	143,316	75,967	70,937	80,495
Subtotal, nonsubject	***	***	***	***	***	***
Total U.S. imports	1,179,398	991,842	688,846	355,658	483,675	506,620
Apparent U.S. consumption	2,409,802	2,266,826	1,928,401	1,237,088	1,405,519	1,472,635

Table continued on next page.

Table I-15--*Continued*
Circular welded pipe: U.S. shipments of domestic product, U.S. imports, and apparent U.S. consumption, 2006-11

	Value (*1,000 dollars*)					
U.S. producers' U.S. shipments	1,216,918	1,204,071	1,521,473	787,540	898,256	1,043,584
U.S. imports from--						
Brazil	841	696	1,288	1,059	1,394	1,041
India (subject)	***	***	***	***	***	***
Korea	35,399	29,031	126,895	33,714	68,178	51,190
Mexico	61,461	52,858	58,380	49,111	52,473	63,670
Taiwan	26,302	22,296	70,947	7,871	22,370	20,989
Thailand	52,738	36,736	89,600	30,594	26,785	46,507
Turkey	21,087	3,295	58,346	23,731	30,399	30,124
Subtotal, subject	***	***	***	***	***	***
China	376,181	429,867	17,079	2,813	4,286	4,893
India (nonsubject) [1]	***	***	***	***	***	***
Oman	10,470	4,606	24,125	15,834	27,245	31,957
U.A.E.	5,340	1,823	20,965	14,632	27,700	57,524
Vietnam	1,284	2,355	33,460	17,747	30,562	49,827
All others	117,941	75,958	132,602	76,523	78,482	97,293
Subtotal, nonsubject	***	***	***	***	***	***
Total U.S. imports	741,189	672,368	709,014	312,059	434,328	505,746
Apparent U.S. consumption	1,958,107	1,876,439	2,230,487	1,099,599	1,332,584	1,549,330

[1] Zenith and Gujarat Steel Tubes were excluded from original order.

Source: Compiled from official import statistics, adjusted, and data submitted in response to Commission questionnaires.

Figure I-3
Circular welded pipe: Apparent U.S. consumption, by sources, 2006-11

* * * * * * *

U.S. MARKET SHARES

U.S. market share data are presented in table I-16. The share of apparent U.S. consumption held by U.S. producers increased between 2006 and 2009, declined in 2010, and remained stable in 2011, ending 14.5 percentage points higher than in 2006. Subject imports' share of apparent U.S. consumption fluctuated over the period, reaching its highest level in 2008 before falling in 2009 and ending the period *** percentage points higher than in 2006. Imports from nonsubject sources held their highest shares in 2006 and 2007, then fell in 2008 and 2009 (reflecting a decline in imports from China subject to separate

countervailing and antidumping duty orders),[52] before rising in 2010 and 2011, ending *** percentage points lower than in 2006. Imports from India (that are not already subject to a corresponding order), Oman, the United Arab Emirates, and Vietnam are currently subject to antidumping and/or countervailing duty investigations.[53]

Table I-16
Circular welded pipe: U.S. consumption and market shares, 2006-11

Item	Calendar year					
	2006	2007	2008	2009	2010	2011
	Quantity (*short tons*)					
Apparent U.S. consumption	2,409,802	2,266,826	1,928,401	1,237,088	1,405,519	1,472,635
	Value (*1,000 dollars*)					
Apparent U.S. consumption	1,958,107	1,876,439	2,230,487	1,099,599	1,332,584	1,549,330
	Share of quantity (*percent*)					
U.S. producers' U.S. shipments	51.1	56.2	64.3	71.3	65.6	65.6
U.S. imports from--						
Brazil	0.0	0.0	0.0	0.0	0.0	0.0
India (subject)	***	***	***	***	***	***
Korea	1.8	1.4	6.4	3.1	5.4	3.3
Mexico	3.1	2.9	2.7	5.4	4.5	4.5
Taiwan	1.8	1.5	3.9	0.6	2.0	1.6
Thailand	3.2	2.1	4.4	2.5	2.0	3.2
Turkey	1.3	0.1	2.8	2.1	2.6	2.2
Subtotal, subject	***	***	***	***	***	***
China	27.0	30.0	0.6	0.2	0.2	0.2
India (nonsubject) [1]	***	***	***	***	***	***
Oman	0.7	0.3	1.3	1.5	2.4	2.4
U.A.E.	0.3	0.1	1.0	1.4	2.4	4.3
Vietnam	0.1	0.1	1.5	1.8	2.5	3.7
All others	7.7	4.6	7.4	6.1	5.0	5.5
Subtotal, nonsubject	***	***	***	***	***	***
Total U.S. imports	48.9	43.8	35.7	28.7	34.4	34.4

Table continued on next page.

[52] *Circular Welded Carbon Quality Steel Pipe from the People's Republic of China: Notice of Amended Final Affirmative Countervailing Duty Determination and Notice of Countervailing Duty Order*, 73 FR 72545, July 22, 2008 and *Notice of Antidumping Duty Order: Circular Welded Carbon Quality Steel Pipe from the People's Republic of China*, 73 FR 42547, July 22, 2008.

[53] *Circular Welded Carbon-Quality Steel Pipe from India, Oman, the United Arab Emirates, and Vietnam, Inv. Nos. 701-TA-482-485 and 731-TA-1191-1194 (Preliminary)*, USITC Publication 4298 (December 2011).

Table I-16--*Continued*
Circular welded pipe: U.S. consumption and market shares, 2006-11

Item	Calendar year					
	2006	2007	2008	2009	2010	2011
	Share of value (*percent*)					
U.S. producers' U.S. shipments	62.1	64.2	68.2	71.6	67.4	67.4
U.S. imports from--						
Brazil	0.0	0.0	0.1	0.1	0.1	0.1
India (subject)	***	***	***	***	***	***
Korea	1.8	1.5	5.7	3.1	5.1	3.3
Mexico	3.1	2.8	2.6	4.5	3.9	4.1
Taiwan	1.3	1.2	3.2	0.7	1.7	1.4
Thailand	2.7	2.0	4.0	2.8	2.0	3.0
Turkey	1.1	0.2	2.6	2.2	2.3	1.9
Subtotal, subject	***	***	***	***	***	***
China	19.2	22.9	0.8	0.3	0.3	0.3
India (nonsubject) [1]	***	***	***	***	***	***
Oman	0.5	0.2	1.1	1.4	2.0	2.1
U.A.E.	0.3	0.1	0.9	1.3	2.1	3.7
Vietnam	0.1	0.1	1.5	1.6	2.3	3.2
All others	6.0	4.0	5.9	7.0	5.9	6.3
Subtotal, nonsubject	***	***	***	***	***	***
Total U.S. imports	37.9	35.8	31.8	28.4	32.6	32.6

[1] Zenith and Gujarat Steel Tubes were excluded from original order.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled from official import statistics and data submitted in response to Commission questionnaires.

PART II: CONDITIONS OF COMPETITION IN THE U.S. MARKET

U.S. MARKET CHARACTERISTICS

Circular welded pipe is used in various applications including the transmission of air, water, and gas; fencing; and in a variety of structural applications. The demand for circular welded pipe depends on the demand for these downstream products, which in turn depends on the strength of the overall economy, and the level of construction activity. Production of circular welded pipe also has been influenced by increased demand for products such as line pipe and oil country tubular goods (OCTG) that may be manufactured on some of the same equipment and machinery as circular welded pipe.

While *** U.S. producers, ***, together accounted for *** of U.S. production in 2011, the market is also supplied by a number of other firms. Other sources of supply of circular welded pipe include smaller U.S. producers, imports from the subject countries, and imports from such nonsubject sources as China (during 2006-07) and Oman, the United Arab Emirates, and Vietnam (during 2008-11).

CHANNELS OF DISTRIBUTION

Circular welded pipe is sold by domestic producers and importers both to distributors and directly to end users such as fence contractors, construction firms, and producers of goods such as appliances and plumbing supplies. During 2006–11, the overwhelming majority of shipments of both U.S.-produced and imported welded pipe were to distributors. For U.S. producers, 88 to 90 percent of U.S. shipments were to distributors in each year of the period. For responding importers from the subject countries, shipments to distributors accounted for more than 98 percent of U.S. shipments in every year. Shipments to end users accounted for ***. All other reported U.S. shipments of subject circular welded pipe were to distributors. The share of nonsubject shipments to distributors ranged from *** percent in 2008 to *** percent in 2007, and was *** percent in 2011.[1] Channels of distribution by country of origin for the United States, Brazil, India, Korea, Mexico, Taiwan, Thailand, Turkey, and nonsubject sources are presented in table II-1.

GEOGRAPHIC DISTRIBUTION

U.S. producers reported sales of circular welded pipe to all regions in the United States (table II-2). Of 15 responding U.S. producers, at least 12 reported selling in each region of the contiguous United States. Importers of circular welded pipe also reported selling in all regions of the contiguous United States, with at least one importer selling in each region. ***.

[1] Shipments to end users were ***.

Table II-1
Circular welded pipe: U.S. producers' and importers' U.S. shipments of circular welded pipe, by sources and channels of distribution, 2006-11

Item	Calendar year					
	2006	2007	2008	2009	2010	2011
	Share of reported shipments (*percent*)					
Domestic producers' U.S. shipments						
Distributors	88.0	90.3	90.2	88.9	89.4	88.7
End Users	12.0	9.7	9.8	11.1	10.6	11.3
U.S. importers' U.S. shipments of product from Brazil						
Distributors	(1)	(1)	(1)	(1)	(1)	(1)
End Users	(1)	(1)	(1)	(1)	(1)	(1)
U.S. importers' U.S. shipments of subject product from India						
Distributors	***	***	***	***	***	***
End Users	***	***	***	***	***	***
U.S. importers' U.S. shipments of product from Korea						
Distributors	***	***	***	***	***	***
End Users	***	***	***	***	***	***
U.S. importers' U.S. shipments of product from Mexico						
Distributors	(1)	(1)	(2)	(2)	(2)	(2)
End Users	(1)	(1)	(2)	(2)	(2)	(2)
U.S. importers' U.S. shipments of product from Taiwan						
Distributors	***	***	100.0	100.0	***	***
End Users	***	***	0.0	0.0	***	***
U.S. importers' U.S. shipments of product from Thailand						
Distributors	***	***	***	***	***	***
End Users	***	***	***	***	***	***
U.S. importers' U.S. shipments of product from Turkey						
Distributors	***	***	***	***	***	***
End Users	***	***	***	***	***	***
U.S. importers' U.S. shipments of nonsubject product from India						
Distributors	***	***	***	***	***	***
End Users	***	***	***	***	***	***
U.S. importers' U.S. shipments of nonsubject product from all other sources						
Distributors	87.6	91.7	65.6	64.1	70.1	76.8
End Users	12.4	8.3	34.4	35.9	29.9	23.2

[1] Not applicable
[2] ***.

Source: Compiled from data submitted in response to Commission questionnaires.

Table II-2
Circular welded pipe: Geographic market areas in the United States served by U.S. producers and importers from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, and nonsubject countries

Region	U.S. producers	Importers			
		Brazil	India	Korea	Mexico
	Number of firms				
Northeast	12	--	5	***	--
Midwest	12	--	4	***	--
Southeast	13	--	7	***	--
Central Southwest	13	--	8	***	--
Mountains	14	--	3	***	--
Pacific Coast	13	--	5	***	--
Other	6	--	0	***	--

Region		Importers			
		Taiwan	Thailand	Turkey	All other
		Number of firms			
Northeast		***	***	***	3
Midwest		***	***	***	3
Southeast		***	***	***	4
Central Southwest		***	***	***	9
Mountains		***	***	***	4
Pacific Coast		***	***	***	7
Other		***	***	***	1

Note. -- Vietnam was the most often mentioned other country, followed by China, Oman, and the United Arab Emirates.

Source: Compiled from data submitted in response to Commission questionnaires.

Domestic producers reported shipping the majority (74 percent) of U.S. shipments to customers within 101 to 1000 miles of their production facility, while 13 percent of shipments were 100 miles or less and 12 percent were over 1,000 miles. Of the reported U.S. shipments of subject imported circular welded pipe, 76 percent were delivered to customers within 100 miles of the U.S. point of shipment, 24 percent were delivered to customers between 101 and 1,000 miles of the point of shipment, and less than 1 percent were delivered more than 1,000 miles away.

Most sales by U.S. producers were from inventory, 75 percent in 2011, with the balance produced to order. Typical lead times for sales from inventory ranged from 1 to 15 days. Most lead times for circular welded pipe produced to order ranged from 20 to 60 days. *** importers reported sales of subject imports from U.S. inventory. *** of sales from U.S. inventory, respectively. ***. Most reported lead times for U.S. sales of produced-to-order subject imports ranged from 90 to 150 days, although lead times as short as 30 days and as long as 180 days were reported.

SUPPLY AND DEMAND CONSIDERATIONS

Supply

When asked if they were aware of any new suppliers in the U.S. circular welded pipe market, 20 purchasers answered no and 13 answered yes. Five purchasers reported new U.S. suppliers. A new supplier in India, Korea, Malaysia, Mexico, Oman, Thailand, and the United Arab Emirates were reported by one purchaser each, and two purchasers reported new suppliers in the Philippines and Vietnam. Ten purchasers reported that they expected new circular welded pipe suppliers to enter the U.S. market. Five

purchasers expected new import suppliers; with one attributing the new entrants to the application of antidumping duties on certain other countries.

Domestic Production

The supply responsiveness of U.S. producers depends on such factors as industry capacity utilization, the level of inventories, the availability of export markets, and the flexibility of shifting production equipment to other products. The available data in these reviews indicate that the U.S. industry is likely to have a moderate degree of flexibility in changing output and U.S. shipments in response to a change in price. The main reasons supporting this degree of responsiveness are the capacity utilization rates, the level of inventories, and the ability to shift production capacity to and from alternative products.

Purchasers were asked if there had been any changes in factors affecting the supply of U.S.-produced circular welded pipe since 2006. Most purchasers did not provide a response or responded "none" or "not applicable." A decrease in the number of U.S. mills, an increase in capacity of the U.S. industry, a decline in imports from China, a downturn in construction, and variability of supply and prices of U.S.-produced pipe were reported by one purchaser each. Three purchasers reported that demand had increased for energy-related products, affecting the supply of circular welded pipe.

Industry capacity

Over the period for which data were collected, U.S. producers' reported capacity utilization for circular welded pipe ranged from a low of 46.4 percent in 2009 to a high of 63.8 percent in 2007, and was 49.8 percent in 2011. Overall capacity utilization for welded tubular products fluctuated, ranging between 35.4 percent in 2009 and 69.6 percent in 2008, and was 61.7 percent in 2011.

Export markets

Exports accounted for a small share of reported U.S. production of circular welded pipe over the period of review. Exports generally increased over the period, both in volume and as a share of production, from 2.6 percent of shipments in 2006 to 5.3 percent of shipments in 2011. Reported exports were to Canada and Mexico.

Inventory levels

Aggregate end-of-period inventories ranged from 11.9 percent of total shipments in 2008 to 15.3 percent of total shipments in 2006, and were equivalent to 14.8 percent of total shipments in 2011. Annual end-of-period inventories declined in volume through 2009 and have since increased. At the May 3, 2012 hearing, Mr. Kurasz with Allied Tube testified that in recent years, domestic producers have reduced lead times for delivery of CWP and increased the share of sales from inventory.[2]

Production alternatives

Circular welded pipe producers have some ability to change supply in response to changes in price by altering the mix of products produced. Ten of 13 responding U.S. producers reported the ability to shift production between circular welded pipe and other products in response to a relative change in price. ***.

Responding U.S. producers manufacture a range of welded tubular products including line pipe, oil country tubular goods (OCTG), and mechanical tubing, on the same equipment and/or using the same

[2] Hearing transcript, p. 105 (Kurasz).

production workers used to produce circular welded pipe. U.S. producers' overall reported capacity to produce welded tubular products increased by 5.8 percent, and reported capacity to produce circular welded pipe decreased by 1.6 percent over the period for which data were collected. During 2006–11, U.S. producers' reported share of total production of welded tubular products accounted for by circular welded pipe ranged from a minimum of 23.2 percent in 2011 to a maximum of 35.4 percent in 2009.

Distributor Inventory

Data from MSCI reveals that distributor inventories of pipe and tube relative to sales increased from an average of 3.3 months in 2006 and 2007, and 3.0 months in 2008, to an average of 3.5 months in 2009. Distributor inventories of pipe and tube relative to sales have declined since that time, but remain higher than distributor inventories of other steel products. Distributor inventories of carbon steel pipe and tube were equivalent to 2.7 months of sales on average in 2011 and first-quarter 2012. In comparison, distributor inventories of all carbon steel products combined were equivalent to an average of 2.4 months of sales in 2011, and 2.3 months of sales in first-quarter 2012.[3]

Subject Imports

The ability of producers of circular welded pipe from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey to increase their exports of circular welded pipe to the U.S. market depends on such factors as capacity utilization rates, current inventory levels, current levels of home market sales and exports to markets other than the United States, the ability to shift exports from these other markets to the U.S. market, and the ability to shift production among alterative products. The likely supply response is discussed separately for each country below to the extent data are available. Global exports from each subject country of welded pipe under HS 7306.30, which includes exports of the subject product as well as other products, are summarized in table II-3. Capacity data for subject producers depend on method of measurement; these issues are discussed in more detail in part IV of this report.

Based on available information, subject producers have the ability to respond to changes in demand with substantial changes in the quantity of shipments of circular welded pipe to the U.S. market in the short term, with possibly larger changes over the long term. The main contributing factors to the high degree of responsiveness of supply is the ability to shift product from other markets to the U.S. market and to shift production between other welded tubular products and circular welded pipe. In the longer term, there may be more flexibility as capacity may be increased somewhat. However, few subject producers submitted questionnaires in these reviews with information on the ability to expand capacity.

[3] *MSCI Metals Activity Report*, December 2007, December 2008, December 2009, December 2010, December 2011, and April 2012.

Table II-3
Circular welded pipe: Exports of welded pipe under HS 7306.30 from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, 2006-11

Country	Period					
	2006	2007	2008	2009	2010	2011
	Quantity (*short tons*)					
Brazil	31,805	36,434	19,052	12,744	15,949	19,318
India	13,186	28,690	47,034	58,642	81,464	(1)
Korea	209,104	254,777	333,467	249,007	278,683	326,949
Mexico	100,866	92,434	114,884	103,772	126,162	124,614
Taiwan	61,050	66,782	102,322	34,514	90,253	89,492
Thailand	100,740	73,156	143,198	53,929	95,060	88,634
Turkey	366,891	369,295	384,543	327,960	427,953	446,015

[1] Data not available.

Note: HS heading 7306.30 includes most welded carbon steel pipe and tube (other than line pipe and OCTG), including welded circular pipe together with tapered welded pipe and pipes that are used in boilers, and heat exchangers that are not included as subject products.

Source: GTIS Global Trade Atlas database, accessed March 26, 2012.

Brazil

***. U.S. imports from Brazil under the statistical reporting numbers under which circular welded pipe is imported were less than 1,000 short tons in every year of the period of review.[4] Brazil's reported production of welded tubular products in 2001 (the most recent public data available) was 1.5 million short tons.[5]

India

***. Annual subject U.S. imports from India under the statistical reporting numbers that encompass circular welded pipe ranged from ***. India's reported production of tubes and tube fittings in 2009 (the most recent public data available) was 1.7 million short tons.[6]

Korea

***. U.S. imports of circular welded pipe from Korea ranged from 31,437 short tons in 2007 to a maximum of 123,952 short tons in 2008, and were 48,054 short tons in 2011. Korea's reported production of welded tubular products was 5.3 million short tons in 2010.[7]

[4] For further information regarding imports see Part IV.
[5] Steel Statistical Yearbook, 2011, Table 26. Welded tubular products is a broad category that includes circular welded pipe as well as nonsubject welded products such as line pipe, OCTG, and boiler tubes.
[6] Steel Statistical Yearbook, 2011, Table 24.
[7] Steel Statistical Yearbook, 2011, Table 26. Welded tubular products is a broad category that includes circular welded pipe as well as nonsubject welded products such as line pipe, OCTG, and boiler tubes.

Mexico

Producers *** did not submit questionnaire responses in these reviews. In their responses to the Notice of Institution, *** reported capacity of *** short tons and production of *** short tons of circular welded pipe in 2010.[8] *** reported capacity of *** short tons and production of *** short tons in 2010. *** reported that its production accounted for approximately *** of circular welded pipe production in Mexico in 2010.[9] Available information from *** indicates that reported circular welded pipe production accounts for a small share of overall production of tubular products, *** percent in 2011. U.S. imports from Mexico under the statistical reporting numbers that encompass circular welded pipe ranged from 52,245 short tons in 2008 to a maximum of 74,808 short tons in 2006, and were 66,017 short tons in 2011. Reported overall capacity utilization for welded tubular products *** was *** percent in 2011. *** thus has *** ability to shift production between circular welded pipe and alternative products in response to a relative change in price, but *** ability to increase overall production of welded tubular products. Mexico's reported production of welded tubular products was 529,000 short tons in 2010.[10]

Taiwan

A foreign producer questionnaire was received from ***, a producer of circular welded pipe in Taiwan. No other foreign producer questionnaires were received from producers of circular welded pipe in Taiwan. *** reported production of *** short tons of circular welded pipe in 2011 and reported that sales of circular welded pipe accounted for *** percent of its total sales.[11] Annual U.S. imports from Taiwan under the statistical reporting numbers that encompass circular welded pipe ranged from 7,600 short tons in 2009 to a maximum of 75,017 tons in 2008, and were 22,966 short tons in 2011. Taiwan's reported production of welded tubular products was 976,600 short tons in 2009.[12]

Thailand

A foreign producer questionnaire was received from ***. *** reported that its production accounted for approximately *** percent of Thai production of circular welded pipe in 2011. *** reported total capacity to produce welded tubular products of *** short tons, total production of welded tubular products of *** short tons for a capacity utilization ratio of *** percent, and production of circular welded pipe at *** short tons in 2011. ***. No other foreign producer questionnaires were received from producers of circular welded pipe in Thailand. Annual U.S. imports from Thailand under the statistical reporting numbers that encompass circular welded pipe ranged from 28,751 short tons in 2010 to a maximum of 85,760 short tons in 2008, and were 47,696 tons in 2011. Thailand's reported production of welded tubular products was 983,000 short tons in 2001.[13]

Turkey

Foreign producer questionnaires were received from ***, producers of circular welded pipe in Turkey. *** reported that its production accounted for an estimated *** percent of the total production of

[8] *** Response to the Notice of Institution at 5.

[9] *** Response to the Notice of Institution at 8.

[10] Steel Statistical Yearbook, 2011, Table 26. Welded tubular products is a broad category that includes circular welded pipe as well as nonsubject welded products such as line pipe, OCTG, and boiler tubes.

[11] *** Foreign Producer Questionnaire response at 8, 16.

[12] Steel Statistical Yearbook, 2011, Table 26. Welded tubular products is a broad category that includes circular welded pipe as well as nonsubject welded products such as line pipe, OCTG, and boiler tubes.

[13] Steel Statistical Yearbook, 2011, Table 26. Welded tubular products is a broad category that includes circular welded pipe as well as nonsubject welded products such as line pipe, OCTG, and boiler tubes.

circular welded pipe in Turkey *** in 2011. *** reported *** to shift production between circular welded pipe and alternative products in response to a relative change in price ***. Circular welded pipe accounted for *** percent of *** total production of such products in 2011. Overall reported capacity utilization for these products in 2011 was *** percent.

*** reported that production of circular welded pipe accounted for ***, respectively of the total production of circular welded pipe in Turkey in 2011. *** the ability to shift production between circular welded pipe and alternative products. Circular welded pipe accounted for ***, respectively of total production of such products by these firms in 2011. Reported capacity utilization for circular welded pipe was ***, respectively.

One other producer, ***, reported production and capacity data for 2010 in the response to the Notice of Institution.[14] This producer reported production in 2010, that in 2011 would have accounted for an estimated *** of production of circular welded pipe in Turkey. Production of circular welded pipe by this producer in 2010 accounted for an estimated *** of capacity. Annual U.S. imports from Turkey under the statistical reporting numbers that encompass circular welded pipe ranged from 3,146 short tons in 2007 to a maximum of 53,583 short tons in 2008, and were 31,723 short tons in 2011. Those producers in Turkey for which some data are available have the ability to shift production between circular welded pipe and alternate products in response to relative changes in price, and less ability to increase overall production.

Nonsubject Imports

Nonsubject imports accounted for *** percent of apparent U.S. consumption in 2011 by quantity. The largest sources of nonsubject imports during 2006-11 included Oman, the United Arab Emirates, and Vietnam. Combined, nonsubject countries accounted for *** percent of 2011 imports. Producers and importers were asked if the availability of circular welded pipe from nonsubject countries had changed since January 1, 2006. *** producers responded that there had been no change in availability of nonsubject circular welded pipe since 2006. *** producers reported increased imports of energy-related nonsubject products (line pipe and OCTG). *** producers reported that imports from China ***. *** producers reported increased imports from Vietnam, and *** producers reported increased imports from Oman and *** reported increased imports from the United Arab Emirates.

U.S. Demand

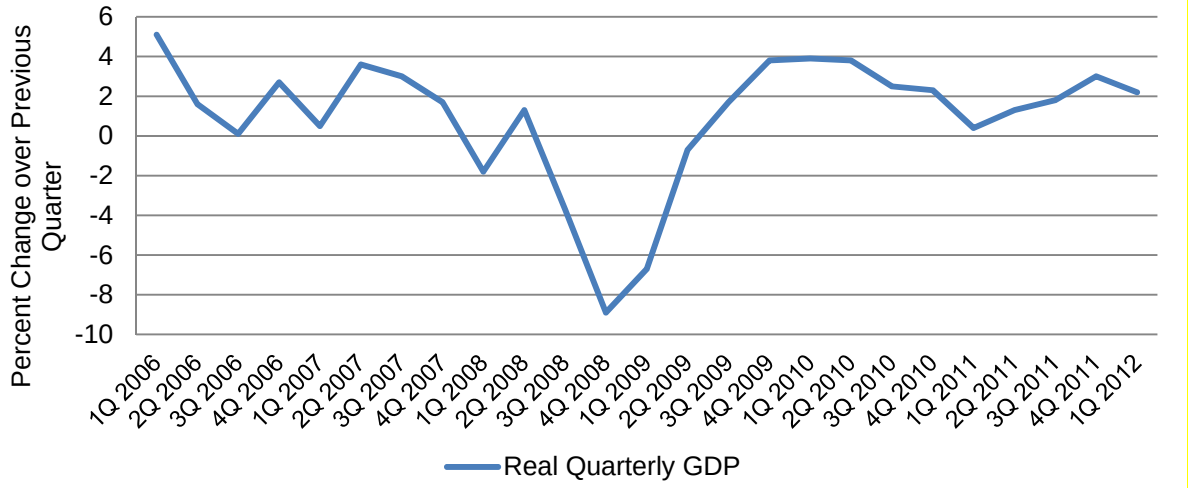
Demand for circular welded pipe depends on overall U.S. demand and on the level of demand for downstream products. Overall U.S. demand, as reflected by real quarterly GDP (Figure II-1), fluctuated between just above 5 percent and just above 1 percent during 2006 and 2007. Quarterly GDP growth fluctuated between -8.9 percent (4Q 2008) and 3.9 percent (1Q 2010) between 2008 and 1Q 2012, with positive and relatively stable GDP growth after 3Q 2009. Much of downstream-products demand is linked to non-residential construction activity in the United States. During 2006–11, annual expenditures on U.S. non-residential construction first increased from $298 billion in 2006 to $409 billion in 2008, before declining to a low of $262 billion in 2010 and was $269 billion in 2011.[15] Annual expenditures on U.S. non-residential construction are depicted in figure II-2 (millions of dollars). In addition to annual expenditures data on U.S. non-residential construction, the Architectural Billings Index (ABI), which is published by the American Institute of Architects (AIA), is an economic indicator of construction activity, and "reflects the approximate nine to twelve month lag time between architecture billings and construction spending." According to AIA's May 16, 2012 press release, "After five months of positive

[14] Response to the Notice of Institution by the Turkish Exporters and Producers, ***.

[15] U.S. Census Bureau, "Construction Spending, Not Seasonally Adjusted," January 2012, http://www.census.gov/construction/c30/c30index.html.

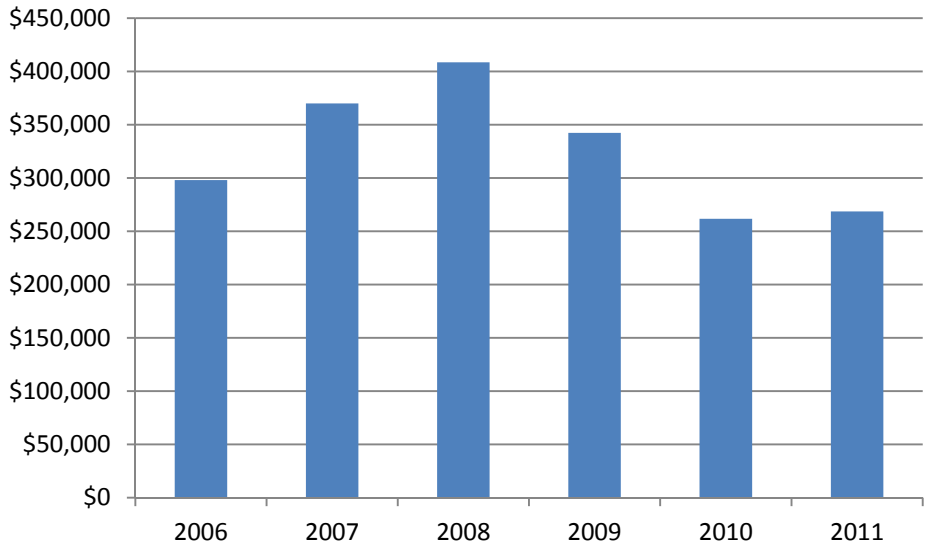
readings, the Architecture Billings Index (ABI) has fallen into negative terrain;" AIA notes, however, that the decline "is possibly a brief pause from unusually strong winter activity."[16]

Figure II-1
U.S. real gross domestic product, quarterly percent change, 1Q 2006—1Q 2012



Source: U.S. Department of Commerce, BEA, National Data, Table 1.1.1, http://www.bea.gov/iTable/iTable.cfm?ReqID=9&step=1, retrieved May 23, 2012.

Figure II-2
U.S. non-residential construction spending, 2006–11



Source: U.S. Census Bureau, "Construction Spending, Not Seasonally Adjusted," January 2012, http://www.census.gov/construction/c30/c30index.html.

[16] AIA adds that "Also, favorable conditions during the winter months may have accelerated design billings, producing a pause in projects that have moved ahead faster than expected." American Institute of Architects, "Architecture Billings Index Reverts to Negative Territory," May 16, 2012 Press Release, http://www.aia.org/press/AIAB094780, retrieved May 23, 2012.

U.S. producers, importers, and purchasers were asked to report any changes in demand for circular welded pipe in the United States since 2006 (table II-4). In general, most responding U.S. producers, importers, and purchasers characterized demand since 2006 as having decreased or fluctuated, and most anticipated an increase or no change in future U.S. demand.

Table II-4
Circular welded pipe: Firms' perceptions regarding U.S. demand and demand outside the United States

Item	Number of firms reporting			
	Increase	No Change	Decrease	Fluctuate
U.S. demand since 2006				
U.S. producers	2	1	4	4
Importers	3	4	6	7
Purchasers	3	4	12	11
Foreign producers	2	0	0	2
U.S. demand in future				
U.S. producers	4	7	0	1
Importers	3	9	1	4
Purchasers	17	8	1	2
Foreign producers	0	3	1	0

Source: Compiled from data submitted in response to Commission questionnaires.

Among responding U.S. producers, the most commonly-reported factors that have affected U.S. demand for circular welded pipe since 2006 were the levels of building construction (***) and the overall market or economy (***). Other factors reported by U.S. producers included the level of medium/heavy manufacturing, an increase in the supply of circular welded pipe to the U.S. market, and the impact of imports of circular welded pipe on the U.S. market (each mentioned by1 producer).

Responding importers most often reported that global economic trends and construction trends have affected demand within the United States since 2006 and will continue to influence demand in the future. Among purchasers, the most-often reported factor affecting demand both within and outside the United States was the global economy. Other factors reported as affecting U.S. demand included the decline in residential and commercial construction and an anticipated improvement in this sector; and an improving energy market.

Apparent Consumption

Apparent U.S. consumption of circular welded pipe declined from 2.4 million short tons in 2006 to 1.2 million short tons in 2009, and increased to 1.5 million short tons in 2011.

End Uses

Most responding purchasers are distributors, rather than end users of circular welded pipe. End-user purchasers reported that welded circular pipe accounts for nearly the entire cost of products such as pipe nipples and fittings, approximately 35 percent of the cost of fence panels and gates, and a very small share of the cost of products such as metal buildings and appliances. Three end users of circular welded pipe reported that demand for their final products incorporating circular welded pipe had decreased since 2006, and one reported that demand for its final products incorporating circular welded pipe had increased.

U.S. producers reported that circular welded pipe accounted for approximately 80 percent of pipe systems, 50–65 percent of fire sprinkler systems, 40 percent of fencing, and 12 percent of construction projects incorporating circular welded pipe. Importers reported that circular welded pipe was used in

fencing and plumbing. U.S. producers and importers reported no change in the end uses of circular welded pipe over the period for which data were collected.

SUBSTITUTABLITY ISSUES

The degree of substitutability between domestic and imported circular welded pipe, between domestic product and nonsubject imports, between subject imports from different sources, and between subject and nonsubject imports depends upon such factors as relative prices, quality (e.g., weld-bead appearance, straightness, and adherence to length), reliability of supply, and conditions of sale (e.g., lead times between order and delivery, payment terms, product services, etc.). This information is based primarily on questionnaire responses. Information relating to substitutability was obtained from the responses of 33 purchasers, though not all purchasers responded to all questions. Twenty-eight responding purchasers are distributors, and five are end users of circular welded pipe. Based on available data, staff believes that there is a moderate degree of substitutability between U.S. and imported circular welded pipe from both subject and nonsubject sources, and a high degree of substitutability between imported pipe from subject and nonsubject sources, with the exception of Mexico. Circular welded pipe is produced to common specifications regardless of source, and most responding purchasers rated products from each of the subject sources as comparable in each of the factors reported to be most important in purchasing decisions, with the exception of Mexico. Purchaser responses indicate that there is a moderate degree of substitutability between circular welded pipe from Mexico and the other subject sources. Substitutability between U.S. and subject imported circular welded pipe is lessened by the fact that domestically-produced circular welded pipe was reported to be higher-priced than subject imports from every subject country (except Brazil, for which only three purchasers reported comparisons), and because approximately half of responding purchasers reported that domestic product is required for some purchases.

Factors Affecting Purchasing Decisions

Major Factors in Purchasing

When asked to identify the three major factors considered by their firm in their purchasing decisions for circular welded pipe, the most often cited factors were price, quality, and availability, as shown in table II-5. Other factors that were mentioned as among the three most important factors by a smaller number of purchasers include the range of products offered, service, the extension of credit, the reputation of the producer, freight cost, and lead time.

Table II-5
Circular welded pipe: Ranking of factors used in purchasing decisions as reported by U.S. purchasers

Factor	Number of firms reporting			
	First	Second	Third	Total
Price	16	10	8	34
Quality	13	8	8	29
Availability	1	9	6	16
Reliability of Supply/Delivery	1	3	7	11
Contract/Traditional Supplier	2	0	2	4

Source: Compiled from data submitted in response to Commission questionnaires.

Five purchasers reported that they always purchased at the lowest price, while eighteen reported that they usually did, and ten reported that they sometimes did. One reported that it never purchased at the lowest price. Reasons most often cited for purchasing product not based on price were lead

time/reliable delivery (11 purchasers), quality (6 purchasers), and reliability/reputation of supplier (6 purchasers).

Importance of Specified Purchase Factors

Purchasers were asked to rate the importance of 15 factors in their purchasing decisions (table II-6). The factors rated as "very important" by most purchasers were price, and quality meeting industry standards. Product consistency, availability, and reliability of supply were also reported as very important by a majority of responding purchasers.

Table II-6
Circular welded pipe: Importance of factors as reported by U.S. purchasers

Factor	Very important	Somewhat important	Not important
	Number for firms responding		
Availability	27	5	1
Delivery terms	17	13	3
Delivery time	22	11	0
Discounts offered	14	16	3
Extension of credit	10	12	11
Minimum quantity requirements	5	14	14
Packaging	8	16	9
Price	32	1	0
Product consistency	30	3	0
Product range	7	21	4
Quality meets industry standards	32	1	0
Quality exceeds industry standards	9	16	8
Reliability of supply	27	6	0
Technical support/service	10	20	4
U.S. transportation costs	12	17	3

Source: Compiled from data submitted in response to Commission questionnaires.

Purchasers were also asked to compare U.S.-produced circular welded pipe with imports from each of the subject countries, and to compare products from each of the subject countries, in terms of these same factors. Comparisons with U.S.-produced product are reported in table II-7. Few purchasers were able to supply comparisons with circular welded pipe from Brazil. For those factors rated as very important by a majority of purchasers, U.S.-produced circular welded pipe was reported to be inferior in price and comparable in quality meets industry standards and product consistency to pipe from each of the other six subject countries by a majority of responding purchasers. There was less agreement among purchasers in comparing U.S. and imported subject product in terms of availability and reliability of supply. In comparisons between subject import sources, a majority of responding purchasers rated products as comparable in each of the factors except with regards to Mexico. Product from Mexico was rated as superior in availability and delivery time to product from Korea, Taiwan, Thailand, and Turkey, and superior in price to product from Korea and Taiwan by a majority of responding purchasers.

Table II-7
Circular welded pipe: Comparisons of product by source country, U.S. vs. Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey as reported by purchasers

	U.S. vs. Brazil			U.S. vs. India			U.S. vs. Korea			U.S. vs. Mexico		
Factor	**S**	**C**	**I**	**S**	**C**	**I**	**S**	**C**	**I**	**S**	**C**	**I**
Availability	1	1	1	6	5	4	7	5	4	5	3	3
Delivery terms	1	2	0	6	8	1	6	8	2	3	7	1
Delivery time	2	0	1	8	3	4	10	2	4	5	4	2
Discounts offered	1	2	0	3	7	3	2	9	5	3	4	3
Extension of credit	1	1	0	5	6	0	3	9	2	2	8	1
Minimum quantity requirements	0	3	0	2	9	1	2	11	1	2	8	0
Packaging	0	2	0	0	10	2	3	10	1	0	10	0
Price[1]	1	0	1	2	1	11	3	3	9	2	3	5
Product consistency	2	1	0	5	8	0	3	10	1	4	6	0
Product range	0	3	0	3	10	0	4	9	1	3	6	1
Quality meets industry standards	1	2	0	3	10	0	1	13	0	1	9	0
Quality exceeds industry standards	1	2	0	5	6	1	4	7	3	4	6	0
Reliability of supply	1	2	0	5	7	2	7	6	2	5	4	1
Technical support/service	1	1	0	6	5	1	6	7	1	7	3	0
U.S. transportation costs[1]	0	2	1	1	7	4	4	6	4	4	5	1

	.			U. S. vs. Taiwan			U.S. vs. Thailand			U.S. vs. Turkey		
Factor				**S**	**C**	**I**	**S**	**C**	**I**	**S**	**C**	**I**
Availability				4	4	4	4	3	3	3	2	4
Delivery terms				4	6	2	2	7	1	2	6	1
Delivery time				7	1	4	5	2	3	4	2	3
Discounts offered				3	6	2	2	5	2	2	4	3
Extension of credit				5	5	2	3	6	1	2	6	1
Minimum quantity requirements				2	8	1	3	6	0	1	7	0
Packaging				0	10	1	0	8	1	0	8	0
Price[1]				2	3	6	2	2	5	1	0	7
Product consistency				4	7	0	4	5	0	2	6	0
Product range				3	8	0	4	5	0	3	5	0
Quality meets industry standards				0	11	0	0	9	0	1	7	0
Quality exceeds industry standards				3	8	0	3	6	0	3	5	0
Reliability of supply				3	6	3	3	5	2	3	4	2
Technical support/service				3	7	1	4	4	1	4	3	1
U.S. transportation costs[1]				3	5	3	4	3	2	3	3	2

[1] A rating of superior means that price/U.S. transportation cost is generally lower. For example, if a firm reported "U.S. superior," it meant that the U.S. product was generally priced lower than the imported product.

Note.--S=first listed country's product superior; C=products are comparable; I=first listed country's product inferior.

Source: Compiled from data submitted in response to Commission questionnaires.

Country of Origin

Purchasers were asked to report the extent to which purchasing decisions are made by responding purchasers and their customers based on the country of origin of circular welded pipe. As shown in the tabulation below, producer and country of origin is often "sometimes" an important factor in purchase decisions for purchasers and their customers.

Purchaser / customer decision	Always	Usually	Sometimes	Never
Purchaser makes decision based on producer	6	5	16	6
Purchaser's customers makes decision based on producer	0	6	19	6
Purchaser makes decision based on country	4	5	15	9
Purchaser's customer makes decision based on country	1	2	20	8

A number of purchasers reported that country preferences were based on a history of quality product, the reputation of the supplier, or the existence of approved supplier lists. Purchasers were also asked if buying a product that is produced in the United States is an important factor in the firm's purchases of circular welded pipe, and the share of purchases affected. Sixteen purchasers reported that some purchases of U.S. product are required by law or regulation, and that this involves 3 percent to 50 percent of purchases. Seventeen purchasers reported that purchases of U.S. pipe are not required by law or regulation but are required by their customers, and that this involves 1 percent to 90 percent of purchases. Three purchasers reported that purchases of U.S. pipe are required for other reasons, involving *** percent of purchases.

Interchangeability of U.S., Subject, and Nonsubject Countries' Circular Welded Pipe

Firms were also asked how frequently circular welded pipe from different countries were interchangeable (table II-8). A majority of responding U.S. producers and importers reported that U.S.-produced circular welded pipe was always interchangeable with pipe from all countries. In general, most U.S. purchasers reported that U.S.-produced circular welded pipe was always interchangeable with pipe from all countries, although purchasers were more likely than U.S. producers or importers to report that U.S.-produced product was only frequently or sometimes interchangeable with circular welded pipe from subject sources.

Table II-8
Circular welded pipe: Perceived interchangeability between circular welded pipe produced in the United States and in other countries

Country pair	Number of U.S. producers reporting				Number of U.S. importers reporting				Number of U.S. purchasers reporting			
	A	F	S	N	A	F	S	N	A	F	S	N
U.S. vs. other countries												
U.S. vs. Brazil	10	0	1	0	4	0	0	0	8	4	4	0
U.S. vs. India	10	0	1	0	6	3	0	0	10	6	4	0
U.S. vs. Korea	11	0	1	0	4	1	0	0	13	5	4	0
U.S. vs. Mexico	11	1	0	0	4	0	0	0	11	4	5	0
U.S. vs. Taiwan	10	0	1	0	4	1	0	0	10	6	4	0
U.S. vs. Thailand	10	0	1	0	4	1	0	0	9	7	4	0
U.S. vs. Turkey	10	1	0	0	4	0	0	0	9	2	5	0
U.S. vs. Other nonsubject	9	0	0	0	5	1	2	0	9	2	5	0

Note.--A = Always, F = Frequently, S = Sometimes, N = Never.

Source: Compiled from data submitted in response to Commission questionnaires.

Firms were also asked if differences other than price between circular welded pipe produced in the United States and in other countries were a significant factor in their sales or purchases (table II-9).

Table II-9
Circular welded pipe: Perceived differences of factors other than price between circular welded pipe produced in the United States and in other countries

Country pair	Number of U.S. producers reporting				Number of U.S. importers reporting				Number of U.S. purchasers reporting			
	A	F	S	N	A	F	S	N	A	F	S	N
U.S. vs. other countries												
U.S. vs. Brazil	2	1	2	6	1	1	1	1	2	3	7	2
U.S. vs. India	2	1	1	7	0	2	3	2	3	5	10	2
U.S. vs. Korea	2	1	2	7	1	1	1	1	2	4	13	3
U.S. vs. Mexico	2	0	3	7	1	1	1	1	2	4	12	2
U.S. vs. Taiwan	2	1	1	7	1	1	1	1	2	4	12	2
U.S. vs. Thailand	2	1	1	7	1	1	1	1	2	5	11	2
U.S. vs. Turkey	2	1	1	7	1	1	1	1	2	4	6	3
U.S. vs. Other	2	0	2	7	1	2	3	1	2	3	7	3

Note.--A = Always, F = Frequently, S = Sometimes, N = Never.

Source: Compiled from data submitted in response to Commission questionnaires.

Most U.S. producers reported that differences other than price between U.S. circular welded pipe and that produced in other countries was never a significant factor in their sales of U.S. circular welded pipe. Most importers reported that differences other than price between U.S. and imported product were "frequently" or "sometimes" significant factors in their sales of circular welded pipe; and most purchasers reported that differences other than price between U.S. and imported pipe were "frequently" or "sometimes" significant factors in their purchases of circular welded pipe.

ELASTICITY ESTIMATES

This section discusses elasticity estimates. No party commented on these estimates.

U.S. Supply Elasticity

Based on available information, U.S. circular welded pipe producers have the ability to respond to changes in demand with moderate changes in the quantity of shipments of U.S.-produced circular welded pipe to the U.S. market. Factors leading to the moderate degree of supply responsiveness include the relatively high level of inventories, low capacity utilization for the subject product along with higher capacity utilization for alternative welded tubular products, and limited ability to shift to export markets. However, most U.S. producers reported some ability to shift some production capacity to alternative products in response to a change in relative price, and exports increased, in volume and as a share of production over the period of review. Because of these factors, U.S. producers are likely to respond to a decrease in the relative price of circular welded pipe with a moderate change in volume. An estimate in the range of 1 to 3 is suggested.

U.S. Demand Elasticity

The U.S. demand elasticity for circular welded pipe depends on the availability of substitute products as well as the cost share of circular welded pipe in downstream products. There are substitutes for circular welded pipe in some applications, but questionnaire responses indicate that in most cases small changes in the prices of these substitutes would have little, if any effect on demand for circular welded pipe. Based on the available information, the aggregate demand elasticity for circular welded pipe is likely to be somewhat inelastic, in the range of -0.75 to -1.0.

Substitution Elasticity

The elasticity of substitution depends on the extent of product differentiation between the domestic and imported products. Product differentiation depends on factors such as the range of products produced, quality, availability, and the reliability of supply. Based on available information, circular welded pipe is substitutable for domestic circular welded pipe in most end uses, but there are some differences in reputation and "Buy American" requirements and other preferences for domestic product apply to a significant share of the market. Based on these factors, staff estimates the substitution elasticity between domestic and subject circular welded pipe is likely to be moderate and in the range of 3 to 5.

PART III: CONDITION OF THE U.S. INDUSTRY

OVERVIEW

The information in this section of the report was compiled from responses to the Commission's questionnaires. Seventeen firms, which accounted for the vast majority of U.S. production of circular welded pipes and tubes during the period for which data were collected, supplied information on their operations in these reviews and other proceedings on circular welded pipe and tube. [1]

Wheatland Tube ("Wheatland") is the leading domestic circular welded pipe producer, accounting for over *** percent of total U.S. output in 2011. It was established in 1931 in Wheatland, PA, as an affiliate of the New Jersey-based John Maneely Company ("JMC"). In 1969, Wheatland acquired the Chicago-based International Conduit Company to manufacture conduit. In 1992, Wheatland purchased Omega Tube and Conduit (Little Rock, AR) to produce fence and mechanical tubing. Wheatland acquired the assets of Sawhill Tubular from AK Steel in 2002, which included tube mills in Wheatland and Sharon, PA and Warren, OH. In 2006, the Carlyle Group, a Washington, DC-based private equity firm, acquired JMC.[2] In the following years, Wheatland acquired Atlas Tube (which itself had acquired Copperweld Tube and portions of Maverick's product line) in 2006 and Sharon Tube in 2007, and closed down its circular welded pipe mills in Little Rock, AR (2007), Houston, TX (2008), and Sharon, PA (2009), reportedly due to import competition.

The *** domestic circular welded pipe producer in 2011, accounting for almost *** of total U.S. circular welded pipe, was Allied Tube & Conduit ("Allied"). Located in Harvey, IL, Allied was founded in 1957 as a division of Atkore International Holding Company. Allied has pipe mills in Harvey, IL, Philadelphia and Morrisville, PA, and Phoenix, AZ. Allied claims that import competition was the reason it permanently closed down its Pine Bluff, AR, mills in 2008 and laid off 250 employees and temporarily halted production at its Phoenix, AZ, mill. This mill was restarted in 2009 and currently operates at only one shift per day, employing 150 fewer employees than in 2008.[3] In early 2012, Allied shut down its standard pipe mills in Morrisville, PA, which were subsequently acquired by JMC.

Table III-1 summarizes important industry events that have taken place in the U.S. industry since January 2006.

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[1] *** did not provide a questionnaire response, however, the company's data (2006-September 2011) were compiled from previous investigations on circular welded pipe, ***. Data for Sharon Tube, which was acquired by and dissolved into Wheatland and ceased circular welded pipe production in 2009, are included in 2006 (from a previous circular welded pipe investigation) and part of 2009 for which it was operating, but data for 2007 and 2008 are not available on a stand-alone basis.

[2] "A Brief History," found at http://www.wheatland.com, retrieved May 11, 2012. In addition, the total production of Wheatland and Atlas, sister companies within the JMC Group, accounted for almost*** of the total U.S. domestic production in 2011. JMC Group was later renamed JMC Steel Group. Hearing transcript, pp. 17-18 (Seeger) and staff interview with Mark J. Magno, Vice President-Sales, Wheatland, May 14, 2012.

[3] Hearing transcript, p. 22 (Kurasz).

Table III-1
Circular welded pipe: Important industry events, 2006-12

Year	Company	Event
2006	Wheatland Tube	***Lay-off***: Wheatland lays off 140 employees.[1] ***Plant closing***: Wheatland closes its Sharon, PA facility.[2]
	IPSCO (Canada)	***Acquisition***: IPSCO acquires NS Steel (Newport, KY) for $1.5 billion (December).[3]
2007	SSAB (Sweden)	***Acquisition***: SSAB purchases IPSCO for approximately $7.7 billion (July).[3]
	Wheatland Tube	***Lay-off***: Wheatland lays off 85 workers.[1] ***Plant closing***: Wheatland closes its Little Rock, AR facility (September).[2]
	US Steel/Lone Star Steel	***Acquisition***: U.S. Steel purchases Lone Star Steel for $2.1 billion.[4]
2008	Evraz Group SA and TMK (Russia)	***Acquisition***: Evraz Group SA and TMK purchase IPSCO's tubular business from SSAB for $4 billion. TMK obtains all of IPSCO's U.S. operations and 51 percent of NS Group for $1.2 billion. Evraz acquires the other 49 percent of the NS Group. IPSCO's tubular operations are renamed TMK-IPSCO.[3]
	TMK (Russia)	***Acquisition***: TMK purchases the U.S. portions of IPSCO's tubular business from Evraz for $1.2 billion.[5]
	OJSC Novolipetsk Steel (NLMK-Russia)	***Failed acquisition***: Novolipetsk, a Russian steel maker, plans to purchase John Maneely Co. (JMC) from Washington-based investment firm Carlyle Group for $3.5 billion. The purchase includes Wheatland Tube and Sharon Tube in Pennsylvania, among others. Novolipetsk subsequently reconsiders and settles with Carlyle (March 2009) for $234 million.[5]
	Allied Tube and Conduit	***Plant closing***: Allied permanently closes down pipe mills in Pine Bluff (AR), and temporarily halts pipe production at Phoenix (AZ). The Phoenix mill operates at only one shift in 2011.[6]
	Maruichi Steel Tube/Leavitt	***Acquisition***: Maruichi Steel Tube of Osaka, Japan, purchases 60-percent interest in Leavitt Tube (Chicago) for $90 million from a group of private investors. Sumitomo Corp. of America maintains its 40-percent interest in the company.[5]

Table continued on next page.

Table III-1--*Continued*
Circular welded pipe: Important industry events, 2006-12

Year	Company	Event
2009	Wheatland Tube	***Plant closing***: Wheatland closes its plant in Sharon, PA, due to decreasing demand.[5]
	Allied Tube and Conduit	***Acquisition***: Allied purchases Novamerica's pipe mill in Philadelphia/Morrisville, PA. This facility produces standard pipe as well as mechanical and structural tubing.[6]
		Expansion: Allied announces the opening of a $30 million expansion of its manufacturing center in Harvey, IL. The expansion will double the size of the existing facility and streamline manufacturing, warehousing, and distribution operations.[7]
	TMK-IPSCO	***Acquisition***: TMK-IPSCO acquires the remaining shares of NS Group from Evraz for $508 million (February) to become the sole owner.[5]
		Expansion: TMK-IPSCO completes new quenching and tempering facilities at Baytown, TX, for standard pipe, line pipe, and OCTG. Capacity of the facilities is 85,000 short tons with potential for increasing to 100,000 short tons per year.[8]
		Plant idling: All TMK-IPSCO locations are idled and experience reduced operations for parts of the year.[2]
2010	Leavitt	***Upgrading***: Leavitt invests $12 million to install a quick-change cassette system to allow tighter tolerances, reduce downtime, and increase flexibility.[9]
		Replacement investment: Leavitt purchases a new mill which employs a quick-change system and a saw cut-off finish for $16 million.[9]
2011	TMK-IPSCO	***Expansion***: TMK-IPSCO plans to upgrade its 2 pipe-making production lines in Wilder, KY, including the installation of a new threading shop. Wilder currently sends pipe to another TMK-IPSCO mill to be threaded.[5]
	Northwest Pipe	***Expansion***: Northwest plans to expand its Houston, TX, mill to produce tubes with O.D. sizes ranging from 2 3/8 to 2 7/8 inches.[10]
	JMC Steel Group	***Acquisition***: Zekelman family acquires the majority of JMC Group (March). Carlyle Group is the minority owner.[11]
	JMC Steel Group (Wheatland)	***Labor contract***: Wheatland enters into a new five-year contract with its local USW.[5]
2012	JMC Steel Group	***Acquisition***: JMC acquired Atkore International Holding's (Allied) Morrisville, PA., hollow structural sections and standard pipe mill, at which production ceased (with equipment to be used as parts for other mills).[12]

Table continued on next page.

Table III-1--*Continued*
Circular welded pipe: Important industry events, 2006-12

[1] "More Weirton Steel Jobs at Risk?" *Redorbit*, March 28, 2006; found at http://redorbit.com/; retrieved March 28, 2012; and "Wheatland Tube Lays Off 85 Hourly, Salaried Workers," *Windy.com: The Valley Homepage*, February 24, 2007, found at http://www.vindy.com/news/2007/feb/24/wheatland-tube-lays-off-85-hourly-salaried/?print; retrieved April 5, 2012.
[2] *Circular Welded Carbon-Quality Steel Pipe from China, Investigation Nos .701-TA-447 and 731-TA-1116 (Final)*, USITC publication 4019, July 2008, p. III-3, fn. 4.
[3] *Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from China, Investigation No.s 701-TA-469 and 731-TA-1168 (Final)*, USITC publication 4190, November 2010, p. III-3.
[4] Press release, US Steel, June 14, 2007, found at http://uss.mediaroom.com, retrieved March 13, 2012.
[5] *Circular Welded Carbon-Quality Steel Pipe from India, Oman, United Arab Emirates, and Vietnam, Investigation Nos. 701-TA-482-485 and 731-TA-1191-1194 (Preliminary),* USITC Publication 4298, December 2011, p.III-4.
[6] Hearing transcript, pp. 22-23 (Kurasz).
[7] "*Allied Tube & Conduit Celebrates 50th Anniversary with Flagship Facility Expansion*," *The Fabricator*, November 3, 2009, found at http://www.thefabricator.com/article/allied-tube--conduit/allied-tube--conduit-celebrates-50th-anniversary-with-flagship-facility-expansion, retrieved March 12, 2012.
[8] "TMK IPSCO Opens Baytown Heat Treat Facility," The Free Library, found at http://www.thefreelibrary.com/TMK+IPSCO+Opens+Baytown+Heat+Treat+Facility.-a0197653748, retrieved April 12, 2012
[9] "AMM Awards: "2012 Steel Tube and Pipe Excellent Finalists," *American Metal Market (AMM),* January 31, 2012, found at http://www.amm.com/Article/2969313/AMM- Awards-2012-Steel-Tube-and-Pipe-Excellent-Finalists.html/, retrieved March 13, 2012.
[10] Northwest's New Release, "Northwest Pipe Company's Tubular Products Group to Upgrade Mill in Houston, Texas," found at http://phx.corporate-ir.net/phoenix.zhtml?c=82573&p=irol-newsArticle_print&ID=1526692&highlight=, retrieved March 14, 2012.
[11] The Carlyle Group, News Archive, March 11, 2011, found at http://www.carlyle.com/
[12] Michael Cowden, "*JMC to Buy, Gut and Shut Atkore Plant*," American Metal Market, March 15, 2012, found at http://www.amm.com/Article/2995305/Search/Results/JMC-to-buy-gut-and-shut-Atkore-plant.html, retrieved April 5, 2012 and hearing transcript, p. 19 (Seeger).

Changes Experienced by the Industry

Domestic producers were asked to indicate whether their firms had experienced any plant openings, relocations, expansions, acquisitions, consolidations, closures, or prolonged shutdowns because of strikes or equipment failure; curtailment of production because of shortages of materials or other reasons, including revision of labor agreements; or any other change in the character of their operations or organization relating to the production of circular welded pipe since 2006. Eleven of the 15 domestic producers (which provided responses in these reviews) indicated that they had experienced such changes; their responses are presented in table III-2.

Table III-2
Circular welded pipe: Changes in the character of U.S. producers' operations since January 1, 2006

* * * * * * *

Anticipated Changes in Operations

The Commission asked domestic producers to report anticipated changes in the character of their operations relating to the production of circular welded pipe. Their responses appear in table III-3. The majority of firms did not anticipate such changes. Among the firms that do anticipate such changes, the largest were tentative about the impact of the market on their future operating rates and project plans.

Table III-3
Circular welded pipe: Anticipated changes in the character of U.S. producers' operations

* * * * * * *

U.S. PRODUCERS' CAPACITY, PRODUCTION, AND CAPACITY UTILIZATION

Production, capacity, and capacity utilization for circular welded pipe are shown in table III-4.[4] [5] [6] U.S. capacity allocated to circular welded pipe decreased by 1.6 percent between 2006 and 2011. Production fell by 20.2 percent over the same period, while the capacity utilization rate declined from 61.4 percent in 2006 to 49.8 percent in 2011. Production remained steady between 2006 and 2007, declined by 5.5 percent in 2008 and by 25.8 percent in 2009, before partially recovering by 7.7 percent in 2010 and by 5.7 percent in 2011. Some U.S. producers attribute the drop in 2009 to the economic recession.[7] Six U.S. producers reported declines in production capacity, while four reported an increase, and five reported no change in 2011 compared to 2006.[8] All but five producers reported lower production over the same period, while all producers reported lower production in 2009 compared with 2008.

Table III-4
Circular welded pipe: U.S. producers' production, capacity, and capacity utilization, 2006-11

Item	Calendar year					
	2006	2007	2008	2009	2010	2011
Capacity[1] (*short tons*)	2,088,327	2,009,829	1,944,986	1,938,832	2,009,753	2,054,223
Production (*short tons*)	1,282,325	1,282,391	1,212,165	899,463	968,312	1,023,578
Capacity utilization (*percent*)	61.4	63.8	62.3	46.4	48.2	49.8

[1] ***.

Note.—Data for *** are included in 2006 (accounting for ***), and partial year 2009, when ***.

Note.—*** did not provide a questionnaire response, however the firm's data ***.

Source: Compiled from data submitted in response to Commission questionnaires.

[4] ***. Questionnaire response of ***.

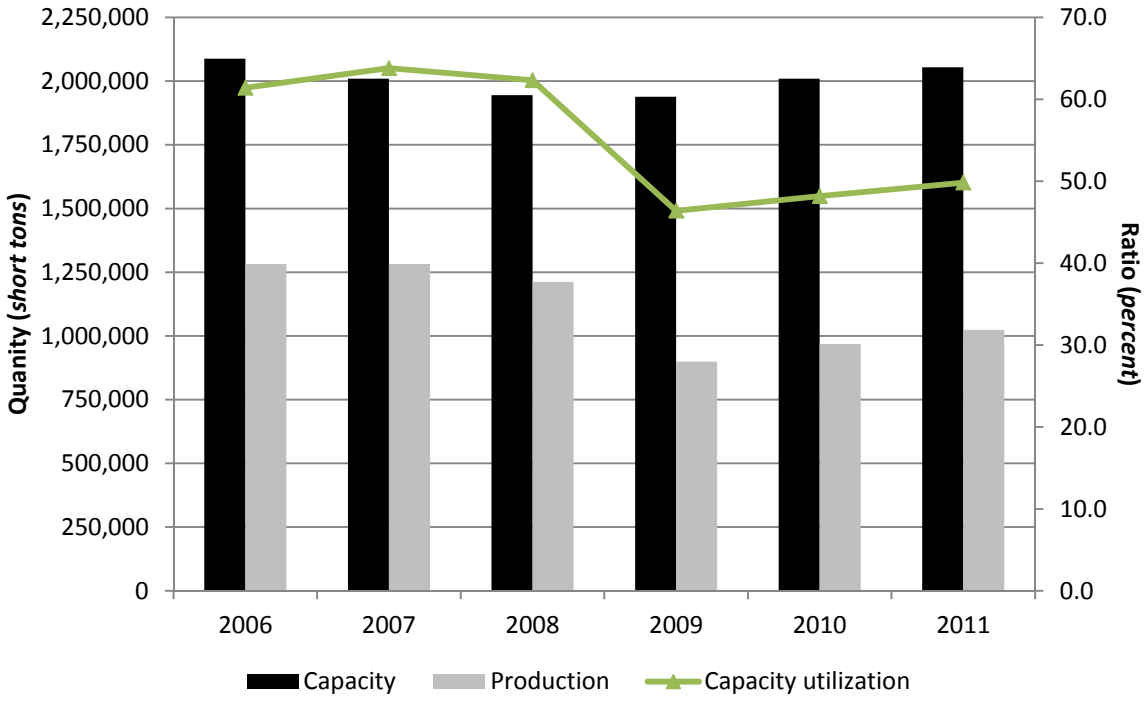
[5] ***.

[6] As noted earlier in Part III,*** did not provide a questionnaire response. The company's data ***.

[7] Email from ***, hearing transcript, p. 28 (Stefko), and *Circular Welded Carbon-Quality Steel Pipe from India, Oman, the United Arab Emirates, and Vietnam, Investigation Nos. 701-TA-482-485 and 731-TA-1191-1194 (Preliminary)*, USITC Publication 4298, December 2011, p. III-5.

[8] In some instances, productivity improvements and actions to reduce cost structure reportedly resulted in more efficient operations and increases in capacity. Hearing transcript, p. 73 (Kurasz), p. 74 (Schagrin), and p. 77 (Seeger).

Figure III-1
Circular welded pipe: U.S. producers' production, capacity, and capacity utilization, 2006-11



Source: Table III-4.

*** and *** accounted for the majority of the increase in capacity during 2006-11. ***. This increase in capacity was offset by the closure of Sharon Tube and by ***, which accounted for the majority of the decline in production capacity during 2006-11. ***. U.S. producers' capacity exceeded apparent U.S. consumption in in 2008-11 but was less than apparent U.S. consumption in 2006-07.

Constraints on Capacity

Ten of the 14 responding U.S. producers reported constraints in the manufacturing process. These constraints include physical limitations relating to mill size and capability, product mix, and downtime (for maintenance, change-overs, etc.). Market conditions also impact production constraints. Table III-5 presents the information provided by the U.S. producers regarding their constraints on capacity.

Table III-5
Circular welded pipe: U.S. producers' constraints on capacity

* * * * * * *

Alternative and Downstream Operations

All but one U.S. producer (***) reported producing other products using the same manufacturing equipment and/or production employees that were used to produce circular welded pipe.[9] Shifting of production from subject circular welded pipe and other products is usually determined by market demand. When switching between products, one company, ***, reported that downtime can range from several hours to days when switching between products, while another, ***, estimated that the changeover can take 10 to 12 hours and cost an estimated $*** in labor and supplies.

In the aggregate, the producers reported that the following products were produced using the same manufacturing equipment and/or production employees and those products' shares of total plant production between 2006 and 2011: subject circular welded pipe (26.6 percent); small/medium line pipe (13.6 percent); large diameter line pipe (3.6 percent); mechanical tubing (9.5 percent); OCTG (19.8 percent); and other products (26.8 percent). Other products include square and rectangular structural tubing, electrical conduit (EMT), slurry pipe, coupling stock, and strut. Aggregate data for the firms are presented in table III-6.

Table III-6
Circular welded pipe: U.S. producers' total plant capacity and production, by products, 2006-11

Item	Calendar year					
	2006	2007	2008	2009	2010	2011
	Quantity (*short tons*)					
Total plant capacity	6,793,231	7,159,233	7,175,848	7,177,264	7,160,489	7,185,589
Production:						
Subject circular welded pipe	1,281,847	1,384,554	1,212,949	898,909	974,106	1,029,188
Small/medium line pipe[1]	563,138	628,611	717,025	200,193	560,739	799,391
Large diameter line pipe[2]	131,467	192,246	232,089	68,263	126,451	169,167
Mechanical tubing	496,024	463,047	432,841	308,604	357,456	361,911
OCTG	836,787	836,598	1,080,802	221,784	960,682	1,097,556
Other[3]	1,398,067	1,301,990	1,316,646	843,683	998,373	974,594
Total, all products	4,707,330	4,807,046	4,992,352	2,541,436	3,977,807	4,431,807
Total plant capacity utilization (*percent*)	69.3	67.1	69.6	35.4	55.6	61.7

[1] Welded line pipe 16 inches or less in outside diameter.
[2] Welded line pipe greater than 16 inches in outside diameter.
[3] Other products include the following: square and rectangular structural tubing, electrical conduit (EMT), slurry pipe, coupling stock, and strut.

Source: Compiled from data submitted in response to Commission questionnaires.

[9] *** reported not producing other products on the same manufacturing equipment and/or production employees.

Seven producers reported changes in total plant production capacity, with *** accounting for the majority of the increase during 2006-11. The increase in 2007 was *** attributable to TMK IPSCO after IPSCO's acquisition of NS Steel in December 2006. This increase was *** offset by a decline in production at Wheatland, which closed its Little Rock, AR facility.[10] *** accounted for the majority of the increase in capacity between 2008 and 2009, when ***. This increase was *** offset by a decrease in capacity by Allied as result of closing its pipe mills in Pine Bluff, AR and temporarily shutdown at is Phoenix, AZ facility in late 2008, and *** by ***. ***. In addition to this decline, Wheatland's capacity also declined as a result of the closure of its plant in Sharon, PA in *** 2009. In contrast, Allied increased its capacity as a result of its acquisition of Novamerica's pipe mill in Philadelphia, as did ***. *** accounted for the majority of the increase in 2011.[11]

The production of all products increased between 2006 and 2008, then declined in 2009, before rising through the end of the period. OCTG had the largest decline in production in 2009, declining by 79.5 percent (or 859,018 short tons), followed by small/medium line pipe (72.1 percent or 516,832 short tons). These two products also had the largest increase in production in 2010, despite remaining below production levels in 2009, and again in 2011, to the highest levels in the period for which data were collected. The decline in 2008 of these two leading products produced on the same equipment and/or production employees, resulted in the share of total plant production for circular welded pipe to increase to its highest of the period (35.4 percent, compared to 23.2 - 28.8 percent during the preceding five years).

U.S. PRODUCERS' SHIPMENTS

Data on U.S. producers' shipments of circular welded pipe are presented in table III-7. Six U.S. producers reported exporting circular welded pipe, which accounted for less than six percent of the quantity of U.S. producers' shipments of circular welded pipe in each of the years between 2006 and 2011.[12] U.S. producers' total U.S. shipments, by quantity, decreased by 21.5 percent by quantity from 2006 to 2011, and total shipments fell by 19.2 percent, partially offset by an increase in exports. The average unit value of all forms of shipments peaked in 2008, then fell to their lowest levels in 2009, before increasing in 2010 and 2011.

Two firms, ***, reported internal consumption and four producers, ***, reported transfers to related firms. Internal consumption represented less than *** percent of U.S. producers' shipments of circular welded pipe during 2006-11 and transfers to related firms accounted for less than *** percent.

[10] Two other producers reported *** changes between 2006 and 2007 (***) and two producers reported *** changes between 2007 and 2008 (***), but these changes were not directly related to a specific event. ***.

[11] This increase was partially offset by ***.

[12] U.S. producers of circular welded pipe reported exporting to Canada and Mexico.

Table III-7
Circular welded pipe: U.S. producers' U.S. shipments, export shipments, and total shipments, 2006-11

Item	Calendar year					
	2006	2007	2008	2009	2010	2011
Quantity (*short tons*)						
U.S. shipments	1,230,404	1,274,984	1,239,555	881,430	921,844	966,015
Export shipments	33,387	47,103	38,192	39,331	45,650	54,556
Total shipments	1,263,791	1,322,087	1,277,747	920,761	967,494	1,020,571
Value (*1,000 dollars*)						
U.S. shipments	1,216,918	1,204,071	1,521,473	787,540	898,256	1,043,584
Export shipments	30,728	43,305	49,907	33,390	42,215	58,615
Total shipments	1,247,646	1,247,376	1,571,380	820,930	940,471	1,102,199
Unit value (*dollars per short ton*)						
U.S. shipments	989	944	1,227	893	974	1,080
Export shipments	920	919	1,307	849	925	1,074
Total shipments	987	943	1,230	892	972	1,080
Share of quantity (*percent*)						
U.S. shipments	97.4	96.4	97.0	95.7	95.3	94.7
Export shipments	2.6	3.6	3.0	4.3	4.7	5.3
Total shipments	100.0	100.0	100.0	100.0	100.0	100.0

Note.–Because of rounding, figures may not add to the totals shown.

Source: Compiled from data submitted in response to Commission questionnaires.

U.S. PRODUCERS' INVENTORIES

Table III-8, which presents U.S. producers' end-of-period inventories for circular welded pipe, shows that inventories decreased from 2006 to 2007, then fluctuated at lower levels for the remainder of the period. As a ratio to total shipments, inventories fell in 2007 and 2008, and then fluctuated in 2009-11, ending 0.5 percentage points below 2006 levels.[13]

Table III-8
Circular welded pipe: U.S. producers' end-of-period inventories, 2006-11

Item	Calendar year					
	2006	2007	2008	2009	2010	2011
Inventories (*short tons*)	193,218	168,394	151,707	139,243	142,504	151,164
Ratio to production (*percent*)	15.1	13.1	12.5	15.5	14.7	14.8
Ratio to U.S. shipments (*percent*)	15.7	13.2	12.2	15.8	15.5	15.6
Ratio to total shipments (*percent*)	15.3	12.7	11.9	15.1	14.7	14.8

Source: Compiled from data submitted in response to Commission questionnaires.

[13] One firm, *** reported that inventories do not reconcile due to scrap generation, rejects and seconds generation, and product going from a circular welded pipe product state to a non-circular welded pipe product state, and ***.

U.S. PRODUCERS' IMPORTS AND PURCHASES

During the period for which data were collected, one producer, ***, reported purchasing subject circular welded pipe from *** as ***.[14] *** purchased *** short tons of *** product during 2006-11, which was equivalent to *** percent of its U.S. production for the same period. *** also reported purchasing product from other import sources and U.S. producers.[15] In addition, *** reportedly purchased *** short tons from other sources used for ***. One U.S. producer, *** reported direct imports of circular welded pipe from nonsubject source *** in ***, equivalent to less than *** percent of its U.S. production for the same period.

U.S. PRODUCERS' EMPLOYMENT, WAGES, AND PRODUCTIVITY

The U.S. producers' aggregate employment data for circular welded pipe are presented in table III-9. The number of production-related workers ("PRWs") employed by the U.S. circular welded pipe industry declined between 2006 and 2011 by 643 workers or 29.3 percent. A substantial portion of the decline was reported by *** which reported declines in each year during 2006-11. During this time ***. Total hours worked similarly decreased by 25.4 percent between 2006 and 2011. Wages paid also declined, but hourly wages paid to PRWs increased during 2006-11.[16] [17] Although productivity increased by 7.0 percent, unit labor costs increased overall during the period. [18]

Table III-9
Circular welded pipe: U.S. producers' employment-related data, 2006-11

Item	Calendar year					
	2006	2007	2008	2009	2010	2011
PRWs (*number*)	2,192	2,032	1,906	1,589	1,451	1,549
Total hours worked (*1,000 hours*)	4,555	4,191	4,343	2,893	3,074	3,397
Hours worked per PRW (*hours*)	2,078	2,063	2,279	1,821	2,119	2,193
Wages paid *($1,000)*	99,169	96,098	101,721	73,328	80,361	96,222
Hourly wages (*dollars*)	$21.77	$22.93	$23.42	$25.35	$26.14	$28.33
Productivity (*short tons per 1,000 hours*)	281.5	306.0	279.1	310.3	315.0	301.3
Unit labor costs (*per short ton*)	$77.34	$74.94	$83.92	$81.52	$82.99	$94.01
Source: Compiled from data submitted in response to Commission questionnaires.						

[14] ***.

[15] ***.

[16] ***, which represented less than *** percent of total U.S. producers' hours worked and wages paid in 2006, reported an anomalous low hourly wage in 2006, but noted that the underlying data was unavailable ***. Email from ***, May 11, 2012.

[17] *** reported the largest increase in hourly wages during 2006-11 (***) and while it reported above U.S. producers' average hourly wages in each year during 2006-11, only had the highest hourly wage in 2011. ***.

[18] Domestic interested parties argue that while U.S. wages are higher than in some countries such as Turkey, they are not the highest in the world and are offset by the higher productivity in the United States. Hearing transcript, pp. 133-134 (Scott).

U.S. PRODUCERS' FINANCIAL CONDITION AND EXPERIENCE

Background

The financial results of seventeen U.S. producers of circular welded pipe are presented in this section of the report with the majority of the industry's overall sales quantity accounted for by Wheatland and Allied at *** percent and *** percent on a cumulative basis, respectively.[19] [20] [21] [22] Unlike most producers, whose overall operations are focused primarily on products such as line pipe, mechanical tubing, OCTG, and/or rectangular and square pipe, Wheatland's production is focused primarily on circular welded pipe, while Allied's production is divided between circular welded pipe, mechanical tubing, and conduit and strut.

In 2009, as described previously, a number of producers reported plant closures, plant idling, and reduced shifts in response to a sharp decline in sales. The impact of these actions, as well as similar actions taken in other years, are reflected directly and indirectly in the industry's reported financial results.

Producers' Operations on Circular Welded Pipe

Table III-10 presents the overall financial results of the U.S. industry's operations on circular welded pipe. Corresponding company-specific financial information for selected items is presented in table III-11.[23] Table III-12 presents a variance analysis of the U.S. industry's financial results.[24]

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[19] Wheatland and Atlas are related companies but reported their circular welded pipe financial results separately. On a combined basis Wheatland and Atlas account for *** percent of the industry's cumulative sales quantity.

[20] Staff verified the U.S. producer questionnaire response of Wheatland on April 24-25, 2012. Changes resulting from verification are reflected in this and other sections of the staff report. Verification report (Wheatland), p. 2

[21] All U.S. producers reported their financial results on the basis of generally accepted accounting principles ("GAAP") with annual periods primarily reflecting calendar-years. ***.
***. Verification report (Wheatland), p. 3.

[22] While internal consumption and transfers were reported by several companies, commercial sales represent the majority of overall circular welded pipe revenue. Accordingly, a single line item for circular welded pipe revenue is reflected in the tables presented below. ***. E-mail with attachments from Wheatland to USITC auditor, March 13, 2012. ***. E-mail with attachment from Allied to USITC auditor, March 16, 2012.

[23] Table E-1 (Appendix E) presents company-specific changes in the components of the cost of goods sold ("COGS")-to-sales ratio by year. Table E-1 also presents corresponding percentage changes in average sales values and the components of average COGS.

[24] The Commission's variance analysis is calculated in three parts: sales variance, COGS variance, and sales, general and administrative ("SG&A") expenses variance. Each part consists of a price variance (in the case of the sales variance) or a cost variance (in the case of the COGS and SG&A variances) and a volume (quantity) variance. The sales or cost variance is calculated as the change in unit price/cost times the new volume, while the volume variance is calculated as the change in volume times the old unit price/cost. Summarized at the bottom of table III-12, the price variance is from sales, the cost/expense variance is the sum of those items from COGS and SG&A, respectively, and the net volume variance is the sum of the price, COGS, and SG&A volume variances. All things being equal, a stable overall product mix generally enhances the utility of the Commission's variance analysis. As noted below, U.S. producers generally indicated that there were no substantial changes in their circular welded pipe product mix during the period examined.

Table III-10
Circular welded pipe: Results of U.S. producers' operations, fiscal years 2006-11

Item	Fiscal year					
	2006	2007	2008	2009	2010	2011
	Quantity (*short tons*)					
Total net sales	1,361,747	1,321,492	1,425,103	900,288	949,647	1,016,377
	Value (*$1,000*)					
Total net sales	1,281,582	1,218,151	1,719,099	858,849	914,734	1,075,973
Cost of goods sold:						
Raw material	843,845	851,875	1,101,917	670,031	626,891	759,303
Direct labor	74,111	81,650	79,821	62,205	61,060	67,790
Other factory costs	158,873	169,981	169,795	168,215	118,942	123,896
Total cost of goods sold	1,076,829	1,103,506	1,351,533	900,451	806,893	950,989
Gross profit or (loss)	204,753	114,645	367,566	(41,602)	107,841	124,984
Selling expenses	18,134	16,832	20,797	15,511	13,576	15,764
General and administrative expenses	43,167	57,878	75,767	69,461	59,967	78,151
Total SG&A expenses	61,301	74,710	96,564	84,972	73,543	93,915
Operating income or (loss)	143,452	39,935	271,002	(126,574)	34,298	31,069
Interest expense	15,344	57,142	54,541	44,358	27,175	32,365
Other expenses	6,362	9,212	10,032	48,656	16,315	4,148
Other income items	3,942	1,499	2,223	144,453	13,363	3,173
Net income or (loss)	125,688	(24,920)	208,652	(75,135)	4,171	(2,271)
Depr. and amortization (incl. above)	21,266	28,097	32,660	37,762	34,500	35,512
Est. cash flow from operations	146,954	3,177	241,312	(37,373)	38,671	33,241
	Ratio to net sales (*percent*)					
Raw material	65.8	69.9	64.1	78.0	68.5	70.6
Direct labor	5.8	6.7	4.6	7.2	6.7	6.3
Other factory costs	12.4	14.0	9.9	19.6	13.0	11.5
Total cost of goods sold	84.0	90.6	78.6	104.8	88.2	88.4
Gross profit or (loss)	16.0	9.4	21.4	(4.8)	11.8	11.6
Total SG&A expenses	4.8	6.1	5.6	9.9	8.0	8.7
Operating income or (loss)	11.2	3.3	15.8	(14.7)	3.7	2.9
Net income or (loss)	9.8	(2.0)	12.1	(8.7)	0.5	(0.2)

Table continued on next page.

Table III-10--*Continued*
Circular welded pipe: Results of U.S. producers' operations, fiscal years 2006-11

Item	Fiscal year					
	2006	2007	2008	2009	2010	2011
	Unit value (*dollars per short ton*)					
Net sales	941	922	1,206	954	963	1,059
Cost of goods sold:						
Raw material	620	645	773	744	660	747
Direct labor	54	62	56	69	64	67
Other factory costs	117	129	119	187	125	122
Total cost of goods sold	791	835	948	1,000	850	936
Gross profit or (loss)	150	87	258	(46)	114	123
SG&A expenses	45	57	68	94	77	92
Operating income or (loss)	105	30	190	(141)	36	31
	Number of companies reporting					
Data	17	16	16	16	16	16
Operating losses	1	3	1	11	3	7

Source: Compiled from data submitted in response to Commission questionnaires.

Table III-11
Circular welded pipe: Selected financial information of U.S. producers' operations, fiscal years 2006-11

* * * * * * *

Table III-12
Circular welded pipe: Variance analysis of the financial results of U.S. producers' operations, fiscal years 2006-11

	Fiscal year					
	2006-11	2006-07	2007-08	2008-09	2009-10	2010-11
Total net sales:						
Price variance	119,429	(25,546)	405,439	(227,167)	8,798	96,962
Volume variance	(325,038)	(37,885)	95,509	(633,083)	47,087	64,277
Total net sales variance	(205,609)	(63,431)	500,948	(860,250)	55,885	161,239
Cost of goods sold:						
Raw material:						
Cost variance	(129,476)	(32,975)	(183,251)	26,089	79,875	(88,361)
Volume variance	214,018	24,945	(66,791)	405,797	(36,735)	(44,051)
Net raw material variance	84,542	(8,030)	(250,042)	431,886	43,140	(132,412)
Direct labor:						
Cost variance	(12,475)	(9,730)	8,231	(11,779)	4,555	(2,439)
Volume variance	18,796	2,191	(6,402)	29,395	(3,410)	(4,291)
Net direct labor variance	6,321	(7,539)	1,829	17,616	1,145	(6,730)
Other factory costs:						
Cost variance	(5,317)	(15,804)	13,513	(60,949)	58,496	3,404
Volume variance	40,294	4,696	(13,327)	62,529	(9,223)	(8,358)
Net other factory cost	34,977	(11,108)	186	1,580	49,273	(4,954)
Net cost of goods sold:						
Cost variance	(147,268)	(58,509)	(161,507)	(46,640)	142,926	(87,397)
Volume variance	273,108	31,832	(86,520)	497,722	(49,368)	(56,699)
Total net cost of goods	125,840	(26,677)	(248,027)	451,082	93,558	(144,096)
Gross profit variance	(79,769)	(90,108)	252,921	(409,168)	149,443	17,143
SG&A expenses:						
Expense variance	(48,161)	(15,221)	(15,996)	(23,969)	16,088	(15,204)
Volume variance	15,547	1,812	(5,858)	35,561	(4,659)	(5,168)
Total SG&A variance	(32,614)	(13,409)	(21,854)	11,592	11,429	(20,372)
Operating income variance	(112,383)	(103,517)	231,067	(397,576)	160,872	(3,229)
Summarized as:						
Price variance	119,429	(25,546)	405,439	(227,167)	8,798	96,962
Net cost/expense variance	(195,430)	(73,731)	(177,503)	(70,609)	159,014	(102,601)
Net volume variance	(36,383)	(4,241)	3,131	(99,800)	(6,940)	2,410

Source: Compiled from data submitted in response to Commission questionnaires.

Net Sales Quantity and Value

Period-to-period changes in total sales quantity and total sales value reflect alternating increases and decreases between 2006-08, a sharp decline in 2009, followed by incremental increases in 2010 and 2011. As shown in table III-11, while a number of U.S. producers reported similar trends, the magnitude and direction of company-specific changes in sales quantity were not uniform. For example, Wheatland and Allied reported *** in sales quantity between 2007 and 2008 and then again between 2010 and 2011 with Allied reporting a *** in sales quantity while Wheatland reported a ***.[25] [26]

Table III-11 shows that the directional trend of company-specific average sales value was generally uniform for much of the period with the exception being 2009-10 when U.S. producers reported a mix of increases and decreases in average sales value; e.g., ***.

With respect to how period-to-period changes in average sales value can be interpreted, most U.S. producers confirmed that their product/customer mix did not change substantially during the period examined.[27] As such, changes in company-specific average sales values primarily reflect underlying changes in input costs, as well as prevailing market conditions.[28]

On an overall basis, period-to-period changes in average sales value were positively correlated with changes in average raw material costs between 2007-08, 2008-09, and 2010-11, while for the other periods the directional change in average sales value and average raw material costs were negatively correlated. U.S. producers generally confirmed that, while circular welded pipe prices incorporate (or attempt to incorporate) current raw material costs, there is no specific raw material passthrough component.[29]

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[25] In response to Commissioner Aranoff's hearing question regarding variability in company-specific sales volume between 2010-11, domestic interested parties noted in their posthearing brief that ***. Response to Commissioner Aranoff hearing question, Domestic interested parties' posthearing brief, p. A-1. ***. USITC auditor notes.

[26] With the exception of 2007-08 and 2010-11, when positive price variances played a relatively more important role, volume variances (negative and positive) were the primary factors explaining period-to-period changes in total circular welded pipe revenue (see total net sales section of table III-12). It should be noted, however, that the 2006-07 negative volume variance is ***. Verification report (Wheatland), p. 3. ***.

[27] E-mail with attachment from Atlas to USITC auditor, March 15, 2012. E-mail with attachment from American to USITC auditor, March 15, 2012. E-mail with attachment from California Steel to USITC auditor, March 19, 2012. E-mail with attachment from Hanna to USITC auditor, March 14, 2012. Fax with attachment from Leavitt to USITC auditor, March 14, 2012. E-mail with attachment from TMK-IPSCO to USITC auditor, March 16, 2012. E-mail with attachments from Western to USITC auditor, March 13, 2012. E-mail with attachments from Wheatland to USITC auditor, March 13, 2012. Northwest stated that ***. E-mail with attachments from Northwest to USITC auditor, March 20, 2012.

[28] As shown in table III-11, company-specific average sales values, along with corresponding average COGS (see also footnote 33), reflect a range of values which in general appears to be consistent with differences in underlying product mix; i.e., during the period examined the absolute difference between the highest average company-specific sales value and the lowest average company-specific sales value ranged from a low of ***. USITC auditor notes. ***. Response to Commissioner Aranoff hearing question, Domestic interested parties' posthearing brief, p. A-2.

[29] E-mail with attachment from Hanna to USITC auditor, March 14, 2012. E-mail with attachments from Northwest to USITC auditor, March 20, 2012. E-mail with attachment from Tex-Tube to USITC auditor, March 28, 2012. As described by Levitt, ***. Fax with attachment from Leavitt to USITC auditor, March 14, 2012. Similarly and according to Wheatland ***. E-mail with attachments from Wheatland to USITC auditor, March 13, 2012.

Cost of Goods Sold

The cost of raw materials, principally hot-rolled steel but in some cases steel slab further processed by the U.S. producer, represents the single largest component of overall circular welded pipe COGS: 78.4 percent on a cumulative basis. With respect to the industry's financial results, the value of raw materials recognized as part of COGS reflects an accounting cost which in turn is based on a mix of company-specific inventory valuation methodologies.[30] [31]

As shown in table E-1 (Appendix E), while the directional changes in average sales value and average raw material costs between 2008-09 were the same (both negative), the relative decline in average sales value was much larger compared to the decline in average raw material costs. In part, this pattern reflects the fact that during 2009 a number of U.S. producers were still in the process of consuming higher-cost raw material inventory purchased in 2008 while corresponding average sales values charged in 2009 had declined substantially. In addition to ***.[32]

Consistent with the capital-intensive nature of circular welded pipe production, other factory costs and direct labor account for the second and third largest shares of COGS: 14.7 percent and 6.9 percent on a cumulative basis, respectively.[33]

As indicated in table III-11, company-specific changes in average other factory costs did not, given corresponding changes in sales quantity, uniformly reflect expected directional changes; e.g., a decline in sales/production volume generally results in reduced fixed cost absorption which, all things being equal, yields a corresponding increase in average other factory costs.[34] ***. ***.[35]

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[30] ***. E-mail with attachment from American to USITC auditor, March 15, 2012. E-mail with attachment from California Steel to USITC auditor, March 19, 2012. Fax with attachment from Leavitt to USITC auditor, March 14, 2012. E-mail with attachment from Tex-Tube to USITC auditor, March 28, 2012. E-mail with attachment from TMK-IPSCO to USITC auditor, March 16, 2012. E-mail with attachments from Western to USITC auditor, March 13, 2012. ***. E-mail with attachment from Atlas to USITC auditor, March 15, 2012. E-mail with attachments from Northwest to USITC auditor, March 20, 2012. E-mail with attachments from Wheatland to USITC auditor, March 13, 2012.

[31] While most U.S. producers purchase raw material inputs from unrelated parties, ***. E-mail with attachment from California Steel to USITC auditor, March 19, 2012. E-mail with attachment from California Steel to USITC auditor, March 20, 2012.

[32] An LCM adjustment in effect immediately recognizes a loss when the original inventory holding cost is lower than current market value. For GAAP purposes and the LCM adjustment specifically, market value refers to replacement cost bounded by a floor (net realizable value less a normal profit) and a ceiling (net realizable value). *Wiley GAAP 2012*, pp. 306-07.

According to Leavitt, ***. Fax with attachment from Leavitt to USITC auditor, March 14, 2012. As described by Wheatland, ***. E-mail with attachments from Wheatland to USITC auditor, March 13, 2012. As described by Northwest, the company ***. E-mail with attachments from Northwest to USITC auditor, March 20, 2012. ***. E-mail with attachment from Tex-Tube to USITC auditor, March 28, 2012.

[33] In response to Commissioner Aranoff's hearing question regarding variability in company-specific average COGS (see table III-11), domestic interested parties indicated in their posthearing brief that these differences primarily reflect product mix. For example, ***. Response to Commissioner Aranoff hearing question, Domestic interested parties' posthearing brief, p. A-2. Listing companies whose sales reflect a large share of galvanized product ***. Ibid.

[34] USITC auditor notes. The "expected directional change" referenced here should be considered a simplification since "other factory costs" represent a combination of fixed, variable, and mixed (semi-fixed/semi-variable) costs; i.e., the level of fixed cost absorption is just one factor that helps to explain period-to-period changes in average other factory costs. Additionally, average other factory costs can be presumed to differ somewhat by U.S. producer based on factors such as company-specific manufacturing operations (including activity such as plant closure or plant expansion), as well as the underlying product mix produced and sold in a given period. As shown in table III-10, on an overall basis the average of other factory costs reflects the expected directional change; i.e., overall

(continued...)

In addition to changes in fixed cost absorption, average other factory costs and average direct labor also reflect changes in underlying cost structure during the period examined: Wheatland closed the former Sawhill Tubular plant in 2006 and its Little Rock, AR plant in 2007; in 2008 Atlas and Allied closed their Blytheville and Pine Bluff, AR plants, respectively; in 2009 Allied put its Phoenix, AZ plant into prolonged shutdown and acquired the Morrisville, PA plant; also in 2009, Levitt ceased all production at its Jackson, MS plant, and Wheatland idled the "hot mill" at its Mill Street plant.[36] [37] [38] With respect to Allied's Pine Bluff, AR plant, the closure decision was made in order to improve the company's overall cost structure.[39] ***.[40]

Gross Profit or (Loss)

Table III-10 shows that the industry's gross profit (on an absolute and relative basis) fluctuated during the period; declining in 2007 compared to 2006, increasing in 2008 to the highest level of the period, and then declining sharply to an overall gross loss in 2009. While 2010 and 2011 gross profitability recovered somewhat, the levels were notably lower compared to earlier in the period.

With regard to 2007 and 2009, the pattern of overall declines in company-specific gross profit was widespread (see table III-11). In 2007, average sales value declined 2.1 percent while average COGS

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[34](...continued)
average other factory costs increases/decreases in conjunction with corresponding decreases/increases in overall sales volume.

[35] As described by a TMK–IPSCO official at the Commission's hearing, "{w}e are fortunate that we do make oil country tubular goods and standard pipe and line pipe at all three of our welded facilities. Due to the nature of the markets, when one is running hot and the others are cold, we can focus our efforts on that. In a steady state environment we are committed, as I said in my testimony, to the standard pipe market. We have more or less a partition at our mills through the forecasting process, production and planning process, that we are dedicating a certain amount of production to all of our products." Hearing transcript, pp. 101-102 (Stefko).

As noted at the beginning of this section, the overall operations of most U.S. producers are focused on products other than circular welded pipe with important exceptions being Allied and Wheatland. As such and with respect to producers whose primary production is not circular welded pipe, company-specific changes in average other factory costs in part reflect changes in plant utilization related to primary product categories, as opposed to changes in circular welded pipe production/sales alone. E-mail with attachment from American to USITC auditor, March 15, 2012. E-mail with attachment from Atlas to USITC auditor, March 15, 2012. E-mail with attachment from California Steel to USITC auditor, March 19, 2012. E-mail with attachment from Hanna to USITC auditor, March 14, 2012. E-mail with attachment from Tex-Tube to USITC auditor, March 28, 2012. E-mail with attachments from Western to USITC auditor, March 13, 2012. For example and according to Leavitt, ***. Fax with attachment from Leavitt to USITC auditor, March 14, 2012. USITC auditor notes.

[36] ***.

[37] ***. Verification report (Wheatland), Attachment B. ***. Fax with attachment from Leavitt to USITC auditor, March 14, 2012. ***. USITC auditor notes. While Allied's Phoenix, AZ plant was reopened at the end of 2009, the plant operates only one shift and its workforce was reportedly reduced by 150 employees. Hearing transcript, p. 22 (Kurasa).

The Morrisville, PA plant was acquired by Allied in 2009, shutdown in March 2012, and then subsequently sold to JMC Steel Group (parent company of Wheatland and Atlas) which will reportedly close the plant permanently and distribute its equipment to other plants. Hearing transcript, pp. 18-19 (Seeger).

[38] ***. Verification report, p. 4. As indicated at the Commission's hearing, Wheatland's Council Avenue mill is currently the only continuous weld mill operating in the United States. Hearing Transcript, p. 18 (Seeger).

***. Verification report (Wheatland), p. 5.

[39] "Rising costs spur Allied Tube to shutter Arkansas facility," *Metal Bulletin Daily*, July 13, 2008, Issue 117. ***.

[40] E-mail Welded Tube from USITC auditor, May 8, 2012.

increased 5.6 percent with the increase in average COGS largely reflecting higher average raw material cost and to a lesser extent higher average other factory costs and average direct labor (see table E-1). As shown in table III-11 and table E-1, while most U.S. producers reported lower average sales value in 2007, period-to-period changes in average raw material costs were mixed. In contrast, changes in average other factory costs and direct labor were more directionally uniform with most producers reporting higher average costs in those categories.[41] [42] The combination of lower average sales value and higher average COGS increased the COGS-to-sales ratio to 90.6 percent in 2007, up from 84.0 percent in 2006.

In 2009, the 104.8 percent COGS-to-sales ratio (the highest of the period) and corresponding gross loss reflect a 20.9 percent decline in average sales value and a corresponding 5.5 percent increase in average COGS (see table III-10 and table E-1). The notable increase in average other factory costs in 2009, and its more important contribution to elevating the COGS-to-sales ratio in that year as compared to 2007, is generally consistent with the uniform pattern of substantially lower sales volume reported by U.S. producers.[43]

SG&A Expenses and Operating Income or (Loss)

The industry's SG&A expense ratio (total SG&A expenses as a percentage of total sales value) increased in 2007, declined marginally in 2008, reached its highest level in 2009, and then remained elevated for the rest of the period. The pattern of higher overall SG&A expenses, as indicated above (see footnote 37) are in part due to asset impairments and plant closures; e.g., the increase in the SG&A expense ratio in 2007, which exacerbated the decline in gross profit in that year, in part reflects ***.[44]

While negative and positive changes in the industry's operating results are largely explained at the gross level, the pattern of higher SG&A expenses, in conjunction with a contraction in gross profit margins, limited to some extent the improvement in the industry's operating income. Table III-11 shows that the pattern of higher SG&A expense ratios in the second half of the period is largely attributable to

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[41] As shown in table III-11, most U.S. producers reported lower sales volume in 2007 which is generally consistent with the pattern of corresponding overall higher average other factory costs and direct labor reported in that year. ***.

[42] In response to a hearing question by Commissioner Pinkert, domestic interested parties indicated that the industry's financial results declined in 2007, despite relatively strong demand in that year, due to pricing pressure caused by high levels of Chinese imports of circular welded pipe, as well as the negative impact of higher average COGS. Hearing transcript, pp. 85-86 (Schagrin), p. 87 (Vaughn). In response to the same question, foreign interested parties' posthearing brief described the 2007 financial results as an "apparent inconsistency" and deferred to domestic interested parties for an explanation. Response to Commissioner Pinkert hearing question, Foreign interested parties' posthearing brief, p. 37. (Note: While table E-1 (Appendix E) was developed in order to highlight important factors which help explain period-to-period changes in the industry's financial results at the gross profit level, the industry's financial results were also impacted by changes in the level of SG&A expenses (see footnote 37, footnote 45, and footnote 46)).

[43] On a company-specific basis, all U.S. producers *** reported relative declines in their gross financial results in 2009 compared to 2008 (see table III-11). With respect to ***. E-mail with attachment from California Steel to USITC auditor, March 19, 2012. ***.

[44] As shown in table III-11, company-specific SG&A expense ratios were not uniform. In response to a hearing question by Commissioner Aranoff, domestic interested parties stated in their posthearing brief that there were few conclusions that could be drawn regarding the variability in company-specific SG&A expense ratios; e.g., the extent to which companies produce commodity products or more specialized products does not appear to be a characteristic which helps explain differences in company-specific SG&A expense ratios. Nonetheless, domestic interested parties indicated that the observed variability, at least in part, likely reflects company-specific accounting choices in the assignment of costs to either COGS or SG&A expenses. Response to Commissioner Aranoff hearing question, Domestic interested parties posthearing brief, pp. A-2, A-3.

***.[45] While *** SG&A expenses increased somewhat in 2011, the industry's higher SG&A expense ratio in that year ***.[46]

Non-Recurring Items

In addition to the non-recurring items previously noted, the majority of which were classified as SG&A expenses and therefore primarily impacted the industry's operating results, substantial non-recurring items which specifically impacted net income (see table III-10) include the following: ***.[47] [48]

CAPITAL EXPENDITURES AND RESEARCH AND DEVELOPMENT EXPENSES

Data on capital expenditures and research and development ("R&D") expenses related to operations on circular welded pipe are presented in table III-13.

Table III-13
Circular welded pipe: Value of capital expenditures and research and development expenses of U.S. producers, fiscal years 2006-11

* * * * * * *

Consistent with its share of the industry's total circular welded pipe sales, Wheatland accounted for *** of overall capital expenditures: *** percent on a cumulative basis. ***.[49] TMK-IPSCO, which accounted for the *** company-specific share of capital expenditures (*** percent), also reported ***. As described by TMK-IPSCO, ***.[50] Similar to the pattern reported by TMK-IPSCO and Wheatland, most U.S. producers reported a somewhat larger share of capital expenditures in the second half of the period (2009-11) compared to the first half (2006-08) with a notable example being *** capital expenditures were reported between 2009-11.[51]

***.[52]

[45] As described by TMK-IPSCO, the company's ***. E-mail with attachment from TMK-IPSCO to USITC auditor, March 16, 2012. ***. Ibid. ***.

[46] Verification report, p. 8. ***.

[47] As described by Atlas, ***. E-mail with attachment from Atlas to USITC auditor, March 15, 2012.

[48] In November 2008, NLMK reportedly withdrew from a $3.53 billion agreement to acquire JMC after which NLMK was sued in order to compel completion of the acquisition. The total amount of the settlement was $234 million. "DBO, NLMK Settle JMC Spat," *American Metal Market*, May/June 2009, Vol. 118, Issue 4, p. 15.

[49] E-mail with attachments from Wheatland to USITC auditor, March 13, 2012.

[50] E-mail with attachment from TMK-IPSCO to USITC auditor, March 16, 2012.

[51] ***. Fax with attachment from Leavitt to USITC auditor, March 14, 2012.

[52] E-mail from American to USITC auditor, March 29, 2012.

PART IV: U.S. IMPORTS AND THE FOREIGN INDUSTRY

U.S. IMPORTS

Overview

The Commission issued questionnaires to 91 firms believed to have imported circular welded pipe between 2006 and 2011, as well as to all U.S. producers of circular welded pipe. Twenty-one companies provided usable questionnaire responses.[1] Thirteen of the 21 companies indicated that they imported circular welded pipe from the subject countries, and they accounted for approximately half of imports from subject countries in 2011 (by value). Specifically, firms responding to the Commission's questionnaire accounted for the following shares of individual subject country's subject imports (as a share of official import statistics, by value) during the period examined:[2]

- None of the subject imports from Brazil in 2011;[3]
- 52.2 percent of the subject imports from India in 2011;
- Less than 1 percent of the subject imports from Korea in 2011;
- None of the subject imports from Mexico in 2011;[4]
- 95.0 percent of the subject imports from Taiwan in 2011;
- Vast majority of the subject imports from Thailand in 2011;
- Vast majority of the subject imports from Turkey in 2011;
- 23.9 percent of the nonsubject imports from all other sources in 2011;

Import data in this report are based on official Commerce statistics for circular welded pipe for statistical reporting numbers 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, and 7306.30.5090 In addition to subject merchandise, these statistical reporting numbers may also include certain other products such as mechanical tubing.[5]

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[1] Nineteen firms, including 10 U.S. producers, reported that they had not imported circular welded pipe from any country at any time since January 1, 2006.

[2] Firms importing circular welded pipe from Korea, Taiwan Thailand, and Turkey in 2011 paid duties on the great majority (between *** and *** percent) of these imports. While the vast majority of imports from India in 2011 were nonsubject (from excluded producer Zenith), of those subject to the order, duties were paid on approximately *** of the imports, by value, although questionnaire responses identified a substantial portion of imports from India that did not pay duties as "subject." *** duties were paid on relatively small quantity of imports from Brazil in 2011. *** duties were paid on the vast majority of imports from Mexico in 2011.

[3] U.S. imports from Brazil entered under the relevant HTS statistical reporting numbers were less than 1,000 short tons in each year of the period for which data were collected. Confidential Customs data indicate that U.S. importers paid *** antidumping duties on these limited entries.

[4] *** paid antidumping duties on imports from Mexico during 2006-11, the majority by ***. ***. ***, which was the importer of record for these entries, did not respond to reported enquiries from Staff regarding the nature of these imports. *** reported imports from Mexico which were later revised as being circular welded pipe certified to ASTM A513 but which were produced as fence tubing, sold as fence tubing, imported as fence tubing, and/or sold to a fence distributor.

[5] Mechanical tubing imports are believed to be intended for relatively specialized applications, such as automotive applications. Such imports from Canada have been removed from the dataset. The Commission also

(continued…)

Imports from Subject and Nonsubject Countries

Table IV-1 presents data for U.S. imports of circular welded pipe from each subject source and all other sources. Imports of circular welded pipe from the subject sources decreased by *** percent between 2006 and 2011, while nonsubject imports decreased by *** percent. Imports from each of the subject sources, except Korea, were lower in 2011 compared with 2006. Imports from each of the subject sources decreased between 2006 and 2007, as did combined imports from nonsubject sources although to a lesser degree. In 2008, imports from each subject source, except from Mexico, increased, many to or near highest levels, while imports from nonsubject sources fell by *** percent, reflecting a sharp decline in imports from China as countervailing and antidumping orders on these imports entered into effect (July 2008).[6] In 2009 imports from subject sources fell (except for imports from Mexico), to the second lowest cumulative level, as did imports from nonsubject sources (to their lowest level of the period). Imports from both subject and nonsubject sources increased in 2010, while imports from subject sources decreased in 2011 and imports from nonsubject sources increased.

Imports from the subject sources as a share of total imports fluctuated during 2006-11, but were *** percentage points greater in 2011 than in 2006, accounting for *** percent of total U.S. imports in 2011. In response to the filing of a petition on October 26, 2011, the Commission and Commerce commenced antidumping and countervailing duty investigations on imports of circular welded carbon-quality steel pipe from India, Oman, United Arab Emirates, and Vietnam.[7]

The average unit values of imports from subject sources were higher than those of nonsubject imports in 2006-08, but were lower in 2009-11. Average unit values for subject imports increased by *** percent between 2006 and 2011, while average unit values for nonsubject imports increased by *** percent during the same period.

(continued…)
asked U.S. importers to identify imports of circular welded pipe certified to ASTM A513 but which were produced as fence tubing, sold as fence tubing, imported as fence tubing and/or sold to a fence tubing distributor since January 1, 2006. One U.S. importer, *** reported such imports ***.

[6] *Notice of Antidumping Duty Order: Circular Welded Carbon Quality Steel Pipe from the People's Republic of China*, 73 FR 42547, July 22, 2008, and *Circular Welded Carbon Quality Steel Pipe from the People's Republic of China: Notice of Amended Final Affirmative Countervailing Duty Determination and Notice of Countervailing Duty Order*, 73 FR 42545, July 22, 2008.

[7] *Circular Welded Carbon-Quality Steel Pipe From India, Oman, United Arab Emirates, and Vietnam; Institution of Antidumping and Countervailing Duty Investigations and Scheduling of Preliminary Phase Investigations*, 76 FR 68208, November 3, 2011; *Circular Welded Carbon-Quality Steel Pipe From India, the Sultanate of Oman, the United Arab Emirates, and the Socialist Republic of Vietnam: Initiation of Antidumping Duty Investigations*, 76 FR 72164, November 22, 2011; and *Circular Welded Carbon-Quality Steel Pipe From India, the Sultanate of Oman, the United Arab Emirates, and the Socialist Republic of Vietnam: Initiation of Countervailing Duty Investigations*, 76 FR 72173, November 22, 2011.

Table IV-1
Circular welded pipe: U.S. imports by source, 2006-11

Item	Calendar year					
	2006	2007	2008	2009	2010	2011
	Quantity (*short tons*)					
Brazil	570	386	555	490	622	401
India, subject	***	***	***	***	***	***
Korea	44,348	31,437	123,952	38,833	75,857	48,054
Mexico	74,808	64,935	52,245	66,813	63,151	66,017
Taiwan	43,038	33,306	75,017	7,600	27,621	22,966
Thailand	77,832	47,736	85,760	31,399	28,751	47,696
Turkey	31,797	3,146	53,583	26,032	37,225	31,723
Subtotal, subject	***	***	***	***	***	***
China	649,718	680,311	12,081	2,105	3,196	3,244
India, nonsubject	***	***	***	***	***	***
Oman	16,112	6,446	24,404	18,888	33,442	35,378
U.A.E.	6,389	2,219	18,579	17,461	33,188	63,996
Vietnam	2,279	3,227	29,734	22,417	35,678	55,079
All others	184,651	104,632	143,316	75,967	70,937	80,495
Subtotal, nonsubject	***	***	***	***	***	***
Total U.S. imports	1,179,398	991,842	688,846	355,658	483,675	506,620
	Value (*1,000 dollars*)					
Brazil	841	696	1,288	1,059	1,394	1,041
India, subject	***	***	***	***	***	***
Korea	35,399	29,031	126,895	33,714	68,178	51,190
Mexico	61,461	52,858	58,380	49,111	52,473	63,670
Taiwan	26,302	22,296	70,947	7,871	22,370	20,989
Thailand	52,738	36,736	89,600	30,594	26,785	46,507
Turkey	21,087	3,295	58,346	23,731	30,399	30,124
Subtotal, subject	***	***	***	***	***	***
China	376,181	429,867	17,079	2,813	4,286	4,893
India, nonsubject	***	***	***	***	***	***
Oman	10,470	4,606	24,125	15,834	27,245	31,957
U.A.E.	5,340	1,823	20,965	14,632	27,700	57,524
Vietnam	1,284	2,355	33,460	17,747	30,562	49,827
All others	117,941	75,958	132,602	76,523	78,482	97,293
Subtotal, nonsubject	***	***	***	***	***	***
Total U.S. imports	741,189	672,368	709,014	312,059	434,328	505,746

Table continued on next page.

Table IV-1--*Continued*
Circular welded pipe: U.S. imports by source, 2006-11

Item	Calendar year					
	2006	2007	2008	2009	2010	2011
Average unit value (*dollars per short ton*)						
Brazil	1,475	1,803	2,321	2,161	2,241	2,596
India, subject	***	***	***	***	***	***
Korea	798	923	1,024	868	899	1,065
Mexico	822	814	1,117	735	831	964
Taiwan	611	669	946	1,036	810	914
Thailand	678	770	1,045	974	932	975
Turkey	663	1,047	1,089	912	817	950
Subtotal, subject	***	***	***	***	***	***
China	579	632	1,414	1,336	1,341	1,508
India, nonsubject	***	***	***	***	***	***
Oman	650	714	989	838	815	903
U.A.E.	836	821	1,128	838	835	899
Vietnam	564	730	1,125	792	857	905
All others	639	726	925	1,007	1,106	1,209
Subtotal, nonsubject	***	***	***	***	***	***
Total U.S. imports	628	678	1,029	877	898	998
Share of quantity (*percent*)						
Brazil	0.0	0.0	0.1	0.1	0.1	0.1
India, subject	***	***	***	***	***	***
Korea	3.8	3.2	18.0	10.9	15.7	9.5
Mexico	6.3	6.5	7.6	18.8	13.1	13.0
Taiwan	3.6	3.4	10.9	2.1	5.7	4.5
Thailand	6.6	4.8	12.4	8.8	5.9	9.4
Turkey	2.7	0.3	7.8	7.3	7.7	6.3
Subtotal, subject	***	***	***	***	***	***
China	55.1	68.6	1.8	0.6	0.7	0.6
India, nonsubject	***	***	***	***	***	***
Oman	1.4	0.6	3.5	5.3	6.9	7.0
U.A.E.	0.5	0.2	2.7	4.9	6.9	12.6
Vietnam	0.2	0.3	4.3	6.3	7.4	10.9
All others	15.7	10.5	20.8	21.4	14.7	15.9
Subtotal, nonsubject	***	***	***	***	***	***
Total U.S. imports	100.0	100.0	100.0	100.0	100.0	100.0

Table continued on next page.

Table IV-1--*Continued*
Circular welded pipe: U.S. imports by source, 2006-11

Item	Calendar year					
	2006	2007	2008	2009	2010	2011
	Share of value (*percent*)					
Brazil	0.1	0.1	0.2	0.3	0.3	0.2
India, subject	***	***	***	***	***	***
Korea	4.8	4.3	17.9	10.8	15.7	10.1
Mexico	8.3	7.9	8.2	15.7	12.1	12.6
Taiwan	3.5	3.3	10.0	2.5	5.2	4.2
Thailand	7.1	5.5	12.6	9.8	6.2	9.2
Turkey	2.8	0.5	8.2	7.6	7.0	6.0
Subtotal, subject	***	***	***	***	***	***
China	50.8	63.9	2.4	0.9	1.0	1.0
India, nonsubject	***	***	***	***	***	***
Oman	1.4	0.7	3.4	5.1	6.3	6.3
U.A.E.	0.7	0.3	3.0	4.7	6.4	11.4
Vietnam	0.2	0.4	4.7	5.7	7.0	9.9
All others	15.9	11.3	18.7	24.5	18.1	19.2
Subtotal, nonsubject	***	***	***	***	***	***
Total U.S. imports	100.0	100.0	100.0	100.0	100.0	100.0

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled from official import statistics, adjusted to account for imports manufactured by nonsubject Indian producer, Zenith and to remove nonsubject merchandise imported from Canada.

As previously noted, nonsubject imports from China accounted for the majority of the decline in 2008, particularly after Commerce's affirmative preliminary countervailing determination and affirmative determination of critical circumstances in November 2007.[8] Table IV-2 presents monthly imports of circular welded pipe from China for January 2007 – March 2008.

[8] *Circular Welded Carbon Quality Steel Pipe from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination; Preliminary Affirmative Determination of Critical Circumstances; and Alignment of Final Countervailing Duty Determination with Final Antidumping Duty Determination*, 72 FR 63875, November 13, 2007.

Table IV-2
Circular welded pipe: U.S. imports from China, January 2007-March 2008

Year	Month	Monthly imports	Quarterly imports
		Quantity (*short tons*)	
2007	January	55,523	
	February	27,689	
	March	57,504	140,716
	April	56,201	
	May	88,063	
	June	94,829	239,093
	July	86,840	
	August	96,366	
	September	51,576	234,782
	October	47,375	
	November	16,620	
	December	1,725	65,720
2008	January	1,433	
	February	1,969	
	March	1,011	4,413

Source: *Circular Welded Carbon-Quality Steel Pipe from China, Invs. Nos. 701-TA-447 and 731-TA-1116 (Final)*, USITC Publication 4019, July 2008.

U.S. IMPORTERS' IMPORTS SUBSEQUENT TO DECEMBER 31, 2011

The Commission requested importers to indicate whether they had imported or arranged for the importation of circular welded pipe for delivery after December 31, 2011. Eight of the 20 responding importers indicated they had arranged for imports after this date. Data on the actual and arranged imports for 2012 are presented in the following tabulation.

* * * * * * *

U.S. IMPORTERS' INVENTORIES

Only three importers, ***, reported any inventories of circular welded pipe from subject sources, which amounted to between *** percent of reported imports from subject sources and between *** percent of total shipments of imports from subject sources for years for which they were reported. In addition, four importers, *** reported inventories from nonsubject sources, accounting for between *** percent of reported imports from nonsubject sources for years for which they were reported.

Table IV-3
Circular welded pipe: U.S. importers' end-of-period inventories of imports, by source, 2006-11

* * * * * * *

CUMULATION CONSIDERATIONS

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, fungibility (interchangeability), and geographic markets are discussed in Part II of this report. Additional information concerning geographic markets and simultaneous presence in the market is presented below.

For the purposes of its first five-year review determinations and second five-year determinations, the Commission cumulated imports from the current subject countries.[9] Domestic interested parties contend that the statutory requirements for cumulation have been met.[10] Respondent Turkish exporters and producers argue that imports from Turkey should not be cumulated with imports from other countries as imports from Turkey are not likely to have discernible adverse impact on the domestic industry and would likely compete under different conditions of competition than subject imports from other countries if the orders were revoked.[11]

Geographic Markets

Both U.S. producers and U.S. importers reported distributing circular welded pipe geographically throughout the United States. Official Commerce statistics show that U.S. imports from the subject countries generally entered the United States through geographically dispersed U.S. ports of entry. However, a large share of U.S. imports from Brazil entered through Houston-Galveston, TX and New York, NY; U.S. imports from India predominantly entered through Houston-Galveston, TX and Savannah, GA; [12] U.S. imports from Mexico primarily entered through Laredo, TX; U.S. imports from Turkey largely entered through Houston-Galveston, TX and Tampa, FL; and the top Customs districts for

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[9] Because the original investigations were conducted several years apart, the first five-year reviews provided the Commission's initial opportunity to consider cumulation with respect to all subject countries currently subject to review. In the first five reviews the Commission cumulated imports from all subject countries at that time (Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey) except Venezuela. *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela (Review),* USITC Publication 3316, July 2000, p. 32. In the second five-year reviews the Commission cumulated subject circular welded pipe imports from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey. *Certain Pipe and Tube From Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey (Second Review),* USITC Publication 3867, July 2006, p. 16.

[10] Hearing transcript, pp. 11-12 (Schagrin), domestic interested parties' prehearing brief, pp. 6-8, domestic interested parties' posthearing brief, p. 3, and domestic interested party U.S. Steel posthearing brief, p. 3. In addition, if the orders were revoked the domestic interested parties argue that imports from Turkey will have a discernible adverse impact given the Turkish industry's growth and size and its sizeable exports. They disagree that imports from Turkey are likely to face different conditions of competition (due to predominance of sales to Europe and the Middle East) because these markets and its home market are experiencing slowing economic growth, political chaos, or both. Domestic interested parties' posthearing brief, pp. 3-4.

[11] Hearing transcript, p. 16 (Getlan), respondent Turkish exporters and producers prehearing brief, pp. 4-11, and respondent Turkish exporters and producers posthearing brief, p. 2.

[12] Official import statistics are over-inclusive with respect to India because circular welded pipe produced and exported by Indian producers Zenith and Gujarat Steel was excluded from original order.

U.S. imports from Korea, Taiwan, and Thailand were cities on the Western seaboard, particularly Los Angeles, CA and San Francisco, CA.

Presence in the Market

Imports from each subject source, except Brazil, Thailand, and Turkey, were present in every month of the period for which data were collected.[13] Table IV-4 presents data on the monthly entries of U.S. imports of circular welded pipe, by source, during 2006-11.

Table IV-4
Circular welded pipe: U.S. imports monthly entries into the United States, by source, 2006-11

Country	Calendar year					
	2006	2007	2008	2009	2010	2011
Brazil	10	9	11	12	12	11
India	12	12	12	12	12	12
Korea	12	12	12	12	12	12
Mexico	12	12	12	12	12	12
Taiwan	12	12	12	12	12	12
Thailand	7	7	8	11	12	11
Turkey	11	12	8	12	10	9
All others	12	12	12	12	12	12
Source: Compiled from official statistics of Commerce.						

THE INDUSTRY IN BRAZIL

Overview

In 2011, Brazil exported 19,316 short tons of round, welded, non-energy tubular products, mainly to Mercosur markets.[14] [15] The leading markets for these products were Argentina (5,261 short tons),

[13] Official import statistics are over-inclusive with respect to India because circular welded pipe produced and exported by Indian producers Zenith and Gujarat Steel was excluded from original order.

[14] This is less than 0.5 percent of the total global export market of circular welded pipe as reported by Global Trade Atlas, a data and market research company based in South Carolina. Other importing countries in 2011 included Germany and South Africa, according to Global Trade Atlas, March 28, 2012. Brazil has not provided data on welded tube production to the World Steel Association ("WSA") since 2007. Except as otherwise stated, this section is based on the staff report on *Circular Welded Carbon-Quality Steel Pipe from India, Oman, United Arab Emirates, and Vietnam (Preliminary)*, December 2011, pp. VII-1-VII-3.

[15] Global Trade Atlas' data for world trade are only consistent across countries at the 6-digit HTS level. GTA data discussed in this section are based on HTS 7306.30 for circular welded tubes and pipe and hollow profiles. These data may overstate the actual quantity of the subject product because they also include nonsubject tubular products.

The World Steel Association (WSA) is a non-profit organization with headquarters in Brussels, Belgium. The WSA represents approximately 170 steel producers (including 18 of the world's 20 largest steel companies), national

(continued…)

Uruguay (3,538 short tons), Paraguay (2,526 short tons), and the United States (1,786 short tons) (table IV-5).

Table IV-5

Circular welded pipe: Brazil's exports of round, welded, non-energy tubular products, 2006-11

Country	2006	2007	2008	2009	2010	2011
	Exports (*short tons*)					
Argentina	7,235	7,898	6,269	2,749	4,781	5,261
Uruguay	2,270	2,172	1,155	2,083	2,396	3,538
Paraguay	1,226	1,064	2,692	1,931	1,233	2,526
United States	14,550	17,710	1,804	789	1,601	1,786
South Africa	1,476	1,958	1,841	1,307	1,767	1,683
Germany	NA	NA	NA	9	11	1,268
Mexico	463	454	916	884	1,221	1,214
Bolivia	955	204	708	633	739	461
Colombia	1,803	1,951	793	665	516	396
Venezuela	765	1,427	1,577	101	170	370
All other	1,060	1,598	1,299	1,596	1,516	812
Total	31,804	36,435	19,053	12,758	15,961	19,316
	Unit value (*dollars per short ton*)					
Argentina	957	1,118	1,471	1,662	1,770	1,923
Uruguay	750	980	1,285	775	977	1,043
Paraguay	930	1,096	1,351	1,135	1,397	1,390
United States	804	826	1,778	1,783	1,633	1,940
South Africa	1,406	1,501	1,908	1,944	1,967	2,131
Germany	NA	NA	NA	524	2,963	3,024
Mexico	1,890	2,787	1,893	2,054	2,234	2,855
Bolivia	954	951	1,478	1,198	1,317	1,568
Colombia	1,328	1,786	2,480	2,387	3,030	3,441
Venezuela	1,384	1,053	1,589	4,058	2,970	3,962
All other	1,182	2,891	2,930	2,648	2,911	3,038
Total	944	1,119	1,686	1,657	1,807	1,951

Note.–The data presented in this table are for HTS 7306.30 which covers most welded carbon steel pipe and tube (other than line pipe and OCTG), including welded circular pipe together with tapered welded pipe and pipes that are used in boilers, superheaters, and heat exchangers that are not included as subject products. Original data were published in metric tons, but were converted to short tons by multiplying by 1.1023.

NA: Not available.

Source: Compiled from *Global Trade Atlas.*

(continued…)
and regional steel industry associations, and steel research institutes. WSA members produce around 85 percent of the world's steel.

There are several major producers of circular welded pipe in Brazil. Some of these companies are affiliates of large conglomerates that are engaged in several businesses, including steel mills. Brazil's major circular welded pipe producers typically manufacture tubular products in a wide range of sizes, applications, and steel compositions to international standards, enabling them to shift their product mix in response to market demand. Several circular welded pipe producers also perform coating and galvanizing operations.

Brastubo Construções Metalicas S.A. ("Brastubo"): Established in 1957 near São Paulo in southeastern Brazil, Brastubo employs over 600 workers. Brastubo has a total tube production capacity of over 660,000 short tons split evenly between its Cubatão and Guarulhos production facilities located near São Paulo, and can produce standard, energy, and structural pipes as well as rectangular and mechanical tubes. Brastubo's major markets include foundations, sanitation, energy (oil and natural gas), and mining.[16]

Apolo Pipes and Equipments ("Apolo"): Founded in 1938, in Rio de Janeiro, Apolo has a current production capacity of 183,000 short tons of pipe up to 8.675 inches in diameter. In addition to standard pipe, Apolo produces welded and seamless carbon steel pipe for structural applications, and mechanical tubing in rounds and several shapes.[17]

TenarisConfab: Founded in 1943, TenarisConfab is one of several Tenaris companies producing welded tubular products (others include TenarisSiat in Argentina and TenarisMaverick in the United States). TenarisConfab has an annual ERW and SAW capacity of approximately 600,000 short tons at its Pindamonhangaba facility. Reportedly a leader in energy tubular products, TenarisConfab also produces ERW pipe for the industrial market, including tubular products meeting such ASTM standards as A53, A135, A252, and A500.[18]

Persico Pizzamiglio S / A ("Persico"): Established in 1952 in São Paulo, Persico has a steel pipe mill in Guarulhos, a suburb of São Paulo city. The mill employs 500 workers and produced 93,000 short tons of tubular products in 2011. The company makes a wide range of tubular products including galvanized, welded and seamless line pipe, pressure pipe, and mechanical pipes with diameters ranging from 0.375 inch to 7.020 inches. These products are made primarily to American specifications.[19]

V&M do Brasil: A unit of the major world pipe company Vallourec and Mannesmann, V&M do Brasil is primarily a producer of seamless pipe and tube, with a total annual capacity over 660,000 short tons. It produces circular welded pipe up to and including 4.5 inches in diameter.

Zambrogna: Founded in 1962, Zambrogna has a capacity of 110,000 short tons of circular welded pipe up to 4.5 inches in diameter.

Tubonal: Founded in 1945, Tubonal's Fornasa division produces circular welded pipe up to 6.5 inches in diameter.

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[16] Retrieved from Brastubo's company homepage, http://www.brastubo.com.br/english/grupo.htm. February 24, 2012.

[17] Simdex, March 2012 from domestic interested parties' prehearing brief, Exhibit 1.

[18] TenarisConfab, "Tubos para Mercado Industrial," versão 03, Setembro 2008.

[19] Found at company website http://translate.google.com/translate?hl=en&sl=pt&u=http://www.persico.com.br/&ei=15auT-qWBo630QH76YWZDA&sa=X&oi=translate&ct=result&resnum=1&ved=0CGUQ7gEwAA&prev=/search%3Fq%3Dpersico%2Bpizzamiglio%26hl%3Den%26client%3Dfirefox-a%26hs%3DSpG%26rls%3Dorg.mozilla:en-US:official%26prmd%3Dimvns, retrieved May 12, 2012.

Operations on Circular Welded Pipe

The petitions in the original investigations named five possible circular welded pipe producers in Brazil (Apolo, Confab, Fornasa, Mannesmann, and Persico Pizzamiglio), of which three (Apolo, Fornasa, and Persico) provided responses to the Commission's questionnaire. These producers, estimated to account for *** percent of production in Brazil at the time, exported between 17 and 34 percent of their total circular welded pipe shipments to the United States during 1989-91. In the first reviews, the Commission tried to send questionnaire to three possible circular welded pipe producers in Brazil, of the two firms to which it was able to transmit the questionnaire, one did not respond and one reported that it did not produce the product. In the second reviews, the Commission transmitted questions to ten possible producers of circular welded pipe in Brazil (Aços Vic, Apolo, Grupo Brastubo, Jandinox Ind., Magneti Marelli Escapamentos, Metalúrgica, Persico Pizzamiglio, Tubonal, V&M, and Zambrogna), none of which provided questionnaire data on its circular welded pipe operations. [20]

In these third five-year reviews, the Commission sent questionnaires to ten firms in Brazil identified as possible producers of circular welded pipe according to parties' responses to the notice of institution, proprietary Customs data, and Commerce notices. None of these firms provided data on their circular welded pipe operations. One firm, ***, provided a questionnaire response indicating that it did not produce or export to the United States circular welded pipe.

THE INDUSTRY IN INDIA

Overview[21]

In 2010, India exported 81,465 short tons of round, welded, non-energy tubular products, or 2.4 percent of the global export market.[22] According to GTA, over one quarter of India's exports are destined to the United Arab Emirates. Other major export markets include Belgium with 8,933 short tons, Sri Lanka with 6,897 short tons, Djibouti with 6,533 short tons, and the United States with 4,161 short tons (table IV-6).[23]

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[20] *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Invs. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276-277, 296, 409-410, 532-534, and 536-537 (Review)*, USITC Publication 3316 (July 2000), p. CIRC-IV-4, *Certain Pipe and Tube From Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Invs. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276-277, 296, 409-410, 532-534, and 536-537 (Second Review),* USITC Publication 3867 (July 2007), p. CIRCULAR-IV-12, and Second Reviews staff report, June 2006, p. CIRCULAR-IV-15.

[21] Except as otherwise stated, this section is based on the staff report on *Circular Welded Carbon-Quality Steel Pipe from India, Oman, United Arab Emirates, and Vietnam (Preliminary)*, December 2011, pp. VII-1 -VII-3.

[22] India export data are not as yet available for 2011. India did not provide data of welded tube production to the WSA.

[23] Compared to U.S. official import statistics, exports to the United States, at least, appear to be understated.

Table IV-6
Circular welded pipe: India's exports, of round, welded, non-energy tubular products, by quantity, 2006-10

Country	2006	2007	2008	2009	2010
	Exports (*short tons)*				
United Arab Emirates	2,434	14,211	17,759	28,439	21,116
Belgium	217	596	410	903	8,933
Sri Lanka	5,667	3,872	4,556	5,736	6,897
Djibouti	1,789	2,130	4,444	4,267	6,533
United States	63	137	1,139	68	4,161
United Kingdom	26	3	433	345	3,390
Netherlands	0	125	395	235	3,351
Qatar	0	1,167	1,796	1,542	2,353
Germany	21	11	28	19	2,028
Canada	33	0	1,364	886	1,815
All other	2,937	6,441	14,715	16,203	20,887
Total	13,187	28,693	47,037	58,643	81,465
	Unit value (*dollars per short ton*)				
United Arab Emirates	679	960	1,187	681	784
Belgium	745	841	1,002	737	963
Sri Lanka	759	850	937	640	722
Djibouti	806	954	1,097	811	845
United States	836	1,582	1,032	960	998
United Kingdom	2,327	1,245	1,167	681	913
Netherlands	NA	1,203	953	845	839
Qatar	NA	838	1,159	694	768
Germany	2,199	1,521	2,389	1,923	922
Canada	299	NA	1,205	725	757
All other	828	963	1,088	831	1,052
Total	771	942	1,116	731	893

Note.–The data presented in this table are for HTS 7306.30 which covers most welded carbon steel pipe and tube (other than line pipe and OCTG), including welded circular pipe together with tapered welded pipe and pipes that are used in boilers, superheaters, and heat exchangers that are not included as subject products. Original data were published in metric tons, which were converted to short tons by multiplying by 1.1023. India's data for 2011 are not available.

Source: Compiled from *Global Trade Atlas.*

The following are the leading circular welded pipe producers in India:

Zenith Birla Limited ("Zenith"): Zenith, which is excluded from the antidumping duty order on imports from India, is located in Mumbai, India's leading industrial city in the western state of Maharashtra. Zenith was incorporated in 1960 as a producer of a wide variety of steel products including hot- and cold-rolled steel, coil tubular products such as line pipe used in oil and gas transportation, structural pipes, and scaffolding tubes, among others.[24] Zenith reportedly ***.

Good Luck Steel Tube Limited ("GL"): Incorporated in 1986 in New Delhi with manufacturing facilities mostly in the Bulandshahar District of India's northern state of Uttar Pradesh, GL currently employs over 1,000 employees engaged in the production of steel tubes and pipe, cold-rolled steel, hot-

[24] Yahoo! Finance, found at http://finance.yahoo.com/q/pr?s=ZENITHBIR.NS+Profile, retrieved February 24, 2012.

dipped galvanized steel, towers, forgings, and flanges.[25] GL ***. GL's pipes meet various international standards including ASTM specifications.

Welspun is a global conglomerate operating in 50 countries, employing 24,000 employees in a wide range of businesses including steel, textiles, infrastructure, oil and gas exploration, and investment trading. Welspun has a production capacity of 1.7 million short tons to produce seamless and welded tubes.[26]

Tata Steel is one of the ten largest steel producing companies in the world. Its Tata Steel Tubes Division is reportedly one of the larger producers of pipe and tubes in India, with annual capacity of 220,000 short tons.[27]

Jindal Pipes Ltd., a division of Jindal Group, is a major producer of pipe in India with annual capacity of 220,000 short tons.

Operations on Circular Welded Pipe

In the original investigation four producers were identified as exporting subject product to the United States, but Commerce excluded two of them from the order (Zenith and Gujarat). The other two firms provided responses to the Commission's questionnaire (Jindal and TISCO/Tata Iron and Steel Co). TISCO accounted for the majority of the combined exports to the United States reported, and TISCO's exports to the United States accounted for *** percent of its production in 1985 (Jindal's 1985 production was not reported, nor were its total shipments). In the first reviews, U.S. producers identified at least three producers of circular welded pipe (and industry publication and questionnaire data identified an estimated 40 pipe producers) in India of which one (***) provided responses to the Commission's questionnaire. *** reported *** exports of circular welded pipe to the United States between January 1997 and September 1999. In the second reviews, there were an estimated 46 steel tube producers in India, of which one (Tata Group, Steel Tubes division) provided questionnaire data. Tata reported *** exports of circular welded pipe to the United States during 1999-2005.[28]

In these reviews, the Commission sent questionnaires to ten firms in India identified as possible producers of circular welded pipe according to parties' responses to the notice of institution, proprietary Customs data, and Commerce notices. None of these firms provided data on their circular welded pipe operations.

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[25] Data obtained from company's website, http://www.goodlucksteel.com/group-profile.html, retrieved February 24, 2012.

[26] This capacity is for both seamless and welded tubes (Simdex). Company's website, http://www.welspun.com/content.asp?Submenu=Y&MenuID=1&SubmenuID=14.

[27] Simdex, and company web site http://www.tatasteel.com/investors/annual_report-04-05/pag.htm. Accessed May 22, 2012.

[28] *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Invs. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276-277, 296, 409-410, 532-534, and 536-537 (Review)*, USITC Publication 3316 (July 2000), p. CIRC-IV-5, First Reviews staff report, May 2000, pp. CIRC-IV-8-9, *Certain Pipe and Tube From Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Invs. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276-277, 296, 409-410, 532-534, and 536-537 (Second Review),* USITC Publication 3867 (July 2007), pp. CIRCULAR-IV-14-16, and Second Reviews staff report, June 2006, pp. CIRCULAR-IV-18-IV-19.

THE INDUSTRY IN KOREA

Overview

In 2010, according to the WSA, Korea was the world's third leading producer of welded tubes with a total reported production of over 5.3 million short tons of welded tubes, behind China with 35.7 million short tons and Japan with 5.5 million short tons. According to Global Trade Atlas, in 2011, Korea exported 103,847 short tons (or almost one third of its total exports) of round, welded, non-energy tubular products to Japan (table IV-7). Other leading export destinations included the United States and China with 68,153 short tons and 38,940 short tons, respectively. Other notable export markets included other Asian countries, Iran, and Canada.

Table IV-7
Circular welded pipe: Korea's exports of round, welded, non-energy tubular products, by quantity, 2006-11

Country	2006	2007	2008	2009	2010	2011
	Exports (*short tons)*					
Japan	41,879	44,506	32,617	45,397	65,040	103,847
United States	36,649	54,466	120,069	42,752	70,269	68,153
China	13,445	18,906	23,584	23,208	33,445	38,940
Singapore	10,638	17,157	26,063	17,551	11,085	19,725
Hong Kong	20,727	20,426	23,421	16,709	20,397	16,149
Iran	2,706	4,929	3,905	5,513	7,094	14,643
Canada	6,515	8,461	15,357	15,377	13,417	11,165
Thailand	8,957	9,144	12,994	8,289	10,735	10,265
India	15	182	3,825	1,666	5,935	4,210
Mexico	887	2,779	3,861	1,770	2,095	3,149
All other	66,687	73,821	67,771	70,776	39,170	36,704
Total	209,119	254,777	333,467	249,007	278,683	326,949
	Unit value (*dollars per short ton*)					
Japan	660	750	1,059	812	957	1,077
United States	776	825	993	778	940	1,040
China	766	908	1,127	1,082	1,248	1,474
Singapore	675	743	955	715	778	951
Hong Kong	618	730	997	692	794	910
Iran	1,022	1,077	1,534	1,345	989	1,082
Canada	758	1,046	867	674	697	1,050
Thailand	763	870	1,086	1,218	1,071	1,191
India	4,790	2,484	1,732	1,592	1,241	1,673
Mexico	1,361	1,051	1,054	1,183	1,528	1,603
All other	719	877	1,159	877	1,180	1,523
Total	718	838	1,053	860	1,003	1,166

Note.–The data presented in this table are for HTS 7306.30 which covers most welded carbon steel pipe and tube (other than line pipe and OCTG), including welded circular pipe together with tapered welded pipe and pipes that are used in boilers, superheaters, and heat exchangers that are not included as subject products. Original data were published in metric tons, but were converted to short tons by multiplying by 1.1023.

NA: Not available.

Source: Compiled from *Global Trade Atlas.*

There are at least six major producers of circular welded pipe in Korea. Most of these pipe makers are affiliates of large conglomerates which, among other businesses, include steel mills. Korean firms manufacture a wide range of pipes covering many different sizes and types,[29] providing them with the flexibility to shift their production mix. Most companies are equipped with galvanizing and coating facilities. Since Korean products are exported worldwide, their products are made to a wide range of international standards.[30]

Primary Korean pipe producers of circular welded pipe include:

Dongbu Steel ("Dongbu"): Founded in 1967, Dongbu is a multinational conglomerate headquartered in Seoul, Korea's capital city. It employs 1,500 employees and produces almost 2.8 million short tons of steel products annually at its three domestic facilities.[31] A large share of Dongbu's pipes is produced in Incheon, a port city in northwestern Korea. Dongbu claims to be among the three leading integrated steel companies in Korea and the first company in the world to employ a fully automated steel making process from production to delivery (1999). Dongbu has formed key strategic partnerships with leading global steel companies including JPE (Japan), Baoshan Steel (China), Blue Scope (Australia), and Kermas Limited Holding Company (South Africa).[32]

Histeel Co. Ltd. ("Histeel"): Histeel was founded in 1977 with headquarters in Seoul, has pipe mills in many provinces in Korea, and employs 174 workers. Histeel's total tube production is over 176,000 short tons. Histeel produces standard pipes with diameters ranging from 0.675 to 12.750 inches. Histeel's products include energy, pressure, structural, piling pipes, and mechanical tubes for domestic consumption and for export to about 30 countries.[33]

Husteel Co. Ltd. ("Husteel"): Established in 1967, Husteel is based in Seoul and employs between 500 and 1,000 workers. The company makes a wide range of tubular products including standard pipe, pressure pipe, energy tubular products, and mechanical tubing. Pipes are produced at plants located in Dangjin (in western Korea) and Daebul (in southwestern Korea), with capacities of 550,000 short tons and 330,000 short tons, respectively. Its products include circular welded pipe, line pipe, black and hot-dipped galvanized.[34]

Hyundai Steel Pipe Company ("Hysco"): Founded in 1975, Hysco is a conglomerate with headquarters in Seoul and pipe-making facilities in Ulsan, in southeastern Korea. Hysco claims that it is well-known worldwide for its cold-rolled products and for having achieved several steel making technology benchmarks. In 1999, Hysco's Ulsan plant set a record in the steel industry by producing 11 million short tons of steel pipe, using an advanced welding technology and automation production line.[35]

Hysco operates processing centers in the United States (Alabama), Slovakia, Japan, and several cities in China.[36] In 2009, Hysco's tube production capacity was more than 1.1 million short tons, and it

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[29] Other types of tubes include energy tubular products, hollow structural section, light-walled rectangular or other cross sectional forms. Dongbu also produces seamless tubular products.

[30] The standards include ASTM (American), DIN (European), BS (British), and JIS (Japanese).

[31] Dongbu's businesses include steel, fertilizer, construction, logistics, and finance.

[32] Company website, http://www.edongbusteel.com; retrieved March 23, 2012.

[33] Simdex, March 2012.

[34] Worldwide Company Profile, "Saudi Steel Pipe Company Ltd," found at http://listofcompanies.co.in/saudi-steel-pipe-company-ltd/; retrieved March 28, 2012.

[35] See http://www.linkedin.com, retrieved March 23, 2012.

[36] Ibid.

employed 1,175 workers.[37] Hysco and Sumitomo Pipe & Tube recently agreed to establish a pipe making joint venture in Chennai, India, with a capacity of 2.5 million short tons. The plant is expected to begin operations in 2012. It will include two electric-resistance welded tube mills and employ 350 workers.[38]

Miju Steel MFG Co. Ltd. ("Miju"): Established in 1947, Miju is based in Seoul and employs 100 to 500 workers. The company produces welded carbon steel and stainless steel pipes at its two mills in Pohang (an eastern port city). Miju's other pipe mills are located in Incheon (northwestern Korea) and Busan (southern seaboard).[39]

SeAH Steel Corp. ("SeAH"): SeAH was founded in 1960 and has a total pipe production capacity of 1.3 million short tons. The company produces a wide range of tubular products. SeAH's pipe mills are concentrated in Changwon in southern Korea and Pohang on the eastern seaboard. SeAH claims that these two facilities have the largest manufacturing capacity for pipes in Korea and employ the latest steel-making technologies. SeAH has invested in several entities in the United States to establish business affiliates to serve markets including water supply, energy, and services.[40]

Operations on Circular Welded Pipe

In the original investigations five producers were identified as accounting for *** Korean production and *** Korean exports to the United States of subject product (Hyundai Pipe, Pusan, Union Steel, Korea Steel, and Dongbu). All of these firms provided responses to the Commission's questionnaire. These producers exported between 15.9 and 21.6 percent of their total circular welded pipe shipments to the United States during 1989-91. In the first reviews, industry publications estimated 15 firms produced circular welded carbon steel pipe in Korea, of which nine responded to the Commission's questionnaire (Dongbu Steel, Hyundai Pipe, Korea Iron & Steel, Korea Steel Pipe, Masan Steel Tube Works, SeAH Steel, Shinchang Steel Industry, Shinho Steel, and Union Steel). These pipe producers exported between *** percent of their total circular welded pipe shipments to the United States during 1997-98.[41] In the second reviews, the Commission sent questionnaires to 25 possible producers of circular welded pipe in Korea, of which one (Husteel) provided a response to the Commission's

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[37] Hysco's full-scale steel plant began commercial operations in 1979 and, over the last 20 years, Hysco has been the leading steel making company in Korea in terms of market share. See http://en.wikipedia.org.

[38] "Sumitomo and Hysco Form Auto Steel Pipe JV in Chennai," Steel Guru, May 30, 2011; found at http://spind.steelguru.com/news/index/2011/05/30/MjUyMTY%3D/Sumitomo_and_Hysco_form_auto_steel_pipe_JV_in_Chennai.html/; retrieved March 30, 2012. See http://www.japanesemetalbulletin.com, retrieved March 23, 2012.

[39] Company's website, http://www.mijusteel.com; retrieved March 23, 2012.

[40] Company's website, http://www.seahsteel.co.kr; retrieved March 23, 2012. Recently, SeAH formed a joint venture with steel makers POSCO (Korea) and U.S. Steel to produce pipe in the United States. The joint venture is United Spiral Pipe, LLC. This plant produces large-diameter spiral-welded line pipe for the oil and gas industries.

[41] The company name of Korea Steel Pipe Co. was changed to Shinho Steel Co. in December 1995 and to Husteel Co., Ltd. in March 2002. https://www.husteel.com/eng/profile/profile02.html. Accessed May 22, 2012.

The company name of Pusan Pipe Corp. was changed to SeAH Steel Corp. in January 1996. http://seahsteel.cp.kr/eng/01_onfo/info04.asp. Accessed May 22, 2012.

Union Steel Pipe Co., Ltd. was spun off from Union Steel Co. in January 1998. http://www.uspipe.co.kr/en/contents/company/company2.html?sm=1_2. Accessed May 22, 2012.

questionnaire. This firm exported between *** percent of total circular welded pipe shipments to the United States during 1999-2005.[42]

In these reviews, the Commission sent questionnaires to ten firms in Korea identified as possible producers of circular welded pipe according to parties' responses to the notice of institution, proprietary Customs data, and Commerce notices. None of these firms provided data on their circular welded pipe operations.[43]

THE INDUSTRY IN MEXICO

Overview

In its response to the notice of institution, Mexican producer/exporter Ternium Mexico, S.A. de C.V. ("Ternium Mexico") reported five Mexican producers of circular welded pipe that have produced the subject merchandise since 2005: Ternium Mexico, S.A. de C.V., Tuberia Nacional, S.A. de C.V., Pytco, S.A. de C.V., Procarsa, S.A. de C.V., Compañía Mexicana de Tubos, S.A. de C.V. In addition, Mueller Comercial de Mexico, S.A. de C.V., has exported subject merchandise purchased from Ternium and Tuberia Nacional.[44] In 2011, Mexico exported 124,610 short tons of round, welded, non-energy tubular products, the vast majority of which was exported to the United States (table IV-8).

[42] *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Invs. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276-277, 296, 409-410, 532-534, and 536-537 (Review)*, USITC Publication 3316 (July 2000), p. CIRC-IV-6, First Reviews staff report, May 2000, p. CIRC-11, *Certain Pipe and Tube From Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Invs. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276-277, 296, 409-410, 532-534, and 536-537 (Second Review),* USITC Publication 3867 (July 2007), pp. CIRCULAR-IV-17-18, and Second Reviews staff report, June 2006, pp. CIRCULAR-IV-23-26. Two other firms reportedly did not produce or export circular welded pipe to the United States between 1999 and 2005. Second Reviews, USITC Publication 3867, July 2006, p. CIRCULAR-IV-18.

[43] This included foreign producer and exporter Husteel which submitted notices of appearance, but failed to provide a questionnaire response after numerous requests to do so by Commission Staff. Husteel withdrew its notice of appearance on April 10, 2012.

[44] Ternium Mexico's response to the Commission's institution notice, August 1, 2011, p. 4. Commerce has also conducted administrative reviews on Mueller Comercial de Mexico, S. de R.L. (*see table I-5*).

Table IV-8
Circular welded pipe: Mexico's exports of round, welded, non-energy tubular products, by quantity, 2006-11

Country	2006	2007	2008	2009	2010	2011
	Exports (*short tons)*					
United States	97,355	90,128	111,049	100,023	120,809	117,217
Costa Rica	354	319	922	980	1,440	3,160
Colombia	98	336	373	414	1,941	1,617
Guatemala	306	208	180	472	559	752
Puerto Rico (U.S.)	496	430	541	97	428	508
El Salvador	161	96	345	219	44	327
Germany	287	203	204	171	143	217
Sweden	67	111	133	91	89	131
Cuba	737	51	449	510	33	116
France	160	165	94	64	88	112
All other	845	389	596	730	589	451
Total	100,867	92,437	114,885	103,772	126,163	124,610
	Unit value (*dollars per short ton*)					
United States	860	863	1,441	786	917	1,189
Costa Rica	1,302	1,153	1,516	859	1,142	1,000
Colombia	2,670	1,946	1,384	1,565	1,202	844
Guatemala	951	1,233	1,519	696	1,137	1,224
Puerto Rico (U.S.)	1,305	1,213	1,337	1,279	1,086	1,272
El Salvador	1,065	1,116	1,630	1,400	1,564	1,170
Germany	979	970	1,196	1,190	1,204	1,259
Sweden	916	943	1,193	1,113	1,056	1,193
Cuba	953	5,318	1,707	1,439	1,895	1,948
France	907	985	1,131	1,077	1,135	1,227
All other	2,011	1,578	1,809	1,257	1,621	1,487
Total	877	877	1,444	798	930	1,182

Note.–The data presented in this table are for HTS 7306.30 which covers most welded carbon steel pipe and tube (other than line pipe and OCTG), including welded circular pipe together with tapered welded pipe and pipes that are used in boilers, superheaters, and heat exchangers that are not included as subject products. Original data were published in metric tons, but were converted to short tons by multiplying by 1.1023.

Source: Compiled from *Global Trade Atlas.*

The leading Mexican pipe and tube producers include Ternium Hylsa, Villacero (and its subsidiary Lamina y Placa), and Pytco.[45] Their products cover a wide range of sizes and types of steels, are made to international standards, and use advanced manufacturing technologies.[46] Mexican production of tube and pipe is largely concentrated in the northern states of Nuevo Leon (Monterrey), Cohuila (Monclova), Durango (Gomez Palacio) and Tamulipas (Altamira).

[45] Commerce conducted two changed circumstances reviews, in which it determined that Ternium Mexico S.A. de C.V. (Ternium) is the successor-in-interest to Hylsa S.A. de C.V. (Hylsa) and Lamina y Placa Comercial, S.A. de C.V. ("Lamina y Placa") is the successor-in-interest to Tuberia Nacional, S.A. de C.V. (TUNA), respectively.

[46] There are at least five other producers of circular welded pipe in Mexico. They tend to have relatively small capacities (typically less than 20,000 short tons each) and produce pipes with diameters of less than 5 inches, made mostly to domestic standards. Simdex Steel Tube Manufacturers Worldwide Guide, 2012.

Ternium Hylsa ("Ternium"): In 2005, Techint, an Argentinian company, combined Hylsa, a Mexican steel company; with other entities to form Ternium. Currently, Ternium is a Luxembourg-based global steel producer with iron ore mining activities in North America as well as circular welded pipe mills in North, Central and South America.[47] In Mexico, Ternium has a tube production capacity of 882,000 short tons with circular welded pipe production facilities in Nuevo Leon.[48] Ternium maintains that its exports to the Americas have steadily increased over the years,[49] although Ternium reported that the significance of the United States as an export market has declined since 2006.[50] [51]

Grupo Villacero ("Villacero"): Founded in 1951, Villacero is based in Nuevo Leon and produces a variety of tubular products to American and Mexican standards. Its production capacity (including its subsidiary Lámina y Placa) is 179,000 short tons.[52]

Pytco S.A. de C.V. ("Pytco"): Pytco's facilities in Coahuila have 5 production lines primarily producing standard pipe and line pipe. The latter is for the oil and gas industry.

Operations on Circular Welded Pipe

In the original investigations three producers (Hylsa, Industrias Monterrey, and Tuberia Nacional) were identified as accounting for *** circular welded pipe produced in Mexico, all of which provided responses to the Commission's questionnaire. These pipe producers exported between *** percent of their total circular welded pipe shipments to the United States during 1989-91. In the first reviews, there were an estimated twenty producers of welded carbon steel pipes and tubes in Mexico. Two producers of circular welded pipe responded to the Commission's questionnaire (Hylsa and Tuberia Nacional). These producers exported between *** percent of their total circular welded pipe shipments to the United States during 1997-98. In the second reviews, the Commission sent questionnaires to 54 possible producers of circular welded pipe in Mexico, of which three producers provided data (Hylsa, Productos Laminados de

[47] Ternium is a leading steel company in the Americas with a capacity of approximately 10 million tons of finished steel products and 15,500 employees. Ternium has production facilities located in Mexico, Argentina, Colombia, the southern United States (Maverick), and Guatemala, as well as a network of service and distribution centers in Latin America. See http://www.techint.com/ternium.aspx/, retrieved March 24, 2012.

[48] Company's website, http://www.ternium.com/en/about/default, retrieved March 24, 2012.

[49] Ibid.

[50] Company's response to the Commission's Notice of Institution, p.3. Ternium Mexico did not provide a questionnaire response in these reviews. Ternium Mexico reported that it had not exported subject merchandise to the United States in the last year. Moreover, since the establishment of the order and continuation in 2006, Ternium stated that demand for higher-value tubular products had increased resulting in subject merchandise becoming a less important element of Ternium's sales in the United States. In addition, Ternium has developed other export markets that now account for a significant portion of Ternium's exports. It reports that the market in Mexico for subject merchandise has grown significantly and absorbs a significant portion of Ternium's production. Ternium Mexico reported that it produced *** short tons of circular welded pipe in 2010, accounting for *** percent of total circular welded pipe production in Mexico. In addition, the firm's production capacity in 2010 was *** short tons. Ternium Mexico's response to the Commission's institution notice, August 1, 2011.

[51] Ternium did not have any dutiable imports since ***. Commission requested additional information regarding Ternium's imports but received no response.

[52] Simdex, March 2012.

Monterrey, and Tuberia Nacional). These pipe producers exported between *** percent of their total circular welded pipe shipments to the United States during 1999-2005.[53]

In these third reviews, the Commission sent questionnaires to ten firms in Mexico identified as possible producers of circular welded pipe according to parties' responses to the notice of institution, proprietary Customs data, and Commerce notices.[54] Three firms, ***, provided questionnaire responses indicating that they did not produce or export to the United States circular welded pipe at any time since January 1, 2006.[55] One firm, Conduit, S.A. de C.V., provided data on its circular welded pipe operations (table IV-9).[56] Conduit estimated that it accounted for *** percent of total production of circular welded pipe in Mexico and *** percent of total exports of circular welded pipe to the United States in 2011. Conduit reported that ***.

Table IV-9
Circular welded pipe: Responding Mexican producer's capacity, production, shipments, and inventories, 2006-11

* * * * * * *

Alternative and Downstream Operations

The responding producer in Mexico reported producing other products using the same manufacturing equipment and/or production employees that were used to produce circular welded pipe. *** reported allocating capacity and employment data for circular welded pipe based on ***.

Table IV-10
Circular welded pipe: Responding Mexican producer's total plant capacity and production, by products, 2006-11

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[53] *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Invs. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276-277, 296, 409-410, 532-534, and 536-537 (Review)*, USITC Publication 3316 (July 2000), p. CIRC-IV-6, First Reviews staff report, May 2000, p. CIRC-13, *Certain Pipe and Tube From Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Invs. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276-277, 296, 409-410, 532-534, and 536-537 (Second Review),* USITC Publication 3867 (July 2007), pp. CIRCULAR-IV-18-20, and Second Reviews staff report, June 2006, pp. CIRCULAR-IV-28 and IV-32.

[54] This included two parties which submitted notices of appearance, foreign producer and exporter Ternium Mexico and foreign exporter Mueller Comercial de Mexico and affiliated U.S. importer Southland Pipe Nipples Co. These parties provided no questionnaire responses despite numerous requests to do so by Commission Staff. Ternium Mexico withdrew its notice of appearance on April 27, 2012.

[55] ***. Pytco did not respond to Commission Staff's request for clarification and a description of these products. Pytco's response to the Commission's Notice of Institution, August 1, 2011, pp. 2 and 5. In addition, *** provided a questionnaire response certifying that the firm had not produced or exported circular welded pipe at any time since January 1, 2006. However, on April 10, 2012, *** reported that ***. The revised data were not provided, nor did the firm respond to Commission Staff's request for clarification and a description of these nonsubject pipe and tube. Email from ***, April 10, 2012.

[56] Received on February 29, 2012.

THE INDUSTRY IN TAIWAN

Overview

According to the WSA, Taiwan was the world's seventh largest producer of welded tubes in 2009, behind China, Japan, Korea, Germany, the United States, and Canada.[57] In 2011, the United States was Taiwan's largest export market for round, welded, non-energy tubular products, accounting for over 45 percent of Taiwan's exports (40,092 short tons), followed by Canada (21,467 short tons), Japan (7,506 short tons), and Vietnam (6,953 short tons) (table IV-11). Taiwan's major pipe producers manufacture both welded and seamless steel tubular products in a wide range of sizes and steel alloys and international standards.[58] Several such producers also perform coating and galvanizing operations.

Table IV-11
Circular welded pipe: Taiwan's exports of round, welded, non-energy tubular products, by quantity, 2006-11

Country	2006	2007	2008	2009	2010	2011
	Exports (*short tons*)					
United States	50,523	44,218	75,430	6,539	54,017	40,092
Canada	412	NA	3,064	4,844	12,210	21,467
Japan	656	648	397	4,153	3,695	7,506
Vietnam	1,800	9,839	10,406	8,791	9,545	6,953
Thailand	1,733	4,429	5,088	1,243	2,566	4,127
China	2,673	1,113	1,728	844	1,237	3,074
Australia	1,016	2,286	3,380	5,163	5,444	1,736
Singapore	528	817	75	11	43	1,134
Indonesia	20	0	248	195	0	944
Malaysia	71	78	56	82	91	734
All other	1,618	3,353	2,449	2,649	1,404	1,725
Total	61,050	66,782	102,322	34,514	90,253	89,492
	Unit value (*dollars per short ton*)					
United States	558	611	913	644	763	828
Canada	540	NA	1,053	595	720	776
Japan	605	671	1,115	622	745	870
Vietnam	558	713	908	772	882	1,081
Thailand	995	860	1,048	979	1,107	1,090
China	645	771	1,328	931	1,059	1,230
Australia	680	707	861	637	703	828
Singapore	642	740	1,435	891	885	1,239
Indonesia	1,138	0	1,153	945	0	1,407
Malaysia	1,480	1,572	1,980	1,675	1,916	1,503
All other	739	798	1,014	804	1,041	1,581
Total	584	661	934	701	785	896

Table continued on next page.

[57] The WSA did not receive data from Taiwan for 2010.

[58] These include American, Chinese and Japanese standards. See Simdex, March 2012.

Table IV-11--*Continued*
Circular welded pipe: Taiwan's exports of round, welded, non-energy tubular products, by quantity, 2006-11

Note.–The data presented in this table are for HTS 7306.30 which covers most welded carbon steel pipe and tube (other than line pipe and OCTG), including welded circular pipe together with tapered welded pipe and pipes that are used in boilers, superheaters, and heat exchangers that are not included as subject products. Original data were published in metric tons, but were converted to short tons by multiplying by 1.1023.

NA: Not available.

Source: Compiled from *Global Trade Atlas.*

The two leading circular welded pipe producers in Taiwan are:

Far East Machinery Co. ("FEMCO"): Established in 1949, FEMCO is currently based in Taipei, Taiwan's capital, and employs over 1,000 people worldwide. FEMCO has a total tube production capacity of 159,000 short tons and can produce standard, energy, and pressure pipes, structural steel, conduits, and rectangular tubes. FEMCO also manufactures non-tubular products such as horizontal boring and mining machinery used in the mining, oil, and gas industries.[59]

Chung Hung Steel Corp. Co. ("Chung Hung"): Founded in 1983 in Kaohsiung, a city located in southwestern Taiwan, Chung Hung has a total tube production capacity of 110,000 short tons and produces standard, line, and structural pipes.[60]

Operations on Circular Welded Pipe

In the original investigations there were an estimated 13 small-diameter pipe producers in Taiwan, three of whom (Kao Hsing, Tai Feng, and Yieh Hsing) submitted questionnaire data and reportedly accounted for 95 percent of exports of subject merchandise to the United States at that time. These producers in Taiwan exported *** percent of their total small-diameter circular welded pipe shipments to the United States during 1981-83. In the original investigation on certain circular welded non-alloy steel pipes and tubes from Taiwan, which applies to large-diameter material between 4.5 inches and 16 inches in outer diameter, five firms were identified as producers of subject products (Kao Hsing, Yieh Hsing (Yieh Psing), Yieh Loong, Far East, and Vulcan). Three of these firms provided data and exported *** percent of their total large-diameter circular welded pipe shipments to the United States in 1991. In the first reviews, the Commission sent questionnaires to three possible producers of circular welded pipe in Taiwan, of which none provided responses to the Commission's questionnaire. In the second reviews, the Commission sent questionnaire to 11 possible producers of circular welded pipe in Taiwan, none of which provided responses to the Commission's questionnaire. [61]

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[59] Company's website, http://www.femco.com.tw/ and http://www.fstshafts.com/, retrieved March 26, 2012. *See also* http://investing.businessweek.com/research/stocks/private/snapshot.asp?privcapId=7622309 ; and http://www.machinetools007.com/showroom/fareast; retrieved March 26, 2012.

[60] Websites of Chung Hung Steel Corp: http://www.chsteel.com.tw/ch_e/ch/mst_e.htm/; and http://www.chsteel.com.tw/ch_e/ch/chmain_e.htm/.

[61] *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Invs. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276-277, 296, 409-410, 532-534, and 536-537 (Review)*, USITC Publication 3316 (July 2000), p. CIRC-IV-4, *Certain Pipe and Tube From Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Invs. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276-277, 296, 409-410, 532-534, and 536-537 (Second Review),* USITC Publication 3867 (July 2007), pp. CIRCULAR-IV-21-2, and Second Reviews staff report, June 2006, pp. CIRCULAR-IV-34-35.

In these reviews, the Commission sent questionnaires to ten firms in Taiwan identified as possible producers of circular welded pipe according to parties' responses to the notice of institution, proprietary Customs data, and Commerce notices. One firm, Tension Steel Industries Co., Ltd., provided data on its circular welded pipe operations.[62] Tension Steel did not provide an estimate of the share of total production of circular welded pipe in Taiwan for which it accounted, but estimated that the firm's exports accounted for *** percent of total exports of circular welded pipe to the United States in 2011. Tension Steel reported that its production capacity was limited by the scale of machinery and equipment.

Table IV-12
Circular welded pipe: Responding Taiwan producer's capacity, production, shipments, and inventories, 2006-11

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Alternative and Downstream Operations

The responding producer in Taiwan reported that it did not produce other products using the same manufacturing equipment and/or production employees that were used to produce circular welded pipe.

THE INDUSTRY IN THAILAND

Overview

In 2011, Thailand exported a total of 88,632 short tons of round, welded, non-energy tubular products worldwide (table IV-13). In 2010, it ranked twelfth among the world's leading circular welded pipe exporters, but was the fourth largest circular welded pipe exporter in Asia, after China, Korea, and Japan, the three leading steel producers/exporters of the world.[63]

According to Global Trade Atlas, the United States was the leading market for Thailand's exports with 48,346 short tons in 2011, accounting for more than one half of all its exports. In addition, Thailand also exports to Canada, Puerto Rico (U.S.), Australia, and Southeast Asian countries (table IV-13).

[62] Received on February 29, 2012.

[63] Global Trade Atlas has data on Thailand's exports up to 2011. WSA has no data on Thailand's production of welded tubular products.

Table IV-13
Circular welded pipe: Thailand's exports of round, welded, non-energy tubular products, by quantity, 2006-11

Country	2006	2007	2008	2009	2010	2011
	Exports (*short tons*)					
United States	69,848	36,737	97,933	13,616	37,114	48,346
Canada	109	99	10,329	3,264	14,046	15,904
Puerto Rico (U.S.)	3,287	0	0	0	1,565	5,061
Indonesia	8,898	5,702	4,968	3,726	5,112	4,712
Australia	4,498	7,568	7,931	7,708	14,251	4,217
Malaysia	402	4,545	1,940	9,424	14,604	2,790
Myanmar	49	66	310	668	2,477	1,409
Laos	0	85	391	649	661	1,103
Singapore	2,800	419	12,073	6,178	808	713
United Arab Emirates	1,505	631	1,875	406	767	656
All other	9,344	17,303	5,444	8,290	3,653	3,720
Total	100,740	73,155	143,194	53,929	95,059	88,632
	Unit value (*dollars per short ton*)					
United States	589	775	938	1,073	833	886
Canada	574	487	986	759	695	768
Puerto Rico (U.S.)	660	0	0	0	850	950
Indonesia	1,566	4,061	1,796	1,900	1,649	1,724
Australia	1,425	676	963	614	747	794
Malaysia	1,651	631	978	585	710	857
Myanmar	779	750	740	633	747	835
Laos	0	688	1,738	931	929	2,772
Singapore	548	779	979	646	1,011	1,112
United Arab Emirates	1,150	1,058	1,075	1,158	1,191	1,151
All other	2,289	1,010	1,607	1,222	1,522	1,600
Total	884	1,069	1,006	928	854	964

Note.–The data presented in this table are for HTS 7306.30 which covers most welded carbon steel pipe and tube (other than line pipe and OCTG), including welded circular pipe together with tapered welded pipe and pipes that are used in boilers, superheaters, and heat exchangers that are not included as subject products. Original data were published in metric tons, but were converted to short tons by multiplying by 1.1023.

Source: Compiled from *Global Trade Atlas.*

Thailand's welded tubular production capacity amounts to approximately 500,000 short tons. Among these producers, *Saha Thai Steel Pipe Public Co. Ltd*. (Saha Thai) is reportedly the first and the largest manufacturer of welded steel tube with a production capacity of almost 200,000 short tons, or almost 40 percent of Thailand's total circular welded pipe production capacity.[64] Incorporated in 1968, Saha Thai is located in Samut Prakarn, south of Bangkok, Thailand's capital.[65]

Samchai Steel Industries is a firm with annual production capacity of 165,000 short tons of welded pipe, including standard pipe up to 18 inches in diameter.[66]

Siam Matsushita Steel Co., Ltd. specializes in the production of electrical conduit pipe. Current production capacity is 66,000 short tons of conduit piping and 4,000 short tons of specialized pipelining for waterworks.[67]

Operations on Circular Welded Pipe

In the original investigations, five responding producers reported they were the only circular welded pipe producers in Thailand with the necessary economies of scale to operate a profitable export business (First Steel Industry, Saha Thai, Siam Steel, Thai Steel, and Thai Union). These producers exported *** percent of their total circular welded pipe shipments to the United States during 1982-84. In the first reviews, the Commission sent questionnaire to two possible producers of circular welded pipe in Thailand, of which neither provided responses to the Commission's questionnaire. In the second reviews, there were an estimated four steel tube producers in Thailand (Samchai Steel Industries, Siam Matsushita Steel, Saha Thai, and Thai Union Steel), of which one (Saha Thai) provided responses to the Commission's questionnaire. Saha Thai exported between *** percent of its total circular welded pipe shipments to the United States during 1999-2005.[68]

In these reviews, the Commission sent questionnaires to ten firms in Thailand identified as possible producers of circular welded pipe from parties' responses to the notice of institution, proprietary Customs data, and Commerce notices. One firm, Saha Thai, provided data on its circular welded pipe operations (table IV-14 and table IV-15).[69] Saha Thai estimated that it accounted for *** percent of total production of circular welded pipe in Thailand and *** percent of total exports of circular welded pipe to the United States in 2011. Saha Thai reported *** constraints in the manufacturing process.

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[64] The Simdex Steel Tube Manufacturers Worldwide Guide, March 2012. Saha Thai reported that with production capacity of *** short tons, it represents approximately *** percent of Thailand's total circular welded pipe production capacity in 2011.

[65] Company's website, http://sahathai.com/en/main.htm. Saha Thai in its questionnaire response reported that in 2011, it produced a total of ***.

[66] The Simdex Steel Tube Manufacturers Worldwide Guide, March 2012.

[67] Found at http://siammatsu.thailand.com/index_p.htm, accessed May 24, 2012.

[68] *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Invs. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276-277, 296, 409-410, 532-534, and 536-537 (Review)*, USITC Publication 3316 (July 2000), p. CIRC-IV-4, *Certain Pipe and Tube From Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Invs. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276-277, 296, 409-410, 532-534, and 536-537 (Second Review),* USITC Publication 3867 (July 2007), pp. CIRCULAR-IV-22-23, and Second Reviews staff report, June 2006, pp. CIRCULAR-IV-28 and IV-40.

[69] Received on March 1, 2012.

Table IV-14
Circular welded pipe: Responding Thai producer's capacity, production, shipments, and inventories, 2006-11

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Alternative and Downstream Operations

The responding producer in Thailand reported producing *** using the same manufacturing equipment and/or production employees that were used to produce circular welded pipe.

Table IV-15
Circular welded pipe: Responding Thai producer's total plant capacity and production, by products, 2006-11

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THE INDUSTRY IN TURKEY

Overview

Turkey is a leading global producer of circular welded steel pipe and related tubular products. According to the Turkish Steel Pipe Manufacturers Association, a trade organization, Turkey's steel pipe production grew by 125 percent during 2000-11. In 2010, Turkey became the largest steel pipe producing country in Europe, with a production of 3.5 million short tons, as well as the world's fifth leading producer after China, Russia, Japan, and South Korea. In 2011, Turkey's steel pipe production increased by 9.7 percent in spite of difficult global economic conditions.[70] Turkey's installed steel pipe capacity is approximately 6.0 million metric tons (6.6 million short tons), of which 2.9 million metric tons (3.2 million short tons) is nonsubject spirally welded large diameter (greater than 406 mm or 16 inches) pipe.[71]

Global Trade Atlas reported that, in 2010, Turkey became the world's second leading exporter of round, welded, non-energy tubular products, behind China. In 2011, Turkey exported 446,016 short tons of round, welded, non-energy tubular products. In 2011, the United Kingdom was Turkey's largest export market, with 71,183 short tons, followed by the United States with 68,048 short tons. Turkey also supplies round, welded, non-energy tubular products to other countries in Europe and the Middle East (table IV-16).

[70] Turkey Steel Pipe Manufacturers Association, http://www.cebid.org.tr/en/index-17.html, retrieved March 28, 2012.

[71] Turkey Steel Pipe Manufacturers Association, http://www.cebid.org.tr/en/index-11.html, retrieved May 15, 2012.

Table IV-16
Circular welded pipe: Turkey's exports of round, welded, non-energy tubular products, by quantity, 2006-11

Country	2006	2007	2008	2009	2010	2011
	Exports (*short tons*)					
United Kingdom	72,181	68,109	57,995	43,529	66,218	71,183
United States	31,739	4,598	59,707	27,444	64,880	68,048
Iraq	4,630	16,835	9,674	44,262	45,987	47,283
Italy	37,629	28,422	28,196	14,803	28,254	37,015
Romania	31,140	43,647	39,456	25,797	24,037	33,918
Germany	18,825	23,705	19,967	12,379	22,703	28,192
Syria	6,405	6,096	11,613	22,497	18,476	18,669
Netherlands	11,770	20,152	18,440	10,208	14,221	18,265
Canada	18,493	18,546	18,264	13,074	13,957	17,027
Belgium	19,300	17,033	14,978	5,244	7,661	11,730
All other	114,773	122,146	106,255	108,721	121,557	94,685
Total	366,885	369,288	384,545	327,957	427,951	446,016
	Unit value (*dollars per short ton*)					
United Kingdom	584	654	862	585	680	828
United States	567	873	1,002	675	720	862
Iraq	657	717	911	614	671	787
Italy	632	747	961	711	725	878
Romania	686	739	1,025	612	706	795
Germany	1,005	1,120	1,499	1,190	1,243	1,539
Syria	739	891	1,003	764	850	962
Netherlands	552	600	873	545	649	824
Canada	558	622	995	596	733	863
Belgium	556	596	842	585	680	750
All other	691	797	1,057	745	839	1,059
Total	651	751	1,006	692	773	929

Note.–The data presented in this table are for HTS 7306.30 which covers most welded carbon steel pipe and tube (other than line pipe and OCTG), including welded circular pipe together with tapered welded pipe and pipes that are used in boilers, superheaters, and heat exchangers that are not included as subject products. Original data were published in metric tons, but were converted to short tons by multiplying by 1.1023.

Source: Compiled from *Global Trade Atlas.*

According to Turkey's General Directory of Exports ("GDE"), Turkey's products are primarily consumed domestically and in neighboring markets including Europe, the CIS countries, the Middle East, and North Africa. The GDE also reported that, in 2006, Turkish companies' contracts amounted to 80 percent of total construction activities (which use circular welded pipe) in the Middle East and CIS countries, a figure that increased to 92 percent during 2008-10. Turkey has free trade agreements with Egypt and Syria, which reportedly have made Turkish exports more price-competitive in these countries.[72]

According to Respondent Turkish exporters and producers, Turkey's new production capacity will be more likely for nonsubject tubes and pipe for the growing energy and automotive industries, which are more profitable rather than for circular welded pipe.[73]

Simdex identified fourteen Turkish circular welded pipe producers. Among these, Borusan Mannesmann Boru and Norsel Celik Boru Sanayi are leading producers. Most of Turkey's pipe mills can also produce a variety of products including line pipe and seamless tubular products to a wide range of international standards.

Borusan Mannesmann Boru Sanayi ve Ticarat A.Ş. ("Borusan"): Founded in 1958 in Istanbul (northwestern Turkey), Borusan produced almost *** short tons of circular welded pipe and exported *** short tons to the United States in 2010.[74]

Noksel Celik Boru Sanayi A.S. ("Noksel"): Established in 1897, Noksel is located in Ankara, the capital of Turkey. In 2010, Noksel reported a total tube and pipe production capacity of *** short tons, and production of *** short tons of circular welded pipe. The company reported no exports to the United States that year.[75]

Operations on Circular Welded Pipe

In the 1985 original antidumping duty investigation and the 1986 original countervailing duty investigations, five circular welded pipe producers in Turkey were identified (Borusan Holding/Borusan Mannesmann, Mannesmann-Sumerbank Boru Endustrisi, Erkoru Profile Sanayi ve Ticaret, Umran, and Yucel Boru ve Profil Endustrisi), all of which provided responses to the Commission's questionnaire. These firms' exports to the United States were minimal until January-September 1985 when they increased to *** short tons. In the first reviews, there were an estimated 13 producers of welded carbon steel pipe and tube in Turkey, of which one producer (Borusan Birlesik Boru Fabrikalari, A.S.) provided a response to the Commission's questionnaire. This producer exported between *** percent of its total circular welded pipe shipments to the United States during 1997-98. In the second reviews, the Commission sent questionnaires to 11 possible producers of circular welded pipe in Turkey, of which four (Borusan, Erbosan Erciyas Boru Sanayii ve Ticaret, Güven Boru Profil Sanayi ve Ticaret, and

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[72] Republic of Turkey, Ministry of Economy, General Directorate of Exports, Response to ITC Notice of Institution, July 29, 2011, p. 8. *Also, see* Response of Turkish Exporters & Producers to the Commission's Notice of Institution, August 1, 2011, p. 12.

[73] Response of Turkish Exporters & Producers to the Commission's Notice of Institution, August 1, 2011, p. 11.

[74] Turkey Steel Pipe Manufacturers Association, http://www.cebid.org.tr/en/index-17.html, retrieved March 28, 2012.

[75] Republic of Turkey, Ministry of Economy, General Directorate of Exports, Response to ITC Notice of Institution, July 29, 2011, p. 8. *See also* Response of Turkish Exporters & Producers to the Commission's Notice of Institution, August 1, 2011, p. 12.

Noksel) provided data. These firms exported between *** percent of their total circular welded pipe shipments to the United States during 1999-2005.[76]

In these reviews, the Commission sent questionnaires to ten firms in Turkey identified as possible producers of circular welded pipe according to parties' responses to the notice of institution, proprietary Customs data, and Commerce notices. Three firms, Borusan, Noksel, and Toscelik Profil Ve Sac Endustrisi A.S. ("Toscelik") provided data on their circular welded pipe operations (table IV-17 and table IV-18).[77] Borusan estimated that it accounted for *** percent of total production of circular welded pipe in Turkey and *** percent of total exports of circular welded pipe from Turkey to the United States in 2011. Noksel estimated that it accounted for *** percent of total production of circular welded pipe in Turkey and *** percent of total exports of circular welded pipe from Turkey to the United States in 2011. Toscelik estimated that it accounted for *** percent of total production of circular welded pipe in Turkey and *** percent of total exports of circular welded pipe from Turkey to the United States in 2011. All three responding producers reported constraints in the manufacturing process. *** reported production is constrained by stop times needed for maintenance and switching equipment during changes for size and by limited storage area. ***.

While two firms reported exports to the United States during 2006-11, *** accounted for ***.[78] *** began exporting to the United States in 2008 after ***. *** reported that the *** of exports to the United States in *** was due to the competition from imports from China and the resulting low market prices. At that time ***.

***.[79]

Table IV-17
Circular welded pipe: Turkey capacity, production, shipments, and inventories, 2006-11

* * * * * * *

[76] *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Invs. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276-277, 296, 409-410, 532-534, and 536-537 (Review)*, USITC Publication 3316 (July 2000), p. CIRC-IV-7, First Reviews staff report, May 2000, p. CIRC-15, *Certain Pipe and Tube From Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Invs. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276-277, 296, 409-410, 532-534, and 536-537 (Second Review),* USITC Publication 3867 (July 2007), pp. CIRCULAR-IV-24-25, and Second Reviews staff report, June 2006, pp. CIRCULAR-IV-45. One firm reported that it did not produce or export circular welded pipe and tube to the United States between 1999 and 2005.

[77] Received on March 6, 2012.

[78] Borusan stated that it only sells/exports to one firm in the United States, a master stocking distributor (***). Hearing transcript, p. 175 and p. 208 (Atabey).

[79] Response to Commission Staff questions from ***, May 16, 2012.

Alternative and Downstream Operations

*** of the responding producers in Turkey reported producing other products using the same manufacturing equipment and/or production employees that were used to produce circular welded pipe.[80] Borusan noted that it can shift between products to maximize profits and capacity utilization and that it has shifted production to higher value-added and more profitable products such as line pipe, mechanical tubing for automotive sector, and OCTG.[81] [82]

Table IV-18
Circular welded pipe: Turkish producers' total plant capacity and production, by products, 2006-11

* * * * * * *

ANTIDUMPING AND COUNTERVAILING DUTY INVESTIGATIONS IN THIRD-COUNTRY MARKETS

Saha Thai reported that Australia imposed a tariff of 10 percent in 2000 and the E.U. imposed a tariff of 21 percent in 2004 on circular welded pipe from Thailand.[83] No other foreign producers reported that their firm's exports of circular welded pipe were subject to tariff or non-tariff barriers in any countries other than the United States.[84] On May 14, 2012, Canada initiated antidumping and countervailing investigations on imports of circular welded pipe from India, Korea, Turkey, and Thailand.[85] Orders on imports from these countries had previously expired in 2006.[86]

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[80] Borusan reported that circular welded pipe is produced at one of *** manufacturing facilities that produce other products. Hearing transcript, p. 175 (Atabey). ***.

[81] Hearing transcript, pp. 172-173 (Atabey), p. 203 (Nolan), and p. 238 (Demirioglu).

[82] Four producers in Turkey (Borusan, Cayirova, Toscelik, and Umrun) currently have API 5CT licenses to make OCTG. API Composite List, API-5CT, Turkey, found at http://compositelist.api.org/facilitieslist.asp?AdvancedSearchCertifications=Yes, accessed May 16, 2012, and Domestic interested parties' posthearing brief, pp.13-14 and exh. 17.

[83] On March 31, 2012, the E.U. initiated antidumping proceedings concerning imports of welded tubes, pipes and hollow profiles of square or rectangular cross-section, of iron other than cast iron or steel other than stainless, originating in the former Yugoslav Republic of Macedonia, Turkey and Ukraine. Official Journal of the European Union, C 96/13, March 31, 2012, found at http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2012:096:0013:0021:EN:PDF,, accessed on May 24, 2012.

[84] Tension Steel (Taiwan) also reported that its exports were subject to a number of barriers in Australia (instituted in 2007), Canada (API beginning 2009), China (beginning 2006), and Thailand (beginning 2006) but did not provide details.

[85] "Notice of Initiation of Investigations - Certain Carbon Steel Welded Pipe," Canada Border Services Agency, found at http://www.cbsa-asfc.gc.ca/sima-lmsi/i-e/ad1396/ad1396-i12-ni-eng.html, accessed on May 15, 2012.

[86] "Carbon Steel Welded Pipe, Expiry No. LE-2005-003," Canadian International Trade Tribunal, November 9, 2005, found at http://www.citt.gc.ca/dumping/expiries/orders/le2f003_e.asp, accessed on May 15, 2012. The order on carbon steel welded pipe from Brazil also expired in 2006. Id.

GLOBAL MARKET

Supply

According to the WSA, China was the world's largest producer of welded tube in 2010 (35.7 million short tons), followed by Japan (5.5 million short tons), and South Korea (5.3 million short tons). The United States produced 2.0 million short tons of welded tube in 2010 (table IV-19).[87]

Table IV-19
Circular welded pipe: Global welded tube and pipe production, by region, 2006-10

Region	2006	2007	2008	2009	2010
	Quantity (*in thousands of short tons*)				
North America	7,019	6,610	5,981	3,436	4,892
Canada	3,250	2,886	3,124	1,511	2,411
United States	3,117	3,140	2,653	1,284	1,951
Mexico	651	574	699	640	529
European Union (15)	7,743	7,728	7,163	5,392	6,268
Asia	38,487	40,728	43,862	45,443	50,149
China	23,383	25,442	28,014	33,503	35,681
Korea	4,527	4,834	5,280	4,288	5,334
Japan	7,153	7,295	7,094	4,464	5,492
Taiwan	1,230	1,067	1,164	977	1,172
Others	2,097	1,883	1,615	1,419	1,702
Total of reporting countries	58,093	60,570	58,621	55,690	62,481

Note.--The data presented in this table are for all welded tubes, and so are substantially overstated with respect to the circular welded pipe subject to these reviews. No data from India, Thailand or Turkey were reported during 2008-10. Russia is not included as it only reported data for 2010. Original data were published in metric tons, but were converted to short tons by multiplying by 1.1023. Figures for total production are not comparable because the number of reporting countries is not consistent across the years. Because of rounding, figures may not add to the totals shown. Production data of EU (15) countries, Taiwan, and "Others" for 2010 are estimates, based on shipments. EU (15) data do not include Italy. "Others" includes only Australia and EU other than EU (15).

Source: WSA, *Steel Statistical Yearbook 2011,* p. 61, August 2011.

China is the world's leading exporter of round, welded, non-energy tubular products (778,219 short tons in 2011), followed by the United States (453,248 short tons), Turkey (446,015 short tons), South Korea (326,949 short tons), and Canada (236,738 short tons) according to Global Trade Atlas (table IV-20).[88]

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[87] The WSA represents approximately 170 steel producers (including 18 of the world's 20 largest steel companies), national and regional steel industry associations, and steel research institutes. WSA members account for about 85 percent of global steel production. Unless otherwise stated, all data on circular welded tube production in this part are obtained from "Steel Statistical Yearbook, 2011," July 2011.

[88] Global Trade Atlas, is a South Carolina-based supplier of international merchandise trade data. The discussion is based on GTA's data on exports for HTS 7306.30 which includes all circular welded non-alloy steel tubular products.

Table IV-20
Circular welded pipe: Global exports of round, welded, non-energy tubular products, by quantity, 2006-11

Country	2006	2007	2008	2009	2010	2011
	Exports (*short tons)*					
China	1,294,002	1,637,628	545,864	470,132	740,271	778,219
United States	264,707	318,387	345,383	266,709	343,652	453,248
Turkey	366,891	369,295	384,543	327,960	427,953	446,015
South Korea	209,104	254,777	333,467	249,007	278,683	326,949
Canada	428,171	417,194	412,699	209,034	255,024	236,738
EU27 (External Trade)	247,529	243,781	234,903	169,031	201,618	226,597
Switzerland	206,682	216,758	208,857	132,468	178,416	197,776
Japan	120,128	122,429	136,303	79,562	116,835	134,227
Ukraine	138,990	228,204	190,495	193,570	140,693	134,169
Mexico	100,866	92,434	114,884	103,772	126,162	124,614
All other[1]	684,525	598,849	750,041	472,883	585,545	499,254
Total	4,061,595	4,499,736	3,657,439	2,674,128	3,394,851	3,557,804

[1] All other includes estimates of 2011 exports from certain countries, primarily India, whose data are not yet available.

Note.–The data presented in this table are for HTS 7306.30 which covers most welded carbon steel pipe and tube (other than line pipe and OCTG), including welded circular pipe together with tapered welded pipe and pipes that are used in boilers, superheaters, and heat exchangers that are not included as subject products. Original data were published in metric tons, which were converted to short tons by multiplying by 1.1023.

Source: Compiled from *Global Trade Atlas.*

China was the leading supplier of circular welded pipe to the U.S. market until 2008, when U.S. imports from China decreased sharply from 680,311 short tons in 2007 to 12,081 short tons in 2008, following remedy measures taken by the United States.[89] Since 2009, U.S. imports of circular welded pipe from China have averaged less than 3,000 short tons.[90]

As noted above, China is the leading exporter of circular welded tubular products, with 2011 leading markets in Australia, several Asian countries, Chile, and U.A.E.(table IV-21). Several other countries currently have antidumping duty orders in place on welded pipe (including circular welded pipe) from China, including Canada[91] and the EU.[92] [93]

[89] *Notice of Antidumping Duty Order: Circular Welded Carbon Quality Steel Pipe from the People's Republic of China*, 73 FR 42547, July 22, 2008, and *Circular Welded Carbon Quality Steel Pipe from the People's Republic of China: Notice of Amended Final Affirmative Countervailing Duty Determination and Notice of Countervailing Duty Order*, 73 FR 42545, July 22, 2008.

[90] Official data from the U.S. Department of Commerce and the USITC for HTS statistical reporting numbers 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, and 7306.30.5090.

[91] "Notice of Conclusion of Re-investigation Certain Carbon Steel Welded Pipe – 2010," Canada Border Services Agency, found at http://www.cbsa-asfc.gc.ca/sima-lmsi/ri-re/ad1373/ad1373-ri10-nc-eng.html, accessed May 15, 2012.

[92] "Council Regulation (EC) No 1256/2008, December 16, 2008," Official Journal of the European Union, L 343/1.

[93] Domestic parties' posthearing brief, p. A-14.

Table IV-21
Circular welded pipe: China's exports of round, welded, non-energy tubular products, 2006-11

Country	Calendar year					
	2006	2007	2008	2009	2010	2011
	Exports (*short tons*)					
Australia	63,442	77,275	82,154	39,482	72,950	76,113
Philippines	34,373	70,574	37,405	31,618	73,216	58,341
Indonesia	16,335	50,970	30,525	24,543	33,577	36,841
Chile	19,747	31,617	12,951	10,065	22,229	36,352
United Arab Emirates	15,853	43,821	27,797	21,991	33,792	36,302
Hong Kong	36,647	29,651	20,025	25,928	30,550	36,097
Singapore	19,137	21,863	15,408	28,101	35,787	34,563
Nigeria	1,494	5,671	9,702	15,239	18,175	24,025
Mongolia	2,180	3,599	2,299	7,305	13,082	23,278
United Kingdom	63,975	87,137	19,941	3,504	21,583	21,600
All other	1,020,819	1,215,452	287,651	262,355	385,328	394,709
Total	1,294,002	1,637,630	545,859	470,132	740,269	778,220
	Unit value (*dollars per short ton*)					
Australia	521	615	1,014	719	735	839
Philippines	476	550	971	619	665	760
Indonesia	713	645	738	792	818	931
Chile	546	562	876	709	727	790
United Arab Emirates	551	576	865	656	721	825
Hong Kong	592	710	1,042	794	782	877
Singapore	498	568	852	666	679	812
Nigeria	528	629	883	648	738	852
Mongolia	444	569	755	513	469	728
United Kingdom	482	551	903	955	801	900
All other	514	555	850	733	787	922
Total	517	564	887	718	754	876

Note.–The data presented in this table are for HTS 7306.30 which covers most welded carbon steel pipe and tube (other than line pipe and OCTG), including welded circular pipe together with tapered welded pipe and pipes that are used in boilers, superheaters, and heat exchangers that are not included as subject products. Original data were published in metric tons, which were converted to short tons by multiplying by 1.1023.

Source: Compiled from *Global Trade Atlas.*

Demand

Few questionnaire responses were received regarding non-U.S. demand. Although characterizations about non-U.S. demand since 2006 varied, most responses anticipated increases or no change in non-U.S. demand (table IV-22). The factor most often reported by responding importers as affecting demand outside the United States both since 2006 and in the future was the level of construction. One firm anticipated increasing demand outside the United States because of infrastructure investment in developing countries. Among purchasers, the most-often reported factor affecting demand outside the United States was the global economy. Other factors included steady or improving demand in developing countries, in China, and in Latin and Central America, and an improving energy market.

Table IV-22
Circular welded pipe: Firms' perceptions regarding demand outside the United States

* * * * * * *

As presented in table IV-23, the top importing countries during 2006-11 were the United States followed by several EU countries and Canada. Most of the top countries' imports of round, welded, non-energy tubular products had recovered in 2011 to at least 2006 levels, except for the United States, with approximately half the quantity of imports in 2011.

Table IV-23
Circular welded pipe: Top twelve importing countries of round, welded, non-energy tubular products, 2006-11

Country	Calendar year					
	2006	2007	2008	2009	2010	2011
	Quantity (*short tons*)					
United States	1,625,368	1,408,861	1,116,579	603,755	787,836	808,463
Germany	686,299	774,184	776,722	496,394	599,729	704,403
Canada	430,392	443,018	394,694	296,152	335,106	495,154
France	299,848	326,437	335,111	232,090	273,882	282,105
United Kingdom	230,681	260,223	213,589	121,369	168,053	187,107
Netherlands	137,104	156,376	164,299	126,273	148,831	186,036
Belgium	180,857	246,933	209,922	105,647	125,479	155,463
Poland	166,206	170,626	165,086	121,243	130,173	138,550
Mexico	92,283	84,257	84,734	63,067	113,715	136,495
Austria	119,119	114,250	123,861	94,042	114,090	129,802
China	101,768	98,427	95,298	95,112	124,863	127,636
Japan	62,764	67,801	52,568	65,370	90,434	124,160
All other	1,926,338	2,182,712	2,478,673	1,457,790	1,693,730	1,699,691
Total	6,059,025	6,334,104	6,211,136	3,878,303	4,705,923	5,175,066

Table continued on next page.

Table IV-23--*Continued*
Circular welded pipe: Top twelve importing countries of round, welded, non-energy tubular products, 2006-11

Country	Calendar year					
	2006	2007	2008	2009	2010	2011
	Value (*$1,000 dollars*)					
United States	1,141,165	1,063,454	1,220,835	609,146	730,653	838,413
Germany	685,187	890,049	1,064,097	562,514	659,560	898,262
Canada	403,752	426,126	498,953	299,899	377,258	570,843
France	311,515	390,729	479,255	250,124	304,564	368,760
United Kingdom	206,164	235,414	240,710	116,378	169,739	218,775
Netherlands	110,904	153,435	190,994	106,031	123,578	181,200
Belgium	133,235	200,663	245,949	103,142	123,357	170,904
Poland	162,587	204,482	249,770	154,813	178,925	208,867
Mexico	132,385	130,248	139,989	100,496	174,690	230,502
Austria	121,005	130,243	163,704	98,728	122,190	163,089
China	106,495	129,990	152,813	155,340	231,037	250,301
Japan	48,242	60,738	64,264	66,712	92,812	144,537
All other	1,750,036	2,272,896	2,608,028	1,529,798	1,907,497	2,281,215
Total	5,312,672	6,288,465	7,319,363	4,153,120	5,195,861	6,525,667

Note.–The data presented in this table are for HTS 7306.30 which covers most welded carbon steel pipe and tube (other than line pipe and OCTG), including welded circular pipe together with tapered welded pipe and pipes that are used in boilers, superheaters, and heat exchangers that are not included as subject products. Original data were published in metric tons, which were converted to short tons by multiplying by 1.1023.

Source: Compiled from *Global Trade Atlas*.

According to Metal Bulletin Research ("MBR"), industry observers are optimistic about the prospect for a rebound in global demand for pipe in 2012; however, some industry sources question whether measures to reduce government spending in several European countries may ultimately weaken demand for circular welded pipe in Europe. In North America, producers are reportedly confident that the U.S. economic recovery will continue to improve demand for tubular products.[94]

Prices

Few U.S. producers were able to supply information comparing prices for circular welded pipe in the U.S. and non-U.S. markets. *** indicated that prices in markets outside the United States were approximately $150 to $200 per ton lower than in the U.S. market. *** indicated that prices in the Canadian and Mexican markets are comparable to prices in the U.S. market. Most importers were also unable to provide such price comparisons, but *** reported that U.S. prices are higher due to mill inefficiencies and labor costs. *** reported that there are not significant differences between U.S. and non-U.S. prices.

[94] Metal Bulletin Research (MBR)-Welded, February 29, 2012, p. 1.

When asked to compare pricing in U.S., home-country, and third-country markets, *** subject foreign producers/exporters described circular welded pipe pricing as about the same in all markets, or differing only with freight cost. *** reported that due to the large share of raw materials cost in the cost of circular welded pipe, prices are determined by raw material cost regardless of market.

Table IV-24 presents the average unit values of imports of round, welded, non-energy tubular products. Because of the highly variable mix of products included in these data, direct comparisons between countries are problematic.

Table IV-24
Circular welded pipe: Top twelve importing countries' unit values of round, welded, non-energy tubular products, 2006-11

Country	Calendar year					
	2006	2007	2008	2009	2010	2011
	Unit value (*dollars per short ton*)					
United States	702	755	1,093	1,009	927	1,037
Germany	998	1,150	1,370	1,133	1,100	1,275
Canada	938	962	1,264	1,013	1,126	1,153
France	1,039	1,197	1,430	1,078	1,112	1,307
United Kingdom	894	905	1,127	959	1,010	1,169
Netherlands	809	981	1,162	840	830	974
Belgium	737	813	1,172	976	983	1,099
Poland	978	1,198	1,513	1,277	1,375	1,508
Mexico	1,435	1,546	1,652	1,593	1,536	1,689
Austria	1,016	1,140	1,322	1,050	1,071	1,256
China	1,046	1,321	1,604	1,633	1,850	1,961
Japan	769	896	1,223	1,021	1,026	1,164
All other	908	1,041	1,052	1,049	1,126	1,342
Total	877	993	1,178	1,071	1,104	1,261

Note.–The data presented in this table are for HTS 7306.30 which covers most welded carbon steel pipe and tube (other than line pipe and OCTG), including welded circular pipe together with tapered welded pipe and pipes that are used in boilers, superheaters, and heat exchangers that are not included as subject products. Original data were published in metric tons, which were converted to short tons by multiplying by 1.1023.

Source: Compiled from *Global Trade Atlas*.

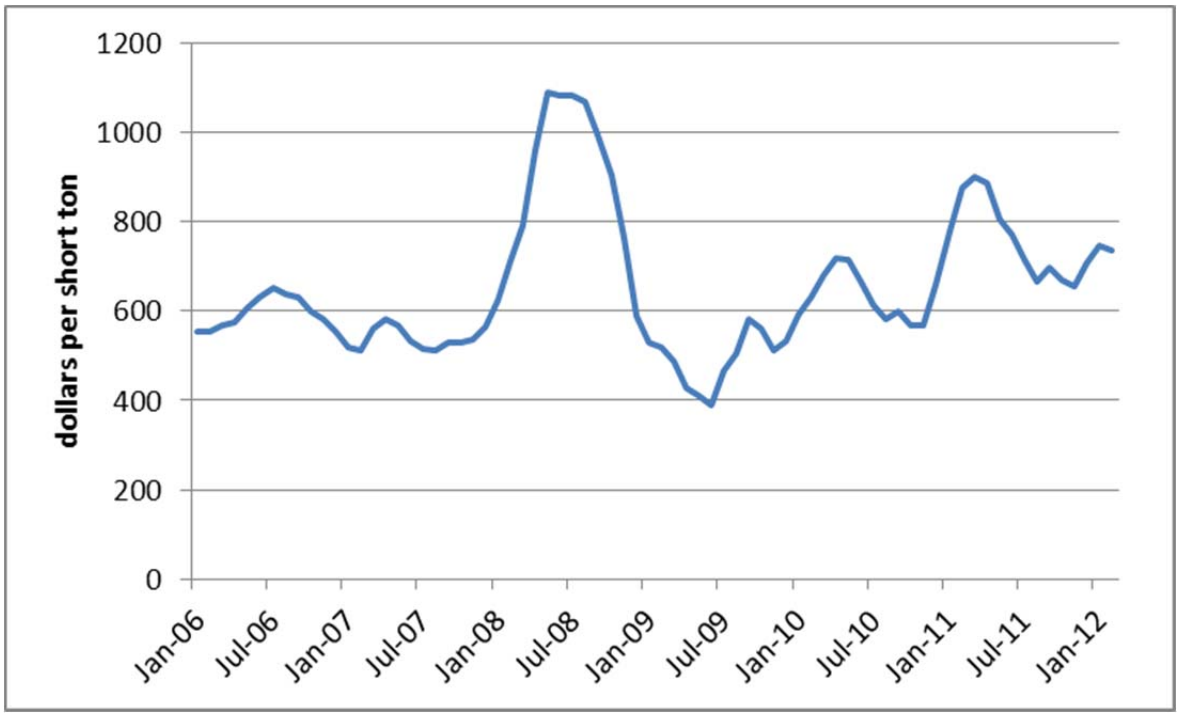
PART V: PRICING AND RELATED INFORMATION

FACTORS AFFECTING PRICING

Raw Material Costs

Over the period for which data were collected in these reviews (2006-11) the cost of producing circular welded pipe has reflected the cost of its chief material input, hot-rolled steel. During this period, raw material costs accounted for an average of 78 percent of U.S. producers' cost to produce circular welded pipe. During 2006–11, the cost of hot-rolled steel sheet varied from a minimum of $388 per short ton in June of 2009 to a maximum of $1,089 per ton in May 2008 (see figure V-1).

Figure V-1
Monthly average price of hot-rolled steel sheet, January 2006–January 2012



Source: American Metal Market, "Steel sheet, hot-rolled sheet/Midwest," March 25, 2012.

U.S. Inland Transportation Costs

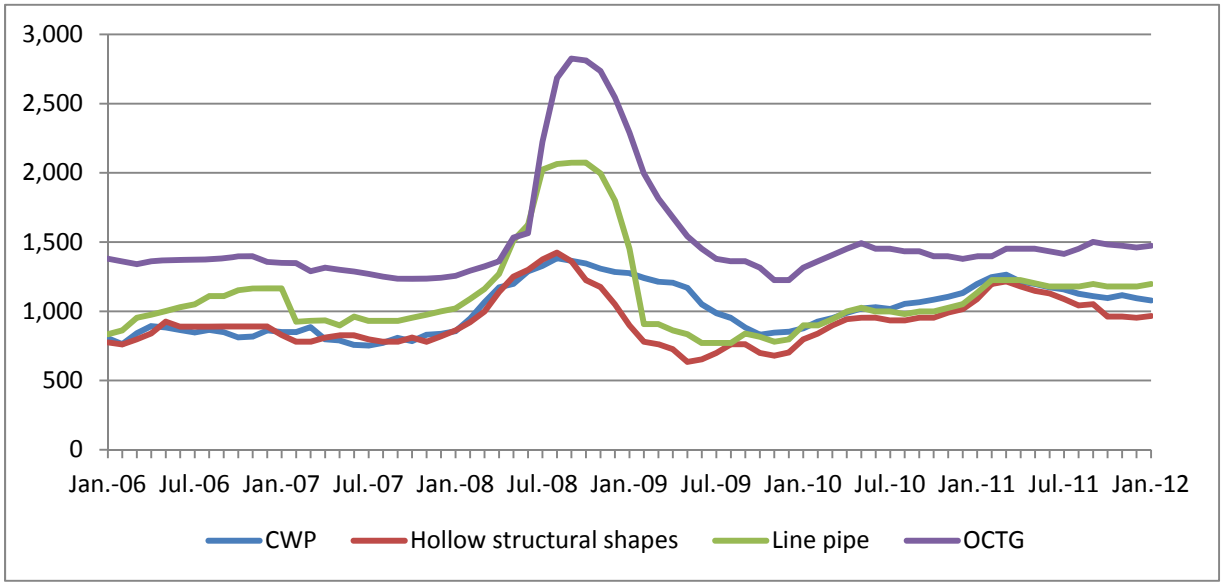
Ten U.S. producers reported that circular welded pipe is generally quoted f.o.b. and three reported that such pipe is usually quoted on a delivered basis. U.S. inland transportation was estimated to account for 2 percent to 10 percent of the delivered cost of circular welded pipe. Eleven producers reported that they arranged transportation to their customers, and three reported that their customers usually arranged for transportation. Thirteen of 21 responding importers reported that their circular welded pipe is usually quoted f.o.b., and the remaining 8 reported that such pipe is usually quoted on a delivered basis. U.S. inland transportation costs were estimated to account for 2 to 15 percent of the total delivered cost of circular welded pipe.

Published Price Data

Price data for circular welded pipe show that over the past two years, prices for standard pipe first increased, and then generally declined in 2011, to end the year at prices above those observed at the beginning of 2010. Prices reported for black plain-end pipe up to 4.5 inches in diameter, for instance, were reported to be $877 per ton in January 2010, reached a high of $1,264 per ton in March 2011, and were $1,094 per ton in December 2011.[1]

Like the circular welded pipe price data discussed later in this chapter, published price data from Preston Pipe Report indicate that welded pipe prices peaked in mid-2008, reached a period low in early 2009, and have since increased. Data from Metal Bulletin Research indicate that prices for welded line pipe, OCTG, and hollow structural shapes show similar trends to circular welded pipe, although energy tubular prices did not weaken in 2011, as shown in Figure V-2.

Figure V-2
Circular welded pipe, hollow structural sections, line pipe, and OCTG: Monthly prices, January 2006–January 2012



Source: *Preston Pipe and Tube Report*, prices for black plain-end circular welded pipe to 4.5 inch, January 2006–January 2012; Metal Bulletin Research, "Welded Steel Tube and Pipe Market Tracker," formerly, "Welded Steel Tube and Pipe Monthly," January 2006–January 2012, prices for structural shapes, ERW line pipe (X42) ex-mill, and annealed ERW OCTG tubing ex-mill.

PRICING PRACTICES

Eleven U.S. producers and 18 responding importers reported selling circular welded pipe using transaction-by-transaction pricing, although 8 U.S. producers reported using price lists, and 1 U.S. producer and 3 importers also reported selling under contracts.

[1] *Preston Pipe & Tube Report*, "Average First Point of Sales Prices by Average Weighted Value," vol. 29, no. 3, p. 23; and *Preston Pipe & Tube Report*, "Average First Point of Sales Prices by Average Weighted Value," vol. 30, no. 3, p. 23

Although 1 U.S. producer and 3 importers reported sales under contract, almost all sales by U.S. producers and responding importers in 2011 (97 percent and 99 percent, respectively) were on a spot basis. Reported sales under short-term contract accounted for 3 percent of reported sales by U.S. producers and less than 1 percent of U.S. sales by responding importers. Sales under long-term contract accounted for less than 1 percent of sales by U.S. producers and 0 percent of U.S. sales by responding importers.

More than half of responding purchasers (18 of 32) purchase daily or weekly, and 7 purchase monthly. Thirty-one of 32 responding purchasers did not expect their purchasing pattern to change in the next two years, but 1 anticipated increasing the frequency of purchases and maintaining a smaller inventory. Almost all purchasers reported contacting 2 to 5 suppliers before making a purchase. Sixteen of 33 responding purchasers indicated they had not changed suppliers in the last five years, but 17 had had either dropped or added suppliers.

Thirty of 33 responding purchasers described their purchases of circular welded pipe as involving negotiations with their suppliers. Sixteen purchasers stated that they did vary purchases from a given supplier based on the offered price, but 17 said that they did not.

Sixteen responding purchasers reported the existence of specific firms as price leaders in the U.S. circular welded pipe market (many reported more than one firm). The firms most often identified as price leaders were Wheatland Tube (8), Allied Pipe and Tube (5), and Atlas Tube (3). Other firms each identified as a price leader by one purchaser include IPSCO, Merfish, Marubeni Itochu (Taiwan), Tex-Tube, Texas Pipe, Vass Pipe, and Korean mills in general.

PRICE DATA

The Commission requested U.S. producers and importers of circular welded pipe to provide quarterly data for the total quantity and f.o.b. value of circular welded pipe that were shipped to unrelated customers in the U.S. market. All data were requested for the period January 2006 through December 2011. The products for which pricing data were requested are as follows:

***Product 1*.–Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, black, plain-end, with NPS of ½ to 1 ½ (inclusive).**

***Product 2*.–Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, black, threaded and coupled, with NPS of ½ to 1 ½ (inclusive).**

***Product 3*.–Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, black, plain-end, with NPS of 2 to 4 (inclusive).**

***Product 4*.–Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, black, threaded and coupled, with NPS of 2 to 4 (inclusive).**

***Product 5*.–Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, galvanized, plain-end, with NPS of 2 to 4 (inclusive).**

***Product 6*.–Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, black, plain-end, with NPS of 6 to 8 (inclusive)**.

***Product 7*.–Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, black, plain-end, with NPS of 10 to 12 (inclusive)**.

***Product 8*.–Galvanized fence tube, with outside diameter of 1 3/8 - 2 3/8 inches inclusive, and wall thickness of 0.055-0.075 inch.**

The Commission received usable data from 10 producers and 11 importers, although not all firms reported sales of all products for all quarters. These data accounted for 22 percent of reported U.S. shipments by domestic producers and 27 percent of reported U.S. imports of subject product 2006–11. There were no reported sales of pricing products from Brazil or Mexico.[2] Reported sales of pricing products accounted for 11 percent, 3 percent, 39 percent, 61 percent, and 72 percent of subject imports from India, Korea, Taiwan, Thailand, and Turkey, respectively. The data are summarized in tables V-1 to V-8 and figures V-3 to V-10.[3]

General Price Trends

Prices for all products generally peaked in late 2008. Prices for most U.S.-produced pipe reached a period low in mid-to-late 2009 and have since increased. Prices for subject imports generally followed the same pattern, reaching a maximum in 2008 and a minimum in 2009, after which prices have increased somewhat. With the exception of ***, prices for all U.S.-produced products were higher at the end of 2011 than at the beginning of 2006.

Table V-1
Circular welded pipe: Weighted-average f.o.b. sales prices and quantities as reported by U.S. producers and importers of product 1, with margins of underselling/(overselling) by quarters, January 2006-December 2011

* * * * * * *

Product 1: Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, black, plain-end, with NPS of ½ to 1 ½ (inclusive).

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-2
Circular welded pipe: Weighted-average f.o.b. sales prices and quantities as reported by U.S. producers and importers of product 2, with margins of underselling/(overselling) by quarters, January 2006-December 2011

* * * * * * *

Product 2: Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, black, threaded and coupled, with NPS of ½ to 1 ½ (inclusive).

Source: Compiled from data submitted in response to Commission questionnaires.

[2] Coverage data are based on reported U.S. shipments by domestic producers and imports of circular welded pipe under the statistical reporting numbers that are believed to account for the subject product, adjusted to remove nonsubject imports from India. For comparison purposes, pricing product data include reported imports from Mexico of Product 8 *** as "mechanical tubing" ***. These shipments are not included in the coverage data.

[3] In these tables and figures, data reported for India refers only to subject imports from India.

Table V-3
Circular welded pipe: Weighted-average f.o.b. sales prices and quantities as reported by U.S. producers and importers of product 3, with margins of underselling/(overselling) by quarters, January 2006-December 2011

Period	United States		India			Korea		
	Price ($/ton)	Quantity (tons)	Price ($/ton)	Quantity (tons)	Margin (percent)	Price ($/ton)	Quantity (tons)	Margin (percent)
2006:								
Jan.-Mar.	$935	13,438	--	0	--	--	0	--
Apr.-June	933	12,344	$***	***	***	$***	***	***
July-Sep.	1,011	14,855	--	0	--	--	0	--
Oct.-Dec.	980	13,677	--	0	--	--	0	--
2007:								
Jan.-Mar.	873	16,545	***	***	***	--	0	--
Apr.-June	872	15,089	--	0	--	***	***	***
July-Sep.	851	15,360	--	0	--	--	0	--
Oct.-Dec.	835	15,100	--	0	--	***	***	***
2008:								
Jan.-Mar.	920	19,467	--	0	--	***	***	***
Apr.-June	1,189	17,359	--	0	--	***	***	***
July-Sep.	1,495	13,770	--	0	--	***	***	***
Oct.-Dec.	1,466	7,117	***	***	***	***	***	***
2009:								
Jan.-Mar.	934	7,680	--	0	--	***	***	***
Apr.-June	788	10,259	--	0	--	--	0	--
July-Sep.	845	13,671	--	0	--	***	***	***
Oct.-Dec.	860	9,063	***	***	***	--	0	--
2010:								
Jan.-Mar.	912	9,599	--	0	--	***	***	***
Apr.-June	999	10,898	--	0	--	***	***	***
July-Sep.	948	13,261	--	0	--	--	0	--
Oct.-Dec.	938	10,011	--	0	--	--	0	--
2011:								
Jan.-Mar.	993	12,982	***	***	***	--	0	--
Apr.-June	1,130	11,224	***	***	***	--	0	--
July-Sep.	1,047	10,269	--	0	--	--	0	--
Oct.-Dec.	1,021	9,339	***	***	***	--	0	--

Product 3: Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, black, plain-end, with NPS of 2 to 4 (inclusive).

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-3--*Continued*
Circular welded pipe: Weighted-average f.o.b. sales prices and quantities as reported by U.S. producers and importers of product 3, with margins of underselling/(overselling) by quarters, January 2006-December 2011

Period	United States		Taiwan			Thailand		
	Price *($/ton)*	Quantity *(tons)*	Price *($/ton)*	Quantity *(tons)*	Margin *(percent)*	Price *($/ton)*	Quantity *(tons)*	Margin *(percent)*
2006:								
Jan.-Mar.	$935	13,438	$***	***	***	$***	***	***
Apr.-June	933	12,344	***	***	***	***	***	***
July-Sep.	1,011	14,855	***	***	***	***	***	***
Oct.-Dec.	980	13,677	***	***	***	***	***	***
2007:								
Jan.-Mar.	873	16,545	***	***	***	***	***	***
Apr.-June	872	15,089	***	***	***	***	***	***
July-Sep.	851	15,360	***	***	***	***	***	***
Oct.-Dec.	835	15,100	***	***	***	***	***	***
2008:								
Jan.-Mar.	920	19,467	***	***	***	***	***	***
Apr.-June	1,189	17,359	***	***	***	***	***	***
July-Sep.	1,495	13,770	***	***	***	***	***	***
Oct.-Dec.	1,466	7,117	***	***	***	***	***	***
2009:								
Jan.-Mar.	934	7,680	***	***	***	***	***	***
Apr.-June	788	10,259	***	***	***	***	***	***
July-Sep.	845	13,671	***	***	***	--	0	--
Oct.-Dec.	860	9,063	***	***	***	--	0	--
2010:								
Jan.-Mar.	912	9,599	***	***	***	***	***	***
Apr.-June	999	10,898	***	***	***	***	***	***
July-Sep.	948	13,261	***	***	***	***	***	***
Oct.-Dec.	938	10,011	***	***	***	***	***	***
2011:								
Jan.-Mar.	993	12,982	***	***	***	***	***	***
Apr.-June	1,130	11,224	***	***	***	***	***	***
July-Sep.	1,047	10,269	***	***	***	--	0	--
Oct.-Dec.	1,021	9,339	***	***	***	***	***	***

Product 3: Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, black, plain-end, with NPS of 2 to 4 (inclusive).

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-3--*Continued*
Circular welded pipe: Weighted-average f.o.b. sales prices and quantities as reported by U.S. producers and importers of product 3, with margins of underselling/(overselling) by quarters, January 2006-December 2011

Period	United States		Turkey		
	Price *($/ton)*	Quantity *(tons)*	Price *($/ton)*	Quantity *(tons)*	Margin *(percent)*
2006:					
Jan.-Mar.	$935	13,438	$***	***	***
Apr.-June	933	12,344	***	***	***
July-Sep.	1,011	14,855	***	***	***
Oct.-Dec.	980	13,677	***	***	***
2007:					
Jan.-Mar.	873	16,545	***	***	***
Apr.-June	872	15,089	--	0	--
July-Sep.	851	15,360	--	0	--
Oct.-Dec.	835	15,100	--	0	--
2008:					
Jan.-Mar.	920	19,467	--	0	--
Apr.-June	1,189	17,359	***	***	***
July-Sep.	1,495	13,770	***	***	***
Oct.-Dec.	1,466	7,117	***	***	***
2009:					
Jan.-Mar.	934	7,680	***	***	***
Apr.-June	788	10,259	***	***	***
July-Sep.	845	13,671	***	***	***
Oct.-Dec.	860	9,063	***	***	***
2010:					
Jan.-Mar.	912	9,599	***	***	***
Apr.-June	999	10,898	***	***	***
July-Sep.	948	13,261	***	***	***
Oct.-Dec.	938	10,011	***	***	***
2011:					
Jan.-Mar.	993	12,982	***	***	***
Apr.-June	1,130	11,224	***	***	***
July-Sep.	1,047	10,269	***	***	***
Oct.-Dec.	1,021	9,339	***	***	***

Product 3: Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, black, plain-end, with NPS of 2 to 4 (inclusive).

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-4
Circular welded pipe: Weighted-average f.o.b. sales prices and quantities as reported by U.S. producers and importers of product 4, with margins of underselling/(overselling) by quarters, January 2006-December 2011

* * * * * * *

Product 4: Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, black, threaded and coupled, with NPS of 2 to 4 (inclusive).

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-5
Circular welded pipe: Weighted-average f.o.b. sales prices and quantities as reported by U.S. producers and importers of product 5, with margins of underselling/(overselling) by quarters, January 2006-December 2011

* * * * * * *

Product 5: Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, galvanized, plain-end, with NPS of 2 to 4 (inclusive).

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-6
Circular welded pipe: Weighted-average f.o.b. sales prices and quantities as reported by U.S. producers and importers of product 6, with margins of underselling/(overselling) by quarters, January 2006-December 2011

Period	United States		India			Korea		
	Price *($/ton)*	Quantity *(tons)*	Price *($/ton)*	Quantity *(tons)*	Margin *(percent)*	Price *($/ton)*	Quantity *(tons)*	Margin *(percent)*
2006:								
Jan.-Mar.	$918	18,062	--	0	--	--	0	--
Apr.-June	909	17,616	--	0	--	--	0	--
July-Sep.	964	17,167	--	0	--	--	0	--
Oct.-Dec.	985	17,824	--	0	--	--	0	--
2007:								
Jan.-Mar.	859	23,042	$***	***	***	--	0	--
Apr.-June	850	21,165	--	0	--	--	0	--
July-Sep.	818	21,250	--	0	--	--	0	--
Oct.-Dec.	819	20,939	--	0	--	--	0	--
2008:								
Jan.-Mar.	864	23,859	--	0	--	--	0	--
Apr.-June	1,129	37,485	--	0	--	$***	***	***
July-Sep.	1,483	26,609	--	0	--	***	***	***
Oct.-Dec.	1,463	10,464	***	***	***	***	***	***
2009:								
Jan.-Mar.	997	8,723	***	***	***	***	***	***
Apr.-June	774	14,148	--	0	--	***	***	***
July-Sep.	808	18,196	--	0	--	***	***	***
Oct.-Dec.	809	12,452	***	***	***	***	***	***
2010:								
Jan.-Mar.	870	12,886	--	0	--	--	0	--
Apr.-June	960	16,352	--	0	--	--	0	--
July-Sep.	921	18,305	***	***	***	--	0	--
Oct.-Dec.	907	13,598	--	0	--	--	0	--
2011:								
Jan.-Mar.	964	18,016	--	0	--	--	0	--
Apr.-June	1,075	12,955	--	0	--	--	0	--
July-Sep.	965	12,959	--	0	--	--	0	--
Oct.-Dec.	939	14,723	--	0	--	--	0	--

Product 6: Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, black, plain-end, with NPS of 6 to 8 (inclusive).

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-6--*Continued*
Circular welded pipe: Weighted-average f.o.b. sales prices and quantities as reported by U.S. producers and importers of product 6, with margins of underselling/(overselling) by quarters, January 2006-December 2011

Period	United States		Taiwan			Thailand		
	Price *($/ton)*	Quantity *(tons)*	Price *($/ton)*	Quantity *(tons)*	Margin *(percent)*	Price *($/ton)*	Quantity *(tons)*	Margin *(percent)*
2006:								
Jan.-Mar.	$918	18,062	$***	***	***	$***	***	***
Apr.-June	909	17,616	***	***	***	***	***	***
July-Sep.	964	17,167	***	***	***	***	***	***
Oct.-Dec.	985	17,824	--	0	--	***	***	***
2007:								
Jan.-Mar.	859	23,042	***	***	***	***	***	***
Apr.-June	850	21,165	***	***	***	***	***	***
July-Sep.	818	21,250	***	***	***	***	***	***
Oct.-Dec.	819	20,939	***	***	***	***	***	***
2008:								
Jan.-Mar.	864	23,859	***	***	***	***	***	***
Apr.-June	1,129	37,485	***	***	***	***	***	***
July-Sep.	1,483	26,609	***	***	***	***	***	***
Oct.-Dec.	1,463	10,464	***	***	***	***	***	***
2009:								
Jan.-Mar.	997	8,723	***	***	***	***	***	***
Apr.-June	774	14,148	--	0	--	--	0	--
July-Sep.	808	18,196	--	0	--	--	0	--
Oct.-Dec.	809	12,452	***	***	***	--	0	--
2010:								
Jan.-Mar.	870	12,886	--	0	--	***	***	***
Apr.-June	960	16,352	***	***	***	***	***	***
July-Sep.	921	18,305	--	0	--	***	***	***
Oct.-Dec.	907	13,598	--	0	--	***	***	***
2011:								
Jan.-Mar.	964	18,016	--	0	--	***	***	***
Apr.-June	1,075	12,955	--	0	--	***	***	***
July-Sep.	965	12,959	***	***	***	--	0	--
Oct.-Dec.	939	14,723	--	0	--	***	***	***

Product 6: Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, black, plain-end, with NPS of 6 to 8 (inclusive).

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-6--*Continued*
Circular welded pipe: Weighted-average f.o.b. sales prices and quantities as reported by U.S. producers and importers of product 6, with margins of underselling/(overselling) by quarters, January 2006-December 2011

Period	United States		Turkey		
	Price *($/ton)*	Quantity *(tons)*	Price *($/ton)*	Quantity *(tons)*	Margin *(percent)*
2006:					
Jan.-Mar.	$918	18,062	--	0	--
Apr.-June	909	17,616	$***	***	***
July-Sep.	964	17,167	***	***	***
Oct.-Dec.	985	17,824	***	***	***
2007:					
Jan.-Mar.	859	23,042	***	***	***
Apr.-June	850	21,165	--	0	--
July-Sep.	818	21,250	--	0	--
Oct.-Dec.	819	20,939	--	0	--
2008:					
Jan.-Mar.	864	23,859	--	0	--
Apr.-June	1,129	37,485	***	***	***
July-Sep.	1,483	26,609	***	***	***
Oct.-Dec.	1,463	10,464	***	***	***
2009:					
Jan.-Mar.	997	8,723	***	***	***
Apr.-June	774	14,148	***	***	***
July-Sep.	808	18,196	***	***	***
Oct.-Dec.	809	12,452	***	***	***
2010:					
Jan.-Mar.	870	12,886	***	***	***
Apr.-June	960	16,352	***	***	***
July-Sep.	921	18,305	***	***	***
Oct.-Dec.	907	13,598	***	***	***
2011:					
Jan.-Mar.	964	18,016	***	***	***
Apr.-June	1,075	12,955	***	***	***
July-Sep.	965	12,959	***	***	***
Oct.-Dec.	939	14,723	***	***	***

Product 6: Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, black, plain-end, with NPS of 6 to 8 (inclusive).

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-7
Circular welded pipe: Weighted-average f.o.b. sales prices and quantities as reported by U.S. producers and importers of product 7, with margins of underselling/(overselling) by quarters, January 2006-December 2011

Period	United States		Taiwan			Turkey		
	Price ($/ton)	Quantity (tons)	Price ($/ton)	Quantity (tons)	Margin (percent)	Price ($/ton)	Quantity (tons)	Margin (percent)
2006:								
Jan.-Mar.	$***	***	--	0	--	--	0	--
Apr.-June	***	***	--	0	--	$***	***	***
July-Sep.	***	***	--	0	--	***	***	***
Oct.-Dec.	***	***	--	0	--	***	***	***
2007:								
Jan.-Mar.	***	***	--	0	--	***	***	***
Apr.-June	***	***	$***	***	***	--	0	--
July-Sep.	***	***	--	0	--	--	0	--
Oct.-Dec.	***	***	--	0	--	--	0	--
2008:								
Jan.-Mar.	***	***	--	0	--	--	0	--
Apr.-June	***	***	--	0	--	--	0	--
July-Sep.	1,577	4,476	--	0	--	***	***	***
Oct.-Dec.	***	***	--	0	--	***	***	***
2009:								
Jan.-Mar.	1,339	2,129	--	0	--	***	***	***
Apr.-June	***	***	--	0	--	***	***	***
July-Sep.	***	***	--	0	--	***	***	***
Oct.-Dec.	***	***	--	0	--	***	***	***
2010:								
Jan.-Mar.	920	3,343	--	0	--	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sep.	***	***	--	0	--	***	***	***
Oct.-Dec.	1,063	4,502	--	0	--	***	***	***
2011:								
Jan.-Mar.	***	***	--	0	--	***	***	***
Apr.-June	***	***	--	0	--	***	***	***
July-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	--	0	--	***	***	***
	United States		**India**					
	Price ($/ton)	**Quantity (tons)**	**Price ($/ton)**	**Quantity (tons)**	**Margin (percent)**			
2010:								
Apr.-June	$***	***	$***	***	***			

Product 7: Circular welded non-alloy steel pipe meeting ASTM-A-53 or equivalent, schedule 40, black, plain-end, with NPS of 10 to 12 (inclusive).

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-8
Circular welded pipe: Weighted-average f.o.b. sales prices and quantities as reported by U.S. producers and importers of product 8, with margins of underselling/(overselling) by quarters, January 2006-December 2011

* * * * * * *

Product 8: Galvanized fence tube, with outside diameter of 1 3/8 - 2 3/8 inches inclusive, and wall thickness of 0.055-0.075 inch.

Source: Compiled from data submitted in response to Commission questionnaires.

Figure V-3
Circular welded pipe: Weighted-average prices and quantities as reported by U.S. producers and importers of product 1, by quarters, January 2006-December 2011

* * * * * * *

Figure V-4
Circular welded pipe: Weighted-average prices and quantities as reported by U.S. producers and importers of product 2, by quarters, January 2006-December 2011

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Figure V-5
Circular welded pipe: Weighted-average prices and quantities as reported by U.S. producers and importers of product 3, by quarters, January 2006-December 2011

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Figure V-6
Circular welded pipe: Weighted-average prices and quantities as reported by U.S. producers and importers of product 4, by quarters, January 2006-December 2011

* * * * * * *

Figure V-7
Circular welded pipe: Weighted-average prices and quantities as reported by U.S. producers and importers of product 5, by quarters, January 2006-December 2011

* * * * * * *

Figure V-8
Circular welded pipe: Weighted-average prices and quantities as reported by U.S. producers and importers of product 6, by quarters, January 2006-December 2011

* * * * * * *

Figure V-9
Circular welded pipe: Weighted-average prices and quantities as reported by U.S. producers and importers of product 7, by quarters, January 2006-December 2011

* * * * * * *

Figure V-10
Circular welded pipe: Weighted-average prices and quantities as reported by U.S. producers and importers of product 8, by quarters, January 2006-December 2011

* * * * * * *

Table V-9
Circular welded pipe: Instances of underselling/overselling and the range and average margins January 2006-December 2011

Product	Underselling			Overselling		
	Number of instances	Range *(percent)*	Average margin *(percent)*	Number of instances	Range *(percent)*	Average margin *(percent)*
	India					
Product 1	***	***	***	***	***	***
Product 2	***	***	***	***	***	***
Product 3	***	***	***	***	***	***
Product 4	***	***	***	***	***	***
Product 5	***	***	***	***	***	***
Product 6	***	***	***	***	***	***
Product 7	***	***	***	***	***	***
Product 8	***	***	***	***	***	***
Total	46	1.9-50.0	28.2	7	(1.6)-(24.6)	(11.0)
	Korea					
Product 1	***	***	***	***	***	***
Product 2	***	***	***	***	***	***
Product 3	***	***	***	***	***	***
Product 4	***	***	***	***	***	***
Product 5	***	***	***	***	***	***
Product 6	***	***	***	***	***	***
Product 7	***	***	***	***	***	***
Product 8	***	***	***	***	***	***
Total	41	0.8-48.6	22.8	4	(6.9)-(66.4)	(31.7)
	Mexico					
Total	15	8.4-24.8	16.5	0	--	--
	Taiwan					
Product 1	***	***	***	***	***	***
Product 2	***	***	***	***	***	***
Product 3	***	***	***	***	***	***
Product 4	***	***	***	***	***	***
Product 5	***	***	***	***	***	***
Product 6	***	***	***	***	***	***
Product 7	***	***	***	***	***	***
Product 8	***	***	***	***	***	***
Total	125	0.5-68.1	27.6	12	(3.6)-(46.2)	(19.9)

Table V-9 --*Continued*
Circular welded pipe: Instances of underselling/overselling and the range and average margins January 2006-December 2011

Product	Underselling			Overselling		
	Number of instances	Range *(percent)*	Average margin *(percent)*	Number of instances	Range *(percent)*	Average margin *(percent)*
	Thailand					
Product 1	***	***	***	***	***	***
Product 2	***	***	***	***	***	***
Product 3	***	***	***	***	***	***
Product 4	***	***	***	***	***	***
Product 5	***	***	***	***	***	***
Product 6	***	***	***	***	***	***
Product 7	***	***	***	***	***	***
Product 8	***	***	***	***	***	***
Total	101	0.2-62.1	25.4	19	(1.0)-(51.9)	(11.7)
	Turkey					
Product 1	***	***	***	***	***	***
Product 2	***	***	***	***	***	***
Product 3	***	***	***	***	***	***
Product 4	***	***	***	***	***	***
Product 5	***	***	***	***	***	***
Product 6	***	***	***	***	***	***
Product 7	***	***	***	***	***	***
Product 8	***	***	***	***	***	***
Total	124	1.0-64.6	31.2	5	(1.3)-(16.3)	(8.3)
Grand Total[1]	452	0.2-68.1	27.5	42	(1.0)-(66.4)	(15.2)

[1] Includes sales of Product 8 from Mexico later identified as "mechanical tubing."

Note.-- ***.

Source: Compiled from data submitted in response to Commission questionnaires.

Reported instances of underselling and overselling from each of the subject countries, for the original investigations, and first and second reviews are presented in table V-10.

Table V-10
Circular welded pipe: Reported instances of underselling and overselling

Source	Original investigations		First reviews		Second reviews	
	underselling	overselling	underselling	overselling	underselling	overselling
Brazil	33	3	0	0	0	0
India	22	0	33	15	41	2
Korea	110	14	42	15	149	37
Mexico	19	3	7	0	13	2
Taiwan	32	4	39	8	6	0
Thailand	12	2	24	20	0	0
Turkey	37	0	28	22	68	5

Source: Compiled from data submitted in response to Commission questionnaires and from Certain Pipe from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Investigation Nos. 701-TA-253 and 731-TA-1322, 252, 271, 273, 276-277, 296, 409-410, 532-534, and 536-537 ("First Reviews"), USITC Publication 3316 (July 2000) and confidential versions of investigation reports relating to Circular Welded Nonalloy Steel Pipe from Brazil, Korea, Mexico, Romania, Taiwan, and Venezuela (dated October 8, 1992); Certain Welded Carbon Steel Pipes and Tubes from Taiwan and Turkey (dated April 15 1986); Certain Welded Carbon Ssteel Pipe and Tube from Turkey and Thailand (dated February 5, 1986); Certain Welded Carbon Steel Pipes and Tubes from Korea and Taiwan (dated April 11, 1984); and Certain Pipe and Tube From Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, USITC Publication 3867, July 2006.

APPENDIX A

FEDERAL REGISTER NOTICES AND THE COMMISSION'S STATEMENT ON ADEQUACY

EXPLANATION OF COMMISSION'S DETERMINATIONS ON ADEQUACY

in

Certain Pipe and Tube from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey
Inv. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 410, 532-534, and 536 (Third Review)

On October 4, 2011, the Commission decided to proceed to full reviews in the five-year reviews of the orders on imports of circular, welded, non-alloy steel pipe and tube not more than 16 inches in outside diameter ("CW pipe and tube") from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey pursuant to section 751(c)(5) of the Tariff Act of 1930, as amended, (19 U.S.C. § 1675(c)(5)) and to conduct an expedited five-year review of the order on imports of light-walled rectangular pipe and tube of welded carbon steel ("LWR pipe and tube") from Taiwan pursuant to section 751(c)(3)(b) of the Tariff Act of 1930, as amended (19 U.S.C. § 1675(c)(3)(b)).

The Commission received a response to the notice of institution from domestic interested party United States Steel Corporation, a domestic producer of CW pipe and tube. The Commission also received a joint response to the notice of institution filed by Allied Tube and Conduit ("Allied Tube"), JMC Steel Group ("JMC Steel"), Leavitt Tube Company ("Leavitt Tube"), Northwest Pipe Company, and TMK IPSCO Tubulars, other domestic producers of CW pipe and tube. The Commission found the responses to the notice of institution from each of these firms to be individually adequate. The Commission further found that the domestic interested party group response was adequate for each of the CW pipe and tube orders under review.

The Commission received responses to the notice of institution from respondent interested parties Pytco, S.A. de C.V. ("Pytco"), a producer of CW pipe and tube in Mexico, and Ternium México, S.A. de C.V. ("Ternium"), a producer and exporter of CW pipe and tube in Mexico. The Commission found the responses to the notice of institution from each of these firms to be individually adequate. The Commission further found that the respondent interested party group response was adequate for the antidumping duty order on CW pipe and tube from Mexico.

The Commission also received a response to the notice of institution from respondent interested party Saha Thai Steel Pipe (Public) Co., Ltd. ("Saha Thai"), a producer, exporter, and importer of CW pipe and tube from Thailand. The Commission found Saha Thai's response to the notice of institution to be individually adequate. The Commission further determined that the respondent interested party group response was adequate for the antidumping duty order on CW pipe and tube from Thailand.

The Commission received a response to the notice of institution from the Government of Turkey, and it received a joint response to the notice of institution filed in their individual and collective capacities by an association of Turkish steel exporters;[1] Noksel Celik Boru Sanayi A.S. ("Noksel"), a producer of CW pipe and tube in Turkey; Borusan Mannesmann Boru Sanayi ve Ticaret AS ("Borusan"), a

[1] The association's name is Çelik İhracatçıları Birliği – Steel Exporters Association ("ÇİB"). Based on information CIB reported, its membership predominantly includes firms that are not producers, exporters, or importers of the subject merchandise. See, e.g., Turkish Producers and Exporters' Sept. 2, 2011, Supplemental Response to NOI. Although we find that CIB does not qualify as an interested party association under 19 U.S.C. § 1677(9)(A) because it is not the case that "a majority of the members of {the association} are producers, exporters, or importers of {subject} merchandise," we considered CIB's response to the notice of institution pursuant to 19 C.F.R. § 207.61(d). See, e.g., Turkish Producers and Exporters' Response to NOI at 2 n.1.

producer/exporter of CW pipe and tube in Turkey; and two sets of affiliated companies in Turkey – the Yucel Group (Yucel Boru ve Profil Endustirisi A.S., an exporter; Cayirova Boru San. ve Tic. A.S., a producer; and Yucelboru Ihracat Ithalat Ve Pazarlama A.S., a producer) and the Toscelik group (Toscelik Profil ve Sac Endustrisi A.S., a producer; Toscelik Metal Ticaret A.S., and Tosyali Dis Ticaret A.S., an exporter). The Commission found the responses to the notice of institution from the Government of Turkey and from Noksel, Borusan, Toscelik, and Yucel to be individually adequate. The Commission further found that the respondent interested party group responses were adequate for both the antidumping and countervailing duty orders on CW pipe and tube from Turkey.

Because the group and individual responses from both domestic interested parties and respondent interested parties were adequate in the reviews of the countervailing duty order concerning CW pipe and tube from Turkey and the antidumping duty orders concerning CW pipe and tube from Mexico, Thailand, and Turkey, the Commission decided to conduct full reviews of those orders.

The Commission did not receive a response from any respondent interested parties in the reviews of the antidumping duty orders on CW pipe and tube from Brazil, India, Korea or regarding either of the antidumping duty orders on CW pipe and tube from Taiwan, and therefore found that the respondent interested party group responses for these countries were not adequate. The Commission nevertheless voted to conduct full reviews concerning the CW pipe and tube orders from Brazil, India, Korea, and Taiwan in order to promote administrative efficiency in light of the Commission's decision to conduct full reviews of the other CW pipe and tube orders in these grouped reviews.

With respect to the antidumping duty order on imports of LWR pipe and tube from Taiwan, the Commission received a joint response filed on behalf of domestic interested parties Allied Tube, Bull Moose Tube, JMC Steel, Leavitt Tube, California Steel and Tube, Hannibal Industries, and Searing Industries, each of which manufactures LWR pipe and tube in the United States. The Commission found that each of these firms had provided an individually adequate response to the notice of institution. The Commission further found that the domestic interested party group response was adequate for the antidumping duty order on LWR pipe and tube from Taiwan.

The Commission did not receive a response from any respondent interested party in the review of the antidumping duty order on imports of LWR pipe and tube from Taiwan, and therefore, found that the respondent interested party group response was inadequate for this review.

The Commission did not find any circumstances that would warrant conducting a full review of the antidumping duty order on imports of LWR pipe and tube from Taiwan. The Commission, therefore, decided to conduct an expedited review of this order.[2]

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

[2] Commissioner Charlotte R. Lane voted to conduct a full review of the antidumping duty order on imports of LWR pipe and tube from Taiwan.

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 and suspended investigation listed below. The International Trade Commission (''the Commission'') is publishing concurrently with this notice its notice of *Institution of Five-Year Review* which covers the same orders.

DATES: *Effective Date:* July 1, 2011.

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 and Constitution Avenue, 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 and suspended investigation:

DOC Case No.	ITC Case No.	Country	Product	Department contact
A–583–803	731–TA–410	Taiwan	Light-Walled Rectangular Welded Carbon Steel Pipe & Tube (3rd Review).	Dana Mermelstein, (202) 482–1391.
A–533–808	731–TA–638	India	Stainless Steel Wire Rod (3rd Review)	Dana Mermelstein, (202) 482–1391.
A–533–502	731–TA–271	India	Welded Carbon Steel Pipe & Tube (3rd Review).	Dana Mermelstein, (202) 482–1391.
A–549–502	731–TA–252	Thailand	Welded Carbon Steel Pipe & Tube (3rd Review).	Dana Mermelstein, (202) 482–1391.
A–580–810	731–TA–540	South Korea	Welded ASTM A–312 Stainless Steel Pipe (3rd Review).	Dana Mermelstein, (202) 482–1391.
A–583–815	731–TA–541	Taiwan	Welded ASTM A–312 Stainless Steel Pipe (3rd Review).	Dana Mermelstein, (202) 482–1391.
A–583–008	731–TA–132	Taiwan	Certain Circular Welded Carbon Steel Pipes & Tubes (3rd Review).	Dana Mermelstein, (202) 482–1391.
A–351–809	731–TA–532	Brazil	Circular Welded Non-Alloy Steel Pipe (3rd Review).	Dana Mermelstein, (202) 482–1391.
A–201–805	731–TA–534	Mexico	Circular Welded Non-Alloy Steel Pipe (3rd Review).	Dana Mermelstein, (202) 482–1391.
A–583–814	731–TA–536	Taiwan	Circular Welded Non-Alloy Steel Pipe (3rd Review).	Dana Mermelstein, (202) 482–1391.
A–580–809	731–TA–533	South Korea	Circular Welded Non-Alloy Steel Pipe (3rd Review).	David Goldberger, (202) 482–4136.
A–489–501	731–TA–273	Turkey	Welded Carbon Steel Pipe & Tube (3rd Review).	David Goldberger, (202) 482–4136.
C–489–502	701–TA–253	Turkey	Welded Carbon Steel Pipe & Tube (3rd Review).	David Goldberger, (202) 482–4136.
A–821–802	731–TA–539–C	Russia	Uranium (3rd Review) (Suspension Agreement).	Sally Gannon, (202) 482–0162.

Filing Information

As a courtesy, we are making information related to Sunset proceedings, including copies of the pertinent statue 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, and service of documents. These rules can be found at 19 CFR 351.303.

This notice serves as a reminder that any party submitting factual information in an antidumping duty or countervailing duty (AD/CVD) proceeding must certify to the accuracy and completeness of that information. *See* section 782(b) of the Act. Parties are hereby reminded that revised certification requirements are in effect for company/government officials as well as their representatives in all AD/CVD investigations or proceedings initiated on or after March 14, 2011. *See Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings: Interim Final Rule,* 76 FR 7491 (February 10, 2011) (*Interim Final Rule*), amending 19 CFR 351.303(g)(1) and (2). The formats for the revised certifications are provided at the end of the *Interim Final Rule.* The Department intends to reject factual submissions in investigations/proceedings initiated on or after March 14, 2011 if the submitting party does not comply with the revised certification requirements.

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. 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.[1] Please consult the Department's regulations at 19 CFR Part 351 for definitions of terms and for other general information concerning AD/CVD 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: June 21, 2011.

Christian Marsh,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.

[FR Doc. 2011–16623 Filed 6–30–11; 8:45 am]

BILLING CODE 3510–DS–P

[1] 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.

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 701–TA–253 and 731–TA–132, 252, 271, 273, 410, 532–534, and 536 (Third Review)]

Certain Pipe and Tube From Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey

Institution of five-year review concerning the countervailing duty order on welded carbon steel pipe and tube from Turkey and the antidumping duty orders on certain pipe and tube from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey.

AGENCY: United States International Trade Commission.

ACTION: Notice.

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 welded carbon steel pipe and tube from Turkey, the antidumping duty orders on welded carbon steel pipe and tube from India, Thailand, and Turkey, the antidumping duty orders on circular welded nonalloy steel pipe from Brazil, Korea, Mexico, and Taiwan, and the antidumping duty orders on small diameter carbon steel pipe and tube and light-walled rectangular pipe and tube from Taiwan 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; [1] to be assured of consideration, the deadline for responses is August 1, 2011. Comments on the adequacy of responses may be filed with the Commission by September 13, 2011. 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:* July 1, 2011.

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.—On the dates listed below, the Department of Commerce (''Commerce'') issued a countervailing duty order and antidumping duty orders on the subject imports:

Order date	Product/country	Inv. No.	FR cite
5/7/84	Small diameter carbon steel pipe and tube/Taiwan	731–TA–132 ...	49 FR 19369
3/7/86	Welded carbon steel pipe and tube/Turkey	701–TA–253 ...	51 FR 7984
3/11/86	Welded carbon steel pipe and tube/Thailand	731–TA–252 ...	51 FR 8341
5/12/86	Welded carbon steel pipe and tube/India	731–TA–271 ...	51 FR 17384
5/15/86	Welded carbon steel pipe and tube/Turkey	731–TA–273 ...	51 FR 17784
3/27/89	Light-walled rectangular pipe and tube/Taiwan	731–TA–410 ...	54 FR 12467
11/2/92	Circular welded nonalloy steel pipe/Brazil	731–TA–532 ...	57 FR 49453
11/2/92	Circular welded nonalloy steel pipe/Korea	731–TA–533 ...	57 FR 49453
11/2/92	Circular welded nonalloy steel pipe/Mexico	731–TA–534 ...	57 FR 49453

[1] 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. 11–5–249, expiration date June 30, 2014. 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.

Order date	Product/country	Inv. No.	FR cite
11/2/92	Circular welded nonalloy steel pipe/Taiwan	731–TA–536 ...	57 FR 49454

Following five-year reviews by Commerce and the Commission, effective August 22, 2000, Commerce issued a continuation of the countervailing duty order on imports of welded carbon steel pipe and tube from Turkey (65 FR 50960) and the antidumping duty orders on imports of certain pipe and tube from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey (65 FR 50955–50958).

Following second five-year reviews by Commerce and the Commission, effective August 8, 2006, Commerce issued a continuation of (1) The countervailing duty order on imports of welded carbon steel standard pipe from Turkey, (2) the antidumping duty orders on imports of circular welded non-alloy pipes and tubes from Brazil, Korea, and Mexico, and (3) the antidumping duty orders on imports of welded carbon steel pipe from India, Thailand and Turkey (71 FR 44996). Effective August 9, 2006, Commerce issued a continuation of the antidumping duty order on imports of light-walled welded rectangular carbon steel tubing from Taiwan (71 FR 45521). Effective August 14, 2006, Commerce issued a continuation of the antidumping duty orders on imports of certain circular welded carbon steel pipes and tubes from Taiwan and circular welded non-alloy steel pipe from Taiwan (71 FR 46447). 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, India, Korea, Mexico, Taiwan, Thailand, and Turkey.

(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, the Commission defined the *Domestic Like Products* as follows: (1) Small Diameter Circular Welded Carbon Steel Pipes and Tubes from Taiwan (Inv. No. 731–TA–132)—small diameter circular pipes and tubes (*i.e.,* with an outside diameter of at least 0.375 inch but not more than 4.5 inches); (2) Certain Circular Welded Carbon Steel Pipes and Tubes from Thailand and Turkey (Inv. Nos. 731–TA–252 and 701–TA–253)—standard pipe up to and including 16 inches in outside diameter; (3) Certain Circular Welded Carbon Steel Pipes and Tubes from India and Turkey (Inv. Nos. 731–TA–271 and 273)—standard pipe of not more than 16 inches in outside diameter; (4) Certain Circular Welded Carbon Steel Pipes and Tubes from Brazil, Korea, Mexico, and Taiwan (Inv. Nos. 731–TA–532–534 and 536)—circular welded, non-alloy steel pipes and tubes of not more than 16 inches in outside diameter, except (a) finished conduit other than finished rigid conduit and (b) mechanical tubing that is not cold-drawn or cold-rolled; (5) Light-Walled Rectangular Pipe and Tube from Taiwan (Inv. No. 731–TA–410)—light-walled rectangular pipe and tube. In its full first five-year review determinations, the Commission found the following *Domestic Like Products:* (A) For the reviews listed in items (1)–(4) above, circular welded non-alloy steel pipes and tubes up to and including 16 inches in outside diameter, regardless of wall thickness and (B) for the review listed in item (5) above, light-walled rectangular pipe and tube. In its full second five-year review determinations, the Commission again defined two *Domestic Like Products* in the same manner as it did in the first five-year reviews. It defined the *Domestic Like Product* corresponding to the circular welded pipe orders under review to be all circular, welded, non-alloy steel pipes and tubes not more than 16 inches in outside diameter, and the *Domestic Like Product* corresponding to the light-walled rectangular pipe order under review to be all light-walled rectangular pipes and tubes.

(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 and full first and second five-year reviews, for each investigation and review, the Commission defined the *Domestic Industry* as domestic producers of the *Domestic Like Product* corresponding to that investigation or review, as set out in paragraph (3) just above.

(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 August 1, 2011. 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 September 13, 2011. 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,* as defined by the Commission in its 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 Industry* 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 Industry.*

(5) A list of all known and currently operating U.S. producers of the *Domestic Like Product.* 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 2005.

(7) A list of 3–5 leading purchasers in the U.S. market for the *Domestic Like Product* 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 Product* or the *Subject Merchandise* in the U.S. or other markets.

(9) If you are a U.S. producer of the *Domestic Like Product,* provide the following information on your firm's operations on that product during calendar year 2010, except as noted (report quantity data in short tons 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 the *Domestic Like Product* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm to produce the *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 the *Domestic Like Product* produced in your U.S. plant(s);

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

(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 the *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,* provide the following information on your firm's(s') operations on that product during calendar year 2010 (report quantity data in short tons 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 your firm's(s') operations on that product during calendar year 2010 (report quantity data in short tons 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;

(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 Product* that have occurred in the United States or in the market for the *Subject Merchandise* in the *Subject Country(ies)* after 2005, 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 Product* 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 Product* and *Domestic Industry;* 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: June 27, 2011.

James R. Holbein,

Secretary to the Commission.

[FR Doc. 2011–16443 Filed 6–30–11; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 701–TA–253 and 731–TA–132, 252, 271, 273, 532–534, and 536 (Third Review)]

Certain Pipe and Tube From Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey; Commission Determination To Conduct Full Five-Year Reviews

AGENCY: United States International Trade Commission.

ACTION: Notice.

SUMMARY: The Commission hereby gives notice that it will proceed with full reviews pursuant to section 751(c)(5) of the Tariff Act of 1930 (19 U.S.C. 1675(c)(5)) to determine whether revocation of the countervailing duty order on welded carbon steel pipe and tube from Turkey, the antidumping duty orders on welded carbon steel pipe and tube from India, Thailand, and Turkey, the antidumping duty orders on circular welded nonalloy steel pipe from Brazil, Korea, Mexico, and Taiwan, and the antidumping duty order on small diameter carbon steel pipe and tube from Taiwan would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. A schedule for the reviews will be established and announced at a later date. 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:* October 4, 2011.

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 this review may be viewed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov.*

SUPPLEMENTARY INFORMATION: On October 4, 2011, the Commission determined that it should proceed to full reviews in the subject five-year reviews pursuant to section 751(c)(5) of the Act. The Commission found that the domestic interested party group response to its notice of institution (76 FR 38691, July 1, 2011) was adequate and that the respondent interested party group responses with respect to Mexico, Thailand, and Turkey were adequate, and decided to conduct full reviews with respect to the countervailing duty order on welded carbon steel pipe and tube from Turkey and the antidumping duty orders on welded carbon steel pipe and tube from Thailand and Turkey and circular welded nonalloy steel pipe from Mexico. The Commission found that the respondent interested party group responses with respect to Brazil, India, Korea, and Taiwan were inadequate. However, the Commission determined to conduct full reviews concerning the antidumping duty orders on welded carbon steel pipe and tube from India, circular welded nonalloy steel pipe from Brazil, Korea, and Taiwan, and small diameter carbon steel pipe and tube from Taiwan to promote administrative efficiency in light of its decision to conduct full reviews with respect to certain pipe and tube orders concerning Mexico, Thailand, and Turkey. 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.

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.

James R. Holbein,

Secretary to the Commission.

[FR Doc. 2011–27355 Filed 10–21–11; 8:45 am]

BILLING CODE 7020–02–P

DEPARTMENT OF COMMERCE

International Trade Administration

[C–489–502]

Welded Carbon Steel Pipe and Tube From Turkey: Final Results of Expedited Sunset Review of Countervailing Duty Order

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

SUMMARY: On July 1, 2011, the Department of Commerce (the Department) initiated a sunset review of the countervailing duty order (CVD) on welded carbon steel pipe and tube from Turkey pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act). The Department has conducted an expedited sunset review of this order pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2). As a result of this sunset review, the Department finds that revocation of the CVD order is likely to lead to continuation or recurrence of a countervailable subsidy at the levels indicated in the ''Final Results of Review'' section of this notice.

DATES: *Effective Date:* October 19, 2011.

FOR FURTHER INFORMATION CONTACT: Kristen Johnson, AD/CVD Operations, Office 3, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; *telephone:* (202) 482–4793.

SUPPLEMENTAL INFORMATION:

Background

The CVD order on welded carbon steel pipe and tube from Turkey was published in the **Federal Register** on March 7, 1986. *See Countervailing Duty Order: Certain Welded Carbon Steel Pipe and Tube Products from Turkey,* 51 FR 7984 (March 7, 1986). On July 1, 2011, the Department initiated the third sunset review of this CVD order pursuant to section 751(c) of the Act. *See Initiation of Five-Year (''Sunset'') Review,* 76 FR 38613 (July 1, 2011). The Department received a notice of intent to participate on behalf of the following domestic interested parties: Allied Tube and Conduit, TMK IPSCO Tubulars, Leavitt Tube Company, Northwest Pipe Company, Western Tube and Conduit, JMC Steel Group, and United States Steel Corporation (US Steel) (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 manufacturers, producers, or wholesalers in the United States of a domestic like product.

On July 5, 2011, we received a request from the Government of the Republic of Turkey (GOT) for an extension of time to file a substantive response to the notice of initiation. On July 12, 2011, we extended the deadline for the submission of substantive responses until August 10, 2011, for all interested parties to this review. On August 10, 2011, we received complete substantive responses from the domestic interested parties and the GOT. On August 17, 2011, we received rebuttal comments filed on behalf of US Steel.[1]

The Department did not receive any substantive responses from Turkish producers or exporters of the merchandise covered by this order. Based on the fact that a government's response alone, normally, is not sufficient for a full sunset review in which the order was not done on an aggregate basis, we determined to conduct an expedited (120-day) sunset review of this order. *See* section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2). This approach is consistent with Department's practice. *See, e.g., Certain Pasta From Turkey: Final Results of Expedited Five-Year (''Sunset'') Review of the Countervailing Duty Order,* 72 FR 5269 (February 5, 2007), and *Certain Carbon Steel Products From Sweden: Final Results of Expedited Sunset Review of Countervailing Duty Order,* 65 FR 18304 (April 7, 2000).

The Department did not conduct a hearing because a hearing was not requested.

Scope of the Order

The products covered by the order are certain welded carbon steel pipe and tube with an outside diameter of 0.375 inch or more, but not over 16 inches, of any wall thickness (pipe and tube) from Turkey. These products are currently provided for under the Harmonized Tariff Schedule of the United States (HTSUS) as item numbers 7306.30.10, 7306.30.50, and 7306.90.10. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise is dispositive.

Analysis of Comments Received

All issues raised in this review are addressed in the Issues and Decision Memorandum (Decision Memorandum) from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Deputy Assistant Secretary for Import Administration, dated concurrently with this notice, which is hereby adopted by this notice. The issues discussed in the accompanying Decision Memorandum include the likelihood of continuation or recurrence of a countervailable subsidy if the order was revoked, the net countervailable subsidy likely to prevail, and the nature of the subsidy. 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 electronically via Import Administration's Antidumping and Countervailing Duty Centralized Electronic Services System (IA ACCESS). Access to IA ACCESS is available in the Central Records Unit room 7046 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 electronic versions of the Decision Memorandum are identical in content.

Final Results of Review

As a result of this review, the Department determines that revocation of the CVD order would likely lead to continuation or recurrence of a countervailable subsidy at the rates listed below:

Producer/Exporter	Net countervailable subsidy rate (percent)
Bant Boru	3.01
Borusan Group	0.79
ERBOSAN	3.01
Yucel Boru Group	0.95
All Others	3.01

Notification Regarding Administrative Protective Order

This notice also 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 the return or 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 sanctionable violation.

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

[1] The Department granted a two-day extension for the filing of rebuttal briefs. *See* Memorandum to the File regarding Extension of Time (August 15, 2011).

Dated: October 11, 2011.

Ronald K. Lorentzen,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 2011–27080 Filed 10–18–11; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–533–502, A–549–502, and A–489–501]

Certain Circular Welded Carbon Steel Pipes and Tubes From India, Thailand, and Turkey; Final Results of Expedited Five-Year (''Sunset'') Reviews of Antidumping Duty Orders

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

SUMMARY: On July 1, 2011, the Department of Commerce (''the Department'') initiated the third sunset reviews of the antidumping duty orders on certain circular welded carbon steel pipes and tubes from India, Thailand, and Turkey, 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 adequate substantive responses filed on behalf of the domestic interested parties and inadequate response from respondent interested parties, the Department has conducted expedited sunset reviews of these antidumping duty orders. As a result of these sunset reviews, the Department finds that revocation of the antidumping duty orders would likely lead to continuation or recurrence of dumping at the level indicated in the ''Final Results of Reviews'' section of this notice.

DATES: *Effective Date:* October 28, 2011.

FOR FURTHER INFORMATION CONTACT: Dennis McClure, Antidumping/Countervailing Duty Operations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; *telephone:* (202) 482–5973.

SUPPLEMENTARY INFORMATION:

Background

Pursuant to section 736 of the Act, the Department published in the **Federal Register** the antidumping duty orders on certain circular welded carbon steel pipes and tubes from India, Thailand, and Turkey. *See Antidumping Duty Order; Certain Welded Carbon Steel Standard Pipes and Tubes from India,* 51 FR 17384 (May 12, 1986); *Antidumping Duty Order; Circular Welded Carbon Steel Pipes and Tubes From Thailand,* 51 FR 8341 (March 11, 1986); and *Antidumping Duty Order; Welded Carbon Steel Standard Pipe and Tube Products From Turkey,* 51 FR 17784 (May 15, 1986).

On July 1, 2011, the Department published a notice of initiation of the third sunset reviews of the antidumping duty orders on certain circular welded carbon steel pipes and tubes from India, Thailand, and Turkey, pursuant to section 751(c) of the Act. *See Initiation of Five-Year (''Sunset'') Review,* 76 FR 38613 (July 1, 2011).

For each of these sunset reviews, the Department received notice of intent to participate from Allied Tube and Conduit, JMC Steel Group, Leavitt Tube, Northwest Pipe Company, TMK IPSCO Tubulars, U.S. Steel Corporation, and Western Tube and Conduit, (collectively, ''the domestic interested parties'') within the deadline specified in 19 CFR 351.218(d)(1)(i). In addition, Wheatland Tube Company (''Wheatland'') filed an entry of appearance and also requested recognition as a domestic interested party. The domestic interested parties claim interested party status under section 771(9)(C) of the Act as U.S. producers of the subject merchandise.

On July 4, 2011, the Government of Turkey filed an entry of appearance as an interested party for the Turkish proceeding. On July 5, 2011, the Government of Turkey requested the Department to extend the 30-day deadline for filing its substantive response as specified in 19 CFR 351.218(d)(3)(i). On July 7, 2011, Saha Thai Steel Pipe (Public) Company, Ltd. (''Saha Thai''), a Thai producer and exporter, entered an appearance as a respondent interested party. On August 10, 2011, the Department extended the deadline to file a substantive response until August 10, 2011.

On July 29, August 1, and 10, 2011, we received complete substantive responses from the domestic interested parties within the extended deadline established by the Department. Wheatland Tube Company did not file a substantive response. Saha Thai did not file a substantive response. On August 9, 2011, the Government of Turkey submitted a substantive response within the extended deadline.[1] On August 17, 2011, we received rebuttal comments to the Government of Turkey's substantive response from U.S. Steel Corporation. We received no other substantive responses from respondent interested parties on the three antidumping duty orders currently under review and, therefore, did not have adequate respondent interested party participation pursuant to 19 CFR 351.218(e)(1)(ii)(A).

Based on these circumstances, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department has conducted expedited sunset reviews of these antidumping duty orders.

Scope of the Antidumping Duty Orders

See Appendix 1.

Analysis of Comments Received

All issues raised in these cases are addressed in the Issues and Decision Memorandum for the Final Results of Expedited Five-Year (Sunset) Reviews of the Antidumping Duty Orders on Certain Circular Welded Carbon Steel Pipes and Tubes from India, Thailand, and Turkey from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Deputy Assistant Secretary for Import Administration (''Decision Memo''), dated concurrent with this final notice, which is hereby adopted by this notice. The issues discussed in the Decision Memo include the likelihood of

[1] The Government of Turkey did not claim to have exported subject merchandise.

[2] Pursuant to a Temporary Restraining Order issued by the U.S. Court of International Trade on October 13, 2011, the Department of Commerce and U.S. Customs and Border Protection are restrained from lifting the suspension of liquidation on unliquidated entries of diamond sawblades and parts thereof from the Republic of Korea. Pursuant to this **Federal Register** notice, future entries of such merchandise are subject to suspension of liquidation at the cash deposit rate of zero. Changes to the suspension of liquidation will be consistent with the Court's final ruling.

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 sunset reviews and the corresponding recommendations in this public memo, which is on file electronically via Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System (''IA ACCESS''). Access to IA ACCESS is available in the Central Records Unit (''CRU''), Room 7046 of the main Department of Commerce building.

In addition, a complete version of the Decision Memo can be accessed directly on the Web at *http://ia.ita.doc.gov/frn,* under the heading ''November 2011''. The signed version and the electronic versions are identical in content.

Final Results of Reviews

We determine that revocation of the antidumping duty orders on certain circular welded carbon steel pipes and tubes from India, Thailand, and Turkey would likely lead to continuation or recurrence of dumping at the following weighted-average percentage margins:

Manufacturers/Exporters/Producers	Weighted-average margin (percent)
India (A–533–502)	
Tata Iron and Steel Company, Ltd	7.08
All Others	7.08
Thailand (A–549–502)	
Saha Thai Steel Pipe Co	15.69
Thai Steel Pipe Industry Co	15.60
All Others	15.67
Turkey (A–489–501)	
Borusan Ithicat ve Dagitim	1.26
Erkboru Profil Sanayi ve Ticaret	23.12
Mannesmann-Sumerbank Boru Industrisi	23.12
All Others	14.74

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 the return or 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.

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

Dated: October 24, 2011.

Ronald K. Lorentzen,

Deputy Assistant Secretary for Import Administration.

Appendix 1

Scope of the Antidumping Duty Orders

India—Welded Carbon Steel Pipe and Tube (A–533–502)

The products covered by the order include certain welded carbon steel standard pipes and tubes with an outside diameter of 0.375 inch or more but not over 16 inches. These products are commonly referred to in the industry as standard pipes and tubes produced to various American Society for Testing Materials (ASTM) specifications, most notably A–53, A–120, or A–135.

The antidumping duty order on certain welded carbon steel standard pipes and tubes from India, published on May 12, 1986, included standard scope language which used the import classification system as defined by Tariff Schedules of the United States, Annotated (TSUSA). The United States developed a system of tariff classification based on the international harmonized system of customs nomenclature. On January 1, 1989, the U.S. tariff schedules were fully converted from the TSUSA to the Harmonized Tariff Schedule (HTS). *See, e.g., Certain Welded Carbon Steel Standard Pipes and Tubes from India; Preliminary Results of Antidumping Duty Administrative Reviews,* 56 FR 26650, 26651 (June 10, 1991). As a result of this transition, the scope language we used in the 1991 **Federal Register** notice is slightly different from the scope language of the original final determination and antidumping duty order.

Until January 1, 1989, such merchandise was classifiable under item numbers 610.3231, 610.3234, 610.3241, 610.3242, 610.3243, 610.3252, 610.3254, 610.3256, 610.3258, and 610.4925 of the TSUSA. This merchandise is currently classifiable under HTS item numbers 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, 7306.30.5090. As with the TSUSA numbers, the HTS numbers are provided for convenience and customs purposes. The written product description remains dispositive.[2]

Thailand—Welded Carbon Steel Pipe and Tube (A–549–502)

The products covered by the order include certain welded carbon steel standard pipes and tubes with an outside diameter of 0.375 inch or more but not over 16 inches. These products are commonly referred to in the industry as standard pipes and tubes produced to various American Society for Testing Materials (ASTM) specifications, most notably A–53, A–120, or A–135.

The antidumping duty order on certain welded carbon steel standard pipes and tubes from India, published on May 12, 1986, included standard scope language which used the import classification system as defined by Tariff Schedules of the United States, Annotated (TSUSA). The United States developed a system of tariff classification based on the international harmonized system of customs nomenclature. On January 1, 1989, the U.S. tariff schedules were fully converted from the TSUSA to the Harmonized Tariff Schedule (HTS). *See, e.g., Certain Welded Carbon Steel Standard Pipes and Tubes from India; Preliminary Results of Antidumping Duty Administrative Reviews,* 56 FR 26650, 26651 (June 10, 1991). As a

[2] *Certain Welded Carbon Steel Standard Pipes and Tubes From India: Final Results of Antidumping Duty Administrative Review,* 75 FR 69626, 69627 (November 15, 2010).

result of this transition, the scope language we used in the 1991 **Federal Register** notice is slightly different from the scope language of the original final determination and antidumping duty order.

Until January 1, 1989, such merchandise was classifiable under item numbers 610.3231, 610.3234, 610.3241, 610.3242, 610.3243, 610.3252, 610.3254, 610.3256, 610.3258, and 610.4925 of the TSUSA. This merchandise is currently classifiable under HTS item numbers 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, 7306.30.5090. As with the TSUSA numbers, the HTS numbers are provided for convenience and customs purposes. The written product description remains dispositive.[3] [4]

Turkey—Welded Carbon Steel Pipe and Tube (A–489–501)

The products covered by this order include circular welded non-alloy steel pipes and tubes, of circular cross-section, not more than 406.4 millimeters (16 inches) in outside diameter, regardless of wall thickness, surface finish (black, or galvanized, painted), or end finish (plain end, beveled end, threaded and coupled). Those pipes and tubes are generally known as standard pipe, though they may also be called structural or mechanical tubing in certain applications. Standard pipes and tubes are intended for the low pressure conveyance of water, steam, natural gas, air, and other liquids and gases in plumbing and heating systems, air conditioner units, automatic sprinkler systems, and other related uses. Standard pipe may also be used for light load-bearing and mechanical applications, such as for fence tubing, and for protection of electrical wiring, such as conduit shells.

The scope is not limited to standard pipe and fence tubing, or those types of mechanical and structural pipe that are used in standard pipe applications. All carbon steel pipes and tubes within the physical description outlined above are included in the scope of this order, except for line pipe, oil country tubular goods, boiler tubing, cold-drawn or cold-rolled mechanical tubing, pipe and tube hollows for redraws, finished scaffolding, and finished rigid conduit.

Imports of these products are currently classifiable under the following Harmonized Tariff Schedule of the United States (''HTSUS'') subheadings: 7306.30.10.00, 7306.30.50.25, 7306.30.50.32, 7306.30.50.40, 7306.30.50.55, 7306.30.50.85, and 7306.30.50.90. Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of this proceeding is dispositive.[5]

[FR Doc. 2011–27957 Filed 10–27–11; 8:45 am]

BILLING CODE 3510–DS–P

[3] *Circular Welded Carbon Steel Pipes and Tubes From Thailand: Final Results of Antidumping Duty Administrative Review,* 75 FR 64696 (October 20, 2010).

[4] There was one scope ruling in which British Standard light pipe 387/67, Class A–1 was found to be within the scope of the order per remand. *See Scope Rulings,* 58 FR 27542, (May 10, 1993).

[5] *Certain Welded Carbon Steel Pipe and Tube From Turkey: Notice of Final Antidumping Duty Administrative Review,* 75 FR 64250.64251 (October 19, 2010).

DEPARTMENT OF COMMERCE

International Trade Administration

[A–351–809, A–201–805, A–580–809, A–583–814, A–583–008]

Certain Circular Welded Non-Alloy Steel Pipe From Brazil, Mexico, the Republic of Korea, and Taiwan; and Certain Circular Welded Carbon Steel Pipes and Tubes From Taiwan: Final Results of the Expedited Third Sunset Reviews of the Antidumping Duty Order

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

SUMMARY: On August 1, 2011 the Department of Commerce (Department) initiated the third five-year (sunset) reviews of the antidumping duty orders on certain circular welded non-alloy steel pipe from Brazil, Mexico, the Republic of Korea, and Taiwan; and certain circular welded carbon steel pipes and tubes from Taiwan, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act). The Department has conducted expedited (120-day) sunset reviews of these antidumping duty orders pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2). As a result of these reviews, the Department finds that revocation of the antidumping duty orders would likely lead to a continuation or recurrence of dumping, at the levels indicated in the ''Final Results of Sunset Reviews'' section of this notice, *infra.*

FOR FURTHER INFORMATION: Steve Bezirganian, Deborah Scott or Robert James, AD/CVD Operations, Office 7, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; *telephone:* (202) 482–1131, (202) 482–2657 or (202) 482–0649, respectively.

SUPPLEMENTARY INFORMATION:

Background

On August 1, 2011, the Department published in the **Federal Register** the notice of initiation of the sunset reviews of the antidumping duty orders on certain circular welded non-alloy steel pipe from Brazil, Mexico, the Republic of Korea, and Taiwan; and certain circular welded carbon steel pipes and tubes from Taiwan, pursuant to section 751(c) of the Act. *See Initiation of Five-Year (''Sunset'') Review,* 76 FR 38613 (July 1, 2011) (*Notice of Initiation*).

The Department received a notice of intent to participate from the following

domestic interested parties within the deadline specified in 19 CFR 351.218(d)(1)(i): Allied Tube and Conduit, TMK IPSCO Tubulars, Leavitt Tube, Northwest Pipe Company, Western Tube and Conduit, and JMC Steel Group (collectively ''certain domestic interested parties'') [1] and United States Steel Corporation (U.S. Steel). Certain domestic interested parties, U.S. Steel, and Wheatland Tube Company (Wheatland) claimed interested party status under section 771(9)(C) of the Act.

The Department received adequate substantive responses to the *Notice of Initiation* from certain domestic interested parties and U.S. Steel within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i). We received no substantive responses from Wheatland or respondent interested parties with respect to the antidumping duty orders.

As a result, pursuant to 19 CFR 351.218(e)(1)(ii)(C)(2), the Department determined that it would conduct expedited (120-day) sunset reviews of the antidumping duty orders and notified the U.S. International Trade Commission. *See* Letter to Catherine DeFilippo, Director, Office of Investigations, U.S. International Trade Commission, from Barbara E. Tillman, Director, Office 6, AD/CVD Operations, entitled ''Sunset Reviews Initiated on July 1, 2011,'' dated August 22, 2011.

Scope of the Orders

Certain Circular Welded Non-Alloy Steel Pipe From Brazil, Mexico, and the Republic of Korea

The products covered by the orders are circular welded non-alloy steel pipes and tubes, of circular cross-section, not more than 406.4 millimeters (16 inches) in outside diameter, regardless of wall thickness, surface finish (black, galvanized, or painted), or end finish (plain end, beveled end, threaded and coupled). These pipes and tubes are generally known as standard pipes and tubes and are intended for the low pressure conveyance of water, steam, natural gas, and other liquids and gasses in plumbing and heating systems, air conditioning units, automatic sprinkler systems, and other related uses, and generally meets ASTM A–53 specifications. Standard pipe may also be used for light load-bearing applications, such as for fence tubing, and as structural pipe tubing used for farming and support members for reconstruction or load bearing purposes in the construction, shipbuilding, trucking, farm equipment, and related industries. Unfinished conduit pipe is also included in the orders.

All carbon steel pipes and tubes within the physical description outlined above are included within the scope of the orders, except line pipe, oil country tubular goods, boiler tubing, mechanical tubing, pipe and tube hollows for redraws, finished scaffolding, and finished conduit. Standard pipe that is dual or triple certified/stenciled that enters the U.S. as line pipe of a kind used for oil or gas pipelines is also not included in the orders.

Imports of the products covered by the orders are currently classifiable under the following Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 7306.30.10.00, 7306.30.50.25, 7306.30.50.32, 73.06.30.50.40, 7306.30.50.55, 7306.30.50.85, and 7306.30.50.90.

Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of the orders is dispositive.

Certain Circular Welded Non-Alloy Steel Pipe From Taiwan

The products covered by the order are (1) circular welded non-alloy steel pipes and tubes, of circular cross section over 114.3 millimeters (4.5 inches), but not over 406.4 millimeters (16 inches) in outside diameter, with a wall thickness of 1.65 millimeters (0.065 inches) or more, regardless of surface finish (black, galvanized, or painted), or end-finish (plain end, beveled end, threaded, or threaded and coupled); and (2) circular welded non-alloy steel pipes and tubes, of circular cross-section less than 406.4 millimeters (16 inches), with a wall thickness of less than 1.65 millimeters (0.065 inches), regardless of surface finish (black, galvanized, or painted) or end-finish (plain end, beveled end, threaded, or threaded and coupled). These pipes and tubes are generally known as standard pipes and tubes and are intended for the low pressure conveyance of water, steam, natural gas, air, and other liquids and gases in plumbing and heating systems, air conditioning units, automatic sprinkling systems, and other related uses, and generally meet ASTM A–53 specifications. Standard pipe may also be used for light load-bearing applications, such as for fence-tubing and as structural pipe tubing used for framing and support members for construction, or load-bearing purposes in the construction, shipbuilding, trucking, farm-equipment, and related industries. Unfinished conduit pipe is also included in the order.

All carbon steel pipes and tubes within the physical description outlined above are included within the scope of the order, except line pipe, oil country tubular goods, boiler tubing, mechanical tubing, pipe and tube hollows for redraws, finished scaffolding, and finished conduit. Standard pipe that is dual or triple certified/stenciled that enters the U.S. as line pipe of a kind or used for oil and gas pipelines is also not included in the scope of the order.

Imports of the products covered by the order are currently classifiable under the following Harmonized Tariff Schedule of the United States (HTSUS) subheadings, 7306.30.10.00, 7306.30.50.85, 7306.30.50.90.

Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of the order is dispositive.

Circular Welded Carbon Steel Pipes and Tubes From Taiwan

The products covered by the order are certain circular welded carbon steel pipes and tubes from Taiwan, which are defined as: welded carbon steel pipes and tubes, of circular cross section, with walls not thinner than 0.065 inch, and 0.375 inch or more but not over 4.5 inches in outside diameter, currently classified under Harmonized Tariff Schedule of the United States (HTSUS) item numbers 7306.30.50.25, 7306.30.50.32, 7306.30.50.40, and 7306.30.50.55. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise covered by the order is dispositive.

Analysis of Comments Received

All issues raised in these reviews are addressed in the ''Issues and Decision Memorandum for the Final Results of Expedited Five-Year (Sunset) Reviews of the Antidumping Duty Orders on Certain Circular Welded Non-Alloy Steel Pipe from Brazil, Mexico, the Republic of Korea, and Taiwan; and Certain Circular Welded Carbon Steel Pipes and Tubes from Taiwan,'' from Gary Taverman, Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Deputy Assistant Secretary for Import Administration (Decision Memorandum), which is hereby adopted by, and issued concurrently with, this notice. The issues discussed in the Decision Memorandum include the likelihood of continuation or recurrence of dumping and the magnitude of the margins likely to prevail if the orders were revoked.

[1] Note that for certain orders, not all of these companies were identified as interested parties. However, because they were each identified as interested parties for some of the orders and in no instances filed individual substantive responses, they are referenced collectively.

Parties can find a complete discussion of all issues raised in these reviews and the corresponding recommendations in this public memorandum, which is a public document and is on file electronically via Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). Access to IA ACCESS is available in the Central Records Unit in room 7046 of the main Department building. In addition, a complete version of the Decision Memorandum can be accessed directly on the Web at *http://www.trade.gov/ia/*. The signed Decision Memorandum and the electronic versions of the Decision Memorandum are identical in content.

Final Results of Sunset Reviews

We determine that revocation of the antidumping duty orders on certain circular welded non-alloy steel pipes from Brazil, Mexico, the Republic of Korea, and Taiwan; and certain circular welded carbon steel pipes and tubes from Taiwan would be likely to lead to continuation or recurrence of dumping at the following weighted-average percentage margins:

Manufacturers/Exporters	Weighted-average margin (percent)
Certain Circular Welded Non-Alloy Steel Pipe	
Brazil:	
Persico Pizzamiglio S.A.	103.38
All Others	103.38
Mexico:	
HYLSA S.A. de C.V.[2]	32.62
All Others	32.62
The Republic of Korea:	
Hyundai Steel Pipe Co., Ltd	6.86
Korea Steel Pipe Co., Ltd	6.21
Masan Steel Tube Works Co., Ltd	11.63
Pusan Steel Pipe Co., Ltd	4.91
All Others	6.37
Taiwan:	
Kao Hsing Chang Iron & Steel Corp	19.46
Yieh Hsing Enterprise Co., Ltd.	27.65
All Others	23.56
Circular Welded Carbon Steel Pipes and Tubes	
Taiwan:	
Kao Hsing Chang Iron & Steel Corporation	9.70
Tai Feng Industries, Inc.	43.70
Yieh Phui Enterprise Co, Ltd.[3]	38.50
All Others	9.70

Notification to Interested Parties

This notice also 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 the return or destruction of APO materials or conversion to judicial protective orders is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

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

Dated: October 21, 2011.

Ronald K. Lorentzen,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 2011–27980 Filed 10–27–11; 8:45 am]

BILLING CODE 3510–DS–P

[2] The Department found that Ternium Mexico S.A. de C.V. is the successor-in-interest to HYLSA S.A. de C.V. *See Final Results of Antidumping Duty Changed Circumstances Review: Certain Circular Welded Non-Alloy Steel Pipe and Tube from Mexico,* 74 FR 41681 (August 18, 2009).

[3] The Department found that Yieh Phui Enterprise Co., Ltd. is the successor-in-interest to Yieh Hsing Enterprise Co., Ltd. *See Certain Circular Welded Carbon Steel Pipes and Tubes from Taiwan: Final Results of Antidumping Duty Changed Circumstance Review,* 70 FR 71802 (November 30, 2005).

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 701–TA–253 and 731–TA–132, 252, 271, 273, 532–534 and 536 (Third Review)]

Certain Circular Welded Pipe and Tube From Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey; Scheduling of Full Five-Year Reviews

AGENCY: United States International Trade Commission.

ACTION: Notice.

SUMMARY: The Commission hereby gives notice of the scheduling of full reviews pursuant to section 751(c)(5) of the Tariff Act of 1930 (19 U.S.C. 1675(c)(5)) (the Act) to determine whether revocation of the countervailing duty order on welded carbon steel pipe and tube from Turkey, the antidumping duty orders on welded carbon steel pipe and tube from India, Thailand, and Turkey, the antidumping duty orders on circular welded nonalloy steel pipe from Brazil, Korea, Mexico, and Taiwan, and the antidumping duty order on small diameter carbon steel pipe and tube from Taiwan would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. 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). 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:* January 3, 2012.

FOR FURTHER INFORMATION CONTACT: Nathanael Comly (202) 205–3174, 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 October 4, 2011, the Commission determined that responses to its notice of institution of the subject five-year reviews were such that full reviews pursuant to section 751(c)(5) of the Act should proceed (76 FR 65748, October 24, 2011). A record of the Commissioners' votes, the Commission's statement on adequacy, and any individual Commissioner's statements are available from the Office of the Secretary and at the Commission's Web site.

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 these reviews as parties must file an entry of appearance with the Secretary to the Commission, as provided in section 201.11 of the Commission's rules, by 45 days after publication of this notice. A party that filed a notice of appearance following publication of the Commission's notice of institution of the reviews need not file an additional notice of appearance. 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.

Limited disclosure of business proprietary information (BPI) under an administrative protective order (APO) and BPI service list.—Pursuant to section 207.7(a) of the Commission's rules, the Secretary will make BPI gathered in these reviews available to authorized applicants under the APO issued in the review, provided that the application is made by 45 days after publication of this notice. Authorized applicants must represent interested parties, as defined by 19 U.S.C. § 1677(9), who are parties to the reviews. A party granted access to BPI following publication of the Commission's notice of institution of the reviews need not reapply for such access. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

Staff report.—The prehearing staff report in the reviews will be placed in the nonpublic record on April 13, 2012, and a public version will be issued thereafter, pursuant to section 207.64 of the Commission's rules.

Hearing.—The Commission will hold a hearing in connection with the reviews beginning at 9:30 a.m. on May 3, 2012, at the U.S. International Trade Commission Building. Requests to appear at the hearing should be filed in writing with the Secretary to the Commission on or before April 26, 2012. A nonparty who has testimony that may aid the Commission's deliberations may request permission to present a short statement at the hearing. All parties and nonparties desiring to appear at the hearing and make oral presentations should attend a prehearing conference to be held at 9:30 a.m. on April 30, 2012, at the U.S. International Trade Commission Building. Oral testimony and written materials to be submitted at the public hearing are governed by sections 201.6(b)(2), 201.13(f), 207.24, and 207.66 of the Commission's rules. Parties must submit any request to present a portion of their hearing testimony *in camera* no later than 7 business days prior to the date of the hearing.

Written submissions.—Each party to the reviews may submit a prehearing brief to the Commission. Prehearing briefs must conform with the provisions of section 207.65 of the Commission's rules; the deadline for filing is April 24, 2012. Parties may also file written testimony in connection with their presentation at the hearing, as provided in section 207.24 of the Commission's rules, and posthearing briefs, which must conform with the provisions of section 207.67 of the Commission's rules. The deadline for filing posthearing briefs is May 14, 2012; witness testimony must be filed no later than three days before the hearing. In addition, any person who has not entered an appearance as a party to the reviews may submit a written statement of information pertinent to the subject of the reviews on or before May 14, 2012. On June 5, 2012, the Commission will make available to parties all information on which they have not had an opportunity to comment. Parties may submit final comments on this information on or before June 7, 2012, but such final comments must not contain new factual information and must otherwise comply with section 207.68 of the Commission's rules. All written submissions must conform with the provisions of section 201.8 of the Commission's rules; any submissions that contain BPI must also conform with the requirements of sections 201.6, 207.3, and 207.7 of the Commission's rules. Please be aware that the Commission's rules with respect to electronic filing have been amended. The amendments took effect on November 7, 2011. See 76 FR 61937 (Oct. 6, 2011) and the newly revised Commission's Handbook on E–Filing, available on the Commission's Web site at *http://edis.usitc.gov.*

Additional written submissions to the Commission, including requests pursuant to section 201.12 of the Commission's rules, shall not be accepted unless good cause is shown for accepting such submissions, or unless the submission is pursuant to a specific request by a Commissioner or Commission staff.

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 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.

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: January 11, 2012.

James R. Holbein,

Secretary to the Commission.

[FR Doc. 2012–714 Filed 1–13–12; 8:45 am]

BILLING CODE 7020–02–P

APPENDIX B

HEARING WITNESSES

CALENDAR OF PUBLIC HEARING

Those listed below appeared as witnesses at the United States International Trade Commission's hearing:

Subject:	Certain Circular Welded Pipe and Tube from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey
Inv. Nos.:	701-TA-253 and 731-TA-132, 252, 271, 273, 532-534, and 536 (Third Review)
Date and Time:	May 3, 2012 - 9:30 a.m.

Sessions were held in connection with these investigations in the Main Hearing Room, 500 E Street (room 101), S.W., Washington, D.C.

CONGRESSIONAL WITNESSES:

The Honorable Peter J. Visclosy, U.S. Representative, 1st District, Indiana

OPENING REMARKS:

In Support of Continuation of Orders (**Roger B. Schagrin**,
Schagrin Associates)
In Opposition to Continuation of Orders (**Myles S. Getlan**,
Arent Fox LLP)

In Support of the Continuation of
the Antidumping and Countervailing
Duty Orders:

Schagrin Associates
Washington, D.C.
on behalf of

Allied Tube and Conduit, JMC Steel Group,
Leavitt Tube Company, Northwest Pipe
Company, and TMK IPSCO Tubulars

David Seeger, President, JMC Steel Group

Ed Kurasz, President, Allied Tube and Conduit

Gordon Hunter, Director, National Sales, Allied Tube and Conduit

Mike Stefko, Manager of Sales, Line Pipe and Standard Pipe, TMK IPSCO

Mark Magno, Vice President, Marketing and Sales, Wheatland Tube

Robert Moss, President, Long Island Pipe Supply

Linda Andros, Legislative Counsel, United Steel, Paper and Forestry, Rubber, Manufacturing Energy, Allied Industrial and Service Workers International Union

Dr. Robert E. Scott, Director of Trade and Manufacturing Policy Research, Economic Policy Institute

Roger B. Schagrin)
) – OF COUNSEL
John W. Bohn)

In Support of the Continuation of the Antidumping and Countervailing Duty Orders (continued):

Skadden, Arps, Slate, Meagher & Flom LLP
Washington, D.C.
on behalf of

United States Steel Corporation ("U.S. Steel")

Jeffrey D. Johnson, Director of Standard and Line Pipe, North America, U.S. Steel

Stephen P. Vaughn) – OF COUNSEL

In Opposition to the Continuation of the Antidumping and Countervailing

Arent Fox LLP
Washington, D.C.
on behalf of

Turkish Producers & Exporters

Zafer Atabey, Director, Standard Pipe and Special Pipe, Borusan Mannesmann Boru

Bulent Demirioğlu, Chairman of Borusan, President of the Turkish Pipe Manufacturers Association, and Board Member of Steel Exporters Association

Myles S. Geltan)
) – OF COUNSEL
Matthew M. Nolan)

REBUTTAL/CLOSING REMARKS:

In Support of Continuation of Orders (**Roger B. Schagrin**, Schagrin Associates)
In Opposition to Continuation of Orders (**Myles S. Geltan**, Arent Fox LLP)

APPENDIX C

SUMMARY DATA

Table C-1
Circular welded pipe and tube: Summary data concerning the U.S. market, 2006-11

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

	Reported data						Period changes					
Item	2006	2007	2008	2009	2010	2011	2006-11	2006-07	2007-08	2008-09	2009-10	2010-11
U.S. consumption quantity:												
Amount	2,409,802	2,266,826	1,928,401	1,237,088	1,405,519	1,472,635	-38.9	-5.9	-14.9	-35.8	13.6	4.8
Producers' share (1)	51.1	56.2	64.3	71.3	65.6	65.6	14.5	5.2	8.0	7.0	-5.7	0.0
Importers' share (1):												
Brazil	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
India (Subject)	***	***	***	***	***	***	***	***	***	***	***	***
Korea	1.8	1.4	6.4	3.1	5.4	3.3	1.4	-0.5	5.0	-3.3	2.3	-2.1
Mexico	3.1	2.9	2.7	5.4	4.5	4.5	1.4	-0.2	-0.2	2.7	-0.9	0.0
Taiwan	1.8	1.5	3.9	0.6	2.0	1.6	-0.2	-0.3	2.4	-3.3	1.4	-0.4
Thailand	3.2	2.1	4.4	2.5	2.0	3.2	0.0	-1.1	2.3	-1.9	-0.5	1.2
Turkey	1.3	0.1	2.8	2.1	2.6	2.2	0.8	-1.2	2.6	-0.7	0.5	-0.5
Subtotal, Subject	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal, Nonsubject	***	***	***	***	***	***	***	***	***	***	***	***
Total imports	48.9	43.8	35.7	28.7	34.4	34.4	-14.5	-5.2	-8.0	-7.0	5.7	0.0
U.S. consumption value:												
Amount	1,958,107	1,876,439	2,230,487	1,099,599	1,332,584	1,549,330	-20.9	-4.2	18.9	-50.7	21.2	16.3
Producers' share (1)	62.1	64.2	68.2	71.6	67.4	67.4	5.2	2.0	4.0	3.4	-4.2	0.0
Importers' share (1):												
Brazil	0.0	0.0	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
India (Subject)	***	***	***	***	***	***	***	***	***	***	***	***
Korea	1.8	1.5	5.7	3.1	5.1	3.3	1.5	-0.3	4.1	-2.6	2.1	-1.8
Mexico	3.1	2.8	2.6	4.5	3.9	4.1	1.0	-0.3	-0.2	1.8	-0.5	0.2
Taiwan	1.3	1.2	3.2	0.7	1.7	1.4	0.0	-0.2	2.0	-2.5	1.0	-0.3
Thailand	2.7	2.0	4.0	2.8	2.0	3.0	0.3	-0.7	2.1	-1.2	-0.8	1.0
Turkey	1.1	0.2	2.6	2.2	2.3	1.9	0.9	-0.9	2.4	-0.5	0.1	-0.3
Subtotal, Subject	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal, Nonsubject	***	***	***	***	***	***	***	***	***	***	***	***
Total imports	37.9	35.8	31.8	28.4	32.6	32.6	-5.2	-2.0	-4.0	-3.4	4.2	0.0
U.S. imports from:												
Brazil:												
Quantity	570	386	555	490	622	401	-29.6	-32.3	43.8	-11.7	26.9	-35.5
Value	841	696	1,288	1,059	1,394	1,041	23.8	-17.2	85.1	-17.8	31.6	-25.3
Unit value	$1,475	$1,803	$2,321	$2,161	$2,241	$2,596	75.9	22.2	28.7	-6.9	3.7	15.8
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
India (Subject):												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Korea:												
Quantity	44,348	31,437	123,952	38,833	75,857	48,054	8.4	-29.1	294.3	-68.7	95.3	-36.7
Value	35,399	29,031	126,895	33,714	68,178	51,190	44.6	-18.0	337.1	-73.4	102.2	-24.9
Unit value	$798	$923	$1,024	$868	$899	$1,065	33.5	15.7	10.9	-15.2	3.5	18.5
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Mexico:												
Quantity	74,808	64,935	52,245	66,813	63,151	66,017	-11.8	-13.2	-19.5	27.9	-5.5	4.5
Value	61,461	52,858	58,380	49,111	52,473	63,670	3.6	-14.0	10.4	-15.9	6.8	21.3
Unit value	$822	$814	$1,117	$735	$831	$964	17.4	-0.9	37.3	-34.2	13.0	16.1
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Taiwan:												
Quantity	43,038	33,306	75,017	7,600	27,621	22,966	-46.6	-22.6	125.2	-89.9	263.4	-16.9
Value	26,302	22,296	70,947	7,871	22,370	20,989	-20.2	-15.2	218.2	-88.9	184.2	-6.2
Unit value	$611	$669	$946	$1,036	$810	$914	49.5	9.5	41.3	9.5	-21.8	12.8
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Thailand:												
Quantity	77,832	47,736	85,760	31,399	28,751	47,696	-38.7	-38.7	79.7	-63.4	-8.4	65.9
Value	52,738	36,736	89,600	30,594	26,785	46,507	-11.8	-30.3	143.9	-65.9	-12.5	73.6
Unit value	$678	$770	$1,045	$974	$932	$975	43.9	13.6	35.8	-6.7	-4.4	4.7
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Turkey:												
Quantity	31,797	3,146	53,583	26,032	37,225	31,723	-0.2	-90.1	1603.2	-51.4	43.0	-14.8
Value	21,087	3,295	58,346	23,731	30,399	30,124	42.9	-84.4	1670.7	-59.3	28.1	-0.9
Unit value	$663	$1,047	$1,089	$912	$817	$950	43.2	57.9	4.0	-16.3	-10.4	16.3
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal (Subject):												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal (Nonsubject):												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
All sources:												
Quantity	1,179,398	991,842	688,846	355,658	483,675	506,620	-57.0	-15.9	-30.5	-48.4	36.0	4.7
Value	741,189	672,368	709,014	312,059	434,328	505,746	-31.8	-9.3	5.5	-56.0	39.2	16.4
Unit value	$628	$678	$1,029	$877	$898	$998	58.8	7.9	51.8	-14.8	2.3	11.2
Ending inventory quantity	15,151	2,767	21,954	11,487	9,511	13,425	-11.4	-81.7	693.4	-47.7	-17.2	41.2

Table continued on next page.

Table C-1--Continued
Circular welded pipe and tube: Summary data concerning the U.S. market, 2006-11

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

	Reported data						Period changes					
Item	2006	2007	2008	2009	2010	2011	2006-11	2006-07	2007-08	2008-09	2009-10	2010-11
U.S. producers':												
Average capacity quantity	2,088,327	2,009,829	1,944,986	1,938,832	2,009,753	2,054,223	-1.6	-3.8	-3.2	-0.3	3.7	2.2
Production quantity	1,282,325	1,282,391	1,212,165	899,463	968,312	1,023,578	-20.2	0.0	-5.5	-25.8	7.7	5.7
Capacity utilization (1)	61.4	63.8	62.3	46.4	48.2	49.8	-11.6	2.4	-1.5	-15.9	1.8	1.6
U.S. shipments:												
Quantity	1,230,404	1,274,984	1,239,555	881,430	921,844	966,015	-21.5	3.6	-2.8	-28.9	4.6	4.8
Value	1,216,918	1,204,071	1,521,473	787,540	898,256	1,043,584	-14.2	-1.1	26.4	-48.2	14.1	16.2
Unit value	$989	$944	$1,227	$893	$974	$1,080	9.2	-4.5	30.0	-27.2	9.1	10.9
Export shipments:												
Quantity	33,387	47,103	38,192	39,331	45,650	54,556	63.4	41.1	-18.9	3.0	16.1	19.5
Value	30,728	43,305	49,907	33,390	42,215	58,615	90.8	40.9	15.2	-33.1	26.4	38.8
Unit value	$920	$919	$1,307	$849	$925	$1,074	16.7	-0.1	42.1	-35.0	8.9	16.2
Ending inventory quantity	193,218	168,394	151,707	139,243	142,504	151,164	-21.8	-12.8	-9.9	-8.2	2.3	6.1
Inventories/total shipments (1)	15.3	12.7	11.9	15.1	14.7	14.8	-0.5	-2.6	-0.9	3.2	-0.4	0.1
Production workers	2,192	2,032	1,906	1,589	1,451	1,549	-29.3	-7.3	-6.2	-16.6	-8.7	6.8
Hours worked (1,000s)	4,555	4,191	4,343	2,893	3,074	3,397	-25.4	-8.0	3.6	-33.4	6.3	10.5
Wages paid ($1,000s)	99,169	96,098	101,721	73,328	80,361	96,222	-3.0	-3.1	5.9	-27.9	9.6	19.7
Hourly wages	$21.77	$22.93	$23.42	$25.35	$26.14	$28.33	30.1	5.3	2.2	8.2	3.1	8.4
Productivity (tons/1,000 hours)	281.5	306.0	279.1	310.3	315.0	301.3	7.0	8.7	-8.8	11.2	1.5	-4.3
Unit labor costs	$77.34	$74.94	$83.92	$81.52	$82.99	$94.01	21.6	-3.1	12.0	-2.9	1.8	13.3
Net sales:												
Quantity	1,361,747	1,321,492	1,425,103	900,288	949,647	1,016,377	-25.4	-3.0	7.8	-36.8	5.5	7.0
Value	1,281,582	1,218,151	1,719,099	858,849	914,734	1,075,973	-16.0	-4.9	41.1	-50.0	6.5	17.6
Unit value	$941	$922	$1,206	$954	$963	$1,059	12.5	-2.1	30.9	-20.9	1.0	9.9
Cost of goods sold (COGS)	1,076,829	1,103,506	1,351,533	900,451	806,893	950,989	-11.7	2.5	22.5	-33.4	-10.4	17.9
Gross profit or (loss)	204,753	114,645	367,566	-41,602	107,841	124,984	-39.0	-44.0	220.6	(3)	(3)	15.9
SG&A expenses	61,301	74,710	96,564	84,972	73,543	93,915	53.2	21.9	29.3	-12.0	-13.5	27.7
Operating income or (loss)	143,452	39,935	271,002	-126,574	34,298	31,069	-78.3	-72.2	578.6	(3)	(3)	-9.4
Capital expenditures	***	***	***	***	***	***	***	***	***	***	***	***
Unit COGS	$791	$835	$948	$1,000	$850	$936	18.3	5.6	13.6	5.5	-15.0	10.1
Unit SG&A expenses	$45	$57	$68	$94	$77	$92	105.3	25.6	19.9	39.3	-17.9	19.3
Unit operating income or (loss)	$105	$30	$190	-$141	$36	$31	-71.0	-71.3	529.3	(3)	(3)	-15.4
COGS/sales (1)	84.0	90.6	78.6	104.8	88.2	88.4	4.4	6.6	-12.0	26.2	-16.6	0.2
Operating income or (loss)/ sales (1)	11.2	3.3	15.8	-14.7	3.7	2.9	-8.3	-7.9	12.5	-30.5	18.5	-0.9

(1) "Reported data" are in percent and "period changes" are in percentage points.
(2) Not applicable.
(3) When there are negative values, going through the zero point, from a positive number to a negative one or from a negative one to a positive one, can distort the percentage calculations.

Note.--Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis. Because of rounding, figures may not add to the totals shown. Unit values and shares are calculated from the unrounded figures.

Source: Compiled from data submitted in response to Commission questionnaires, official Commerce statistics, Customs data, and Cansim (Canada) data.

APPENDIX D

RESPONSES OF U.S. PRODUCERS, U.S. IMPORTERS, U.S. PURCHASERS, AND FOREIGN PRODUCERS CONCERNING THE SIGNIFICANCE OF THE ANTIDUMPING DUTY AND COUNTERVAILING DUTY ORDERS AND THE LIKELY EFFECTS OF REVOCATION

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APPENDIX E

Period-to-Period Change: Components of COGS-to-Sales Ratio, Average Sales Value, and Average Components of COGS by U.S. Producer

Table E-1
Circular welded pipe: Period-to-period change in the components of COGS-to-sales ratio and corresponding percentage change in average sales value and components of COGS by U.S. producer, fiscal years 2006-11

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