

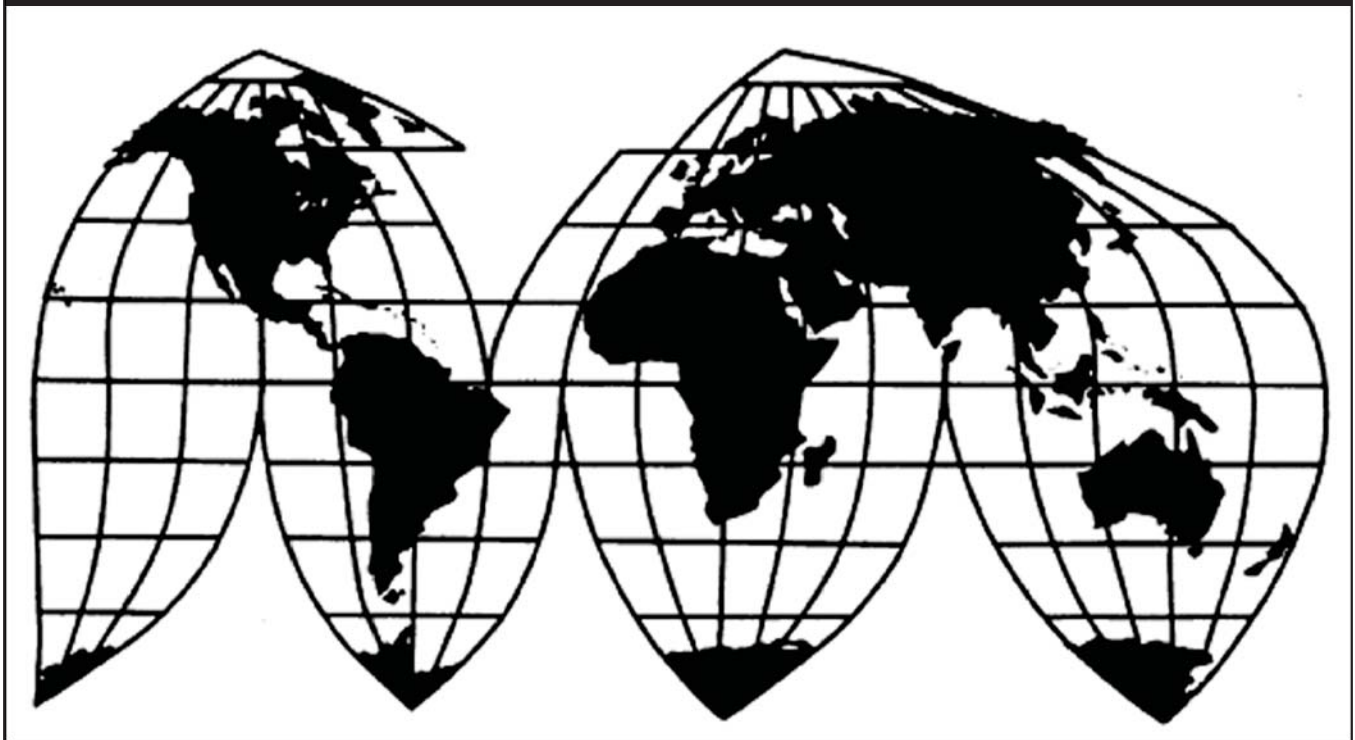
Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from Japan and Romania

Investigation Nos. 731-TA-847 and 849 (Second Review)

Publication 4262

September 2011

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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Note.--Information that would reveal confidential operations of individual concerns may not be published and therefore has been identified by the use of *.**

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 731-TA-847 and 849 (Second Review)

CARBON AND ALLOY SEAMLESS STANDARD, LINE, AND PRESSURE PIPE FROM JAPAN AND ROMANIA

DETERMINATIONS

On the basis of the record¹ 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 antidumping duty orders on carbon and alloy seamless standard, line, and pressure pipe from Japan and Romania would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.²

BACKGROUND

The Commission instituted these reviews on April 1, 2011 (76 F.R. 18251) and determined on July 5, 2011 that it would conduct expedited reviews (76 F.R. 44608, July 26, 2011).

¹ The record is defined in sec. 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR § 207.2(f)).

² Chairman Deanna Tanner Okun and Commissioner Daniel R. Pearson dissent with respect to the determination regarding small-diameter carbon and alloy seamless standard, line, and pressure pipe from Romania.

VIEWS OF THE COMMISSION

Based on the record in these five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended (“the Act”), that revocation of the antidumping duty orders on small-diameter carbon and alloy seamless, standard, line, and pressure pipe (“CASSLP pipe”) from Japan and Romania and the antidumping duty order on large-diameter CASSLP pipe from Japan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.¹

I. BACKGROUND

Although initiated on the same date, the original investigations proceeded on different schedules. In June 2000, the Commission determined that an industry in the United States was materially injured by reason of less-than-fair value (“LTFV”) imports of small-diameter CASSLP pipe imports from Japan and South Africa and that a domestic industry was materially injured by reason of LTFV imports of large-diameter CASSLP pipe from Japan.² Subsequently, in August 2000, the Commission made affirmative material injury determinations regarding imports of small-diameter CASSLP pipe from the Czech Republic and Romania and regarding imports of large-diameter CASSLP pipe from Mexico.³ No party appealed the Commission’s original determinations.

In full five-year reviews of those orders instituted on May 2, 2005, the Commission made affirmative determinations with respect to small-diameter CASSLP pipe from Japan and Romania and with respect to large-diameter CASSLP pipe from Japan.⁴ The Commission made negative five-year review determinations with respect to small-diameter CASSLP pipe from the Czech Republic and South Africa and with respect to large-diameter CASSLP pipe from Mexico.⁵ Consequently, Commerce continued the orders on small- and large-diameter CASSLP pipe imports from Japan and the order on

¹ Chairman Deanna Tanner Okun and Commissioner Daniel R. Pearson dissent with respect to small-diameter CASSLP pipe from Romania. See Dissenting Views of Chairman Deanna Tanner Okun and Commissioner Daniel R. Pearson. They join sections I to V of this opinion, except as otherwise noted herein.

² See, e.g., Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from Japan and South Africa, Invs. Nos. 731-TA-847 and 850 (Final), USITC Pub. 3311 (June 2000). The U.S. Department of Commerce (“Commerce”) issued corresponding antidumping duty orders on those imports on June 26, 2000. 65 Fed. Reg. 39,360.

³ See, e.g., Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the Czech Republic, Mexico, and Romania, Invs. Nos. 731-TA-846, 848, 849 (Final), USITC Pub. 3325 (Aug. 2000). Commerce issued antidumping duty orders on small-diameter CASSLP pipe from Romania on August 10, 2000, on small-diameter CASSLP pipe from the Czech Republic on August 14, 2000, and on large-diameter CASSLP pipe from Mexico on August 11, 2000. 65 Fed. Reg. 48,963; 65 Fed. Reg. 49,539; 65 Fed. Reg. 49,227.

⁴ Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the Czech Republic, Japan, Mexico, Romania, and South Africa, Invs. Nos. 731-TA-846 to 850 (Review), USITC Pub. 3850 (Apr. 2006). Commissioner Charlotte R. Lane, Commissioner Shara L. Aranoff, and Commissioner Koplán voted in the affirmative with respect to subject imports from Japan and Romania, whereas Commissioners Okun, Pearson, and Hillman voted in the negative with respect to small-diameter CASSLP pipe from Romania. See, e.g., USITC Pub. 3850 at 3.

⁵ The negative five-year review determinations regarding small-diameter CASSLP pipe from the Czech Republic and South Africa and regarding large-diameter CASSLP pipe from Mexico reflected the opinion of Commissioners Okun, Pearson, Aranoff, and Hillman. Commissioners Lane and Koplán dissented. See, e.g., USITC Pub. 3850; 71 Fed. Reg. 24,860 (Apr. 27, 2006).

small-diameter CASSLP pipe imports from Romania,⁶ but it revoked the orders on small-diameter CASSLP pipe from the Czech Republic and South Africa and on large-diameter CASSLP pipe from Mexico.⁷ Mittal Steel Roman and SC Silcotub appealed the Commission's affirmative five-year review determination concerning subject imports of small-diameter CASSLP pipe from Romania. The U.S. Court of International Trade ("CIT") affirmed the Commission's determination.⁸ No other aspect of the Commission's first-review determinations was litigated.

On April 1, 2011, the Commission instituted these second five-year reviews to determine whether revocation of the antidumping duty orders on small-diameter CASSLP pipe from Japan and Romania and the order on large-diameter CASSLP pipe from Japan would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time.⁹ On July 5, 2011, the Commission found that the domestic interested party group response to the notice of institution was adequate, but in the absence of any respondent interested party responses or any other circumstances that warranted the conduct of full reviews, the Commission decided to conduct expedited reviews pursuant to 19 U.S.C. § 1675(c)(3). Domestic interested parties U.S. Steel, a domestic producer of small- and large-diameter CASSLP pipe, and V&M, a domestic producer of large-diameter CASSLP pipe, submitted a joint response to the notice of institution *** and filed comments in these reviews.

Unlike in the first five-year reviews, no respondent interested party provided information or argument to the Commission in these expedited second reviews.¹⁰ As a result, the record contains only limited new information with respect to the small-diameter CASSLP pipe industries in Japan and Romania and with respect to the large-diameter CASSLP pipe industry in Japan. It also contains only limited new information on the U.S. small- and large-diameter CASSLP pipe markets since 2005. Accordingly, for our determinations, we rely as appropriate on the facts available from the original investigations and first reviews and the limited new information on the record in these reviews.^{11 12}

⁶ See, e.g., 71 Fed. Reg. 26,746 (May 8, 2006).

⁷ See, e.g., 71 Fed. Reg. 27,463 (May 11, 2006); 71 Fed. Reg. 27,461 (May 11, 2006).

⁸ See, e.g., Mittal Steel Roman v. United States, Court No. 06-00173 (Slip Op. 08-03) (Jan. 11, 2008).

⁹ 19 U.S.C. § 1675(c); 76 Fed. Reg. 18,251 (Apr. 1, 2011).

¹⁰ See, e.g., Confidential Report, Memorandum INV-JJ-082 at I-3 n.4 (Aug. 22, 2011) ("CR"); Public Report ("PR"), Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from Japan and Romania, Invs. Nos. 731-TA-847 and 849 (Second Review), USITC Pub. 4262 at I-3 n.4 (Sept. 2011).

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

¹² Chairman Okun notes that the statute authorizes the Commission to take adverse inferences in five-year reviews, but such authorization does not relieve the Commission of its obligation to consider the record evidence as a whole in making its determination. See 19 U.S.C. § 1677e. She generally gives credence to the facts supplied by the participating parties and certified by them as true, but bases her decision on the evidence as a whole, and does not automatically accept participating parties' suggested interpretations of the record evidence. Regardless of the level of participation, the Commission is obligated to consider all evidence relating to each of the statutory factors and may not draw adverse inferences that render such analysis superfluous. "In general, the Commission makes

(continued...)

II. DOMESTIC LIKE PRODUCT

In making its determination under section 751(c) of the Act, the Commission defines the “domestic like product” and the “industry.”¹³ The Act defines “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle.”¹⁴ The Commission’s practice in five-year reviews is to examine the like product definition from the original determination and any completed reviews and consider whether the record indicates any reason to revisit the prior findings.¹⁵

In simplified terms, the scope of subject merchandise subject to these reviews includes the following: (1) large-diameter (greater than 4.5 inches {114 mm} and not over 16 inches {406 mm} in outside diameter (“OD”)) seamless carbon and alloy (other than stainless) steel standard, line, and pressure pipes (“large-diameter CASSLP pipes”) from Japan; and (2) small-diameter (not over 4.5 inches {114 mm} in OD) seamless carbon and alloy (other than stainless) steel standard, line, and pressure pipes and redraw hollows (“small-diameter CASSLP pipes”) from Japan and Romania, regardless of wall thickness, manufacturing process (hot-finished or cold-drawn), end finish (plain-end, beveled-end, upset-end, threaded, or threaded and coupled), or surface finish.¹⁶

Seamless standard, line, and pressure pipes generally convey liquids and are typically tested and rated for their ability to withstand hydrostatic pressure,¹⁷ with seamless standard pipe typically produced to American Society for Testing and Materials specification (“ASTM”) A-53, seamless line pipe typically

¹² (...continued)

determinations by weighing all of the available evidence regarding a multiplicity of factors relating to the domestic industry as a whole and by drawing reasonable inferences from the evidence it finds most persuasive.” SAA at 869.

¹³ 19 U.S.C. § 1677(4)(A).

¹⁴ 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).

¹⁵ *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).

¹⁶ *See* CR at I-8; PR at I-7. Several products are excluded from the scope of the large-diameter CASSLP pipe order on imports from Japan, including the following: (1) certain boiler tubing and mechanical tubing; (2) certain finished and unfinished oil country tubular goods (“OCTG”); (3) certain products produced to the A-335 specification; and (4) certain line riser pipe for deepwater application. Two products are also excluded from the scope of the small-diameter CASSLP pipe order on imports from Japan and Romania: (1) certain boiler tubing and mechanical tubing, and (2) certain finished and unfinished OCTG. The full scope language and more precise identification of excluded products appear in Commerce’s notice of final results, found in CR/PR at Appendix A.

¹⁷ Seamless *standard* pipe’s uses include low-pressure conveyance of water, steam, natural gas, air, and other liquids and gases in plumbing and heating systems, air-conditioning units, automatic sprinklers, and other related uses. Seamless *line* pipe’s uses include conveyance of oil and natural gas and other fluids in pipe lines. Seamless *pressure* pipe’s uses include conveyance of water, steam, petrochemicals, chemicals, oil products, natural gas, and other liquids and gases in industrial piping systems. *See, e.g.,* CR at I-10; PR at I-9.

produced to American Petroleum Institute specification 5L, and seamless pressure pipe commonly produced to ASTM A-106.¹⁸

In the original investigations and first reviews of these antidumping duty orders, the Commission found two domestic like products, small- and large-diameter CASSLP pipe.¹⁹ In these second reviews, domestic interested parties agree with the Commission's domestic like product findings in the original investigations and first reviews and ask the Commission to make the same like product findings here.²⁰ No party argued otherwise in any of the proceedings related to the orders under review. Based on the record evidence in these expedited reviews, including information from prior periods under examination, we define two like products, small- and large-diameter CASSLP pipe.^{21 22 23}

III. DOMESTIC INDUSTRY

Section 771(4)(A) of the Act defines the relevant industry as the domestic "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."²⁴ 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. Section 771(4)(B) of the Act 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 which are themselves importers.²⁵

¹⁸ See, e.g., CR at I-10; PR at I-9.

¹⁹ See, e.g., USITC Pub. 3311 at 7-11; USITC Pub. 3850 at 5-7.

²⁰ See, e.g., Domestic Interested Parties' Response to Notice of Institution at 1-3, 42; Domestic Interested Parties' Comments on Adequacy at 3 n.6; Domestic Interested Parties' Comments at 6-8.

²¹ For the reasons stated in the first reviews of these orders and in the original investigations, and in light of the fact that there is no contradictory information on this record, Chairman Okun and Commissioner Pearson have defined two domestic like products. They note, however, that in recent investigations in which the Commission had the benefit of a fully developed record, which included questionnaire data from purchasers and other market participants, the Commission defined a single domestic like product. See e.g., Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from China, Invs. Nos. 701-TA-469 and 731-TA-1168 (Final), USITC Pub. 4190 at 5-10 & n.37 (Nov. 2010).

²² Because no interested party has challenged the domestic like product determination from the original investigations and first reviews of these orders, Vice Chairman Irving A. Williamson and Commissioner Aranoff find two like products in these expedited reviews. Where the Commission conducted full investigations and had additional and more recent evidence, including questionnaire data from purchasers and other market participants, the Commission found a single domestic like product. Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from China, Invs. Nos. 701-TA-469 and 731-TA-1168 (Final), USITC Pub. 4190 at 5-10 & n.37 (Nov. 2010).

²³ Commissioner Dean A. Pinkert would emphasize the fact that, in the original investigations that led to the orders at issue here, Commerce found two classes/kinds of subject merchandise. Although not dispositive in itself, this is an important factor helping to distinguish the instant proceeding from Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from China, which was concluded by the Commission in November 2010.

²⁴ 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.

²⁵ 19 U.S.C. § 1677(4)(B).

In the original investigations, consistent with its definition of two domestic like products, the Commission found two domestic industries.²⁶ These industries comprised all domestic producers of small-diameter CASSLP pipe and all domestic producers of large-diameter CASSLP pipe.²⁷ In the first reviews, no party argued for a different definition of the domestic industries, and the record did not contain any information warranting reconsideration of the issue.²⁸ Consequently, the Commission defined the domestic industries as all existing U.S. producers of the respective domestic like products.²⁹

In these reviews, the only participating parties agree with the Commission's definition of the two domestic industries from the original investigations and the first reviews.³⁰ Based on the record evidence in these reviews that consists largely of information from the original investigations and first reviews,³¹ we define the domestic industries as all known U.S. producers of the respective domestic like products.

IV. LEGAL STANDARDS AND LIKELY CONDITIONS OF COMPETITION

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping duty order unless (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping and/or countervailing duty order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”³² The Statement of Administrative Action (“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.”³³ Thus, the likelihood standard is prospective in nature.³⁴ The CIT has found that

²⁶ See, e.g., USITC Pub. 3311 at 12; USITC Pub. 3325 at 4.

²⁷ See, e.g., USITC Pub. 3311 at 12; USITC Pub. 3325 at 4.

²⁸ See, e.g., USITC Pub. 3850 at 7-8. The Commission noted that V&M was a joint venture between V&M Tubes, S.A., a producer of CASSLP pipe in France and Sumitomo Corp. of Houston, Texas, a wholly owned subsidiary of Sumitomo Corp., a producer of subject merchandise in Japan. Given Sumitomo's small ownership share in V&M (***) percent), and absent any evidence or argument that Sumitomo exercised direct or indirect control over V&M, the Commission did not find that V&M was a related party. See, e.g., USITC Pub. 3850 at 8 n.36; Confidential Version of First-Review Opinion at 10.

²⁹ See, e.g., USITC Pub. 3850 at 7-8.

³⁰ See, e.g., Domestic Interested Parties' Response to the Notice of Institution at 42.

³¹ In terms of related party issues, in the current reviews, domestic interested parties reported being aware of only one firm that might be considered a related party, TMK IPSCO, which is wholly owned by OAO TMK, an entity whose subsidiary, TMK ARTROM, produces seamless pipes in Romania. See, e.g., Domestic Interested Parties' Response to the Notice of Institution at 38. Nonetheless, they do not ask the Commission to exclude any producer from either domestic industry. ***. TMK IPSCO may be a related party under the statute to the extent that it is owned by a third party that may exercise direct or indirect control over it and a producer/exporter of subject merchandise. Because the record does not contain information indicating that appropriate circumstances exist to exclude TMK IPSCO from the domestic industry producing small-diameter CASSLP pipe, and absent contrary party argument, we decline to do so here. Moreover, ***.

³² 19 U.S.C. § 1675a(a).

³³ SAA at 883-84. The SAA states that “{t}he likelihood of injury standard applies regardless of the nature of the Commission's original determination (material injury, threat of material injury, or material retardation of an
(continued...)

“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.^{35 36 37}

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.”³⁸ According to the SAA, a “‘reasonably foreseeable time’ will vary from case-to-case, but normally will exceed the ‘imminent’ timeframe applicable in a threat of injury analysis in original investigations.”³⁹

Although the standard in a five-year review is not the same as the standard applied in an original antidumping duty investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to “consider the likely volume, price effects, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated.”⁴⁰ 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 Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).⁴¹ The statute further provides that the presence or absence of any factor that the

³³ (...continued)

industry). Likewise, the standard applies to suspended investigations that were never completed.” *Id.* at 883.

³⁴ While the SAA states that “a separate determination regarding current material injury is not necessary,” it indicates that “the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued {sic} prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked.” SAA at 884.

³⁵ 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, Slip Op. 02-105 at 20 (Ct. Int’l Trade Sept. 4, 2002) (“standard is based on a likelihood of continuation or recurrence of injury, not a certainty”); Usinor v. United States, 26 CIT 767, 794 (2002) (“‘likely’ is tantamount to ‘probable,’ not merely ‘possible’”).

³⁶ For a complete statement of Chairman Okun’s interpretation of the likely standard, see Additional Views of Vice Chairman Deanna Tanner Okun Concerning the “Likely” Standard in Certain Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe From Argentina, Brazil, Germany, and Italy, Invs. Nos. 701-TA-362 (Review) and 731-TA-707 to 710 (Review) (Remand), USITC Pub. 3754 (Feb. 2005).

³⁷ Commissioner Lane notes that, consistent with her views in Pressure Sensitive Plastic Tape From Italy, Inv. No. AA1921-167 (Second Review), USITC Pub. 3698 (Jun. 2004), she does not concur with the U.S. Court of International Trade’s interpretation of “likely,” but she will apply the Court’s standard in these reviews and all subsequent reviews until either Congress clarifies the meaning or the U.S. Court of Appeals for the Federal Circuit addresses this issue.

³⁸ 19 U.S.C. § 1675a(a)(5).

³⁹ 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.*

⁴⁰ 19 U.S.C. § 1675a(a)(1).

⁴¹ 19 U.S.C. § 1675a(a)(1).

Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission's determination.⁴²

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.⁴³ In doing so, the Commission must consider "all relevant economic factors," including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.⁴⁴

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.⁴⁵

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.⁴⁶ 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. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the orders at issue and whether the industry is vulnerable to material injury if the orders were revoked.⁴⁷

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

⁴³ 19 U.S.C. § 1675a(a)(2).

⁴⁴ 19 U.S.C. § 1675a(a)(2)(A-D).

⁴⁵ See 19 U.S.C. § 1675a(a)(3). The SAA states that "{c}onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices." SAA at 886.

⁴⁶ 19 U.S.C. § 1675a(a)(4).

⁴⁷ The 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." SAA at 885.

B. Conditions of Competition

In evaluating the likely impact of the subject imports on the domestic industry, the statute directs the Commission to consider all relevant economic factors “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”⁴⁸

1. Findings in Original Investigations and First Reviews

Large-Diameter CASSLP Pipe: Although large-diameter CASSLP pipe is also used in some industrial applications, the Commission found in the original investigations that demand for large-diameter CASSLP pipe was more closely linked to oil and gas activity levels than was the case for small-diameter CASSLP pipe.⁴⁹ The Commission found that subject imports were substitutable for the domestic like product to a moderately high degree, and they became more substitutable for one another over the period examined in the original investigations.⁵⁰

In the first reviews, the Commissioners wrote in separate groups concerning the conditions of competition largely as a consequence of their differing analyses of cumulation. In terms of common findings, they noted that during the original investigations, demand as measured by apparent U.S. consumption declined from 375,084 short tons in 1997 to 293,151 tons in 1999. During the first review period, apparent U.S. consumption was *** short tons in 2001, *** short tons in 2002, *** short tons in 2003, and *** short tons in 2004. They recognized that the U.S. market was supplied by subject imports, non-subject imports, and the domestic industry, with the domestic industry’s market share rising overall during the review period from *** percent in 2000 to *** percent in 2004. They also acknowledged that the domestic industry consolidated operations during the review period.⁵¹

Small-Diameter CASSLP Pipe: In the original investigations, the Commission found that demand for small-diameter CASSLP pipe depended on activities in the oil and gas sectors, industrial construction/reconstruction, and facility repair and maintenance (especially at petrochemical and refinery installations).⁵² It found a moderately high degree of substitutability among products from the various subject countries and the domestic like product, although it recognized that differences in lead times, product quality, and presence on approved manufacturers’ lists (“AMLs”) could limit substitutability.⁵³ Purchasers rated quality as the most important factor in choosing suppliers but also ranked price as important.⁵⁴ The Commission also found that most common grades of small-diameter CASSLP pipe were multi-stenciled to industry standards, which lessened the significance of quality differences.⁵⁵

In the first reviews, just as with large-diameter CASSLP pipe, the Commissioners wrote in separate groups concerning the conditions of competition. In terms of common findings, they noted that during the original investigations, demand as measured by apparent U.S. consumption declined from 267,927 short tons in 1997 to 152,502 tons in 1999. During the first review period, apparent U.S.

⁴⁸ 19 U.S.C. § 1675a(a)(4).

⁴⁹ See, e.g., USITC Pub. 3311 at 24.

⁵⁰ See, e.g., USITC Pub. 3311 at 24.

⁵¹ See, e.g., Confidential First-Review Views at 65-68; Separate Views of Commissioners Lane and Koplan at 32-36.

⁵² See, e.g., USITC Pub. 3311 at 16.

⁵³ See, e.g., USITC Pub. 3311 at 16. A significant number of purchasers did not rely on AMLs. Id. at 17.

⁵⁴ See, e.g., USITC Pub. 3311 at 16-17.

⁵⁵ See, e.g., USITC Pub. 3311 at 17.

consumption was *** short tons in 2001, *** short tons in 2002, *** short tons in 2003, and *** short tons in 2004. They recognized that the U.S. market was supplied by subject imports, non-subject imports, and the domestic industry, with the domestic industry's market share declining overall during the review period from *** percent in 2000 to *** percent in 2004. They also acknowledged that the domestic industry consolidated operations during the review period.⁵⁶

2. **Findings in Current Reviews**

In these reviews, we find the following conditions of competition relevant to our analysis.

Demand Conditions. Demand for large- and small-diameter CASSLP pipe is derived from demand for the various applications in which it is used, including construction, industrial, and oil/gas applications.⁵⁷ Available information on demand suggests declines in these sectors in recent years, although there is some evidence suggesting more recent improvement in specific sectors.⁵⁸ U.S. demand for large-diameter CASSLP pipe, as measured by apparent U.S. consumption, has declined substantially since the first reviews; it was 293,151 short tons in 1999 at the end of the original investigations, *** short tons in 2004 at the end of the first reviews, and *** short tons in 2010, in large part because of the severe economic downturn in recent years.⁵⁹ U.S. demand for small-diameter CASSLP pipe, as measured by apparent U.S. consumption, followed similar trends; it was 152,502 short tons in 1999, *** short tons in 2004, and *** short tons in 2010.⁶⁰

Supply Conditions: Between 2005 and 2010, the U.S. market for large-diameter CASSLP pipe was supplied by domestic producers, subject imports from Japan, and non-subject imports.⁶¹ At the time of the original investigations, North Star Steel ("North Star"), The Timken Co. ("Timken"), and U.S. Steel produced large-diameter CASSLP pipe in the United States.⁶² In 2002, V&M acquired North Star's tubular division, then a wholly owned subsidiary of Cargill, Inc., and renamed the division V&M STAR.⁶³ At the time of the Commission's first five-year reviews, V&M, Timken, and U.S. Steel produced large-diameter CASSLP pipe in the United States.⁶⁴ At present, domestic interested parties report four firms producing large-diameter CASSLP pipe in the United States: Timken, U.S. Steel, V&M, and Wyman-Gordon.⁶⁵ Purchasers responding to the Commission's surveys in these current

⁵⁶ See, e.g., Confidential First-Review Views at 31-35; Separate Views of Commissioners Lane and Koplan at 16-20.

⁵⁷ See, e.g., CR at I-10 to I-11, I-27; PR at I-9 to I-10, I-21.

⁵⁸ See, e.g., CR at I-27 & nn.62, 64; PR at I-21 & nn.62, 64 (suggesting a decline in non-residential construction between 2009 and 2010; after a steep decline in 2009, the beginning of a recovery but some leveling off in consumption of seamless pipe for petroleum, natural gas, and refinery operations in 2010; but higher monthly oil and natural gas drilling rig activity in December 2010 than in December 2009).

⁵⁹ See, e.g., CR/PR at Table I-7.

⁶⁰ See, e.g., CR/PR at Table I-6.

⁶¹ See, e.g., CR/PR at Table I-7.

⁶² See, e.g., CR at I-15; PR at I-12.

⁶³ See, e.g., CR at I-15; PR at I-12 to I-13.

⁶⁴ See, e.g., CR at I-16; PR at I-13.

⁶⁵ See, e.g., CR at I-16; PR at I-13.

reviews reported that several domestic seamless mills are building new facilities or expanding current facilities to increase CASSLP pipe production.⁶⁶

Subject imports of large-diameter CASSLP pipe from Japan were present in the U.S. market throughout the five-year period between 2005 and 2010, as were imports from non-subject countries.⁶⁷ In 2010, imports of large-diameter CASSLP pipe from non-subject countries had a larger share of the U.S. market than either the domestic industry or imports from Japan.⁶⁸

The U.S. market for small-diameter CASSLP pipe was supplied by domestic producers, subject imports from Japan and Romania, and non-subject imports between 2005 and 2010.⁶⁹ The domestic industry has undergone significant consolidation since the original investigations. At the time of the original investigations, in addition to petitioners Gulf States, Koppel, Sharon, and U.S. Steel, three other firms produced small-diameter CASSLP pipe in the United States: Michigan Specialty, Sawhill Tubular, Inc., and Timken.⁷⁰ In 2000, Vision Metals, Inc., Gulf States' parent company, filed for bankruptcy and closed its Rosenberg, Texas production facility.⁷¹ In 2002, Michigan Seamless Tube, Inc. was created to purchase the Michigan Specialty Tube Division of the defunct Vision Metals, Inc., and became part of Atlas Holdings, LLC, a private equity firm.⁷² In 2002, Wheatland Tube purchased the Sawhill Tubular Division from AK Steel, Inc., which included the Sharon Tube Co. facilities in Sharon, Pennsylvania, as well as facilities in Wheatland, Pennsylvania and Warren, Ohio.⁷³ Accordingly, at the time of the first reviews, four firms reported production of small-diameter CASSLP pipe in the United States: Koppel, Wheatland/ Sharon, Timken, and U.S. Steel.⁷⁴

During the current review period, IPSCO, Inc. purchased NS Group in 2006, and TMK purchased IPSCO's U.S. tubular plants, forming TMK IPSCO, in 2008.⁷⁵ Domestic interested parties report that six firms produced small-diameter CASSLP pipe in the United States between 2005 and 2010: Michigan Seamless Tube, LLC; Plymouth Tube Co.; Timken; TMK IPSCO; U.S. Steel; and Wheatland Tube Co.⁷⁶

Subject imports of small-diameter CASSLP pipe from Japan and Romania were present in the U.S. market throughout this time, as were imports from non-subject countries.⁷⁷ In 2010, imports of

⁶⁶ See, e.g., CR at I-16; PR at I-13.

⁶⁷ See, e.g., CR/PR at Tables I-5, I-7.

⁶⁸ The main sources of non-subject imports were Argentina (16.9 percent of total imports in 2010), Russia (16.7 percent), Czech Republic (9.3 percent), Italy (7.9 percent), Germany (7.0 percent), and Croatia (5.2 percent). U.S. imports from China were subject to antidumping and countervailing duty investigations in 2009/2010 and became subject to both antidumping and countervailing duty orders in November 2010. U.S. imports of large-diameter CASSLP pipe from China declined from 169,066 short tons in 2008 to 5,652 short tons in 2010. See, e.g., CR/PR at Tables I-5, I-7.

⁶⁹ See, e.g., CR/PR at Table I-6.

⁷⁰ See, e.g., CR at I-15; PR at I-12 to I-13.

⁷¹ See, e.g., CR at I-15; PR at I-12.

⁷² See, e.g., CR at I-15; PR at I-12.

⁷³ See, e.g., CR at I-15; PR at I-13.

⁷⁴ See, e.g., CR at I-16; PR at I-13.

⁷⁵ See, e.g., CR at I-15; PR at I-13.

⁷⁶ See, e.g., CR at I-16; PR at I-13.

⁷⁷ See, e.g., CR/PR at Tables I-4, I-6.

small-diameter CASSLP pipe from non-subject countries had a larger share of the U.S. market than the domestic industry and imports from Japan and Romania.⁷⁸

Substitutability: The available information is consistent with our finding in the original investigations and first reviews that subject imports of large- and small-diameter CASSLP pipe are each substitutable for the corresponding domestic like product to a moderately high degree.⁷⁹

Based on the record of these reviews, we find that current conditions of competition in the large- and small-diameter CASSLP 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.

V. LIKELIHOOD OF CONTINUATION OR RECURRENCE OF MATERIAL INJURY IF THE ANTIDUMPING DUTY ORDER ON LARGE-DIAMETER CASSLP PIPE FROM JAPAN WERE TO BE REVOKED

A. Likely Volume of Subject Imports

We conclude, based on the facts available,⁸⁰ that the volume of large-diameter CASSLP pipe imports from Japan would likely be significant if the order were revoked. In making this finding, we recognize that the volume of subject imports of large-diameter CASSLP pipe from Japan is currently small, both in absolute terms and relative to apparent U.S. consumption.⁸¹ In a five-year review, however, our focus is on whether subject import volume is likely to be significant within a reasonably foreseeable time if the antidumping duty order is revoked.

In the original investigations, the Commission found that the quantity of cumulated subject imports of large-diameter CASSLP pipe from Mexico and Japan rose from *** short tons in 1997 to *** short tons in 1998, then fell to *** short tons in 1999, for an overall increase of *** percent between 1997 and 1999.⁸² Whereas apparent U.S. consumption decreased by *** percent during this period, cumulated subject imports increased their share of the U.S. market from *** percent in 1997 to *** percent in 1998, while the domestic industry's share declined from *** percent to *** percent.⁸³ Although cumulated subject import market share declined *** to *** percent in 1999, the Commission found this level was still higher than its share in 1997.⁸⁴

In the first five-year reviews, the Commission majority found the likely volume of imports of large-diameter CASSLP pipe from Japan into the United States, which it did not cumulate with subject imports from Mexico, would likely be significant in the reasonably foreseeable future if the antidumping

⁷⁸ The main sources of non-subject imports were Russia (15.5 percent of total imports in 2010), South Africa (11.0 percent), Ukraine (10.7 percent), Spain (9.4 percent), India and Argentina (7.2 percent each), Czech Republic (6.4 percent), and Austria (5.1 percent). U.S. imports from China were subject to antidumping and countervailing duty investigations in 2009/2010 and became subject to both antidumping and countervailing duty orders in November 2010. U.S. imports of small-diameter CASSLP pipe from China declined from 197,022 short tons in 2008 to 7,562 short tons in 2010. *See, e.g.*, CR/PR at Tables I-4, I-6.

⁷⁹ *See, e.g.*, USITC Pub. 3850 at 14, 37-38; USITC Pub. 3311 at 15, 25.

⁸⁰ *See* 19 U.S.C. § 1677e(a).

⁸¹ *See, e.g.*, CR/PR at Table I-7.

⁸² *See, e.g.*, USITC Pub. 3311 at 25.

⁸³ *See, e.g.*, USITC Pub. 3311 at 25.

⁸⁴ *See, e.g.*, USITC Pub. 3311 at 25.

duty order were revoked.⁸⁵ It based this conclusion on the information available in those reviews, primarily information from the original investigations indicating that the industry in Japan at the time of the original investigations was large, export-oriented, and had significant excess capacity and declining shipments to its home market, and that subject imports from Japan into the U.S. market had increased rapidly.⁸⁶ Taking into consideration information reported by NKK in those reviews, the Commission majority found that nothing in that record indicated that Japanese producers would likely behave differently if the order were lifted than they did during the original investigations.⁸⁷

At the time of the original investigations, the quantity of U.S. shipments of large-diameter CASSLP pipe from Japan alone was 28,725 short tons in 1997, 42,897 short tons in 1998, and 49,727 short tons in 1999; their market share was 7.7 percent in 1997, 11.8 percent in 1998, and 17.0 percent in 1999.⁸⁸ Between 2000 and 2005, the period examined in the first reviews, subject imports of large-diameter CASSLP pipe from Japan remained in the U.S. market at considerably lower levels of *** short tons in 2000, *** short tons in 2001, *** short tons in 2002, *** short tons in 2003, and *** short tons in 2004, accounting for ***.⁸⁹ Between 2005 and 2010, the volume of large-diameter CASSLP pipe imports from Japan was much larger: 37,091 short tons in 2005, 27,821 short tons in 2006, 27,360 short tons in 2007, and 6,292 short tons in 2008, 17,311 short tons in 2009, and 5,860 short tons in 2010.⁹⁰ Thus, even under the discipline of the antidumping duty order and despite the smaller size of the U.S. market by 2010, subject imports of large-diameter CASSLP pipe from Japan maintained a presence in the U.S. market, accounting for *** percent of apparent U.S. consumption in 2010 compared to 17.0 percent in 1999, at the end of the period covered by the original investigations.⁹¹

In these second reviews, no Japanese interested parties responded to the notice of institution. The record indicates the existence of four producers of subject merchandise in Japan (Haneda Pipe Works; Sumitomo Metal Industries, Ltd. (which acquired the facilities closed and formerly owned by Nippon Steel Corporation in 2001); JFE Steel Corp.; and Tenaris NKK Tubes (the trade name used by NKK Tubes, a Tenaris company in which JFE is part owner)), each of which also reportedly produces other products, including small-diameter CASSLP pipe.⁹² Because of the absence of any respondent interested party participation, the record of these reviews contains no evidence on existing or likely increases in inventories of the subject foreign producers in Japan or on their current capacity and production of large-diameter CASSLP pipe relative to other products. *** reported that annual production in Japan of ordinary seamless tubular products (a category that includes but is not limited to large-diameter CASSLP

⁸⁵ See, e.g., Confidential First-Review Views at 68-70. As noted earlier, the Commission majority's opinion on this issue reflected the views of Chairman Okun and Commissioners Pearson, Aranoff, and Hillman. Commissioners Lane and Koplán based their findings on the likely volume of large-diameter CASSLP pipe imports from Japan on a cumulated analysis of these imports with imports from Mexico.

⁸⁶ See, e.g., Confidential First-Review Views at 68-70.

⁸⁷ See, e.g., Confidential First-Review Views at 70.

⁸⁸ See, e.g., CR/PR at Appendix C.

⁸⁹ See, e.g., CR/PR at Appendix C.

⁹⁰ See, e.g., CR/PR at Table I-5.

⁹¹ See, e.g., CR/PR at Table I-7. We recognize that the available data on imports from official Commerce statistics include ASTM A-335 pipe and line pipe for deepwater applications, which are outside of the scope of these reviews, meaning that the volume of subject imports of large-diameter CASSLP pipe from Japan may be somewhat overstated. See, e.g., CR/PR at note to Table I-5.

⁹² See, e.g., CR at I-29; PR at I-22; Domestic Interested Parties' Response to Notice of Institution at Exhibit 14.

pipe) was *** in 2010, up from *** in 2009, but down from *** in 2008.⁹³ Consequently, there is no evidence of any significant changes in the structure of this industry since the original investigations. As the Commission stated in the first reviews, the Japanese industry at the time of the original investigations was large and increased its capacity despite significant excess capacity, it produced both small- and large-diameter CASSLP pipe products, was export-oriented, and had declining shipments to its home market and rapidly increasing imports into the U.S. market.⁹⁴

Based on our findings in the original investigations and first reviews, the evidence concerning the volume of subject imports into the United States of large-diameter CASSLP pipe from Japan during and since the original investigations, the continued presence of subject imports from Japan in the U.S. market even under the discipline of the orders indicating continued interest in the U.S. market despite its currently smaller size, and the evidence regarding the production, capacity, and ability to product shift of subject producers in Japan, we find that the volume of subject large-diameter CASSLP pipe imports from Japan, both in absolute terms and relative to production and consumption in the United States, would likely be significant absent the restraining effect of the antidumping duty order.

B. Likely Price Effects of Subject Imports of Large-Diameter CASSLP Pipe from Japan

In the original investigations, in which the Commission cumulated large-diameter CASSLP pipe from Japan with large-diameter CASSLP pipe from Mexico, the Commission found that domestic prices declined dramatically when demand was at its weakest in late 1998 and 1999 and there was significant underselling by subject imports of large-diameter CASSLP pipe.⁹⁵ It found that the decline in oil and gas industry activities, and thus demand for large-diameter CASSLP pipe, contributed to but did not fully explain the decline in large-diameter CASSLP pipe prices.⁹⁶ Instead, it found that, with demand weak, and cumulated subject imports entering the market in significant volumes at low and declining prices, domestic producers were forced to cut prices to regain market share they had lost to subject imports.⁹⁷ The Commission also found that cumulated subject imports depressed domestic prices to a significant degree.⁹⁸

In the first reviews, the Commission majority found the likely price effects of large-diameter CASSLP pipe from Japan into the United States, which it did not cumulate with subject imports from Mexico, would likely be significant in the reasonably foreseeable future if the antidumping duty order were revoked.⁹⁹ It relied on pricing data from the original investigations in the absence of reported data

⁹³ See, e.g., CR at I-29; PR at I-22.

⁹⁴ The current record does not indicate that large-diameter CASSLP pipe from Japan is subject to third-country trade barriers. See, e.g., CR at I-28; PR at I-21.

⁹⁵ See, e.g., USITC Pub. 3311 at 26. During the original investigations, according to data reported by domestic producers and importers, subject imports of large-diameter CASSLP pipe from Japan undersold the domestic like product in 4 of 13 observations at margins that ranged from 0.6 to 30.4 percent. Based on purchaser pricing data, subject imports from Japan undersold the domestic like product in 5 of the 6 observations, at margins that ranged from 5.2 to 20.2 percent. Memorandum INV-X-114 at Tables V-7 to V-9 (May 25, 2000).

⁹⁶ See, e.g., USITC Pub. 3311 at 26.

⁹⁷ See, e.g., USITC Pub. 3311 at 26.

⁹⁸ See, e.g., USITC Pub. 3311 at 26-27.

⁹⁹ See, e.g., Confidential First-Review Views at 70-71. As noted earlier, the Commission majority's opinion on this issue reflected the views of Chairman Okun and Commissioners Pearson, Aranoff, and Hillman. Commissioners
(continued...)

on Japanese products for the first review period.¹⁰⁰ These data showed increased underselling by subject imports from Japan. The Commission also relied on its likely volume findings as well as its finding that nothing in the record of the first reviews indicated that subject imports from Japan would behave differently than they had during the original investigations if the order were to be revoked.¹⁰¹

There is no new product-specific pricing information on the record of these reviews, and we find that average-unit values are of limited utility in an industry such as this involving a product manufactured in a variety of grades, sizes, and finishes.¹⁰² Available information on average U.S. transaction prices (for domestic and import shipments combined) indicate increased prices in 2010, but more mixed trends in 2011; during this period, prices for U.S. number one heavy melting scrap (a key input for the billets used to produce seamless pipe) increased by approximately \$100 per short ton and continued to increase into 2011.¹⁰³ Based on this information and the moderately high degree of substitutability between the domestic like product and subject imports from Japan, we find that the U.S. market for large-diameter CASSLP pipe is price-competitive. We find it likely that subject foreign producers, in order to increase their market share, would resume their pattern of underselling from the original investigations if the orders were revoked. In response, domestic producers would either have to reduce their prices or relinquish market share. Accordingly, we find that, if the orders were revoked, the likely significant increase in subject import volume at prices that would likely undersell the domestic like product would likely have significant adverse price effects on the domestic industry.

C. Likely Impact of Subject Imports of Large-Diameter CASSLP Pipe from Japan¹⁰⁴

In the original investigations, the Commission found that all of the industry's major economic and financial indicators declined significantly.¹⁰⁵ Operating income declined, as did production, shipments, net sales, cash flow, capacity utilization, productivity, number of production workers, hours

⁹⁹ (...continued)

Lane and Koplan based their findings on the likely volume of large-diameter CASSLP pipe imports from Japan on a cumulated analysis of these imports with imports from Mexico.

¹⁰⁰ No pricing data for subject imports from Japan were available at the time of the Commission's first reviews. See Memorandum INV-DD-036 (Mar. 28, 2006); Confidential First-Review Views at p. 70.

¹⁰¹ See, e.g., Confidential First-Review Views at 70-71.

¹⁰² See, e.g., CR at I-13 to I-14; PR at I-11 to I-12.

¹⁰³ See, e.g., CR at I-14 & n.37; PR at I-12 & n.37.

¹⁰⁴ Under the statute, "the Commission may consider the magnitude of the margin of dumping" in making its determination in a five-year review. 19 U.S.C. § 1675a(a)(6). The statute defines the "magnitude of the margin of dumping" to be used by the Commission in five-year reviews as "the dumping margin or margins determined by the administering authority under section 1675a(c)(3) of this title." 19 U.S.C. § 1677(35)(C)(iv); see also SAA at 887. In the final results of its expedited second five-year review of the antidumping duty order, Commerce determined that revocation of the order on large-diameter CASSLP pipe from Japan would likely result in the continuation or recurrence of dumping at a weighted-average margin of 107.80 percent for Nippon Steel Corp., Kawasaki Steel Corp., and Sumitomo Metal Industries, Ltd. and a margin of 68.88 percent for all others. See, e.g., CR/PR at Table I-1. Commerce has not made any duty absorption determinations with respect to this antidumping duty order. See, e.g., CR at I-7; PR at I-6.

¹⁰⁵ See, e.g., USITC Pub. 3311 at 27-28.

worked, wages paid, and productivity.¹⁰⁶ Additionally, the domestic industry's unit labor costs and unit COGS increased.¹⁰⁷ While the declines were partly attributable to a decline in demand for large-diameter CASSLP pipe, the Commission found that cumulated subject imports of large-diameter CASSLP pipe from Japan and Mexico exacerbated the effects of the decline in demand on the increasingly unprofitable and poorly performing industry.¹⁰⁸

In the first reviews, the Commission majority concluded that the domestic industry was not vulnerable, based on improvements in its condition during the review period. In particular, the Commission cited the increased profitability of the industry toward the end of the review period.¹⁰⁹ Although demand was projected to remain strong, the Commission found that the likely substantial volume and price effects of subject imports from Japan likely would be sufficient to have a significant negative impact on the production, shipments, sales, market share, and revenues of the domestic industry. This reduction in the industry's production, shipments, sales, market share, and revenues, it found, likely would adversely affect the industry's profitability and ability to raise capital and maintain necessary capital investments. Based on the facts available in those reviews, the Commission concluded that if the order were revoked, these circumstances likely would recur and there would be a likely significant adverse impact on the domestic industry.¹¹⁰

In these expedited reviews, the record information on the domestic industry's condition is limited. Based on the current record, in 2010, the domestic industry's capacity was *** short tons, its output was *** short tons, and its capacity-utilization rate was *** percent.¹¹¹ The domestic industry's U.S. shipments were *** short tons, accounting for *** percent of apparent U.S. consumption. Its net sales value was \$***, and its operating income was \$***, equivalent to *** percent of net sales.¹¹² The limited evidence in these expedited reviews is insufficient for us to make a finding on whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the order.¹¹³

Based on the record in these reviews, we find that the likely volume and likely price effects of subject imports of large-diameter CASSLP pipe would likely have a significant adverse impact on the domestic industry's production, sales, and revenue levels, and would likely have a direct adverse impact on the industry's profitability and employment levels as well as its ability to raise capital and make and maintain necessary capital investments. We recognize that, given the substitutability of the products generally, subject imports of large-diameter CASSLP pipe from Japan would also likely displace to some degree non-subject imports in the U.S. market in the event of revocation. Nevertheless, we find that a significant portion of the expected increase in subject imports from Japan would be at the expense of the domestic industry, particularly given the likelihood of subject import underselling and adverse price effects as well as the current size of the U.S. market. Accordingly, we conclude that, if the antidumping

¹⁰⁶ See, e.g., USITC Pub. 3311 at 27.

¹⁰⁷ See, e.g., USITC Pub. 3311 at 27.

¹⁰⁸ See, e.g., USITC Pub. 3311 at 27-28.

¹⁰⁹ See, e.g., Confidential First-Review Views at 71-72.

¹¹⁰ See, e.g., Confidential First-Review Views at 71-75.

¹¹¹ See, e.g., CR/PR at Table I-3.

¹¹² See, e.g., CR/PR at Tables I-3, I-7.

¹¹³ Commissioners Lane and Pinkert – focusing in particular on operating margins, operating income, and value of shipments – find that the available evidence suggests that the domestic industry producing large-diameter CASSLP pipe is not vulnerable. See, e.g., CR/PR at Table I-3. They note, however, that the domestic industry has lost significant market share to non-subject imports since the original investigations and that its production and capacity utilization were lower in 2010 than in either 2004 or 1999. See, e.g., CR/PR at Tables I-3 and I-7.

duty order on large-diameter CASSLP pipe from Japan were revoked, subject imports would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.

D. Conclusion

For the foregoing reasons, we determine that revocation of the antidumping duty order on subject large-diameter CASSLP pipe from Japan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

VI. LIKELIHOOD OF CONTINUATION OR RECURRENCE OF MATERIAL INJURY IF THE ANTIDUMPING DUTY ORDERS ON SMALL-DIAMETER CASSLP PIPE FROM JAPAN AND ROMANIA WERE TO BE REVOKED¹¹⁴

A. Cumulation

1. Legal Standards

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.¹¹⁵

Cumulation therefore is discretionary in five-year reviews, unlike original investigations, which are governed by section 771(7)(G)(i) of the Act.¹¹⁶ The Commission may exercise its discretion to cumulate, however, only if the reviews are initiated the same day, the Commission determines that subject imports are likely to compete with each other and the domestic like product in the U.S. market, and imports from each such subject country are not likely to have no discernible adverse impact on the domestic industry in the event of revocation. Our focus in five-year reviews is not only on present conditions of competition, but also on likely conditions of competition in the reasonably foreseeable future.

¹¹⁴ Chairman Okun and Commissioner Pearson do not join the remainder of this opinion.

¹¹⁵ 19 U.S.C. § 1675a(a)(7).

¹¹⁶ 19 U.S.C. § 1677(7)(G)(i); see also, e.g., 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 v. United States, 569 F. Supp. 2d 1328, 1337-38 (Ct. Int'l Trade 2008); U.S. Steel Corp. v. United States, 572 F. Supp.2d 1334 (Ct. Int'l Trade 2008).

2. Findings in Original Investigations and First Reviews¹¹⁷

In the original investigations, the Commission cumulated subject imports from the Czech Republic, Japan, Romania, and South Africa for purposes of its analysis of the small-diameter CASSLP pipe industry.¹¹⁸ In the first five-year reviews of these antidumping duty orders, four Commissioners¹¹⁹ decided not to exercise their discretion to cumulate subject imports of small-diameter CASSLP pipe from Japan with any other subject imports, including small-diameter CASSLP pipe from Romania,¹²⁰ whereas two Commissioners exercised their discretion to cumulate subject imports of small-diameter CASSLP pipe from Japan not only with small-diameter CASSLP pipe from Romania but also with small-diameter CASSLP pipe from all other countries then subject to review.¹²¹

3. Analysis

The threshold criterion for cumulation in these reviews is satisfied because both reviews involving small-diameter CASSLP pipe were instituted on the same day, April 1, 2011.¹²² In these reviews, we consider three issues in deciding whether to exercise our discretion to cumulate subject imports of small-diameter CASSLP pipe from Japan and Romania: (1) whether imports from either of the subject countries are precluded from cumulation because they are likely to have no discernible adverse impact on the domestic industry; (2) whether there is a likelihood of a reasonable overlap of competition among small-diameter CASSLP pipe produced in the United States, Japan, and Romania; and (3) whether

¹¹⁷ In light of our conclusions above regarding the definition of the domestic like products and industries, cumulation questions in these reviews pertain only to subject imports of small-diameter CASSLP pipe from Japan and Romania and not to subject imports of large-diameter CASSLP pipe where only one order is at issue. In the original investigations, the Commission cumulated subject imports from Japan and Mexico for purposes of its analysis of the large-diameter CASSLP pipe industry. *See, e.g.*, USITC Pub. 3311 at 24; USITC Pub. 3325 at 3-4 (reflecting the opinions of Chairman Okun and Commissioners Bragg, Miller, and Koplan). In the first five-year reviews of the orders, Chairman Okun and Commissioners Pearson, Aranoff, and Hillman declined to exercise their discretion to cumulate subject imports of large-diameter CASSLP pipe from Japan with subject imports of large-diameter CASSLP pipe from Mexico. *See, e.g.*, USITC Pub. 3850 at 34-40. Commissioners Lane and Koplan exercised their discretion to cumulate imports from Japan and Mexico. *See, e.g., id.* at 85-86.

¹¹⁸ *See, e.g.*, USITC Pub. 3311 at cover, 1-3, 16; USITC Pub. 3325 at 3-4 (reflecting the views of Chairman Okun and Commissioners Bragg, Miller, and Koplan).

¹¹⁹ *See, e.g.*, USITC Pub. 3850 at 18, 97-102. Chairman Okun and Commissioners Pearson and Hillman did not exercise their discretion to cumulate small-diameter CASSLP pipe from Japan and Romania with any other imports; they made affirmative five-year review determinations concerning small-diameter CASSLP pipe from Japan but negative five-year review determinations concerning small-diameter CASSLP pipe from Romania. Commissioner Aranoff made affirmative five-year review determinations concerning small-diameter CASSLP pipe from Japan, which she did not cumulate with small-diameter CASSLP pipe from any other subject country. She joined the cumulation analysis of Chairman Okun and Commissioners Pearson and Hillman and wrote separate views providing additional reasons why subject imports from Romania were not likely to compete in the U.S. market under the same conditions of competition as subject imports from the Czech Republic and South Africa.

¹²⁰ Chairman Okun and Commissioners Pearson, Aranoff, and Hillman exercised their discretion to cumulate subject imports from the Czech Republic and South Africa and made negative five-year review determinations concerning these orders. *See, e.g.*, USITC Pub. 3850 at 18.

¹²¹ *See, e.g.*, USITC Pub. 3850 at 55-58. Commissioners Lane and Koplan wrote separately to explain why they exercised their discretion to cumulate subject imports of small-diameter CASSLP pipe from the Czech Republic, Japan, Romania, and South Africa. *See, e.g.*, USITC Pub. 3850 at 71-77.

¹²² 76 Fed. Reg. 18,251 (Apr. 1, 2011).

there are similarities and differences in the likely conditions of competition under which subject imports of small-diameter CASSLP pipe from Japan and Romania are likely to compete in the U.S. market.¹²³ In so doing, we take into account the arguments raised by the parties in these reviews.

We first consider whether subject imports of small-diameter CASSLP pipe from either Japan or Romania are likely to have no discernible adverse impact on the domestic industry were the antidumping duty orders to be revoked.¹²⁴ In the first five-year reviews, none of the Commissioners found that subject imports of small-diameter CASSLP pipe from Japan or Romania would likely have no discernible adverse impact on the domestic industry if the antidumping duty orders were revoked.¹²⁵ In these reviews, domestic interested parties argue that there is also no evidence that imports of small-diameter CASSLP pipe from either Japan or Romania would likely have no discernible adverse impact on the domestic industry.¹²⁶ No other party participated in these reviews.

In these reviews, available information on this issue consists primarily of data from the original investigations and first reviews. During the period examined in the original investigations, subject imports from Japan and Romania each were significant and accounted for a significant share of the U.S. market.¹²⁷ Subject imports of small-diameter CASSLP pipe from Japan and Romania maintained a presence in the U.S. market during the period examined in the first reviews as well as in these second reviews.¹²⁸ No specific data are available on the current capacity and production of subject foreign producers because no respondent interested party has participated in these reviews. Because the subject industry in Japan had a large production capacity, had considerable unused capacity, and was export-oriented at the time of the original investigations and the only responding Japanese producer in the first reviews had increasing and excess capacity at that time, and because the subject industry in Romania had large and increasing production capacity, available unused capacity, and was export-oriented at the time

¹²³ Commissioners Lane and Pinkert explain their analysis of other considerations as follows. Where, in a five-year review, they do 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 find that such imports would be likely to compete with each other and with the domestic like product in the U.S. market, they cumulate 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. They note the limited record information about the small-diameter CASSLP pipe industries in the subject countries and thus find that there is no condition or propensity warranting non-cumulation with respect to small-diameter CASSLP pipe from either of the subject countries. Consequently, they have cumulated all imports of subject small-diameter CASSLP pipe in these reviews.

¹²⁴ See 19 U.S.C. § 1675a(a)(7). Neither the statute nor the Uruguay Round Agreements Act (“URAA”) Statement of Administrative Action (“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. SAA, H.R. Rep. No. 103-316, vol. I at 887 (1994). 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 if the orders are revoked. Our analysis for each of the subject countries takes into account the nature of the product and the behavior of subject imports in the original investigations and during the current reviews.

¹²⁵ Additionally, none of them found that subject imports of small-diameter CASSLP pipe from the Czech Republic or South Africa would likely have no discernible adverse impact on the domestic industry if those orders were removed. See, e.g., USITC Pub. 3850 at 10-13, 55, 71.

¹²⁶ See, e.g., Domestic Interested Parties’ Comments at 11-12.

¹²⁷ See, e.g., CR/PR at Appendix C (indicating market shares as high as *** percent for Japan and *** percent for Romania during the original investigations).

¹²⁸ See, e.g., CR/PR at Appendix C.

of the original investigations and first reviews,¹²⁹ we find that revoking either of the antidumping duty orders on small-diameter CASSLP pipe from Japan and Romania is not likely to have no discernible adverse impact on the domestic industry.

We next considered whether there is a likelihood of a reasonable overlap of competition among the domestic like product and subject imports of small-diameter CASSLP pipe from Japan and Romania.¹³⁰ In the original investigations, the Commission found a reasonable overlap of competition among subject imports of small-diameter CASSLP pipe from the Czech Republic, Japan, Romania, and South Africa. Based on the traditional four factors, in the first reviews, all Commissioners reaching the issue found a reasonable overlap of competition between and among small-diameter CASSLP pipe from the Czech Republic, Japan, Romania, South Africa, and the United States.¹³¹

There is no new information to suggest that small-diameter CASSLP pipe from Japan, Romania, and the United States are likely to be less fungible today than we found them to be in the original investigations and first reviews.¹³² Information available from the original investigations and first reviews suggests a likely overlap in terms of channels of distribution.¹³³ Record evidence also suggests a likelihood that the domestic like product and subject imports of small-diameter CASSLP pipe from Japan and Romania will be simultaneously present in overlapping geographic markets in the United States.¹³⁴

¹²⁹ See, e.g., Confidential First-Review Views at 13-15.

¹³⁰ 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. 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). Only a "reasonable overlap" of competition is required. 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). In five-year reviews, the relevant inquiry is whether there likely would be competition even if none currently exists because the subject imports are absent from the U.S. market. See generally Cheflin Corp. v. United States, 219 F. Supp. 2d 1313, 1314 (Ct. Int'l Trade 2002).

¹³¹ See, e.g., USITC Pub. 3850 at 13-14. Commissioners Lane and Koplán reached this conclusion but presented their analysis in their separate views.

¹³² See, e.g., USITC Pub. 3850 at 13-14; CR at I-19 to I-20; PR at I-14 to I-15; Domestic Interested Parties' Comments at 11.

¹³³ In the original investigations, the vast majority of small-diameter CASSLP pipes were sold through distributors regardless of where they were manufactured. See, e.g., CR at I-20 to I-21; PR at I-15. In the first reviews, domestic producers reported selling mostly to distributors but also to end users, and importers of small-diameter CASSLP pipe from Japan and Romania reported selling *** through distributors. See, e.g., USITC Pub. 3850 at 14; Confidential First-Review Views at 20.

¹³⁴ In the original investigations, domestic shipments and subject imports of small-diameter CASSLP pipe from Japan were present in the U.S. market in each month of the period examined, compared to 30 of the 36 months for subject imports from Romania. See, e.g., USITC Pub. 3850 at 14. In the first reviews, subject imports from Japan and Romania and the domestic like product were present in the U.S. market throughout the period of review, although subject imports were more sporadic and in smaller quantities in some years. See, e.g., USITC Pub. 3850 at 14. In these second reviews, small-diameter CASSLP pipe from Japan entered the U.S. market in 70 of 72 months
(continued...)

No party has argued in these current reviews that the Commission should not find that there would be a likely reasonable overlap of competition were the orders to be revoked. Based on our determinations in the original investigations and in the first reviews, and the available information in these reviews, we find that if the orders were revoked there would likely be a reasonable overlap of competition between and among the domestic like product and subject imports of small-diameter CASSLP pipe from Japan and Romania. For these reasons, and because there is no indication of other significant differences in the likely conditions of competition in the market such that the likely volume and effect of subject imports would be substantially different, we conclude that it is appropriate to exercise our discretion to cumulate subject imports of small-diameter CASSLP pipe from Japan and Romania in these reviews.¹³⁵

B. Likely Volume of Cumulated Subject Imports of Small-Diameter CASSLP Pipe from Japan and Romania

In the original investigations, the Commission cumulated subject imports of small-diameter CASSLP pipe from the Czech Republic, Japan, Romania, and South Africa; it found that these imports collectively rose from 59,017 short tons in 1997 to 83,228 short tons in 1998.¹³⁶ It found that these cumulated subject imports increased their market share from 21.8 percent in 1997 to 35.8 percent in 1998 largely at the expense of the domestic industry, whose market share declined from 67.8 percent to 54.9 percent in the same period.¹³⁷ In 1999, the quantity of these cumulated subject imports fell to 35,683 short tons, and the Commission found that the domestic industry increased its market share that year to 69.3 percent, largely by significantly decreasing its prices to meet the low-priced competition from these subject imports.¹³⁸ The Commission also found that these cumulated subject imports declined in 1999 in part as a result of the June 30, 1999, petition filings, as shown in a significant decline in the cumulated volume of imports from these subject countries in the fourth quarter of 1999.¹³⁹ Even after this decline from 1998 levels, subject imports' 23.8 percent market share in 1999 was higher than their share in 1997.

¹³⁴ (...continued)

between 2005 and 2010, compared to 50 months for subject imports from Romania. See, e.g., CR at I-21; PR at I-15. In the original investigations and first reviews, the Commission found that there was geographic overlap among the domestic like product and imports from each of the subject countries at least for sales to the Gulf Region. See, e.g., USITC Pub. 3850 at 14. Since 2005, U.S. imports of small-diameter CASSLP pipe from Japan and Romania entered through the following primary Customs districts: Cleveland; New Orleans; Seattle (Japan); and Houston (Romania). See, e.g., CR at I-21; PR at I-16.

¹³⁵ In the first reviews, Commissioner Aranoff determined not to cumulate subject imports from Japan and Romania based on arguments advanced by respondents and supported by facts on the record. In the current reviews, no respondent has participated and all participating parties argue in favor of cumulation. Additionally, the record lacks updated information bearing on several of the findings that Commissioner Aranoff made in the first reviews. Because the Commission's inability to gather updated information flows from respondents' collective decision not to participate in the current reviews, Commissioner Aranoff finds that subject imports from Japan and Romania are not likely to compete under substantially different conditions of competition in the U.S. market and, accordingly, she evaluates subject imports on a cumulated basis.

¹³⁶ See, e.g., USITC Pub. 3311 at 17.

¹³⁷ See, e.g., USITC Pub. 3311 at 17.

¹³⁸ See, e.g., USITC Pub. 3311 at 17.

¹³⁹ See, e.g., USITC Pub. 3311 at 17-18.

Thus, the Commission found that these cumulated subject imports still held a significant share of the U.S. market in 1999.¹⁴⁰

In the first reviews, the Commission majority separately analyzed the likely volume of small-diameter pipes from Japan and Romania. With respect to Japan, the Commission majority relied on the information available, primarily information from the original investigations, because only limited data was provided by Japanese respondent interested parties in the first reviews. The Commission majority found that the volume of subject imports from Japan to the United States was likely to increase significantly and rapidly if the order were revoked. The majority based this finding on Japanese producers' large production capacity, excess production capacity, and volume trends during the original investigations.¹⁴¹ In reaching their affirmative five-year review determinations concerning Romania,¹⁴² Commissioner Aranoff based her conclusions on an analysis of the likely volume of subject imports from Romania analyzed in isolation,¹⁴³ whereas Commissioners Lane and Koplman based their likely volume analysis on subject small-diameter CASSLP pipe imports from Romania as well as Japan, the Czech Republic, and South Africa.¹⁴⁴

During the original investigations, the cumulated quantity of U.S. shipments of imports of small-diameter CASSLP pipe imports from Japan and Romania increased from *** short tons in 1997 to *** short tons in 1998 and then decreased to *** short tons in 1999, and the corresponding share of apparent U.S. consumption increased from *** percent in 1997 to *** percent in 1998 and declined to *** percent in 1999.¹⁴⁵ In the first review period, the cumulated volume of subject imports from these two countries fluctuated; it was 5,350 short tons in 2000, 17,482 short tons in 2001, 9,590 short tons in 2002, 12,427 short tons in 2003, and 18,797 short tons in 2004, corresponding to market shares of *** percent in 2000, *** percent in 2001, *** percent in 2002, *** percent in 2003, and *** percent in 2004.¹⁴⁶ The cumulated volume of small-diameter CASSLP pipe imports from Japan and Romania continued to fluctuate between 2005 and 2010. Cumulated volumes were 2,501 short tons in 2005, 630 short tons in 2006, 5,471 short tons in 2007, 7,776 short tons in 2008, 5,030 short tons in 2009, and 5,439 short tons in

¹⁴⁰ See, e.g., USITC Pub. 3311 at 18.

¹⁴¹ See, e.g., Confidential First-Review Views at 35-38 (reflecting the views of Chairman Okun and Commissioners Pearson, Aranoff, and Hillman).

¹⁴² As noted earlier, Chairman Okun and Commissioners Pearson and Hillman reached negative determinations regarding subject imports of small-diameter CASSLP pipe from Romania in the first reviews.

¹⁴³ In the first reviews, Commissioner Aranoff found a likely significant increase in the volume of small-diameter imports from Romania for several reasons: (1) the fact that Romania was the largest or second-largest source among all countries of small-diameter CASSLP to the U.S. market during the original investigations; (2) the industry in Romania had significant excess capacity during the review period; (3) the industry in Romania was highly export-oriented; (4) exports from Romania showed no clear pattern, being sold to multiple regions and countries, indicating no established, long-term customer relationships; (5) her finding that recent ownership changes did not eliminate the incentive of the two producers in Romania in question to serve the U.S. market. See Commissioner Aranoff's Separate Views on Romania.

¹⁴⁴ In the first reviews, Commissioners Lane and Koplman found a likely significant increase in the volume of small-diameter imports from the four cumulated subject countries for several reasons: (1) the subject industries had substantial production capacity; (2) they were export-oriented; (3) they had substantial excess capacity; (4) they had the ability to shift a substantial volume of exports from other markets to the United States; (5) the U.S. market continued to be an attractive outlet for their production. See Commissioner Lane and Commissioner Koplman's Separate Views.

¹⁴⁵ (Derived from CR/PR at Appendix C).

¹⁴⁶ (Derived from CR/PR at Appendix C).

2010.¹⁴⁷ Thus, even under the discipline of the antidumping duty orders and despite the smaller size of the U.S. market by 2010, cumulated subject imports of small-diameter CASSLP pipe from Japan and Romania maintained a presence in the U.S. market, accounting for *** percent of apparent U.S. consumption in 2010 compared to *** percent in 1999 at the end of the period covered by the original investigations.¹⁴⁸

In these second reviews, although no Japanese or Romanian interested parties responded to the notice of institution, domestic interested parties identified four producers of subject merchandise in Japan¹⁴⁹ and four producers of small-diameter CASSLP pipe in Romania.¹⁵⁰ Because of the absence of any respondent interested party participation, the record of these reviews contains no evidence on existing or likely increases in inventories of the subject foreign producers in Japan and Romania or on their current capacity and production of small-diameter CASSLP pipe relative to other products. *** reported that annual production in Japan of ordinary seamless tubular products (a category that includes but is not limited to small-diameter CASSLP pipe) was *** in 2010, up from *** in 2009, but down from *** in 2008.¹⁵¹ *** reported that annual production in Romania of ordinary seamless tubular products was *** in 2010, up from *** in 2009, but down from *** in 2008.¹⁵² Consequently, there is no evidence of any significant changes in the structure of these industries since the original investigations. As the Commission found in the first reviews, at the time of the original investigations and/or first reviews,¹⁵³ both industries were large and adding capacity despite significant excess capacity, and both were export-oriented.

Third-country trade barriers also would likely encourage subject foreign producers in Japan and Romania to significantly increase exports of small-diameter CASSLP pipe to the United States after revocation. Available information indicates that Brazil imposed an antidumping duty order on imports of small-diameter seamless pipe from Romania in 2000, Venezuela imposed an order on small-diameter seamless line pipe from Japan in 2000, and Mexico imposed antidumping duty orders on small-diameter seamless line pipe from Japan in 2000 and on imports from Romania in 2004.¹⁵⁴

Based on our findings in the original investigations and first reviews, evidence concerning the cumulated volume of subject imports into the United States of small-diameter CASSLP pipe from Japan and Romania during and since the original investigations, their continued presence in the U.S. market even under the discipline of the orders indicating continued interest in the U.S. market, information regarding third-country trade barriers, as well as available information regarding the production, capacity, and ability to product shift of subject producers in Japan and Romania, we find that the cumulated volume

¹⁴⁷ See, e.g., CR/PR at Table I-4.

¹⁴⁸ See, e.g., CR/PR at Table I-6.

¹⁴⁹ These include the following: Haneda Pipe Works; Sumitomo Metal Industries, Ltd. (which acquired the facilities closed and formerly owned by Nippon Steel Corporation in 2001); JFE Steel Corp.; and Tenaris NKK Tubes (the trade name used by NKK Tubes, a Tenaris company in which JFE is part owner). See, e.g., CR at I-29; PR at I-23; Domestic Interested Parties' Response to Notice of Institution at Exhibit 14.

¹⁵⁰ These include the following: (1) ArcelorMittal Hunedoara; (2) ArcelorMittal Roman; (3) Tenaris Silcotub; and (4) TMK-Artrom. See, e.g., CR at I-30; PR at I-22; Domestic Interested Parties' Response to Notice of Institution at Exhibit 14.

¹⁵¹ See, e.g., CR at I-29; PR at I-22.

¹⁵² See, e.g., CR at I-30; PR at I-23.

¹⁵³ As indicated in the Commission's first-review determinations, available information on the industry in Japan was largely based on information from the original investigations as only one foreign producer in Japan submitted questionnaire data in those reviews.

¹⁵⁴ See, e.g., CR at I-28; PR at I-21.

of subject small-diameter CASSLP pipe imports from Japan and Romania, both in absolute terms and relative to production and consumption in the United States, would likely be significant and increase significantly absent the restraining effect of the antidumping duty orders.

C. Likely Price Effects of Cumulated Subject Imports of Small-Diameter CASSLP Pipe from Japan and Romania

In the original investigations, in which the Commission cumulated small-diameter CASSLP pipe imports from the Czech Republic, Japan, Romania, and South Africa, the Commission found that the domestic industry's prices were stable in 1997 and 1998 but then declined *** in 1999, consistent with generally declining subject import prices in 1999.¹⁵⁵ In addition, the Commission found significant underselling of the domestic like product by cumulated subject imports.¹⁵⁶ Although the Commission exercised caution due to product-mix differences, it noted that average unit values confirmed the pattern shown by the product-specific pricing data.¹⁵⁷ The Commission found that the decline in demand during the original investigations did have an effect on prices, but did not fully explain the price declines evidenced in the record.¹⁵⁸ Given the dramatic decline in price levels, along with pervasive and significant underselling and the substitutability of subject imports, the Commission found that the cumulated subject imports depressed domestic prices to a significant degree.¹⁵⁹

In the first reviews, the Commission majority found a likelihood of significant adverse price effects in the event the order on small-diameter CASSLP Pipe from Japan were revoked.¹⁶⁰ It based this conclusion on information available, primarily from the original investigations, including the fact that underselling by subject imports from Japan increased during the original investigations and there were more instances of underselling than overselling for almost every pricing product at that time.¹⁶¹ It also noted that Japanese producers were the only subject source listed on purchasers' AMLs, giving them faster access to the U.S. market if the order were revoked.¹⁶² In reaching their affirmative five-year

¹⁵⁵ See, e.g., USITC Pub. 3311 at 18.

¹⁵⁶ See, e.g., USITC Pub. 3311 at 18. During the original investigations, according to data reported by domestic producers and importers, subject imports of small-diameter CASSLP pipe from Japan undersold the domestic like product in 22 of 34 observations at margins that ranged from 0.8 to 37.4 percent. Based on purchaser pricing data, subject imports from Japan undersold the domestic like product in 29 of the 31 observations, at margins that ranged as high as 26.9 percent. See, e.g., Memorandum INV-X-114 at Tables V-1 to V-6 (May 25, 2000).

During the original investigations, according to data reported by domestic producers and importers, subject imports of small-diameter CASSLP pipe from Romania undersold the domestic like product in 30 of 31 observations at margins that ranged from 4.5 to 39.7 percent. Based on purchaser pricing data, subject imports from Romania undersold the domestic like product in all 17 observations at margins that ranged from 3.8 to 46.7 percent. See, e.g., Memorandum INV-X-114 at Tables V-1 to V-6.

¹⁵⁷ See, e.g., USITC Pub. 3311 at 18.

¹⁵⁸ See, e.g., USITC Pub. 3311 at 19.

¹⁵⁹ See, e.g., USITC Pub. 3311 at 19.

¹⁶⁰ See, e.g., USITC Pub. 3850 at 25-26.

¹⁶¹ See, e.g., USITC Pub. 3850 at 25-26. No pricing data for subject imports from Japan were available at the time of the Commission's first reviews. See Memorandum INV-DD-036 (Mar. 28, 2006); Confidential First-Review Views at n.80.

¹⁶² See, e.g., USITC Pub. 3850 at 25-26.

review determinations concerning Romania,¹⁶³ Commissioner Aranoff based her conclusions on an analysis of the likely price effects of subject imports from Romania analyzed in isolation,¹⁶⁴ whereas Commissioners Lane and Koplán based their likely price effects analysis on subject small-diameter CASSLP pipe imports from Romania as well as Japan, the Czech Republic, and South Africa.¹⁶⁵

There is no new product-specific pricing information on the record of these reviews, and we find that average unit values are of limited utility in an industry such as this involving a product manufactured in a variety of grades, sizes, and finishes.¹⁶⁶ Available information on average U.S. transaction prices (for domestic and import shipments combined) indicate increased prices in 2010, but more mixed trends in 2011; during this period, prices for U.S. number one heavy melting scrap (a key input for the billets used to produce seamless pipe) increased by approximately \$100 per short ton and continued to increase into 2011.¹⁶⁷ Based on this pricing evidence and the moderately high degree of substitutability among the domestic like product and subject imports from Japan and Romania, we find that the U.S. market for small-diameter CASSLP pipe is price-competitive. We find it likely that subject foreign producers would resume their pattern of underselling from the original investigations if the orders were revoked, in order to increase their market share, particularly given the smaller size of the U.S. market by 2010. In response, domestic producers would have to either reduce their prices or relinquish market share. Accordingly, we find that, if the orders were revoked, the likely significant increase in subject import volume at prices that would likely undersell the domestic like product would likely have significant adverse price effects on the domestic industry.

¹⁶³ As noted earlier, Chairman Okun and Commissioners Pearson and Hillman reached negative determinations regarding subject imports of small-diameter CASSLP pipe from Romania in the first reviews.

¹⁶⁴ In the first reviews, Commissioner Aranoff found that, notwithstanding the discipline imposed by the antidumping duty order, subject imports continued to undersell the domestic like product by significant margins. Given their pricing behavior and her findings regarding the likely volume of subject imports from Romania, she found that subject imports from Romania would be likely to have significant depressing or suppressing effects on domestic prices if the order were revoked. See Commissioner Aranoff's Separate Views on Romania. According to data collected in the first reviews, subject imports from Romania undersold the domestic like product in each of the 34 observations, at margins that ranged as high as 37.7 percent. See, e.g., Memorandum INV-DD-036 (Mar. 28, 2006).

¹⁶⁵ In the first reviews, Commissioners Lane and Koplán found that, given the fairly price competitive nature of the U.S. market and the general substitutability of subject imports for the domestic like product, subject producers would aggressively price their products to regain market share if the orders were revoked, causing significant price depression or suppression like in the original investigations. See Commissioner Lane and Commissioner Koplán's Separate Views.

¹⁶⁶ See, e.g., CR at I-13 to I-14; PR at I-11 to I-12.

¹⁶⁷ See, e.g., CR at I-14 & n.37; PR at I-12 & n.37.

D. Likely Impact of the Cumulated Subject Imports of Small-Diameter CASSLP Pipe from Japan and Romania¹⁶⁸

In the original investigations, the Commission found that all of the domestic industry's major economic and financial indicators declined significantly between 1997 and 1999.¹⁶⁹ Operating income fell and five of the seven firms sustained operating losses in 1999, compared with none of the seven firms in 1997.¹⁷⁰ Moreover, during the period examined in the original investigations, the domestic industry experienced significant declines in production, shipments, net sales, capacity utilization, cash flow, productivity, number of production workers, hours worked, wages paid, and hourly wages.¹⁷¹ Additionally, its end-of-period inventories, unit labor costs and unit COGS all increased.¹⁷² Although capital expenditures increased during the period, the Commission found this reflected decisions made before 1998 and before the decline in demand and the surge in subject imports sold at LTFV.¹⁷³ While the declines in industry performance indicators were partly attributable to the decline in demand, the Commission found that cumulated subject imports of small-diameter CASSLP pipe from the Czech Republic, Japan, Romania, and South Africa exacerbated the effects of the decline in demand on the increasingly unprofitable and poorly performing industry.¹⁷⁴

In the first reviews, the Commission majority concluded that the domestic small-diameter CASSLP pipe industry was not vulnerable based on improvements in its condition, including its profitability, throughout the review period.¹⁷⁵ Although demand was projected to remain strong, the Commission majority found that the likely substantial volume and price effects of subject imports from Japan likely would be sufficient to have a significant negative impact on the production, shipments, sales, market share, and revenues of the domestic industry, despite its lack of vulnerability. This reduction in the industry's production, shipments, sales, market share, and revenues, it found, likely would adversely impact the industry's profitability and ability to raise capital and maintain necessary capital investments.

¹⁶⁸ Under the statute, "the Commission may consider the magnitude of the margin of dumping" in making its determination in a five-year review. 19 U.S.C. § 1675a(a)(6). The statute defines the "magnitude of the margin of dumping" to be used by the Commission in five-year reviews as "the dumping margin or margins determined by the administering authority under section 1675a(c)(3) of this title." 19 U.S.C. § 1677(35)(C)(iv); see also SAA at 887. In the final results of its expedited five-year reviews of the antidumping duty orders, Commerce determined that revocation of the order on small-diameter CASSLP pipe from Japan would likely result in the continuation or recurrence of dumping at a weighted-average margin of 106.07 percent for Nippon Steel Corp., Kawasaki Steel Corp., and Sumitomo Metal Industries, Ltd. and at a margin of 70.43 percent for all others. See, e.g., CR/PR at Table I-1. Commerce determined that revocation of the order on small-diameter CASSLP pipe from Romania would likely result in the continuation or recurrence of dumping at a weighted-average margin of 11.08 percent for Metal Business International S.R.L. and S.C. Petrotub S.A., a margin of 15.15 percent for Sota Communication Company and S.C. Silcotub, and a margin of 13.06 percent for all others. See, e.g., CR/PR at Table I-1. Section 751(a)(4) of the Act requires Commerce, if requested by a party in an administrative review, to determine whether a foreign producer or importer of subject merchandise has absorbed antidumping duties. 19 U.S.C. § 1675a(a)(4). Commerce has not made any duty absorption determinations with respect to either antidumping duty order. See, e.g., CR at I-7; PR at I-6.

¹⁶⁹ See, e.g., USITC Pub. 3311 at 19-20.

¹⁷⁰ See, e.g., USITC Pub. 3311 at 19.

¹⁷¹ See, e.g., USITC Pub. 3311 at 19-20.

¹⁷² See, e.g., USITC Pub. 3311 at 20.

¹⁷³ See, e.g., USITC Pub. 3311 at 20.

¹⁷⁴ See, e.g., USITC Pub. 3311 at 20.

¹⁷⁵ See, e.g., Confidential First Review Views at 38-39.

Based on the facts available in those reviews, the Commission concluded that if the order were revoked, there would be a likely significant adverse impact on the domestic industry.¹⁷⁶

As for the findings in the first reviews concerning subject imports of small-diameter pipe from Romania, although writing separate views, Commissioner Aranoff and Commissioners Lane and Koplan all found that the likely substantial volume and price effects of subject imports (from Romania for Commissioner Aranoff, and for cumulated imports from all four subject countries for Commissioners Lane and Koplan) would be sufficient to have a significant negative impact on the production, shipments, sales, market share, employment, and revenues of the domestic industry, despite their findings that it was not then vulnerable and that demand was projected to remain strong.¹⁷⁷

In these expedited reviews, the record information on the domestic industry's condition is limited. Based on the current record, in 2010, the domestic industry's capacity was *** short tons, its output was *** short tons, and its capacity-utilization rate was *** percent.¹⁷⁸ The domestic industry's U.S. shipments were *** short tons, accounting for *** percent of apparent U.S. consumption. Its net sales value was \$***, and its operating income was \$***, equivalent to *** percent of net sales.¹⁷⁹ The limited evidence in these expedited reviews is insufficient for us to make a finding on whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the orders.¹⁸⁰

Based on the record in these reviews, we find that the likely volume and likely price effects of cumulated subject imports of small-diameter CASSLP pipe from Japan and Romania would likely have a significant adverse impact on the domestic industry's production, sales, and revenue levels, and would likely have a direct adverse impact on the industry's profitability and employment levels as well as its ability to raise capital and make and maintain necessary capital investments. We recognize that, given the substitutability of the products generally, cumulated subject imports of small-diameter CASSLP pipe from Japan and Romania would also likely displace non-subject imports in the U.S. market to some degree in the event of revocation. We nevertheless find that a significant portion of the expected increase in cumulated subject imports from Japan and Romania would be at the expense of the domestic industry, particularly given the likelihood of subject import underselling and adverse price effects as well as the smaller size of the U.S. market by 2010. Accordingly, we conclude that, if the antidumping duty orders on small-diameter CASSLP pipe from Japan and Romania were revoked, cumulated subject imports would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.

¹⁷⁶ See, e.g., Confidential First Review Views at 39-43.

¹⁷⁷ See, e.g., Separate Views of Commissioner Aranoff and Separate Views of Commissioners Lane and Koplan.

¹⁷⁸ See, e.g., CR/PR at Table I-2.

¹⁷⁹ See, e.g., CR/PR at Table I-2, I-6.

¹⁸⁰ Commissioners Lane and Pinkert – focusing in particular on operating margins, operating income, and value of shipments – find that the available evidence suggests that the domestic industry producing small-diameter CASSLP pipe is not vulnerable. See, e.g., CR/PR at Table I-2. They note, however, that the domestic industry has lost significant market share to non-subject imports since the original investigations, its production was lower in 2010 than in either 2004 or 1999, and its capacity utilization in 2010 was hardly robust. See, e.g., CR/PR at Tables I-2 and I-6.

CONCLUSION

For the foregoing reasons, we determine that revocation of the antidumping duty order on subject large-diameter CASSLP pipe from Japan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time. We further determine that revocation of the antidumping duty orders on subject small-diameter CASSLP pipe from Japan and Romania would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.¹⁸¹

¹⁸¹ Chairman Okun and Commissioner Pearson dissent with respect to small-diameter CASSLP pipe from Romania. See Dissenting Views of Chairman Deanna Tanner Okun and Commissioner Daniel R. Pearson.

DISSENTING VIEWS OF CHAIRMAN DEANNA TANNER OKUN AND COMMISSIONER DANIEL R. PEARSON

Based on the record in these five-year reviews, we determine, under section 751(c) of the Tariff Act of 1930, as amended (“the Act”),¹ that revocation of the antidumping duty order on small-diameter carbon and alloy seamless standard, line, and pressure pipe (“CASSLP pipe”) from Japan 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. We further determine that revocation of the antidumping duty order on small-diameter CASSLP pipe from Romania would not be likely to lead to the continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

We join the Commission’s Views with respect to background, the domestic like product, the domestic industry, legal standards and likely conditions of competition, and the likelihood of continuation or recurrence of injury if the order on large-diameter CASSLP pipe from Japan were revoked.² We write separately, however, with respect to cumulation and our determinations that revocation of the antidumping duty order on imports of small-diameter CASSLP pipe from Japan would be likely to lead to the continuation or recurrence of material injury and that revocation of the antidumping duty order on such imports from Romania would not be likely to lead to the continuation or recurrence of material injury to an industry in the United States.

I. SUMMARY

In these reviews, we do not exercise our discretion to cumulate imports of small-diameter CASSLP pipe from Japan with those from Romania because we find that if the orders were revoked, subject imports from Japan would likely face different conditions of competition in the U.S. market than the subject imports from Romania. Differences in volume trends between the subject sources, their varying presence in the U.S. market, along with differences in their capacity, production, export orientation, trade barriers and product interchangeability all support a finding that subject producers in Romania are likely to compete differently in the U.S. market than their counterparts in Japan.

We find that revocation of the antidumping duty order on small-diameter CASSLP pipe from Japan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time. The record of these expedited reviews contains limited new information with respect to the small-diameter CASSLP pipe industry in Japan and largely consists of the evidence in the original investigation and the first review. Our determination is based on the demonstrated ability of Japanese producers to increase rapidly imports into the U.S. market, their current presence in the market, the existence of excess capacity at the close of the original period examined, and the existence of current trade barriers in third-country markets. In the first five-year reviews the Commission concluded that revocation of the antidumping duty order on imports from Japan would lead to significant increases in the volume of subject imports that would undersell the domestic like product and significantly depress or suppress U.S. prices. In turn, the Commission determined that the likely substantial volume and price effects of the subject imports from Japan would be sufficient to have a significant negative impact on the domestic industry. There is no new information on the record of the current reviews that would call into question our previous conclusions concerning the likely volume,

¹ 19 U.S.C. § 1675(c).

² Specifically, we join sections I (Background), II (Domestic Like Product), III (Domestic Industry), IV (Legal Standards and Likely Conditions of Competition), and V (Likelihood of Continuation or Recurrence of Material Injury if the Antidumping Duty Order on Large-Diameter CASSLP Pipe from Japan Were to be Revoked).

pricing and impact of subject small-diameter CASSLP imports from Japan in the event of revocation of the order

We find that revocation of the antidumping duty order on small-diameter CASSLP pipe from Romania would not be likely to lead to the continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time. Our determination is largely based on significant changes during the first review period in the corporate ownership, operations and export strategies of Silcotub, the source of nearly all subject exports to the United States in the original and first review investigations. On the basis of those changes, combined with declines in the Romanian industry's capacity and production and the fact that Romanian producers have not been on major U.S. purchasers' "approved manufacturer lists" (AMLs), we find that the likely volume of subject imports of small-diameter CASSLP pipe from Romania would not be significant if the antidumping duty order were revoked and that such limited volumes of imports would not likely result in significant adverse price effects. In the first five-year reviews, we found that the likely volume of subject imports of small-diameter CASSLP pipe from Romania would not be significant if the antidumping duty order were revoked. There is no new information on the record of the current reviews that undermines our previous conclusions concerning the likely volume, pricing and impact of subject small-diameter CASSLP imports from Romania.

II. CUMULATION

Section 752(a) of the Act provides that:

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.³

Thus, cumulation is discretionary in five-year reviews. However, the Commission may exercise its discretion to cumulate only if the reviews are initiated on the same day and the Commission determines that the subject imports are likely to compete with each other and the domestic like product in the U.S. market. 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.⁴ We note that neither the statute nor the Uruguay Round Agreements Act ("URAA") Statement of Administrative Action ("SAA") provides specific guidance on what factors the Commission is to consider in determining that subject imports "are likely to have no discernible adverse impact" on the domestic industry.⁵

In the original investigations, the Commission determined to cumulate imports of small-diameter CASSLP pipe from all four subject countries, on the basis that there was a reasonable overlap of competition of such imports with each other and with the domestic like products in the U.S. market.⁶ In the first five-year reviews, the Commission determined that subject imports of small-diameter CASSLP

³ 19 U.S.C. § 1675a(a)(7).

⁴ 19 U.S.C. § 1675a(a)(7).

⁵ SAA, H.R. Rep. No. 103-316, vol. I (1994).

⁶ 19 U.S.C. § 1677 (7)(G)(I).

pipe from Romania would likely face different conditions of competition in the U.S. market than subject imports from Japan, the Czech Republic and South Africa. Thus, the Commission declined to exercise its discretion to cumulate subject imports from Romania with those from Japan, the Czech Republic and South Africa.

In these reviews, the statutory requirement that all reviews be initiated on the same day is satisfied as the Commission initiated all the reviews on April 1, 2011.⁷ We do not exercise our discretion to cumulate imports of small-diameter CASSLP pipe from Japan with those from Romania because we again find that subject imports of small-diameter CASSLP pipe from Japan would likely face different conditions of competition in the U.S. market than the subject imports from Romania if the orders were revoked. The subject producers in Romania are likely to operate differently in the U.S. market than their counterparts in Japan based on differences in volume trends between the subject sources, their presence in the U.S. market, their capacity, production, and export orientation, trade barriers and product interchangeability.

During the original investigations, subject imports from Romania and Japan generally moved in opposite directions. While the volume of subject imports from Romania was quite large at the beginning of the original period examined, it grew steadily smaller; indeed, the volume of subject imports from Romania declined in each year.⁸ At the same time, subject imports from Japan grew larger, albeit irregularly.⁹ Thus, in 1999, subject imports from Romania had a market share of *** percent compared to *** percent in 1997, while subject imports from Japan had a market share of 12.3 percent, compared to 5.6 percent in 1997.¹⁰

Unlike subject imports from Japan, subject imports from Romania maintained a substantial presence in the U.S. market throughout the first period of review, regardless of the presence or absence of dumping margins on those imports.¹¹ In contrast, subject imports from Japan were present in much smaller volumes.¹² As a result, imports from Romania held *** percentage points or more of market share in four of the five years examined while imports from Japan held *** percentage points or less of market share in every year of the first review period (2000-04).

In the first reviews, we observed that the market share held by subject imports from Romania was only *** percent in interim 2005.¹³ We concluded that this low level was explained by significant changes in the corporate ownership and operations of Silcotub, the *** Romanian producer and the

⁷ 63 FR 18251 (April 1, 2011).

⁸ Shipments of subject imports from Romania totaled *** short tons in 1997, *** short tons in 1998, and *** short tons in 1999. Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from the Czech Republic, Japan, Mexico, Romania, and South Africa, USITC Pub. 3850 (Apr. 2006) at table I-1; Confidential First Review Staff Report (Memorandum INV-DD-036) at I-6, table I-1.

⁹ Shipments of subject imports from Japan totaled 14,999 short tons in 1997, 34,059 short tons in 1998, and 18,709 short tons in 1999. Id.

¹⁰ Id.

¹¹ Subject imports from Romania totaled 3,436 short tons in 2000, 16,573 short tons in 2001, 9,182 short tons in 2002, 11,562 short tons in 2003, and 18,718 short tons in 2004. USITC Pub. 3850 at table I-1.

¹² Subject imports from Japan totaled 1,914 short tons in 2000, 909 short tons in 2001, 408 short tons in 2002, 865 short tons in 2003, and 79 short tons in 2004. USITC Pub. 3850 at table I-1.

¹³ USITC Pub. 3850 at table I-11.

source of ***.¹⁴ The data on the record reflected these changes in operations.¹⁵ In the interim 2004 period compared with the interim 2005 period, the Romanian industry's capacity was *** short tons smaller.¹⁶ As a share of total shipments, Romanian subject exports to the United States was *** percent in interim 2005 compared with *** percent in interim 2004, and Romanian exports to the European Union (EU) in interim 2005 were over *** times higher, at *** percent, than they were in interim 2004 (*** percent).¹⁷

The data on the record of the current review period demonstrate that the Romanian industry has continued to focus on non-U.S. export markets. Subject imports from Romania declined by 87.8 percent from 2004 to 2005 and remained small in each of the next five years. Overall, subject imports from Romania declined from 2,274 short tons in 2005 to 1,761 short tons in 2010, or by 22.6 percent during the current review period (2005-10).¹⁸ Subject imports from Japan exhibited a divergent trend and were small initially but increased from 227 short tons in 2005 to 3,678 short tons in 2010.¹⁹ In total, subject imports from Japan from 2005 to 2010 were more than three times larger in volume than subject imports from Romania.²⁰

The subject producers in Romania are also likely to operate differently in the U.S. market than their counterparts in Japan based on differences in their capacity, production and export orientation. During the original investigations, the capacity of the industry in Japan increased from *** short tons in 1997 to *** short tons in 1999.²¹ There is no indication in the record of these reviews that the industry in Japan is now any smaller than during the original investigations.²² In contrast, the Romanian industry shrank, from a capacity of *** short tons in 1997 to *** short tons in 1999.²³ In the first reviews, Mittal Steel Roman, a large producer in Romania, reported that *** and stated that ***.²⁴ In addition, producer Republica went out of business after 2004, further reducing the Romanian industry's capacity to produce small-diameter CASSLP pipe. There is no indication in the record of these reviews that the industry in

¹⁴ USITC Pub. 3850 at 98; Confidential First-Review Determinations, Dissenting Views of Commissioners Hillman, Okun and Pearson ("First Review Dissenting Views") at 2.

¹⁵ Silcotub's reported capacity to produce small-diameter CASSLP pipe was *** short tons in interim 2004 compared with *** short tons in interim 2005, its production was *** short tons in interim 2004 compared with *** short tons in interim 2005, and its subject exports to the United States were *** short tons in interim 2004 compared with *** short tons in interim 2005. First Review Dissenting Views at 3 (citing Silcotub Foreign Producer Questionnaire).

¹⁶ USITC Pub. 3850 at table IV-3.

¹⁷ USITC Pub. 3850 at table IV-9.

¹⁸ Subject imports from Romania were 2,274 short tons in 2005, 231 short tons in 2006, 31 short tons in 2007, 395 short tons in 2008, 1,296 short tons in 2009, and 1,761 short tons in 2010. CR/PR at table I-4.

¹⁹ Subject imports from Japan were 227 short tons in 2005, 400 short tons in 2006, 5,440 short tons in 2007, 7,381 short tons in 2008, 3,734 short tons in 2009, and 3,678 short tons in 2010. CR/PR at table I-4.

²⁰ Subject imports from Japan from 2005 to 2010 totaled 20,860 short tons while subject imports from Romania totaled 5,988 short tons. CR/PR at table I-4.

²¹ OINV Memorandum INV-X-114 (May 25, 2000)("Original Staff Report") at table VII-2.

²² In fact, the domestic interested parties have identified two producers that were not identified in the original investigations: Haneda Pipe Works and Tenaris NKK Tubes. The other producers, identified in the original investigations, were again identified as current producers in these reviews: JFE (formed by the merger of Kawasaki Steel Corp. and NKK Corp. in 2003) and Sumitomo Metal Industries ("Sumitomo") (Nippon was closed and acquired by Sumitomo in 2001). CR at I-28-29, PR at I-22.

²³ Original Staff Report at table VII-1.

²⁴ Specifically, the company reported ***. USITC Pub. 3850 at 98 - 99; First Review Dissenting Views at 3-4.

Romania is now any larger than at the end of the original investigations and during the first reviews. The universe of domestic producers in Romania appears to be identical to that existing in the last reviews, in which the Commission had complete coverage of the Romanian industry.²⁵

Information on annual production of all seamless tubular products in Japan and Romania published by *** indicates that *** in ***. Annual production of ordinary seamless tubular products in Japan was *** in 2010, up from *** in 2009, but down from *** in 2008.²⁶ *** reported that annual production of all seamless tubular products in Romania was *** in 2010, up from *** in 2009, but down from *** in 2008.²⁷ According to these figures, the Japanese industry produced *** more than the Romanian industry in 2010, *** more in 2009, and *** short tons more in 2008.²⁸ Published data from the WorldSteel Association on “seamless tubes,” which include tubular products across a broad range of sizes and applications not subject to these reviews, lists Japan’s 2009 production as 1.3 million metric tons (1.4 million short tons) compared to Romania’s 2009 production as 318,000 metric tons (350,535 short tons).²⁹

In addition to its larger production volumes, Japan exports larger volumes of pipe than Romania. Published data from the Global Trade Atlas on seamless pipe other than OCTG, a category that includes products not subject to these reviews, list Japan as the fourth-largest exporter of seamless pipe, and Romania as the tenth-largest exporter, in 2009.³⁰ In 2009, Japan exported 458,057 short tons of seamless pipe (excluding OCTG) and Romania exported 209,029 short tons.³¹

There are additional indications that subject imports of small-diameter CASSLP pipe from Japan would likely face different conditions of competition in the U.S. market than subject imports from Romania. Subject imports from Japan consist of small and large-diameter CASSLP pipe, whereas the scope of the order with respect to Romania is limited to small-diameter CASSLP pipe.³² As a result of the Commission’s affirmative determinations on large-diameter pipe from Japan in these reviews, Japan continues to be subject to an antidumping duty order in the United States on large-diameter CASSLP pipe, whereas Romania is not. Thus, Japanese producers have an incentive to shift production of large-diameter CASSLP pipe to small-diameter CASSLP pipe that Romanian producers do not. Finally, we note that exports from Romania are no longer subject to an antidumping duty order on CASSLP pipe in the European Union. Exports from both countries face third country trade barriers in Mexico but exports from Japan face an additional barrier in Venezuela while exports from Romania face a trade barrier in Brazil.³³

In the first five-year reviews, information was collected showing that purchasers viewed subject Japanese CASSLP pipe to be more interchangeable in terms of quality with the domestic like product than

²⁵ CR at I-29, PR at I-22-23. The three firms that accounted for all small-diameter CASSLP pipe produced in Romania at the time of the Commission’s first five-year reviews were Mittal Steel (formerly Petrotub S.A. Roman), Silcotub S.A., and Artrom S.A.

²⁶ CR at I-29, PR at I-22.

²⁷ CR at I-30, PR at I-23.

²⁸ CR at I-29-30, PR at I-22-23.

²⁹ CR at I-30, PR at I-23.

³⁰ CR at I-30, PR at I-23.

³¹ CR at I-30 n.77, PR at I-23 n.77.

³² CR at I-6, PR at I-5.

³³ CR at I-28, PR at I-21.

subject merchandise from Romania.³⁴ We noted that there was evidence on the record that indicated that the Romanian products were somewhat inferior in quality to other subject imports and the domestic like product.³⁵ In contrast to other subject countries, producers in Japan were on the approved manufacturer lists (“AMLs”) maintained by key purchasers of small-diameter CASSLP pipe³⁶ and respondent interested parties participating in the last reviews reported that the importance of AMLs had grown.³⁷ We have no information on the record of these reviews regarding the interchangeability of subject imports with the domestic like product or the use of AMLs. Consequently, we rely on our prior finding that there may be less than full interchangeability between subject imports from Japan and Romania.

Based on the information in the record, we find significant differences in the likely conditions of competition that subject imports from Japan and subject imports from Romania would face in the U.S. market. Therefore, we do not exercise our discretion to cumulate the likely volume effects of subject imports of small-diameter CASSLP pipe from Japan and Romania.

III. REVOCATION OF THE ANTIDUMPING DUTY ORDER ON SMALL-DIAMETER CASSLP PIPE FROM JAPAN IS LIKELY TO LEAD TO CONTINUATION OR RECURRENCE OF MATERIAL INJURY WITHIN A REASONABLY FORESEEABLE TIME

A. Likely Volume of Subject Imports

In evaluating the likely volume of imports of subject merchandise if the 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.³⁸ In doing so, the Commission must consider “all relevant economic factors,” including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.³⁹

As noted above, in the original investigations, the Commission cumulated imports of small-diameter CASSLP pipe from Japan and Romania, whereas in the first five-year reviews, a majority of the Commissioners declined to exercise their discretion to do so. In these reviews, we do not exercise our discretion, under 19 U.S.C. § 1675a(a)(7), to cumulate imports from Romania with imports from Japan, based on significant differences in the likely conditions of competition with respect to the subject imports from both countries. As a result, in analyzing the likely volume of imports from Japan based on information from the original investigations, we have taken into account the Commission’s previous volume findings, recognizing the difference represented by imports from Romania.

In the original investigations, the Commission found that the volume and market share of subject imports from Japan, Romania, the Czech Republic, and South Africa increased significantly over the first

³⁴ USITC Pub. 3850 at II-16, II-18 - II-19, Confidential First-Review Staff Report at II-23 - II-27, table II-5.

³⁵ USITC Pub. 3850 at II-18, n. 37, table II-5, Confidential First-Review Staff Report at II-24 and II-25 n. 37, table II-5.

³⁶ USITC Pub. 3311 at 15.

³⁷ USITC Pub. 3850 at II-13, Confidential First-Review Staff Report at II-19.

³⁸ 19 U.S.C. § 1675a(a)(2).

³⁹ 19 U.S.C. § 1675a(a)(2)(A-D).

two years of the period examined (1997 and 1998).⁴⁰ The Commission did not comment specifically on the trend in volume for Japan. In the first five-year reviews, however, based on limited data supplied by one Japanese producer and public data from the International Iron and Steel Institute, the Commission found that capacity to produce small-diameter CASSLP pipe in Japan increased by more than *** percent during the period of review, capacity utilization was ***, and total seamless tube production in Japan increased by 4.4 percent from 2000 to 2004.⁴¹

In these second five-year reviews, because the Commission did not receive a response from any Japanese producer, we have very little record information regarding the factors we must examine under 19 U.S.C. 1675a(a)(2) in determining whether increases in the volume of subject imports are likely in the event of revocation of the order. In particular, there is no information on the record concerning current Japanese capacity to produce small-diameter CASSLP pipe, capacity utilization of facilities producing the subject product, or inventories. Hence, based on our authority under 19 U.S.C. 1677e(a), we rely primarily on information from the record of the original investigations and first five-year reviews, supplemented by information provided in these reviews by domestic interested parties. The record indicates that, during the original investigations, the Japanese small-diameter CASSLP pipe industry was large, and increased both its capacity and production from 1997 to 1999.⁴² Subject imports from Japan increased rapidly, and there was significant excess capacity in the Japanese small-diameter CASSLP pipe industry during that period, with capacity utilization rates of only *** percent in both 1997 and 1999.^{43 44} In the first five-year reviews, although confidential record information on the Japanese industry was sparse, the Commission cited information provided by Japanese producer NKK showing *** during the review period, along with public data demonstrating that total seamless tube production in Japan increased during the review period.⁴⁵

In these reviews, domestic interested parties point to *** data showing that production of “ordinary seamless” pipe in Japan declined by over *** short tons between 2008 and 2010, and therefore, assuming no capacity declines over the same period, there exists excess capacity in Japan equal to at least the amount of the production decline.⁴⁶ They also reference the Commission’s finding, in the 2010 investigations involving imports of seamless pipe from China, that the U.S. market has relatively high prices, making it an attractive market for foreign exporters. Further, they note that (1) the Japanese small-diameter CASSLP pipe industry faces antidumping orders in Mexico and Venezuela, and (2) there is considerable scope for product-shifting, as other seamless products can be made on the same equipment as small-diameter CASSLP pipe. Finally, they point to the continued activity of Japanese firms in the

⁴⁰ Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from Japan and South Africa, USITC Pub. 3311, June 2000, at 17 (Views of the Commission).

⁴¹ USITC Pub. 3850 at 24 (Views of the Commission).

⁴² The capacity of the Japanese small-diameter CASSLP pipe industry increased from *** short tons in 1997 to *** short tons in 1999, and production increased from *** short tons in 1997 to *** short tons in 1999. Original Staff Report at table VII-2.

⁴³ Japan’s shipments of subject small-diameter CASSLP pipe imports more than doubled, from 14,999 short tons in 1997 to 34,059 short tons in 1998, before declining to 18,709 short tons in 1999, a decline which, according to the Commission, resulted in part from the filing of the petitions in mid-1999. USITC Pub. 3850 at 23 and table I-1.

⁴⁴ Original Staff Report at table VII-2.

⁴⁵ USITC Pub. 3850 at 24.

⁴⁶ Comments of Domestic Interested Parties at 20-23.

U.S. market during the current period of review as evidencing their ability to increase quickly their exports to the United States in the event of revocation of the order.⁴⁷

In sum, based on the demonstrated ability of Japanese producers to increase rapidly imports into the U.S. market, their current presence in the market, the existence of excess capacity at the close of the original period examined, and the existence of current trade barriers in third-country markets to exports of small-diameter CASSLP pipe from Japan, we conclude that the likely volume of subject imports from Japan would be significant if the order on small-diameter CASSLP pipe from Japan is revoked.

B. Likely Price Effects of Subject Imports

In evaluating the likely price effects of subject imports if the antidumping duty order is revoked, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to 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 domestic like product.⁴⁸

In the original investigations, the Commission found that cumulated subject imports undersold the domestic like product and domestic prices fell markedly during the period examined. Given the fact that the subject imports were highly substitutable with the domestic like product, the Commission concluded that the cumulated subject imports significantly depressed domestic prices. With regard specifically to Japan, the Commission found that the pattern of underselling and overselling was somewhat mixed, but underselling increased toward the end of the period examined and for every product there were more instances of underselling than overselling.⁴⁹

In these reviews, we can draw very few conclusions from the pricing data, as the Commission received no information from Japanese producers of small-diameter CASSLP pipe. Domestic interested parties assert that in the original investigations, the Commission found that there was significant underselling by subject imports, there was a moderately high level of substitutability between subject imports and the domestic like product, and subject imports significantly depressed domestic prices.⁵⁰ They also point out that in the first five-year reviews, 12 of 15 responding purchasers said that price was very important in their decisions concerning purchases of small-diameter CASSLP pipe. There is no information on the record of the current reviews that would call into question the Commission's previous conclusions concerning likely price effects.

Given the likely significant volume of imports as discussed above, the importance of price in the U.S. small-diameter CASSLP pipe market during the original investigations, the general substitutability of subject imports and the domestic like product, and the predominant underselling of subject imports from Japan in the original investigations, we find a likelihood of significant negative price effects from the subject imports. Consequently, we conclude that, if the order on small-diameter CASSLP pipe from Japan were revoked, likely significant volumes of subject imports from Japan would likely significantly undersell the domestic product and gain market share, and would be likely to enter the United States at

⁴⁷ U.S. imports of small-diameter CASSLP pipe from Japan were 227 short tons in 2005, 400 short tons in 2006, 5,440 short tons in 2007, 7,381 short tons in 2008, 3,734 short tons in 2009, and 3,678 short tons in 2010. CR/PR at table I-4.

⁴⁸ 19 U.S.C. § 1675(a)(3). The SAA states that “[c]onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices.” SAA at 886.

⁴⁹ Original Staff Report at tables V-1-V-6.

⁵⁰ Comments of domestic interested parties at 25.

prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.

C. Likely Impact of Subject Imports

In evaluating the likely impact of imports of subject merchandise if the antidumping duty order under review were revoked, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including, but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.⁵¹ 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.⁵² 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 order at issue and whether the industry is vulnerable to material injury if the order were revoked.

In the original investigations, the Commission found that all of the industry's major economic and financial indicators declined significantly during the period examined, and although the declines in industry performance were in part due to declines in demand for small-diameter CASSLP pipe, they were also attributable to competition with subject imports.⁵³

In these reviews, the Commission has limited information on the condition of the U.S. industry. Domestic interested parties claim that the industry is currently vulnerable, due primarily to the fact that it lost market share due to the recent surge in nonsubject imports from China, and due to the effect of the recent recession on demand for small-diameter CASSLP pipe.⁵⁴ Domestic interested parties provided data on their current capacity, production, shipments, and selected financial indicators. Production and shipment levels in 2010 were lower than in 2004, although part of the difference is accounted for by missing data from three firms.⁵⁵ On the other hand, unit values, operating income, and operating income margins were significantly higher in 2010 than at the time of the original investigations, and slightly higher than their 2004 values. In particular, the domestic industry's operating income to sales ratio was initially *** percent in 1999, but improved to *** percent in 2004 and to *** in 2010.⁵⁶

Accordingly, what little information there is on the condition of the domestic industry indicates that, despite some loss in market share, the industry's fortunes may have improved overall since the original investigations and even since the first five-year reviews. Nonetheless, as discussed above, revocation of the antidumping duty order on imports from Japan would be likely to lead to a significant increase in the volume of subject imports that would undersell the domestic like product and significantly suppress or depress U.S. prices. Although the record does not permit us to determine conclusively whether the domestic industry is currently vulnerable, we find that these likely volume and price effects of the subject imports from Japan would necessarily have a significant adverse impact on the production, shipments, sales, market share, and revenues of the domestic industry. Accordingly, we conclude that, if

⁵¹ 19 U.S.C. § 1675a(a)(4).

⁵² 19 U.S.C. § 1675a(a)(4).

⁵³ USITC Pub. 3311 at 19-20.

⁵⁴ Comments of domestic interested parties at 33-37.

⁵⁵ CR/PR at table I-2.

⁵⁶ *Id.*

the order on imports from Japan were revoked, subject imports would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.

D. Conclusion

Therefore, for the foregoing reasons, we determine that revocation of the antidumping duty order on small-diameter CASSLP pipe from Japan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

IV. REVOCATION OF THE ANTIDUMPING DUTY ORDER ON SMALL-DIAMETER CASSLP PIPE FROM ROMANIA IS NOT LIKELY TO LEAD TO CONTINUATION OR RECURRENCE OF MATERIAL INJURY WITHIN A REASONABLY FORESEEABLE TIME

A. Likely Volume of Subject Imports

In the original investigations, the volume of subject imports of small-diameter CASSLP pipe from Romania declined in each year of the period examined.⁵⁷ Their market share initially rose *** from *** percent in 1997 to *** percent in 1998 (as apparent U.S. consumption declined), but then fell ***, to *** percent in 1999, even as apparent U.S. consumption *** fell sharply.⁵⁸

Subject imports from Romania remained in the U.S. market in appreciable volumes after the order was put in place. While their market share by quantity fell to *** percent in 2000, it then ranged between *** and *** percent in the remaining full years of the first period of review.⁵⁹ The market share declined in interim 2005, however, to *** percent.⁶⁰ This drop is explained by significant changes in the corporate ownership and operations of Silcotub, the *** Romanian producer and the source of ***.⁶¹ Until 2004, Silcotub was affiliated with U.S. importer ***, which accounted for *** subject imports from Silcotub.⁶² In July 2004, however, Silcotub became an affiliate of the Tenaris Group, and it ended its affiliation with ***. At the time of the first reviews, Silcotub reported that ***.⁶³ Moreover, Silcotub indicated that it was focusing on producing higher value-added non-subject merchandise for the home and regional markets.⁶⁴ Thus, we found that the *** Romanian producer and the only one that had a substantial interest in the U.S. market during the first period of review was no longer affiliated with its importer in the United States.

⁵⁷ U.S. shipments of subject imports from Romania fell from *** short tons in 1997 to *** short tons in 1998, and then declined to *** short tons in 1999. USITC Pub. 3850 at table I-1.

⁵⁸ USITC Pub. 3850 at table I-1.

⁵⁹ USITC Pub. 3850 at table I-11.

⁶⁰ USITC Pub. 3850 at table I-11.

⁶¹ In the full years from 2000 to 2004, Silcotub's share of total production of subject product in Romania ranged from *** percent in 2000 to *** percent in 2004. It accounted for *** Romanian subject exports to the United States except in 2002, when it accounted for *** percent of such exports. First Review Dissenting Views at 3.

⁶² USITC Pub. 3850 at IV-7 n. 18, Confidential First Review Staff Report at IV-17 n. 18.

⁶³ USITC Pub. 3850 at IV-7 n. 18.

⁶⁴ First Review Dissenting Views at 3.

As discussed above, the data on the record of the first reviews reflected these changes in operations.⁶⁵ In the interim 2004 period compared with the interim 2005 period, the Romanian industry's capacity was *** short tons smaller.⁶⁶ As a share of total shipments, Romanian subject exports to the United States was *** percent in interim 2005 compared with *** percent in interim 2004, and Romanian exports to the European Union (EU) in interim 2005 were over *** times higher, at *** percent, than they were in interim 2004 (*** percent).⁶⁷ Available data in the current reviews demonstrate that the Romanian industry has continued to decline. Subject imports from Romania declined by 87.8 percent from 2004 to 2005 and remained small in each of the next five years.⁶⁸ Overall, subject imports from Romania declined by 22.6 percent during the full review period (2005-10).^{69 70}

The Romanian industry decreased in size as early as the original investigations. Its capacity diminished from *** short tons in 1997 to *** short tons in 1999.⁷¹ In the first reviews, Mittal Steel Roman, a large producer in Romania, reported that ***.⁷² In addition, Romanian producer Republica went out of business after 2004, further reducing the Romanian industry's capacity to produce small-diameter CASSLP pipe. The universe of producers in Romania appears to be identical to that existing in the last reviews.⁷³

Therefore, on the basis of declines in the Romanian industry's capacity and production during the original period examined and first review period, the change in Silcotub's corporate affiliation, trends in the industry's export strategies, and in light of the lack of evidence that any of these trends and events have changed during the current review period, we find that the likely volume of subject imports of small-diameter CASSLP pipe from Romania would not be significant if the antidumping duty order were revoked.

⁶⁵ Between interim 2004 and interim 2005, Silcotub's reported capacity for subject product fell from *** short tons to *** short tons, its production of subject product fell from *** short tons to *** short tons, and its subject exports to the United States fell from *** short tons to *** short tons. First Review Dissenting Views at 3.

⁶⁶ USITC Pub. 3850 at table IV-3.

⁶⁷ USITC Pub. 3850 at table IV-9.

⁶⁸ CR/PR at appendix C, table I-1.

⁶⁹ Subject imports from Romania were 2,274 short tons in 2005, 231 short tons in 2006, 31 short tons in 2007, 395 short tons in 2008, 1,296 short tons in 2009, and 1,761 short tons in 2010. CR/PR at table I-4.

⁷⁰ We note that exports from Romania are no longer subject to an antidumping duty order on CASSLP pipe in the EU. Exports from Romania continue to be subject to third country trade barriers in Mexico and Brazil. CR at I-28, PR at I-21. The information on the record of the first reviews, however, indicated that the Romanian industry's major export markets were Asia and the EU. USITC Pub. 3850 (Dissenting Views) at 99 n.30. We have also considered whether Romanian producers will likely re-direct production towards subject merchandise if the order is revoked. We found in the first reviews that Romanian producers' facilities are capable of producing other products besides the subject CASSLP pipe. USITC Pub. 3850 (Dissenting Views) at 99 n.35. In those reviews, however, we found that the evidence did not support a conclusion that product-shifting by Romanian producers would be likely and there is nothing in the record of these current reviews that would lead us to question that conclusion. USITC Pub. 3850 (Dissenting Views) at 99.

⁷¹ Original Staff Report at table VII-1.

⁷² USITC Pub. 3850 at 98-99, First Review Dissenting Views at 3-4.

⁷³ The three firms that accounted for all small-diameter CASSLP pipe produced in Romania at the time of the Commission's first five-year reviews were Mittal Steel (formerly Petrotub S.A. Roman), Silcotub S.A., and Artrom S.A. CR at I-29-I-30, PR at I-22-23.

B. Likely Price Effects of Subject Imports

In performing our analysis, we have taken into account our previous findings. Subject imports of small-diameter CASSLP pipe from Romania significantly undersold domestic merchandise in the original investigations.⁷⁴ In the first reviews, subject imports from Romania undersold the domestic product in every available price comparison.⁷⁵ Notwithstanding this consistent underselling by subject imports from Romania, U.S. prices increased during the first review period.⁷⁶ We also found that underselling by subject imports from Romania had not had, and likely would not have, any price suppressing effects if the order were revoked.⁷⁷ In addition, while price was an important factor in purchasing decisions, other factors were more important, especially quality.⁷⁸ We noted that there was evidence on the record that indicated that the Romanian products were somewhat inferior in quality to other subject imports and the domestic like product.⁷⁹ We concluded that any limited increase in volume of subject imports from Romania upon revocation was not likely to result in significant adverse price effects.

The Commission did not collect specific pricing data in these expedited reviews, nor did the parties provide such data. Because current pricing data are unavailable on the record of these reviews, we have no new information that would enable us to evaluate whether there is likely to be significant price underselling by subject imports from Romania in the event of revocation of the order. Our conclusions, however, regarding the likely price effects if the antidumping duty order is revoked are drawn largely from our conclusions on the likely volume of subject imports. As discussed above, subject imports are not likely to increase significantly if the antidumping duty order is revoked, because, among other factors, the affiliation of the *** with a major U.S. importer that led to significant volumes of subject imports during the original and first review investigations no longer exists. Consequently, we find that any limited increase in likely volume of subject imports from Romania upon revocation is not likely to result in significant adverse price effects.

⁷⁴ Original Staff Report at tables V-1-V-6.

⁷⁵ USITC Pub. 3850 at tables V-2-V-4.

⁷⁶ U.S. prices for products 1, 2 and 3 (products for which subject imports from Romania consistently undersold the U.S. product) increased by *** percent, *** percent, and *** percent, respectively. USITC Pub. 3850 at table V-7.

⁷⁷ Although the domestic industry's unit value of cost of goods sold ("COGS") increased from *** per short ton in 2000 to *** per short ton in 2004, the ratio of COGS to sales declined from *** percent in 2000 to *** percent in 2004 as average unit values increased more rapidly than unit costs. The COGS/sales ratio declined further in the interim periods from *** percent. USITC Pub. 3850 at Table III-6.

⁷⁸ USITC Pub. 3850 at II-12, tables II-3, II-4.

⁷⁹ USITC Pub. 3850 at II-18 n. 37, table II-5.

C. Likely Impact of Subject Imports⁸⁰

Because the Commission elected not to conduct full reviews, we have limited information on the current condition of the domestic industry.⁸¹ Furthermore, data for 1999 and 2004 are not directly comparable to data for 2010 because the most recent data lack information for producers accounting for approximately *** percent of reported U.S. production in 1999 and approximately *** percent in 2004.⁸²

Based on the available information, capacity and production in 2010 were both lower than during the original investigations while capacity utilization was slightly higher.⁸³ Shipment unit values were substantially higher, by nearly *** per short ton, the ratio of the cost of goods sold to net sales was lower, and profitability levels were greatly improved. The domestic industry's operating income to sales ratio was initially *** percent in 1999, but improved to *** percent in 2004 and to *** in 2010.⁸⁴ Moreover, purchasers responding to the Commission's surveys in these reviews reported that several domestic seamless mills are building new facilities or expanding current facilities to increase CASSLP pipe production.⁸⁵ Even though in 2010 the small-diameter CASSLP pipe industry experienced *** improved financial performance, increased prices, and an improved ratio of the costs of goods sold to sales when compared to earlier periods, as noted above the sparseness of the current record does not permit us to determine conclusively whether the industry is currently vulnerable.⁸⁶

In line with our findings regarding the likely volume and price effects of subject imports from Romania, we find that subject imports would not be likely to have a significant adverse impact on the domestic industry's output, sales, market share, profits or return on investment, if the order were revoked. The small volume of subject imports that would be likely upon revocation would not be likely to have a significant adverse impact on the domestic industry.

⁸⁰ Under the statute, "the Commission may consider the magnitude of the margin of dumping" in making its determination in a five-year review. 19 U.S.C. § 1675a(a)(6). In the final results of its expedited five-year reviews of the antidumping duty orders, Commerce determined that revocation of the order on small-diameter CASSLP pipe from Romania would likely result in the continuation or recurrence of dumping at a weighted-average margin of 11.08 percent for Metal Business International S.R.L. and S.C. Petrotub S.A., a margin of 15.15 percent for Sota Communication Company and S.C. Silcotub, and a margin of 13.06 percent for all others. See, e.g., CR/PR at Table I-1.

⁸¹ Domestic interested parties only provided 2010 data on capacity, production, volume and value of U.S. shipments, net sales, cost of goods sold, SG&A expenses, operating income, and the ratio of operating income to net sales. CR/PR at table I-3.

⁸² CR/PR at table I-2.

⁸³ The capacity of the small-diameter CASSLP pipe industry was *** short tons in 1999, *** short tons in 2004, and *** short tons in 2010. Capacity utilization in 1999 was *** percent, compared with *** percent in 2004 and *** percent in 2010. The volume of U.S. shipments was *** short tons in 1999, *** short tons in 2004, and *** short tons in 2010. The unit value of U.S. shipments was \$*** per short ton in 1999, \$*** per short ton in 2004, and \$*** per short ton in 2010. As a percent of net sales, the domestic industry's operating income *** was *** percent in 1999, in contrast to an operating income *** of *** percent in 2004 and *** percent in 2010. CR/PR at table I-2.

⁸⁴ CR/PR at table I-2.

⁸⁵ CR at I-16; PR at I-13.

⁸⁶ CR/PR at table I-2.

D. Conclusion

Therefore, for the foregoing reasons, we determine that revocation of the antidumping duty order on small-diameter CASSLP pipe from Romania 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.

CONCLUSION

For the foregoing reasons, we determine that revocation of the antidumping duty order on small-diameter CASSLP pipe from Japan would be likely to lead to continuation or recurrence of material injury to the U.S. small-diameter CASSLP pipe industry within a reasonably foreseeable time. We also determine that revocation of the antidumping duty order on small-diameter CASSLP pipe from Romania would not be likely to lead to continuation or recurrence of material injury to the U.S. small-diameter CASSLP pipe industry within a reasonably foreseeable time.

INFORMATION OBTAINED IN THE REVIEWS

INTRODUCTION

On April 1, 2011, in accordance with section 751(c) of the Tariff Act of 1930, as amended (“the Act”),¹ the U.S. International Trade Commission (“Commission” or “USITC”) gave notice that it had instituted reviews to determine whether revocation of the antidumping duty orders on carbon and alloy seamless standard, line, and pressure pipe (“CASSLP pipe”) from Japan and Romania would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.^{2 3} On July 5, 2011, the Commission determined that the domestic interested party group response to its notice of institution was adequate⁴ and that the respondent interested party group response was inadequate.⁵ In the absence of respondent interested party responses and any other circumstances that would warrant the conduct of full reviews, the Commission determined to conduct expedited reviews of the antidumping duty orders pursuant to section 751(c)(3) of the Act (19 U.S.C. § 1675(c)(3)).⁶ The following tabulation presents selected information relating to the schedule of these five-year reviews.⁷

¹ 19 U.S.C. 1675(c).

² *Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from Japan and Romania*, 76 FR 18251, April 1, 2011. All interested parties were requested to respond to this notice by submitting the information requested by the Commission. The Commission’s notice of institution is presented in app. A.

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 duty orders concurrently with the Commission’s notice of institution. *Initiation of Five-Year (“Sunset”) Review*, 76 FR 18163, April 1, 2011.

⁴ The Commission received one submission in response to its notice of institution in the subject reviews. It was filed on behalf of United States Steel Corp. (“U.S. Steel”), a U.S. producer of small-diameter and large-diameter CASSLP pipe, and V&M STAR (“V&M”), a U.S. producer of large-diameter CASSLP pipe (collectively referred to herein as “domestic interested parties”). The domestic interested parties reported that responding U.S. producers accounted for *** percent of total U.S. production of small-diameter CASSLP pipe in 2010, and *** percent of large-diameter CASSLP pipe in 2010. Staff notes that the domestic interested parties ***. *Response of domestic interested parties*, May 2, 2011, exh. 20.

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

⁶ *Carbon and Alloy Seamless Standard, Line, and Pressure Pipe From Japan and Romania; Scheduling of Expedited Five-Year Reviews Concerning the Antidumping Duty Orders on Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from Japan and Romania*, 76 FR 44608, July 26, 2011. The Commission’s notice of an expedited review appears in app. A. The Commission’s statement on adequacy is presented in app. B.

⁷ Cited *Federal Register* notices are presented in app. A.

Effective date	Action	Federal Register citation
April 1, 2011	Commission's institution of five-year reviews	76 FR 18251 April 1, 2011
April 1, 2011	Commerce's initiation of five-year reviews	76 FR 18163 April 1, 2011
July 5, 2011	Commission's determination to conduct expedited five-year reviews	76 FR 44608 July 26, 2011
August 5, 2011	Commerce's final determinations in its expedited five-year reviews	76 FR 47555 August 5, 2011
September 9, 2011	Commission's vote	Not applicable
September 22, 2011	Commission's determinations transmitted to Commerce	Not applicable

The Original Investigations and Subsequent Five-Year Reviews

These investigations resulted from a petition filed on June 30, 1999 by Koppel Steel Corp. (“Koppel”); Sharon Tube Co. (“Sharon”); U.S. Steel Group (“U.S. Steel”); and Vision Metals’ Gulf States Tube Division (“Gulf States”), alleging that an industry in the United States was materially injured by reason of less-than-fair-value (“LTFV”) imports of small-diameter CASSLP pipe from the Czech Republic, Japan, Romania, and South Africa, and by LTFV imports of large-diameter CASSLP pipe from Japan and Mexico. Following affirmative determinations by Commerce, in June 2000, the Commission determined that an industry in the United States was materially injured by reason of LTFV imports of small-diameter CASSLP pipe from Japan and South Africa and by LTFV imports of large-diameter CASSLP pipe from Japan.⁸ Subsequently, in August 2000, the Commission determined that an industry in the United States was materially injured by reason of LTFV imports of small-diameter CASSLP pipe from the Czech Republic and Romania and large-diameter CASSLP pipe from Mexico.⁹

On May 2, 2005, the Commission instituted its first five-year reviews to determine whether revocation of the antidumping duty orders on CASSLP pipe from the Czech Republic, Japan, Mexico, Romania, and South Africa would be likely to lead to continuation or recurrence of material injury.¹⁰ On August 5, 2005, the Commission determined that it would conduct full reviews of all orders.¹¹ On September 7, 2005, Commerce published its determination that revocation of the antidumping duty orders on small-diameter CASSLP pipe from the Czech Republic, Japan, Romania, and South Africa would likely lead to continuation or recurrence of dumping,¹² and also that revocation of the antidumping duty

⁸ *Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from Japan and South Africa: Investigation Nos. 731-TA-847 and 850 (Final)*, USITC Publication 3311, June 2000, p. 1.

⁹ *Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the Czech Republic, Mexico, and Romania: Investigation Nos. 731-TA-846, 848 and 849 (Final)*, USITC Publication 3325, August 2000, p. 1.

¹⁰ *Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from Czech Republic, Japan, Mexico, Romania, and South Africa*, 70 FR 22688, May 2, 2005.

¹¹ *Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from Czech Republic, Japan, Mexico, Romania, and South Africa*, 70 FR 49680, August 24, 2005.

¹² *Carbon and Alloy Seamless Standard, Line, and Pressure Pipe (Under 4 ½ inches) from the Czech Republic, Japan, Romania, and South Africa; Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, (continued...)

orders on large-diameter CASSLP pipe from Japan and Mexico would likely lead to continuation or recurrence of dumping.¹³ On April 27, 2006, the Commission published its determinations that revocation of the antidumping duty orders on small-diameter CASSLP pipe from Japan and Romania and large-diameter CASSLP pipe from Japan would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. The Commission also determined that revocation of the antidumping duty orders on small-diameter CASSLP pipe from the Czech Republic and South Africa, and large-diameter CASSLP pipe from Mexico, would not be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.¹⁴ On May 8, 2006, Commerce issued a continuation of the antidumping duty orders on large-diameter CASSLP pipe from Japan and on small-diameter CASSLP pipe from Japan and Romania.¹⁵

Commerce's Final Results of Expedited Five-Year Reviews

On August 5, 2011, Commerce published its determinations that termination of the antidumping duty order on large-diameter CASSLP pipe from Japan and small-diameter CASSLP pipe from Japan and Romania would be likely to lead to continuation or recurrence of dumping.¹⁶ The weighted-average dumping margins (in percent *ad valorem*), as reported by Commerce, that would occur if the antidumping duty order were to be revoked, are presented in table I-1.

¹² (...continued)

70 FR 53151, September 7, 2005.

¹³ *Certain Large Diameter Carbon and Alloy Seamless Standard, Line and Pressure Pipe from Japan and Mexico; Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 70 FR 53159, September 7, 2005.

¹⁴ *Carbon and Alloy Seamless Standard, Line, and Pressure Pipe From the Czech Republic, Japan, Mexico, Romania, and South Africa*, 71 FR 24860, April 27, 2006.

¹⁵ *Certain Large Diameter Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from Japan and Certain Small Diameter Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from Japan and Romania: Continuation of Antidumping Duty Orders*, 71 FR 26746, May 8, 2006.

¹⁶ *Certain Large Diameter Carbon and Alloy Seamless Standard, Line and Pressure Pipe From Japan; Certain Small Diameter Carbon and Alloy Seamless Standard, Line and Pressure Pipe From Japan and Romania: Final Results of the Expedited Second Five-Year Sunset Reviews of the Antidumping Duty Orders*, 76 FR 47555, August 5, 2011.

Table I-1
CASSLP pipe: Commerce's weighted-average dumping margins

Firm	Margin (percent)
Large-Diameter CASSLP Pipe from Japan	
Nippon Steel Corporation	107.80
Kawasaki Steel Corporation	107.80
Sumitomo Metal Industries, Ltd.	107.80
All Others	68.88
Small-Diameter CASSLP Pipe from Japan	
Nippon Steel Corporation	106.07
Kawasaki Steel Corporation	106.07
Sumitomo Metal Industries, Ltd.	106.07
All Others	70.43
Small-Diameter CASSLP Pipe from Romania	
Metal Business International S.R.L.	11.08
S.C. Petrotub S.A.	11.08
Sota Communication Company	15.15
S.C. Silcotub	15.15
All Others	13.06
<small>Source: <i>Certain Large Diameter Carbon and Alloy Seamless Standard, Line and Pressure Pipe From Japan; Certain Small Diameter Carbon and Alloy Seamless Standard, Line and Pressure Pipe From Japan and Romania: Final Results of the Expedited Second Five-Year Sunset Reviews of the Antidumping Duty Orders</i>, 76 FR 47555, August 5, 2011.</small>	

Commerce's Administrative Reviews

Since 2006, when the antidumping duty orders were last continued, Commerce has not conducted any administrative reviews of the antidumping duty order on large-diameter CASSLP pipe from Japan or of the antidumping duty orders on small-diameter CASSLP pipe from Japan and Romania.¹⁷ There have been no duty absorption rulings.

¹⁷ Commerce did initiate four administrative reviews with respect to large-diameter CASSLP from Japan, but later rescinded all four reviews. *Certain Large Diameter Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from Japan: Notice of Rescission of Antidumping Duty Administrative Review*, 71 FR 76976, December 22, 2006; *Carbon and Alloy Seamless Standard, Line, and Pressure Pipe (over 4 1/2 Inches) from Japan: Notice of Rescission of Antidumping Duty Administrative Review*, 73 FR 11393, March 3, 2008; *Certain Large Diameter Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from Japan: Rescission of Antidumping Duty Administrative Review*, 74 FR 31249, June 30, 2009; and *Certain Large Diameter Carbon and Alloy Seamless Standard, Line, and Pressure Pipe From Japan: Rescission of Antidumping Duty Administrative Review*, 75 FR 38781, July 6, 2010.

Related Commission Investigations and Reviews

Small-diameter and large-diameter CASSLP pipe have been the subject of several Commission investigations. A listing of these investigations is presented in the following tabulation.

Year	Number	Country	Current status
1980	731-TA-15	Japan	Negative
1982	731-TA-87	Japan	ITA revoked effective 10/29/85
1994	701-TA-362	Italy ¹	ITA revoked effective 8/8/00
1994	731-TA-707	Argentina ¹	ITA revoked effective 7/16/06
1994	731-TA-708	Brazil ¹	ITA revoked effective 7/16/06
1994	731-TA-709	Germany ¹	Continuation order effective 5/18/07
1994	731-TA-710	Italy ¹	ITA revoked effective 8/3/00
2000	731-TA-846	The Czech Republic ¹	ITA revoked effective 8/14/05
2000	731-TA-848	Mexico ²	ITA revoked effective 8/14/05
2000	731-TA-850	South Africa ¹	ITA revoked effective 8/14/05
2001	TA-201-73	Global	ITC negative determination 12/20/01
2009	701-TA-469 and 731-TA-1168	China	Antidumping duty and countervailing duty orders effective 11/10/10
¹ Small-diameter CASSLP pipe only. ² Large-diameter CASSLP pipe only. Source: <i>Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from China: Inv. Nos. 701-TA-469 and 731-TA-1168 (Final)</i> , Publication 4190, November 2010, pp. 1-4-6.			

THE PRODUCT

Scope

The imported products subject to these reviews are (1) large-diameter (greater than 4.5 inches {114 mm} and not over 16 inches {406 mm} in outside diameter (“OD”)) seamless carbon and alloy (other than stainless) steel standard, line, and pressure pipes from Japan, and (2) small-diameter (not over 4.5 inches {114 mm} in OD) seamless carbon and alloy (other than stainless) steel standard, line, and pressure pipes and redraw hollows, from Japan and Romania, the foregoing regardless of wall thickness, manufacturing process (hot-finished or cold-drawn), end finish (plain end, beveled end, upset end, threaded, or threaded and coupled), or surface finish. The full scope language and identification of excluded products appear in Commerce’s notice of final results, presented in app. A.

U.S. Tariff Treatment

The imported seamless standard, line, and pressure pipes subject to these reviews are classified in the 2011 Harmonized Tariff Schedule of the United States (“HTS”) in subheadings 7304.19, 7304.31, 7304.39, 7304.51, and 7304.59.^{18 19} HTS subheadings and statistical reporting numbers are provided for convenience and customs purposes only; the written description of the subject merchandise in Commerce’s scope is dispositive. The column-1 general (normal trade relations) rates of duty for the subject product under all covered subheadings are free.

Domestic Like Product and Domestic Industry

The domestic like product is the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. The domestic industry is the collection of U.S. producers, as a whole, of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. In its original determinations and its full first five-year review determinations, the Commission found the following two domestic like products and domestic industries corresponding to Commerce’s scope of the investigations: (1) small-diameter carbon and alloy²⁰ seamless standard, line, and pressure pipe and (2) large-diameter carbon and alloy seamless standard, line, and pressure pipe.²¹ U.S. Steel and V&M indicated in their response to the Commission’s notice of institution in these second five-year reviews that they agree with the Commission’s definitions of the two domestic like products and domestic industries.^{22 23}

¹⁸ The merchandise covered by these reviews is currently imported under following HTS statistical reporting numbers: 7304.19.1020, 7304.19.1030, 7304.19.1045, 7304.19.1060, 7304.19.5020, 7304.19.5050, 7304.31.3000, 7304.31.6050, 7304.39.0016, 7304.39.0020, 7304.39.0024, 7304.39.0028, 7304.39.0032, 7304.39.0036, 7304.39.0040, 7304.39.0044, 7304.39.0048, 7304.39.0052, 7304.39.0056, 7304.39.0062, 7304.39.0068, 7304.39.0072, 7304.51.5005, 7304.51.5060, 7304.59.6000, 7304.59.8010, 7304.59.8015, 7304.59.8020, 7304.59.8025, 7304.59.8030, 7304.59.8035, 7304.59.8040, 7304.59.8045, 7304.59.8050, 7304.59.8055, 7304.59.8060, 7304.59.8065, 7304.59.8070. As of February 3, 2007, statistical reporting numbers 7304.19.1020, 7304.19.1030, 7304.19.1045, 7304.19.1060, 7304.19.5020, 7304.19.5050 replaced statistical reporting numbers 7304.10.1020, 7304.10.1030, 7304.10.1045, 7304.10.1060, 7304.10.5020, and 7304.10.5050.

¹⁹ HTS statistical reporting numbers specific to small-diameter and large-diameter CASSLP pipe appear in tables I-4 and I-5.

²⁰ ASTM specifications that include alloy steel are ASTM A-333 and A-334 (covering carbon and alloy seamless pipe and tube for low temperature service) and ASTM A-335 (covering alloy steel pipe for high temperature service). Commerce’s scope for large-diameter, but not small-diameter, CASSLP pipe excludes ASTM A-335 pipe.

²¹ In the original investigations, the Commission majority concluded that seamless carbon pipe and seamless alloy pipe did not constitute separate domestic like products; however, Commissioners Hillman and Askey dissented from the majority, determining that carbon and alloy seamless CASSLP pipe constituted separate domestic like products. *Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from Japan and South Africa, Investigation Nos. 731-TA-847 and 850 (Final)*, USITC Publication 3311, June 2000, pp. 30 and 42.

²² *Response* of domestic interested parties, May 2, 2011, p. 42.

²³ In its 2010 investigations of certain seamless pipe from China, the Commission found a single domestic like product consisting of all seamless standard, line, and pressure (“SLP”) pipe less than or equal to 16 inches in outside diameter that was co-extensive with Commerce’s scope in that proceeding (which did not distinguish between “small” and “large” diameter pipe). Based on the record in those investigations, the Commission observed that: (1) Small-diameter seamless SLP pipe and large-diameter seamless SLP pipe share nearly all physical characteristics (continued...)

Physical Characteristics and Uses²⁴

Standard, line, and pressure pipe is generally intended to convey liquids and is typically tested and rated for its ability to withstand hydrostatic pressure. Seamless standard pipe is most commonly produced to American Society for Testing and Materials (ASTM) A-53 specification, and is generally 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 sprinklers, and other related uses.²⁵ Seamless line pipe is produced to the American Petroleum Institute (API) 5L specification, and is intended for the conveyance of oil and natural gas and other fluids in pipe lines. Seamless pressure pipe is commonly produced to ASTM A-106 specification, and is intended for the conveyance of water, steam, petrochemicals, chemicals, oil products, natural gas, and other liquids and gases in industrial piping systems.²⁶

Most steel products, including those subject to these reviews, are produced from carbon steel, which contains controlled amounts of carbon and manganese. Alloy steels, which provide physical properties not achievable to the same degree with carbon steels, contain controlled amounts of alloying elements—usually, nickel, chromium and molybdenum. The distinguishing characteristics of alloy steel pipe are its physical properties, which make the alloy steel pipe suitable for application in high

²³ (...continued)

and are made to common specifications from identical grades of carbon and alloy steel; (2) Differences in outside diameter size represent the only physical distinction between small-diameter and large-diameter seamless SLP pipe, but that factor is also present within the small-diameter and large-diameter groups; (3) Both small-diameter pipe and large-diameter pipe are generally used for the transmission of fluids or gas under pressure; (4) Domestic producers accounting for a substantial portion of seamless SLP pipe production manufactured both small-diameter and large-diameter pipe, with two producers manufacturing both size ranges in a single mill on the same types of equipment; (5) Because purchasers generally seek seamless SLP pipe that meets a particular ASTM/API or proprietary specification, different sizes of seamless SLP pipe generally will not be substitutable for each other in particular end uses; (6) All seamless SLP pipe is sold through the same channels of distribution, principally through distributors, with the remainder to end users; (7) Prices for seamless SLP pipe vary based on a number of factors, although the data on that record were mixed regarding the existence of any relationship between price and diameter; (8) Although customers and producers submitting questionnaire responses in those investigations perceived small-diameter pipe and large-diameter pipe as different insofar as they are not generally interchangeable, they did not perceive them to be two distinct product groups with a clear dividing line at 4.5 inches in outside diameter. *Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from China, Inv. Nos. 701-TA-469 and 731-TA-1168 (Final)*, USITC Publication 4190, November 2010, pp. 9-11, I-17-I-19, and appendix D. The Commission also declined to broaden the domestic like product to include seamless pipe produced to the ASTM A-335 specification, a product excluded from Commerce's scope in the 2010 proceeding. *Ibid.*, pp.10 n.65, I-20-I-22, and appendix D.

²⁴ Unless indicated otherwise, the discussion in this section is based on information contained in *Carbon and Alloy Seamless Standard, Line, and Pressure Pipe From the Czech Republic, Japan, Mexico, Romania, and South Africa, Inv. No. 731-TA-846-850 (Review)*, USITC Publication 3850, April 2006, pp. I-20-22.

²⁵ Depending on the type and grade, however, standard pipe may carry liquids at elevated temperatures but must not exceed relevant ASME code requirements. If exceptionally low temperature end uses or conditions are anticipated, seamless standard pipe may be produced to meet ASTM A-333 and A-334 specifications (covering carbon and alloy seamless pipe and tube for low temperature service). *Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from China, Inv. Nos. 701-TA-469 and 731-TA-1168 (Final)*, USITC Publication 4190, November 2010, p. I-11.

²⁶ Seamless alloy pipes made to the ASTM A-335 specification (covering alloy steel pipe for high temperature service) must be used if temperatures and stress levels exceed those allowed for ASTM A-106. *Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from China, Inv. Nos. 701-TA-469 and 731-TA-1168 (Final)*, USITC Publication 4190, November 2010, p. I-11 n. 21.

temperature or low temperature service. Uses can differ from those of carbon steel pipe, based upon the service requirements and temperature and pressure requirements of the American Society of Mechanical Engineers (ASME) Boiler and Pressure Code.

Pipe size differentiates subject small-diameter and large-diameter pipe. Small-diameter subject pipe is less than or equal to 4.5 inches (114.3 mm) in outside diameter (OD), whereas large-diameter pipe is greater than 4.5 inches (114.3 mm) up to and including 16 inches (406.4 mm) in OD. Small-diameter pipe is most frequently used in petrochemical and other nonpipeline applications. Small-diameter pipe ranging from 0.5 to 1.5 inches OD may be used for high pressure construction applications—for example, in refineries or chemical plants. Small-diameter pipe in sizes ranging from 2 to 3 inches in outside diameter is typically pressure pipe used for high-pressure industrial applications.²⁷ Pipe with larger outside diameters (especially pipe with an OD greater than 4.5 inches (corresponding to a nominal pipe size of 4)) is typically line pipe used in gas transmission, as well as in pipeline construction.

In its purchaser survey response, *** indicated that there have been changes in the end uses and applications of CASSLP pipe in the U.S. market since 2006. The company stated that ERW (electric-resistance welded) pipe is increasingly being used in applications that were primarily seamless in 2006, and it expects the market for seamless to grow in the next three to five years as the energy industry continues to focus on drilling in harsher environments.

Manufacturing Process²⁸

CASSLP pipe is manufactured by either of two high-temperature processes to form a central cavity in a solid steel billet. In the rotary-piercing process, a heated billet is gripped by angled rolls, which cause the billet to rotate and advance over a piercer point, forming a hole through its length. In the extrusion process, the billet is hot punch-pierced and then extruded axially through a die and over a mandrel, forming a hollow shell. The hollow shell produced by either process is then rolled with either a fixed plug or a continuous mandrel inside the shell to reduce the wall thickness and increase the length. The shell is then rolled in a sizing mill or a stretch reduction mill where it is formed in a true round and sized to the required diameter.

Typically, CASSLP pipe is furnished hot-finished. However, small-diameter pipe of less than two inches in outside diameter is often cold drawn because hot-rolling of small-diameter pipe is often not possible. Pipe also may be cold drawn in order to provide a surface finish smoother than that which can be produced by hot finishing. Finishing operations on subject CASSLP pipe include straightening, cutting to length, inspection, testing, end finishing (e.g., beveling or threading), and coating. Pipes may be furnished galvanized (hot-dip zinc coated) and may be threaded and coupled.²⁹

²⁷ However, seamless pipe in this size range is also used in line pipe applications, in particular for gathering lines connecting oil and natural gas wells to transmission lines. *Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from China, Inv. Nos. 701-TA-469 and 731-TA-1168 (Final)*, USITC Publication 4190, November 2010, p. I-12 and nn. 26 and 27.

²⁸ Unless indicated otherwise, the discussion in this section is based on information contained in *Carbon and Alloy Seamless Standard, Line, and Pressure Pipe From the Czech Republic, Japan, Mexico, Romania, and South Africa, Inv. No. 731-TA-846-850 (Review)*, USITC Publication 3850, April 2006, pp. I-23-25.

²⁹ In its purchaser survey response, *** indicated that while U.S. mills have improved equipment to produce a better quality finished product, production methodologies for CASSLP pipe have remained the same since 2006.

Interchangeability and Customer and Producer Perceptions

As discussed above, small- and large-diameter CASSLP pipes are manufactured in a range of pipe diameters. There is limited interchangeability between pipes of different sizes, although pipes of different diameters may be used in some of the same applications. Whereas small-diameter CASSLP pipe frequently is used in petrochemical and other standard applications such as the conveyance of water, steam, chemicals, natural gases, and other liquids and gases in industrial piping systems, in addition to oil and gas pipelines, large-diameter CASSLP pipe is used primarily in pipeline construction for oil, gas, or water, or utility distribution systems.³⁰

In these reviews, U.S. Steel, a domestic manufacturer of small- and large-diameter CASSLP pipe, and V&M STAR, a domestic manufacturer of large-diameter CASSLP pipe, reported in their response to the Commission's notice of institution in these second five-year reviews that they agree with the Commission's definitions of two domestic like products in the original investigations and prior reviews.³¹

Channels of Distribution

As reported during the final phase of the original investigations, domestic producers sold nearly all of their shipments of small- and large-diameter CASSLP pipe to distributors. In the first reviews, U.S. producers also reported that the large majority of their shipments of both small-diameter and large-diameter CASSLP pipe were to distributors. In the current reviews, the domestic interested parties reference the Commission's previous findings regarding the channels of distribution.³²

Pricing

Prices for small- and large-diameter pipe vary by grade, size, and finishing.³³ In the original investigations, the Commission found that the productivity rate (in tons per hour) for manufacturing small-diameter pipe was much lower than it was for large-diameter pipe, and accordingly it found variable costs and selling prices were higher for small-diameter pipe.³⁴ It found this was reflected in higher average unit values for shipments for the domestic industry producing small-diameter pipe.³⁵ In the current reviews, 2010 average unit values for responding U.S. producers' U.S. shipments were \$*** and \$*** for small-diameter and large-diameter CASSLP pipe, respectively.³⁶

³⁰ *Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from the Czech Republic, Japan, Mexico, Romania, and South Africa, Invs. Nos. 731-TA-846-850 (Review)*, USITC Publication 3850, April 2006, p. I-26.

³¹ *Response of domestic interested parties*, May 2, 2001, p. 42.

³² *Response of domestic interested parties*, May 2, 2011, p. 4.

³³ *Certain Seamless Carbon and Alloy Standard, Line, and Pressure Pipe from Japan and South Africa, Invs. Nos. 731-TA-847 and 850 (Final)*, USITC Publication 3311, June 2000, p. I-19.

³⁴ *Certain Seamless Carbon and Alloy Standard, Line, and Pressure Pipe from Japan and South Africa, Invs. Nos. 731-TA-847 and 850 (Final)*, USITC Publication 3311, June 2000, p.8.

³⁵ *Certain Seamless Carbon and Alloy Standard, Line, and Pressure Pipe from Japan and South Africa, Invs. Nos. 731-TA-847 and 850 (Final)*, USITC Publication 3311, June 2000, p.8.

³⁶ Staff notes that the responding U.S. producers produce their own billets and manufacture tube bodies using the hot operations described above. However, the 2010 small-diameter CASSLP pipe data do not include U.S. shipments by producers that undertake the additional cold operations to manufacture pipe in the smallest diameters from hollows.

In terms of general price levels in the U.S. market, published data suggest that average transaction prices (for domestic and import shipments combined) have increased over the course of 2010, with mixed trends in 2011. Small-diameter seamless standard pipe increased from \$*** per short ton in January 2010 to \$*** per short ton in December 2010, and to \$*** per short ton in April 2011. Small-diameter seamless line pipe increased from \$*** per short ton in January 2010 to \$*** per short ton in December 2010, but was \$*** per short ton in April 2011. Large-diameter seamless standard pipe increased from \$*** per short ton in January 2010 to \$*** per short ton in December 2010, and to \$*** per short ton in April 2011. Large-diameter seamless line pipe increased from \$*** per short ton in January 2010 to \$*** per short ton in December 2010, but was \$*** per short ton in April 2011.^{37 38}

THE INDUSTRY IN THE UNITED STATES

U.S. Producers

The original antidumping duty investigations resulted from petitions filed on June 30, 1999, by Koppel, Sharon, U.S. Steel, and Gulf States.³⁹ During the Commission's original investigations, there were eight U.S. producers of small-diameter and/or large-diameter CASSLP pipe. These companies included: (1) Gulf States; (2) Koppel; (3) Michigan Specialty; (4) North Star Steel ("North Star"); (5) Sawhill Tubular, Inc.; (6) Sharon; (7) The Timken Co. ("Timken"); and (8) U.S. Steel. Of these U.S. producers, all produced small-diameter CASSLP pipe with the exception of North Star. North Star, Timken, and U.S. Steel also produced large-diameter CASSLP pipe during the original investigations.

After the original investigations, the U.S. industry experienced consolidation and the exit of a number of U.S. producers of CASSLP pipe. In 2000, the parent company of Gulf States, Vision Metals, Inc., filed for bankruptcy and closed its Rosenberg, TX, CASSLP pipe production facility. In 2002, Michigan Seamless Tube, Inc. was created to purchase the Michigan Specialty Tube Division of the defunct Vision Metals, Inc., and became part of Atlas Holdings, LLC, a private equity firm. In 2002,

³⁷ *Preston Pipe and Tube Report*, January 2011 and June 2011 editions. The data cover a broad range of products, specifically: (1) standard pipe up to 4-1/2 inches in outside diameter, black, seamless, plain end; (2) line pipe up to 4-1/2 inches in outside diameter, carbon, seamless; (3) standard pipe 5-16 inches in outside diameter, black, seamless, plain end; and (4) line pipe 5 - 16 inches in outside diameter, carbon, seamless. Over the course of 2010, prices for U.S. number one heavy melting scrap (a key input for the billets used to produce seamless pipe) increased by approximately \$100 per short ton, and continued to increase into 2011. See *Metal Bulletin*, showing *SteelBenchmarker* per-ton prices of \$*** on December 28, 2009; \$*** on December 27, 2010; and \$*** on June 13, 2011 (weekly editions of January 4, 2010; January 10, 2011; and June 27, 2011).

³⁸ In the original investigations, the Commission collected price data for three variants of small-diameter CASSLP, ranging in size from 1.315 to 4.5 inches in outside diameter and generally multiple-stenciled to standard, line, and pressure pipe specifications. Based on data reported by U.S. producers and importers, prices for Japanese and Romanian CASSLP pipe were lower than those for U.S.-produced CASSLP pipe in 22 of 34 and 30 of 31 observations, respectively. With respect to large-diameter CASSLP pipe, prices for Japanese CASSLP pipe were lower than those for U.S.-produced CASSLP pipe in 4 of 13 observations covering two variants of pipe (one multiple-stenciled and the other single-stenciled to a line pipe specification). In the first reviews, no price data were available for imports from Japan; however, U.S. imports of three variants of small-diameter CASSLP pipe from Romania were priced lower than comparable U.S.-produced pipe in all 34 observations.

In their response to the Commission's notice of institution, the domestic interested parties contend that the likely price effects of subject imports of small-diameter and large-diameter CASSLP would be significant. *Response* of domestic interested parties, May 2, 2011, p. 4.

³⁹ Koppel, Sharon Tube Co., and Gulf States were not petitioners in the investigations regarding large-diameter CASSLP pipe.

V&M acquired North Star's tubular division, then a wholly owned subsidiary of Cargill, Inc., and renamed the division V&M STAR. Also in 2002, Wheatland Tube purchased the Sawhill Tubular Division from AK Steel, Inc., which included the Sharon Tube Co. facilities in Sharon, PA, as well as facilities in Wheatland, PA, and Warren, OH.⁴⁰ Then, in 2006, NS Group (owner of Koppel) was purchased by IPSCO, Inc. and, in 2008, the U.S. tubular plants of IPSCO were purchased by TMK, forming TMK IPSCO.⁴¹

During the Commission's full first five-year reviews, five firms provided the Commission with responses to questionnaires: (1) Koppel; (2) Wheatland/Sharon; (3) Timken; (4) U.S. Steel; and (5) V&M. These five firms were believed to have accounted for virtually all of known U.S. production of CASSLP pipe during the period examined during the Commission's first five-year reviews. Of these U.S. producers, all produced small-diameter CASSLP pipe with the exception of V&M. Along with V&M, Timken and U.S. Steel also produced large-diameter CASSLP pipe.

The domestic interested parties participating in these current second five-year reviews indicated in their response to the Commission's notice of institution that there are currently six domestic producers of small-diameter CASSLP pipe: (1) Michigan Seamless Tube, LLC; (2) Plymouth Tube Co.; (3) Timken; (4) TMK IPSCO; (5) U.S. Steel; and (6) Wheatland Tube Co. The domestic interested parties also listed four known domestic producers of large-diameter CASSLP pipe in their response: (1) Timken; (2) United States Steel Corp.; (3) V&M; and (4) Wyman-Gordon. In response to Commission purchaser surveys, both responding purchasers, ***, indicated that in the U.S. market, several seamless mills are building new facilities or expanding current facilities to increase CASSLP pipe production.

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

The Commission requested domestic interested parties to present certain data in their response to the notice of institution.⁴² Tables I-2 and I-3 present U.S. producers' 2010 data on their operations for small-diameter and large-diameter CASSLP pipe as well as historical data from 1999 and 2004, the last years for which data were collected in the original investigations and first reviews. Data from the original investigations (1997-99) and first five-year reviews (2000-04) are presented in appendix C.

Table I-2
Small-diameter CASSLP pipe: U.S. producers' trade and financial data, 1999, 2004, and 2010

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Table I-3
Large-diameter CASSLP pipe: U.S. producers' trade and financial data, 1999, 2004, and 2010

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⁴⁰ *Carbon and Alloy Seamless Standard, Line, and Pressure Pipe From the Czech Republic, Japan, Mexico, Romania, and South Africa, Inv. No. 731-TA-846-850 (Review)*, USITC Publication 3850, April 2006, p. I-31.

⁴¹ *Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from China, Inv. Nos. 701-TA-469 and 731-TA-1168 (Final)*, USITC Publication 4190, November 2010, p. III-3.

⁴² Total U.S. industry data for 2010, the only year for which data were collected, are compiled from U.S. Steel's and V&M Star's responses to the Commission's notice of institution, and include data provided by ***.

Related Party Issues

The domestic interested parties indicated in their response to the Commission's notice of institution in these second five-year reviews that they are aware of one U.S. producer that might be considered a related party. They explained that U.S. producer TMK IPSCO is wholly owned by OAO TMK, and this same entity also has a subsidiary known as TMK-ARTROM, which makes seamless pipe in Romania.⁴³

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

Cumulation

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

Fungibility

In the original investigations, all responding U.S. producers indicated that U.S. and Japanese small-diameter and large-diameter CASSLP pipe could "always" or "frequently" be used interchangeably. U.S. importers reported "frequent" interchangeability for commodity pipe but not certain alloy steel and high-strength pipe, while U.S. purchasers indicated that U.S. and Japanese small-diameter and large-diameter CASSLP pipe were used in the same applications (with exceptions noted for deepwater (line pipe) applications).⁴⁴ U.S. producers also indicated that U.S. and Romanian small-diameter CASSLP pipe could "always" be used interchangeably. Similarly, U.S. purchasers reported that U.S. and Romanian small-diameter CASSLP pipe could be used in the same applications, although the U.S. importer of small-diameter CASSLP pipe from Romania indicated that interchangeability was rare, citing ***.⁴⁵

In the full first five-year reviews, responding domestic producers indicated that U.S.-produced small-diameter CASSLP pipe could "always" be used interchangeably with such pipe from Japan and Romania, as well as all other identified sources of supply. Based on a single observation apiece, U.S. importers reported that U.S., Japanese, and Romanian small-diameter CASSLP pipe were "sometimes" interchangeable. A majority of U.S. purchasers, however, reported that U.S. small-diameter CASSLP pipe was "always" or "frequently" interchangeable with such pipe from Japan and from Romania, and that Japanese and Romanian small-diameter CASSLP pipe were similarly "always" or "frequently" interchangeable.^{46 47}

⁴³ *Response of domestic interested parties*, May 2, 2011, p. 38.

⁴⁴ *Original Staff Report*, p. II-20.

⁴⁵ *Original Staff Report*, p. II-24.

⁴⁶ *Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from the Czech Republic, Japan, Mexico, Romania, and South Africa, Invs. Nos. 731-TA-846-850 (Review)*, USITC Publication 3850, April 2006, table II-5.

⁴⁷ U.S. producers also reported that U.S.-produced large-diameter CASSLP pipe could "always" be used interchangeably with such pipe from Japan as well as all other identified sources of supply. U.S. importers reported
(continued...)

In the current reviews, the domestic interested parties observe that Japanese and Romanian small-diameter CASSLP pipe are “generally substitutable” with U.S.-produced pipe.^{48 49}

Channels of Distribution

As reported during the final phase of the original investigations, both domestic producers and importers sold nearly all of their shipments of small-diameter CASSLP pipe to distributors.⁵⁰ In the first reviews, U.S. producers also reported that the large majority of their shipments of both small-diameter and large-diameter CASSLP pipe were to distributors. Similarly, shipments of small-diameter CASSLP pipe from Romania and nonsubject sources typically were sold to distributors.⁵¹ In the current reviews, the domestic interested parties reference the Commission’s previous findings regarding the channels of distribution.^{52 53}

Geographic Markets

With respect to geographical markets, U.S. imports of small-diameter CASSLP pipe from Japan and Romania entered the United States through the following primary Customs districts: Cleveland, New Orleans, and Seattle (Japan); and Houston (Romania).⁵⁴

⁴⁷ (...continued)

that U.S. and Japanese large-diameter CASSLP pipe could “sometimes” or “frequently” be used interchangeably, while a majority of U.S. purchasers reported that U.S. large-diameter CASSLP pipe was “always” or “frequently” interchangeable with such pipe from Japan as well as all other identified sources of supply. *Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from the Czech Republic, Japan, Mexico, Romania, and South Africa, Invs. Nos. 731-TA-846-850 (Review)*, USITC Publication 3850, April 2006, table II-13.

⁴⁸ *Response* of domestic interested parties, May 2, 2011, pp. 24 and 37. In addition, the domestic interested parties observe that the substitutability of Japanese large-diameter CASSLP pipe with the U.S.-produced pipe is “moderately high.” *Ibid.*

⁴⁹ Information obtained by the Commission in its own most recent investigation of certain seamless pipe from China indicated that large majorities of U.S. producers, importers, and purchasers viewed U.S.-produced CASSLP pipe, both small-diameter and large-diameter, as “always” or “frequently” interchangeable with imports of such pipe. *Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from China, Inv. Nos. 701-TA-469 and 731-TA-1168*, USITC Publication 4190, November 2010, tables II-7 and II-8.

⁵⁰ *Original Staff Report*, table I-4. While this was also true for U.S.-produced large-diameter CASSLP, a smaller share of imported product from Japan (77.2 percent) was sold to distributors. *Ibid.*

⁵¹ *First Review Report*, pp. II-1 and II-30. Shipments of nonsubject imports of large-diameter CASSLP pipe were sold primarily (***) percent) to distributors and secondarily (***) percent) to end users. *Ibid.*

⁵² *Response* of domestic interested parties, May 2, 2011, p. 4.

⁵³ Information obtained by the Commission in its own most recent investigation of certain seamless pipe from China indicated that the majority of shipments of CASSLP pipe by U.S. producers and importers of Chinese and non-Chinese pipe were to distributors, although a larger share of large-diameter CASSLP imported from non-Chinese sources was shipped to end users. *Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from China, Inv. Nos. 701-TA-469 and 731-TA-1168*, USITC Publication 4190, November 2010, p. II-2.

⁵⁴ U.S. imports of large-diameter CASSLP pipe from Japan entered the United States through the following primary Customs districts: Houston and New Orleans.

Presence in the Market

With respect to simultaneous presence in the market, imports of small-diameter CASSLP pipe from Japan entered the United States in 70 of 72 months between 2005 and 2010, while imports of small-diameter CASSLP pipe from Romania entered the United States in 50 months.⁵⁵

U.S. Imports

During the original investigations, the subject U.S. import data on small-diameter CASSLP pipe presented in the Commission's report were based on the questionnaire responses of 12 importers from Japan and 2 importers from Romania. U.S. import data on large-diameter CASSLP pipe presented in the Commission's report in the original investigations were based on the questionnaire responses of eight importers from Japan. In the Commission's full first five-year reviews, the Commission sent importer questionnaires to 38 firms believed to be importers of CASSLP pipe from subject and nonsubject countries, as well as to all U.S. producers. Questionnaire responses containing data were received from four companies. Fourteen companies reported that they did not import CASSLP pipe during the review period. Many companies that reported U.S. imports from the subject countries in the original investigations reported that they no longer imported CASSLP pipe during the first five-year reviews.

In these current second five-year reviews, the domestic interested parties identified 31 U.S. importers of CASSLP pipe. Data on U.S. imports of small-diameter and large-diameter CASSLP pipe during 2005-10, are presented in tables I-4 and I-5.

In their response to the Commission's notice of institution, the domestic interested parties emphasized the vulnerability of the U.S. industry due to dumped and subsidized imports of CASSLP pipe from China between 2007 and 2009 and the severe economic recession.⁵⁶ Purchaser *** reported that the lack of substantial volumes of CASSLP pipe imports from China after the imposition of the orders has led to decreased competition in the U.S. market, while the U.S. market has concurrently shrunk as it struggles to recover from the economic recession.⁵⁷ The domestic interested parties also noted the growing role of nonsubject imports in the U.S. market, and indicate that ***,⁵⁸ This is consistent with the purchaser survey response of ***, which reported that Chinese import duties in the United States and Europe have stimulated other manufacturers to enter the market, particularly manufacturers in India and the Eastern Bloc countries.⁵⁹

⁵⁵ Imports of large-diameter CASSLP pipe from Japan entered the United States in 71 of 72 months between 2005 and 2010. Because of the scope exclusions for large-diameter pipe, the number of observations may be overstated.

⁵⁶ *Response* of domestic interested parties, May 2, 2011, p. 16.

⁵⁷ Purchaser survey response of ***.

⁵⁸ *Response* of domestic interested parties, May 2, 2011, p. 18.

⁵⁹ Purchaser survey response of ***. The company also credits the decline in U.S. imports of CASSLP pipe to high foreign currency exchange rates. *Ibid.*

Table I-4
Small-diameter CASSLP pipe: U.S. imports, by source, 2005-10

Item	2005	2006	2007	2008	2009	2010
Quantity (short tons)						
Japan	227	400	5,440	7,381	3,734	3,678
Romania	2,274	231	31	395	1,296	1,761
Subtotal, subject	2,501	630	5,471	7,776	5,030	5,439
All other ¹	124,297	200,431	177,884	294,797	95,622	112,472
Total imports	126,798	201,061	183,354	302,573	100,653	117,912
Value (\$1,000)²						
Japan	565	966	9,380	14,967	10,034	9,396
Romania	2,958	371	82	694	1,500	2,335
Subtotal, subject	3,523	1,336	9,462	15,660	11,534	11,731
All other ¹	131,684	198,132	181,338	377,356	140,262	152,001
Total imports	135,207	199,469	190,800	393,016	151,796	163,732
Unit value (\$/short ton)						
Japan	2,487	2,417	1,724	2,028	2,687	2,555
Romania	1,301	1,608	2,654	1,757	1,158	1,326
Average, subject	1,408	2,121	1,730	2,014	2,293	2,157
All other ¹	1,059	989	1,019	1,280	1,467	1,351
Average, total	1,066	992	1,041	1,299	1,508	1,389
<p>¹ The main sources of nonsubject imports are Russia, representing 15.5 percent of total imports during 2010; South Africa, 11.0 percent; Ukraine, 10.7 percent; Spain, 9.4 percent; India and Argentina, 7.2 percent each; Czech Republic, 6.4 percent; and Austria, 5.1 percent. U.S. imports from China were subject to countervailing and antidumping duty investigations in 2009-10, and since November 2010 have been subject to countervailing and antidumping duty orders. U.S. imports of small-diameter CASSLP pipe from China decreased from 197,022 short tons in 2008 to 7,562 short tons in 2010.</p> <p>² Landed, duty-paid.</p>						
<p>Source: Official Commerce statistics, HTS statistical reporting numbers 7304.10.1020, 7304.10.5020, 7304.19.1020, 7304.19.5020, 7304.39.0016, 7304.39.0020, 7304.39.0024, 7304.59.8010, and 7304.59.8015.</p>						

Table I-5
Large-diameter CASSLP pipe: U.S. imports, by source, 2005-10

Item	2005	2006	2007	2008	2009	2010
Quantity (short tons)						
Japan	37,091	27,821	23,360	6,292	17,311	5,860
All other ¹	158,920	222,065	194,915	405,642	156,962	146,344
Total imports	196,011	249,885	218,275	411,934	174,273	152,204
Value (\$1,000)²						
Japan	47,286	52,084	46,985	11,862	36,972	10,007
All other ¹	166,925	259,454	257,206	604,400	295,081	205,500
Total imports	214,210	311,538	304,191	616,262	332,053	215,508
Unit value (\$/short ton)						
Japan	1,275	1,872	2,011	1,885	2,136	1,708
All other ¹	1,050	1,168	1,320	1,490	1,880	1,404
Average	1,093	1,247	1,394	1,496	1,905	1,416
<p>¹ The main sources of nonsubject imports are Argentina, representing 16.9 percent of total imports during 2010; Russia, 16.7 percent; Czech Republic, 9.3 percent; Italy, 7.9 percent; Germany, 7.0 percent; and Croatia, 5.2 percent. U.S. imports from China were subject to countervailing duty and antidumping duty investigations in 2009-10, and since November 2010 have been subject to countervailing duty and antidumping duty orders. U.S. imports of large-diameter CASSLP pipe from China decreased from 169,066 short tons in 2008 to 5,652 short tons in 2010.</p> <p>² Landed, duty-paid.</p> <p>Note.—Import data include ASTM A-335 pipe and line pipe for deepwater applications, which are outside of Commerce's scope. Because of the scope exclusions for large-diameter pipe, Staff believes the volume of subject imports included in this presentation to be overstated.</p> <p>Source: Official Commerce statistics, HTS statistical reporting numbers 7304.10.1030, 7304.10.1045, 7304.10.1060, 7304.10.5050, 7304.19.1030, 7304.19.1045, 7304.19.1060, 7304.19.5050, 7304.39.0036, 7304.39.0048, 7304.39.0062, 7304.59.8030, 7304.59.8045, and 7304.59.8060.</p>						

Ratio of Imports to U.S. Production

Imports of small-diameter CASSLP pipe from Japan and Romania were equivalent to *** percent and *** percent of reported U.S. production in 2010, respectively. The ratio of imports of small-diameter CASSLP pipe from nonsubject countries to domestic production was *** percent in 2010. Imports of large-diameter CASSLP pipe from Japan were equivalent to *** percent of reported U.S. production in 2010. The ratio of imports of large-diameter CASSLP pipe from nonsubject countries to domestic production was *** percent in 2010.

Apparent U.S. Consumption and Market Shares

Apparent U.S. consumption and U.S. market shares of CASSLP pipe for 2010 are shown in tables I-6 and I-7.

Table I-6

Small-diameter CASSLP pipe: U.S. producers' U.S. shipments, U.S. imports, and apparent U.S. consumption, 1999, 2004, and 2010

Item	1999	2004	2010
Quantity (short tons)			
U.S. producers' U.S. shipments	105,646	***	***
U.S. imports from ¹ -- Japan	18,709	79	3,678
Romania	***	18,718	1,761
Subtotal, subject	***	18,797	5,439
Other sources	***	124,608	112,472
Total imports	46,856	143,405	117,912
Apparent U.S. consumption	152,502	***	***
Value (\$1,000)			
U.S. producers' U.S. shipments	76,392	***	***
U.S. imports from ¹ -- Japan	12,935	513	9,396
Romania	***	12,996	2,335
Subtotal, subject	***	13,509	11,731
Other sources	***	93,358	152,001
Total imports	31,965	106,866	163,732
Apparent U.S. consumption	108,357	***	***
Share of consumption based on quantity (percent)			
U.S. producers' U.S. shipments	69.3	***	***
U.S. imports from ¹ -- Japan	12.3	***	***
Romania	***	***	***
Subtotal, subject	***	***	***
Other sources	***	***	***
Total imports	30.7	***	***
Apparent U.S. consumption	100.0	100.0	100.0

¹ Data for 1999 are shipments of imports.

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

Source: Compiled from data presented in the original staff report and the first five-year reviews (1999 and 2004); and official Commerce statistics and *Response* of domestic interested parties, May 2, 2011, exh. 18 (2010).

Table I-7
Large-diameter CASSLP pipe: U.S. producers' U.S. shipments, U.S. imports, and apparent U.S. consumption, 1999, 2004, and 2010

Item	1999	2004	2010
Quantity (short tons)			
U.S. producers' U.S. shipments	***	***	***
U.S. imports from ¹ -- Japan	49,727	***	5,860
Other sources	***	***	146,344
Total imports	***	***	152,204
Apparent U.S. consumption	293,151	***	***
Value (\$1,000)			
U.S. producers' U.S. shipments	***	***	***
U.S. imports from ¹ -- Japan	29,156	***	10,007
Other sources	***	***	205,500
Total imports	***	***	215,508
Apparent U.S. consumption	167,556	***	***
Share of consumption based on quantity (percent)			
U.S. producers' U.S. shipments	***	***	***
U.S. imports from ¹ -- Japan	17.0	***	***
Other sources	***	***	***
Total imports	***	***	***
Apparent U.S. consumption	100.0	100.0	100.0
<p>¹ Data for 1999 are shipments of imports.</p> <p>Note.--Import data include ASTM A-335 pipe and line pipe for deepwater applications, which are outside of Commerce's scope. Because of the scope exclusions for large-diameter pipe, Staff believes the volume of subject imports included in this presentation to be overstated.</p> <p>Note.--Because of rounding, figures may not add to the totals shown.</p> <p>Source: Compiled from data presented in the original staff report and the first five-year reviews (1999 and 2004); and official Commerce statistics and <i>Response</i> of domestic interested parties, May 2, 2011, exh. 19 (2010).</p>			

The data presented in tables I-6 and I-7 indicate that apparent U.S. consumption of both small-diameter CASSLP pipe and large-diameter CASSLP pipe was approximately 30 percent lower in 2010 than in 2004. Differences in the number of companies reporting U.S. shipments are believed to account for only a relatively small share of this reduction.

As discussed previously, CASSLP pipe is used in a variety of applications, including in the construction, industrial, and oil/gas sectors. Nonresidential construction in 2010 was valued at \$555 billion, a decrease of 14.5 percent from 2009.⁶⁰ Seamless pipe consumption in petroleum, natural gas, and refinery operations began to recover in 2010 from a steep decline in 2009, but leveled off in mid-year 2010 below 2007 and 2008 peaks.⁶¹

Somewhat in contrast, the Baker Hughes monthly U.S. rig count for December 2010 stood at 1,687 drilling rigs actively exploring for or developing oil or natural gas in the United States, up from 1,136 rigs in December 2009.⁶² However, CASSLP pipe is used in gathering and related line pipe applications rather than in drilling and extraction applications. Thus, the linkage between drilling activity and line pipe consumption is less direct than for other energy tubulars such as oil country tubular goods. Moreover, the relationship between CASSLP pipe requirements and drilling activity may be subject to additional considerations such as the nature of the drilling operations.⁶³ U.S. average wellhead prices for oil were 12.3 percent lower in 2010 than in 2009, while Henry Hub spot prices for natural gas were 12.2 percent higher in 2010 than in 2009 - but both were noticeably lower than in 2008.⁶⁴

ANTIDUMPING ACTIONS OUTSIDE THE UNITED STATES

An antidumping duty order on imports of small-diameter seamless pipe from Romania have been in effect in Brazil since 2000. An antidumping duty order on small-diameter seamless line pipe from Japan has been in effect in Venezuela since 2000. Mexico has maintained antidumping duty orders on small-diameter seamless line pipe from Japan, effective 2000, and from Romania, effective 2004.^{65 66}

⁶⁰ *U.S. Census Bureau News*, CB11-118, table 4, released July 1, 2011. The seasonally adjusted annual rate of nonresidential construction for May 2011 was 7.2 percent lower than for May 2010. *Ibid.*, table 1.

⁶¹ *Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from China, Inv. Nos. 701-TA-469 and 731-TA-1168 (Final)*, USITC Publication 4190, November 2010, figure II-1.

⁶² The monthly U.S. rig count stood at 1,804 rigs in May 2011. *See Baker Hughes* press releases dated February 5, 2010; January 10, 2011; and June 7, 2011.

⁶³ For example, Preston Publishing points out the prevalence of drilling multiple wells on one pad in the shale developments. *Preston Pipe & Tube Report*, January 2011, p. 32.

⁶⁴ U.S. average wellhead prices fell from \$96.13 (constant 2009 dollars) per barrel in 2008 to \$89.64 in 2009 and to \$78.62 in 2010; prices are projected to increase to \$84.00 in 2011 and to \$86.23 in 2012. Henry Hub spot prices fell from \$8.94 per million Btu (constant 2009 dollars) in 2008 to \$3.95 in 2009; prices increased to \$4.43 in 2010 and are projected to increase to \$4.48 in 2011 and to \$4.50 in 2012. *Annual Energy Outlook 2011*, Energy Information Administration, Oil and Gas Supply / Reference Case, released April 26, 2011.

⁶⁵ *Carbon and Alloy Seamless Standard, Line, and Pressure Pipe From the Czech Republic, Japan, Mexico, Romania, and South Africa, Inv. No. 731-TA-846-850 (Review)*, USITC Publication 3850, April 2006, pp. IV-19; and *Response* of domestic interested parties, May 2, 2011, p. 21.

⁶⁶ At the time of the original investigations and first reviews, Romania was subject to an antidumping duty order on CASSLP pipe from the European Union.

THE SUBJECT INDUSTRY IN JAPAN

The petitioners identified the following four producers of small-diameter and large-diameter pipe in Japan during the original investigations: NKK Corp. (“NKK”); Kawasaki Steel Corp. (“Kawasaki”); Nippon Steel Corp. (“Nippon”); and Sumitomo Metal Industries (“Sumitomo”).⁶⁷ Since the original investigations, several changes in the structure of the Japanese industry have occurred. Most notably, in 2001, Nippon closed its seamless pipe mill, which Sumitomo acquired later that same year. In addition, JFE Steel Corp. (“JFE”) was formed as a result of the merger between Kawasaki and NKK on April 1, 2003. As a result of those changes, there were two producers of small-diameter and large-diameter pipe in Japan at the time of the first five-year review of the orders: JFE and Sumitomo.⁶⁸ During the full first five-year reviews, the Commission received data from one firm in Japan, JFE/NKK, which accounted for approximately *** percent of small-diameter CASSLP pipe produced in Japan in 2004 and approximately *** percent of large-diameter CASSLP pipe produced in Japan in 2004.⁶⁹

In its response to the notice of institution in these second five-year reviews, domestic interested parties identified the following five producers of small-diameter and large-diameter CASSLP pipe in Japan: (1) Haneda Pipe Works; (2) Sumitomo; (3) Nippon (closed and acquired by Sumitomo in 2001); (4) JFE; and (5) Tenaris NKK Tubes (trade name used by NKK Tubes, a Tenaris company in which JFE is part owner).⁷⁰ *** reported that annual production of ordinary seamless tubular products in Japan was *** in 2010, up from *** in 2009, but down from *** in 2008.⁷¹

THE SUBJECT INDUSTRY IN ROMANIA

The Commission in its original investigations named the following three producers of small-diameter pipe in Romania: Silcotub SA (“Silcotub”), SC Republica (“Republica”), and Societ Petrotub SA Roman (“Petrotub”).⁷² Since the original investigations, there have been several changes to the structure of the Romanian industry. In November 2003, steel producer Mittal Steel Co. concluded an agreement with the Romanian Government to acquire Petrotub, and executed the acquisition the following month. Although operational during 2004, Republica went out of business shortly thereafter.⁷³ During the Commission’s full first five-year reviews, the following three producers in Romania provided a response to the Commission’s questionnaire: (1) Mittal Steel Roman, S.A. (formerly Petrotub);

⁶⁷ *Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from Japan and South Africa: Investigation Nos. 731-TA-847 and 850 (Final)*, USITC Publication 3311, June 2000, p. VII-2.

⁶⁸ The domestic interested parties indicated in their response to the Commission’s notice of institution in the first five-year reviews that Haneda Pipe Works Co., Ltd. may have also been a producer of subject small-diameter and large-diameter pipe in Japan.

⁶⁹ *Carbon and Alloy Seamless Standard, Line, and Pressure Pipe From the Czech Republic, Japan, Mexico, Romania, and South Africa, Inv. No. 731-TA-846-850 (Review)*, USITC Publication 3850, April 2006, pp. IV-5-6 and IV-16.

⁷⁰ *Response of domestic interested parties*, May 2, 2011, exhibits 14 and 15.

⁷¹ ***.

⁷² *Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from Japan and South Africa: Investigation Nos. 731-TA-847 and 850 (Final)*, USITC Publication 3311, June 2000, p. VII-3.

⁷³ *Carbon and Alloy Seamless Standard, Line, and Pressure Pipe From the Czech Republic, Japan, Mexico, Romania, and South Africa, Inv. No. 731-TA-846-850 (Review)*, USITC Publication 3850, April 2006, pp. II-5 and IV-7.

(2) Silcotub; and (3) Artrom S.A. (“Artrom”). These three firms accounted for all small-diameter CASSLP pipe produced in Romania at the time of the Commission’s first five-year reviews.⁷⁴

In its response to the notice of institution in these second five-year reviews, domestic interested parties identified the following four producers of small-diameter CASSLP pipe in Romania:

(1) ArcelorMittal Hunedoara; (2) ArcelorMittal Roman; (3) Tenaris Silcotub; and (4) TMK-Artrom. *** reported that annual production of all seamless tubular products in Romania was *** in 2010, up from *** in 2009, but down from *** in 2008.⁷⁵

THE GLOBAL MARKET

Data for small-diameter and large-diameter CASSLP pipe markets outside the United States are limited, and not generally broken down by the size ranges relevant to these reviews. The WorldSteel Association collects and publishes data on “seamless tubes” which include tubular products across a broad range of sizes and applications. Reporting for this category is limited and dominated by China, with 21.8 million metric tons of production in 2009, followed by Japan (1.3 million metric tons) and the United States (1.0 million metric tons). Romania’s reported production in 2009 was 318,000 metric tons.⁷⁶

Similarly, for seamless pipe other than OCTG (a category that includes a range of sizes and certain nonsubject applications, such as boiler tubes), China has been the leading export source, accounting for more than one-quarter of total exports in 2009. Japan and Romania were the fourth-largest and tenth-largest exporters in 2009.⁷⁷

⁷⁴ *Carbon and Alloy Seamless Standard, Line, and Pressure Pipe From the Czech Republic, Japan, Mexico, Romania, and South Africa, Inv. No. 731-TA-846-850 (Review)*, USITC Publication 3850, April 2006, p. IV-7.

⁷⁵ ***.

⁷⁶ WorldSteel Association, *Steel Statistical Yearbook 2010*, table 25. The number of countries with publishable data has been decreasing over time, making trend analysis difficult and even calling into question size comparisons (for example, data for large producers such as Germany and Russia are unavailable).

⁷⁷ *Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from China, Inv. Nos. 701-TA-469 and 731-TA-1168 (Final)*, USITC Publication 4190, November 2010, table VII-11 (Global Trade Atlas data for HTS subheadings 7304.19; 7304.39; and 7304.59). Of the nearly 5.8 million short tons of seamless pipe (excluding OCTG) exported in 2009, China accounted for almost 1.5 million short tons, while Japan accounted for 458,057 short tons and Romania accounted for 209,029 short tons.

APPENDIX A
***FEDERAL REGISTER* NOTICES**

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 antidumping duty orders on carbon and alloy seamless standard, line, and pressure pipe from Japan and Romania 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 May 2, 2011. Comments on the adequacy of responses may be filed with the Commission by June 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:* April 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 June 26, 2000, the Department of Commerce ("Commerce") issued an antidumping duty order on the imports of small and large diameter carbon and alloy seamless standard, line, and pressure pipe from Japan (65 FR 39360). On August 10, 2000, Commerce issued an antidumping duty

order on the imports of large diameter carbon and alloy seamless standard, line, and pressure pipe from Romania (65 FR 48963). Following five-year reviews by Commerce and the Commission, effective May 8, 2006, Commerce issued a continuation of the antidumping duty orders on imports of certain carbon and alloy seamless standard, line, and pressure pipe from Japan and Romania (71 FR 26746). The Commission is now conducting second 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 reviews 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 Commerce.

(2) The *Subject Countries* in these reviews are Japan and Romania.

(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 and its full first five-year review determinations, the Commission found two *Domestic Like Products* corresponding to the two scopes of the investigations: Small diameter carbon and alloy seamless standard, line, and pressure pipe and large diameter carbon and alloy seamless standard, line, and pressure pipe. Certain Commissioners defined the *Domestic Like Product* differently in the original determinations.

(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 its full first five-year review determinations, the Commission found two *Domestic Industries*: A small diameter carbon and alloy seamless standard, line, and pressure pipe industry and a large diameter carbon and alloy seamless standard, line, and pressure pipe industry, encompassing all domestic producers of those

**INTERNATIONAL TRADE
COMMISSION**

[Investigation Nos. 731-TA-847 and 849
(Second Review)]

**Carbon and Alloy Seamless Standard,
Line, and Pressure Pipe From Japan
And Romania**

AGENCY: United States International Trade Commission.

ACTION: Institution of five-year reviews concerning the antidumping duty orders on carbon and alloy seamless standard, line, and pressure pipe from Japan and Romania.

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. 11-5-242, expiration date June 30, 2011. Public reporting burden for the request is estimated to average 15 hours per response. Please send comments regarding the accuracy of this burden estimate to the Office of Investigations, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436.

products, respectively. Certain Commissioners defined the *Domestic Industry* differently in the original determinations.

(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 May 2, 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 June 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 original determinations and its first five-year 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 duty order 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 the *Subject Countries* that currently export or have exported *Subject Merchandise* to the United States or other countries after 2004.

(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); and

(d) the quantity and value of U.S. internal consumption/company

transfers of the *Domestic Like Product* produced in your U.S. plant(s).

(e) the value of (i) net sales, (ii) cost of goods sold (COGS), (iii) gross profit, (iv) selling, general and administrative (SG&A) expenses, and (v) operating income of 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(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). 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 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 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 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 duties). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

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

(b) Capacity (quantity) of your firm to produce the *Subject Merchandise* in each *Subject Country* (i.e., the level of production that your establishment(s) could reasonably have expected to

attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix); and

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

(12) Identify significant changes, if any, in the supply and demand conditions or business cycle for the *Domestic Like Product* that have occurred in the United States or in the market for the *Subject Merchandise* in each *Subject Country* after 2004, 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.

Issued: March 22, 2011.

By order of the Commission.

James R. Holbein,

Acting Secretary to the Commission.

[FR Doc. 2011–7276 Filed 3–31–11; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

**Initiation of Five-Year (“Sunset”)
Review**

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

ACTION: Notice.

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

DATES: *Effective Date:* April 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:

DOC Case No.	ITC Case No.	Country	Product	Department contact
A-588-850 ..	731-TA-847	Japan	Carbon & Alloy Seamless, Standard Line & Pressure Pipe (Over 4½ Inches) (2nd Review).	David Goldberger, (202) 482-4136.
A-588-851 ..	731-TA-847	Japan	Carbon & Alloy Seamless, Standard, Line & Pressure Pipe (Under 4½ Inches) (2nd Review).	David Goldberger, (202) 482-4136.
A-485-805 ..	731-TA-849	Romania	Carbon & Alloy Seamless, Standard, Line & Pressure Pipe (Under 4½ Inches) (2nd Review).	David Goldberger, (202) 482-4136.
A-533-806 ..	731-TA-561	India	Sulfanilic Acid (3rd Review)	Julia Hancock, (202) 482-1394.
A-570-815 ..	731-TA-538	PRC	Sulfanilic Acid (3rd Review)	Julia Hancock, (202) 482-1394.
C-533-807 ..	701-TA-318	India	Sulfanilic Acid (3rd Review)	David Goldberger, (202) 482-4136.

Filing Information

As a courtesy, we are making information related to Sunset Review proceedings, including copies of the pertinent statute and Department’s regulations, the Department schedule for Sunset Reviews, a listing of past revocations and continuations, and current service lists, available to the public on the Department’s Internet Web site at the following address: “<http://ia.ita.doc.gov/sunset/>.” All submissions in these Sunset Reviews must be filed in accordance with the Department’s regulations regarding format, translation, 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/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 and 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: March 25, 2011.

Christian Marsh,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.

[FR Doc. 2011-7761 Filed 3-31-11; 8:45 am]

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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. 731-TA-847 and 849;
Second Review]

**Carbon and Alloy Seamless Standard,
Line, and Pressure Pipe From Japan
and Romania; Scheduling of Expedited
Five-Year Reviews Concerning the
Antidumping Duty Orders on Carbon
and Alloy Seamless Standard, Line,
and Pressure Pipe from Japan and
Romania**

AGENCY: United States International
Trade Commission.

ACTION: Notice.

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

DATES: *Effective Date:* July 5, 2011.

FOR FURTHER INFORMATION CONTACT: Amy Sherman (202-205-3289), 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 July 5, 2011, the Commission determined that the domestic interested party group response to its notice of institution (76 FR 18251, April 1, 2011) of the subject five-year reviews was adequate and that the respondent interested party group response was inadequate. The Commission did not find any other

circumstances that would warrant conducting a full review.¹ Accordingly, the Commission determined that it would conduct expedited reviews pursuant to section 751(c)(3) of the Act.

Staff report.—A staff report containing information concerning the subject matter of the reviews will be placed in the nonpublic record on August 22, 2011, and made available to persons on the Administrative Protective Order service list for this review. A public version will be issued thereafter, pursuant to section 207.62(d)(4) of the Commission's rules.

Written submissions.—As provided in section 207.62(d) of the Commission's rules, interested parties that are parties to the reviews and that have provided individually adequate responses to the notice of institution,² and any party other than an interested party to the reviews may file written comments with the Secretary on what determination the Commission should reach in the reviews. Comments are due on or before August 25, 2011 and may not contain new factual information. Any person that is neither a party to the five-year reviews nor an interested party may submit a brief written statement (which shall not contain any new factual information) pertinent to the reviews by August 25, 2011. However, should the Department of Commerce extend the time limit for its completion of the final results of its reviews, the deadline for comments (which may not contain new factual information) on Commerce's final results is three business days after the issuance of Commerce's results. If comments contain business proprietary information (BPI), they must conform with the requirements of sections 201.6, 207.3, and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's rules, as amended, 67 FR 68036 (November 8, 2002). Even where electronic filing of a document is permitted, certain documents must also be filed in paper form, as specified in II (C) of the Commission's Handbook on Electronic Filing Procedures, 67 FR 68168, 68173 (November 8, 2002).

In accordance with sections 201.16(c) and 207.3 of the rules, each document

¹ 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.

² The Commission has found the responses submitted by U.S. Steel Corp. and V&M STAR to be individually adequate. Comments from other interested parties will not be accepted (*see* 19 CFR 207.62(d)(2)).

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

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

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

By order of the Commission.

Issued: July 20, 2011.

James R. Holbein,
Secretary to the Commission.

[FR Doc. 2011-18795 Filed 7-25-11; 8:45 am]

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Washington, DC 20230; telephone (202) 482-1785.

SUPPLEMENTARY INFORMATION:

Background

On April 1, 2011, the Department published the notice of initiation of the second sunset reviews of the antidumping duty orders on large diameter pipe from Japan and small diameter pipe from Japan and Romania pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”). See *Initiation of Five-Year (“Sunset”) Review*, 76 FR 18163 (April 1, 2011). The Department received a notice of intent to participate in each of these reviews from United States Steel Corporation (“Petitioner”), within the deadline specified in 19 CFR 351.218(d)(1)(i). Petitioner claimed interested party status for each of these reviews under section 771(9)(C) of the Act, as a manufacturer of the domestic-like product in the United States.

On May 2, 2011, the Department received a complete substantive response from Petitioner for each of the reviews within the deadline specified in 19 CFR 351.218(d)(3)(i). We received no substantive responses from any respondent interested parties. As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department conducted expedited sunset reviews of these antidumping duty orders.

Scope of the Orders

Large Diameter Pipe From Japan

The products covered by this order are large diameter seamless carbon and alloy (other than stainless) steel standard, line, and pressure pipes produced, or equivalent, to the American Society for Testing and Materials (“ASTM”) A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-589, ASTM A-795, and the American Petroleum Institute (“API”) 5L specifications and meeting the physical parameters described below, regardless of application. The scope of this order also includes all other products used in standard, line, or pressure pipe applications and meeting the physical parameters described below, regardless of specification, with the exception of the exclusions discussed below. Specifically included within the scope of this order are seamless pipes greater than 4.5 inches (114.3 mm) up to and including 16 inches (406.4 mm) in outside diameter, regardless of wall-thickness, manufacturing process (hot finished or cold-drawn), end finish (plain end,

beveled end, upset end, threaded, or threaded and coupled), or surface finish.

The seamless pipes subject to this order are currently classifiable under the subheadings 7304.10.10.30, 7304.10.10.45, 7304.10.10.60, 7304.10.50.50, 7304.19.10.30, 7304.19.10.45, 7304.19.10.60, 7304.19.50.50, 7304.31.60.10, 7304.31.60.50, 7304.39.00.04, 7304.39.00.06, 7304.39.00.08, 7304.39.00.36, 7304.39.00.40, 7304.39.00.44, 7304.39.00.48, 7304.39.00.52, 7304.39.00.56, 7304.39.00.62, 7304.39.00.68, 7304.39.00.72, 7304.51.50.15, 7304.51.50.45, 7304.51.50.60, 7304.59.20.30, 7304.59.20.55, 7304.59.20.60, 7304.59.20.70, 7304.59.60.00, 7304.59.80.30, 7304.59.80.35, 7304.59.80.40, 7304.59.80.45, 7304.59.80.50, 7304.59.80.55, 7304.59.80.60, 7304.59.80.65, and 7304.59.80.70 of the Harmonized Tariff Schedule of the United States (“HTSUS”).

Specifications, Characteristics, and Uses: Large diameter seamless pipe is used primarily for line applications such as oil, gas, or water pipeline, or utility distribution systems. Seamless pressure pipes are intended for the conveyance of water, steam, petrochemicals, chemicals, oil products, natural gas and other liquids and gasses in industrial piping systems. They may carry these substances at elevated pressures and temperatures and may be subject to the application of external heat. Seamless carbon steel pressure pipe meeting the ASTM A-106 standard may be used in temperatures of up to 1,000 degrees Fahrenheit, at various American Society of Mechanical Engineers (“ASME”) code stress levels. Alloy pipes made to ASTM A-335 standard must be used if temperatures and stress levels exceed those allowed for ASTM A-106. Seamless pressure pipes sold in the United States are commonly produced to the ASTM A-106 standard. Seamless standard pipes are most commonly produced to the ASTM A-53 specification and generally are not intended for high temperature service.

They are intended for the low temperature and pressure conveyance of water, steam, natural gas, air and other liquids and gasses in plumbing and heating systems, air conditioning units, automatic sprinkler systems, and other related uses. Standard pipes (depending on type and code) may carry liquids at elevated temperatures but must not exceed relevant ASME code requirements. If exceptionally low temperature uses or conditions are anticipated, standard pipe may be

DEPARTMENT OF COMMERCE

International Trade Administration

[A-588-850, A-588-851, A-485-805]

Certain Large Diameter Carbon and Alloy Seamless Standard, Line and Pressure Pipe From Japan; Certain Small Diameter Carbon and Alloy Seamless Standard, Line and Pressure Pipe From Japan and Romania: Final Results of the Expedited Second Five-Year Sunset Reviews of the Antidumping Duty Orders

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

DATES: *Effective Date:* August 5, 2011.

SUMMARY: On April 1, 2011, the Department (“Department”) initiated the second sunset reviews of the antidumping duty orders on certain large diameter carbon and alloy seamless standard, line and pressure pipe (“large diameter pipe”) from Japan and certain small diameter carbon and alloy seamless standard, line and pressure pipe (“small diameter pipe”) from Japan and Romania. The Department has conducted expedited sunset reviews of these orders. 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 margins identified in the “Final Results of Review” section of this notice.

FOR FURTHER INFORMATION CONTACT: Mary Kolberg, AD/CVD Operations, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW.,

manufactured to ASTM A-333 or ASTM A-334 specifications.

Seamless line pipes are intended for the conveyance of oil and natural gas or other fluids in pipe lines. Seamless line pipes are produced to the API 5L specification. Seamless water well pipe (ASTM A-589) and seamless galvanized pipe for fire protection uses (ASTM A-795) are used for the conveyance of water.

Seamless pipes are commonly produced and certified to meet ASTM A-106, ASTM A-53, API 5L-B, and API 5L-X42 specifications. To avoid maintaining separate production runs and separate inventories, manufacturers typically triple or quadruple certify the pipes by meeting the metallurgical requirements and performing the required tests pursuant to the respective specifications. Since distributors sell the vast majority of this product, they can thereby maintain a single inventory to service all customers.

The primary application of ASTM A-106 pressure pipes and triple or quadruple certified pipes in large diameters is for use as oil and gas distribution lines for commercial applications. A more minor application for large diameter seamless pipes is for use in pressure piping systems by refineries, petrochemical plants, and chemical plants, as well as in power generation plants and in some oil field uses (on shore and off shore) such as for separator lines, gathering lines and metering runs. These applications constitute the majority of the market for the subject seamless pipes. However, ASTM A-106 pipes may be used in some boiler applications.

The scope of this order includes all seamless pipe meeting the physical parameters described above and produced to one of the specifications listed above, regardless of application, with the exception of the exclusions discussed below, whether or not also certified to a non-covered specification. Standard, line, and pressure applications and the above-listed specifications are defining characteristics of the scope of this review. Therefore, seamless pipes meeting the physical description above, but not produced to the ASTM A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-589, ASTM A-795, and API 5L specifications shall be covered if used in a standard, line, or pressure application, with the exception of the specific exclusions discussed below.

For example, there are certain other ASTM specifications of pipe which, because of overlapping characteristics, could potentially be used in ASTM A-106 applications. These specifications

generally include ASTM A-161, ASTM A-192, ASTM A-210, ASTM A-252, ASTM A-501, ASTM A-523, ASTM A-524, and ASTM A-618. When such pipes are used in a standard, line, or pressure pipe application, such products are covered by the scope of this order.

Specifically excluded from the scope of this order are: A. Boiler tubing and mechanical tubing, if such products are not produced to ASTM A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-589, ASTM A-795, and API 5L specifications and are not used in standard, line, or pressure pipe applications. B. Finished and unfinished oil country tubular goods ("OCTG"), if covered by the scope of another antidumping duty order from the same country. If not covered by such an OCTG order, finished and unfinished OCTG are included in this scope when used in standard, line or pressure applications. C. Products produced to the A-335 specification unless they are used in an application that would normally utilize ASTM A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-589, ASTM A-795, and API 5L specifications. D. Line and riser pipe for deepwater application, *i.e.*, line and riser pipe that is (1) Used in a deepwater application, which means for use in water depths of 1,500 feet or more; (2) intended for use in and is actually used for a specific deepwater project; (3) rated for a specified minimum yield strength of not less than 60,000 psi; and (4) not identified or certified through the use of a monogram, stencil, or otherwise marked with an API specification (*e.g.*, API 5L).

With regard to the excluded products listed above, the Department will not instruct U.S. Customs and Border Protection ("CBP") to require end-use certification until such time as Petitioner or other interested parties provide to the Department a reasonable basis to believe or suspect that the products are being utilized in a covered application. If such information is provided, we will require end-use certification only for the product(s) (or specification(s)) for which evidence is provided that such products are being used in a covered application as described above. For example, if, based on evidence provided by Petitioner, the Department finds a reasonable basis to believe or suspect that seamless pipe produced to the A-335 specification is being used in an A-106 application, we will require end-use certifications for imports of that specification. Normally we will require only the importer of record to certify to the end use of the imported merchandise. If it later proves

necessary for adequate implementation, we may also require producers who export such products to the United States to provide such certification on invoices accompanying shipments to the United States.

Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the merchandise subject to this scope is dispositive.

Small Diameter Pipe From Japan and Romania

The products covered by these orders include small diameter seamless carbon and alloy (other than stainless) steel standard, line, and pressure pipes and redraw hollows produced, or equivalent, to the ASTM A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-335, ASTM A-589, ASTM A-795, and the API 5L specifications and meeting the physical parameters described below, regardless of application. The scope of these orders also includes all products used in standard, line, or pressure pipe applications and meeting the physical parameters described below, regardless of specification. Specifically included within the scope of these orders are seamless pipes and redraw hollows, less than or equal to 4.5 inches (114.3 mm) in outside diameter, regardless of wall-thickness, manufacturing process (hot finished or cold-drawn), end finish (plain end, beveled end, upset end, threaded, or threaded and coupled), or surface finish.

The seamless pipes subject to these orders are currently classifiable under the subheadings 7304.10.10.20, 7304.10.50.20, 7304.19.10.20, 7304.19.50.20, 7304.31.30.00, 7304.31.60.50, 7304.39.00.16, 7304.39.00.20, 7304.39.00.24, 7304.39.00.28, 7304.39.00.32, 7304.51.50.05, 7304.51.50.60, 7304.59.60.00, 7304.59.80.10, 7304.59.80.15, 7304.59.80.20, and 7304.59.80.25 of the HTSUS.

Specifications, Characteristics, and Uses: Seamless pressure pipes are intended for the conveyance of water, steam, petrochemicals, chemicals, oil products, natural gas and other liquids and gasses in industrial piping systems. They may carry these substances at elevated pressures and temperatures and may be subject to the application of external heat. Seamless carbon steel pressure pipe meeting the ASTM A-106 standard may be used in temperatures of up to 1000 degrees Fahrenheit, at various ASME code stress levels. Alloy pipes made to ASTM A-335 standard must be used if temperatures and stress levels exceed those allowed for ASTM

A-106. Seamless pressure pipes sold in the United States are commonly produced to the ASTM A-106 standard.

Seamless standard pipes are most commonly produced to the ASTM A-53 specification and generally are not intended for high temperature service. They are intended for the low temperature and pressure conveyance of water, steam, natural gas, air and other liquids and gasses in plumbing and heating systems, air conditioning units, automatic sprinkler systems, and other related uses. Standard pipes (depending on type and code) may carry liquids at elevated temperatures but must not exceed relevant ASME code requirements. If exceptionally low temperature uses or conditions are anticipated, standard pipe may be manufactured to ASTM A-333 or ASTM A-334 specifications.

Seamless line pipes are intended for the conveyance of oil and natural gas or other fluids in pipe lines. Seamless line pipes are produced to the API 5L specification.

Seamless water well pipe (ASTM A-589) and seamless galvanized pipe for fire protection uses (ASTM A-795) are used for the conveyance of water.

Seamless pipes are commonly produced and certified to meet ASTM A-106, ASTM A-53, API 5L-B, and API 5L-X42 specifications. To avoid maintaining separate production runs and separate inventories, manufacturers typically triple or quadruple certify the pipes by meeting the metallurgical requirements and performing the required tests pursuant to the respective specifications. Since distributors sell the vast majority of this product, they can thereby maintain a single inventory to service all customers.

The primary application of ASTM A-106 pressure pipes and triple or quadruple certified pipes is in pressure piping systems by refineries, petrochemical plants, and chemical plants. Other applications are in power generation plants (electrical-fossil fuel or nuclear), and in some oil field uses (on shore and off shore) such as for separator lines, gathering lines and metering runs. A minor application of this product is for use as oil and gas distribution lines for commercial applications. These applications constitute the majority of the market for the subject seamless pipes. However, ASTM A-106 pipes may be used in some boiler applications.

Redraw hollows are any unfinished pipe or "hollow profiles" of carbon or alloy steel transformed by hot rolling or cold drawing/hydrostatic testing or other methods to enable the material to be sold under ASTM A-53, ASTM A-

106, ASTM A-333, ASTM A-334, ASTM A-335, ASTM A-589, ASTM A-795, and API 5L specifications.

The scope of these orders includes all seamless pipe meeting the physical parameters described above and produced to one of the specifications listed above, regardless of application, with the exception of the specific exclusions discussed below, and whether or not also certified to a non-covered specification. Standard, line, and pressure applications and the above-listed specifications are defining characteristics of the scope of the orders. Therefore, seamless pipes meeting the physical description above, but not produced to the ASTM A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-335, ASTM A-589, ASTM A-795, and API 5L specifications shall be covered if used in a standard, line, or pressure application, with the exception of the specific exclusions discussed below.

For example, there are certain other ASTM specifications of pipe which, because of overlapping characteristics, could potentially be used in ASTM A-106 applications. These specifications generally include ASTM A-161, ASTM A-192, ASTM A-210, ASTM A-252, ASTM A-501, ASTM A-523, ASTM A-524, and ASTM A-618. When such pipes are used in a standard, line, or pressure pipe application, such products are covered by the scope of these orders.

Specifically excluded from the scope of these orders are boiler tubing and mechanical tubing, if such products are not produced to ASTM A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-335, ASTM A-589, ASTM A-795, and API 5L specifications and are not used in standard, line, or pressure pipe applications. In addition, finished and unfinished OCTG are excluded from the scope of these orders, if covered by the scope of another antidumping duty order from the same country. If not covered by such an OCTG order, finished and unfinished OCTG are included in these scopes when used in standard, line or pressure applications.

With regard to the excluded products listed above, the Department will not instruct CBP to require end-use certification until such time as Petitioner or other interested parties provide to the Department a reasonable basis to believe or suspect that the products are being used in a covered application. If such information is provided, we will require end-use certification only for the product(s) (or specification(s)) for which evidence is provided that such products are being

used in covered applications as described above. For example, if, based on evidence provided by Petitioner, the Department finds a reasonable basis to believe or suspect that seamless pipe produced to the A-161 specification is being used in a standard, line or pressure application, we will require end-use certifications for imports of that specification. Normally we will require only the importer of record to certify to the end use of the imported merchandise. If it later proves necessary for adequate implementation, we may also require producers who export such products to the United States to provide such certification on invoices accompanying shipments to the United States.

Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the merchandise under these orders is dispositive.

Analysis of Comments Received

All issues raised in these reviews 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 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. Parties can find a complete discussion of all issues raised in these reviews and the corresponding recommendations in this public memorandum, which is on file in the Central Records Unit in room 7046 of the main Commerce building.

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

Final Results of Review

Pursuant to sections 752(c)(1) and (3) of the Act, we determine that revocation of the antidumping duty order on large diameter pipe from Japan and the antidumping orders on small diameter pipe from Japan and Romania would be likely to lead to continuation or recurrence of dumping at the following weighted-average percentage margins:

Manufacturers/producers/ exporters	Margin (percent)
Large Diameter Pipe from Japan:	
Nippon Steel Corporation	107.80
Kawasaki Steel Corporation	107.80
Sumitomo Metal Industries, Ltd ..	107.80
All Others	68.88
Small Diameter Pipe from Japan:	
Nippon Steel Corporation	106.07
Kawasaki Steel Corporation	106.07
Sumitomo Metal Industries, Ltd ..	106.07
All Others	70.43
Small Diameter Pipe from Ro- mania:	
Metal Business International S.R.L	11.08
S.C. Petrotub S.A	11.08
Sota Communication Company ..	15.15
S.C. Silcotub	15.15
All Others	13.06

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

Dated: July 29, 2011.

Ronald K. Lorentzen,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 2011-19933 Filed 8-4-11; 8:45 am]

BILLING CODE 3510-DS-P

APPENDIX B
COMMISSION'S STATEMENT ON ADEQUACY

EXPLANATION OF COMMISSION DETERMINATION ON ADEQUACY
in
Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from Japan and Romania
Inv. Nos. 731-TA-847-849 (Second Review)

On July 5, 2011, the Commission determined to conduct expedited reviews in the subject five-year reviews pursuant to section 751(c)(3)(b) of the Tariff Act of 1930, as amended, 19 U.S.C. § 1675(c)(3)(b).

The Commission received a joint response filed on behalf of domestic interested parties United States Steel Corporation (“U.S. Steel”) and V & M STAR (“V&M”). U.S. Steel is a producer of small-diameter carbon and alloy seamless standard, line, and pressure pipe (“CASSLP pipe”), whereas both U.S. Steel and V&M produce large-diameter CASSLP Pipe. The Commission found this joint response to the Commission’s notice of institution to be individually adequate for each of the responding firms. The Commission further determined that the domestic interested party group response was adequate for each of the orders under review.

The Commission did not receive a response from any respondent interested party in these reviews and, therefore, determined that the respondent interested party group responses were inadequate for each of the reviews.

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

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

APPENDIX C

HISTORICAL DATA

Excerpted from:

Carbon and Alloy Seamless Standard, Line, and Pressure Pipe from Czech Republic, Japan, Mexico, Romania, and South Africa, Inv. Nos. 731-TA-846-850 (Review), USITC Publication 3850

**Table I-1
Small diameter CASSLP pipe: Summary data from the original investigations and current reviews, 1997-2004**

Item	1997	1998	1999	2000	2001	2002	2003	2004
(Quantity=short tons; value=\$1,000; unit values, unit labor costs, and unit financial data are per short ton)								
U.S. consumption quantity: Amount	267,927	226,841	152,502	***	***	***	***	***
Producers' share ¹	67.8	54.9	69.3	***	***	***	***	***
Importer's share: ¹								
Czech Republic	***	***	***	***	***	***	***	***
Japan	5.6	15.0	12.3	***	***	***	***	***
Romania	***	***	***	***	***	***	***	***
South Africa	***	***	***	***	***	***	***	***
Subtotal	21.8	35.8	23.8	***	***	***	***	***
All other countries	10.4	9.4	6.9	***	***	***	***	***
Total imports	32.2	45.1	30.7	***	***	***	***	***
U.S. import quantity from ⁻² Czech Republic	***	***	***	310	11	367	355	1
Japan	14,999	34,059	18,709	1,914	909	408	865	79
Romania	***	***	***	3,436	16,573	9,182	11,562	18,718
South Africa	***	***	***	442	0	0	0	0
Subtotal	58,497	81,121	36,270	6,102	17,492	9,957	12,782	18,798
Other sources	27,903	21,272	10,586	89,194	85,959	77,021	88,235	124,607
All sources	86,400	102,393	46,856	95,296	103,451	86,977	101,017	143,405

Table continued on next page.

Table I-1--Continued
Small diameter CASSLP pipe: Summary data from the original investigations and current reviews, 1997-2004

Item	1997	1998	1999	2000	2001	2002	2003	2004
(Quantity=short tons; value=\$1,000; unit values, unit labor costs, and unit financial data are per short ton)								
U.S. producers'-- Capacity	***	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***	***
Capacity utilization ¹	***	***	***	***	***	***	***	***
U.S. shipments Quantity	181,527	124,448	105,646	***	***	***	***	***
Value	136,424	98,243	76,392	***	***	***	***	***
Unit value	\$752	\$789	\$723	***	***	***	***	***
Production and related workers	354	288	303	***	***	***	***	***
Hours worked (1,000)	711	537	587	***	***	***	***	***
Net sales	\$137,275	\$100,616	\$76,835	\$***	\$***	\$***	\$***	\$***
Operating income	\$14,601	\$6,872	(\$10,792)	\$***	\$***	\$***	\$***	\$***
Operating income to net sales ¹	10.6	6.8	(14.0)	***	***	***	***	***

¹ In percent.

² In the original investigations, U.S. import data were based on U.S. importer questionnaire responses which staff believed understated U.S. imports from nonsubject countries. Confidential staff report, May 25, 2000, INV-X-114, p. IV-1, fn. 1. Data for 1997-99 presented in this table represent U.S. shipments of imports, which were used to calculate market shares in the original investigations.

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

Source: Data for 1997 through 1999 are compiled from information collected in the Commission's original antidumping duty investigations. See Confidential staff report, May 25, 2000, INV-X-114; see also *Certain Seamless Carbon and Alloy Standard, Line, and Pressure Pipe from Japan and South Africa, Invs. Nos. 731-TA-847 and 850 (Final)*, USITC Publication 3311, June 2000 and *Certain Seamless Carbon and Alloy Standard, Line, and Pressure Pipe from the Czech Republic, Mexico, and Romania, Invs. Nos. 731-TA-846, 848, and 849 (Final)*, USITC Publication 3325, August 2000. Data for 1999-2004 are compiled from data submitted in response to Commission questionnaires in the present reviews and from adjusted official Commerce statistics.

**Table I-2
Large diameter CASSLP pipe: Summary data from the original investigations and current reviews, 1997-2004**

Item	1997	1998	1999	2000	2001	2002	2003	2004
(Quantity=short tons; value=\$1,000; unit values, unit labor costs, and unit financial data are per short ton)								
U.S. consumption quantity: Amount	375,084	365,028	293,151	***	***	***	***	***
Producers' share ¹	***	***	***	***	***	***	***	***
Importer's share: ¹								
Japan	7.7	11.8	17.0	***	***	***	***	***
Mexico	***	***	***	***	***	***	***	***
Subtotal	***	***	***	***	***	***	***	***
All other countries	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***
U.S. import quantity from: ⁻³								
Japan	28,725	42,897	49,727	***	***	***	***	***
Mexico	***	***	***	0	0	0	0	0
Subtotal	***	***	***	***	***	***	***	***
Other sources	***	***	***	***	***	***	***	***
All sources	***	***	***	***	***	***	***	***

Table continued on next page.

Table I-2--Continued
Large diameter CASSLP pipe: Summary data from the original investigations and current reviews, 1997-2004

Item	1997	1998	1999	2000	2001	2002	2003	2004
(Quantity=short tons; value=\$1,000; unit values, unit labor costs, and unit financial data are per short ton)								
U.S. producers'-- Capacity	***	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***	***
Capacity utilization ¹	***	***	***	***	***	***	***	***
U.S. shipments Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Production and related workers	***	***	***	***	***	***	***	***
Hours worked (1,000)	***	***	***	***	***	***	***	***
Net sales	***	***	***	***	***	***	***	***
Operating income	***	***	***	***	***	***	***	***
Operating income to net sales ¹	***	***	***	***	***	***	***	***

¹ In percent.

² Less than 0.05 percent.

³ In the original investigations, U.S. import data were based on U.S. importer questionnaire responses which staff believed understated U.S. imports from nonsubject countries. Confidential staff report, May 25, 2000, INV-X-114, p. IV-1, fn. 1. Data for 1997-99 presented in this table represent U.S. shipments of imports, which were used to calculate market shares in the original investigations.

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

Source: Data for 1997 through 1999 are compiled from information collected in the Commission's original antidumping duty investigations. See Confidential staff report, May 25, 2000, INV-X-114; see also *Certain Seamless Carbon and Alloy Standard, Line, and Pressure Pipe from Japan and South Africa*, Invs. Nos. 731-TA-847 and 850 (Final), USITC Publication 3311, June 2000 and *Certain Seamless Carbon and Alloy Standard, Line, and Pressure Pipe from the Czech Republic, Mexico, and Romania*, Invs. Nos. 731-TA-846, 848, and 849 (Final), USITC Publication 3325, August 2000. Data for 1999-2004 are compiled from data submitted in response to Commission questionnaires in the present reviews and from adjusted official Commerce statistics.