

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-474 & 731-TA-1176
(Final) (Remand)

Drill Pipe and Drill Collars from China

AGENCY: United States International Trade Commission.

ACTION: Notice of remand proceedings.

SUMMARY: The U.S. International Trade Commission (“Commission”) hereby gives notice of the court-ordered remand of its affirmative threat determination in the final phase investigation of the antidumping and countervailing duty orders on drill pipe and drill collars from China. For further information concerning the conduct of this proceeding and rules of general application, consult the Commission’s Rules of Practice and Procedure, part 201, subparts A through E (19 C.F.R. part 201), and part 207, subpart A (19 C.F.R. part 207).

EFFECTIVE DATE: September 24, 2013

FOR FURTHER INFORMATION CONTACT: Nate Comly, Office of Investigations, telephone 202-205-3147, or David Goldfine, Office of General Counsel, telephone 202-205-3174, U.S. International Trade Commission, 500 E Street S.W., Washington, D.C. 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 of investigation Nos. 731-TA-340 E & H may be viewed on the Commission’s electronic docket (“EDIS”) at <http://edis.usitc.gov>.

SUPPLEMENTARY INFORMATION:

Background. – On August 19, 2013, the U.S. Court of International Trade (per Judge Stanceu) issued an opinion remanding certain aspects of the Commission’s affirmative threat determination in *Drill Pipe and Drill Collars from China*, 701-TA-474 & 731-TA-1176 (Final), USITC Pub. 4213 (Feb. 2011). In the Commission’s final determination, three Commissioners reached an affirmative threat determination (Commissioners Williamson, Pinkert, and Lane) while three Commissioners reached a negative determination (Chairman Okun, and Commissioners Pearson and Aranoff).

In its opinion, the Court concluded that the Commission made two erroneous findings. *Id.* at 11-19. In the Court’s view, “. . . the impermissible findings were that only smaller domestic purchasers, as opposed to purchasers the ITC considered ‘large,’ were buying subject merchandise at the start of the POI and that, during the POI, the participation of Chinese suppliers in the U.S. market broke through a prior limitation to smaller customers.” *Id.* at 16.

The Court concluded that ““from these erroneous findings, the ITC reached the unsupported conclusion that ‘the participation of suppliers of Chinese product in the U.S. market has evolved and grown over the period in ways that indicate further expansion is imminent,’ and the related conclusion that ‘the fact that suppliers of Chinese product have broken through a major prior limitation on their reach in the U.S. market is an indication that their U.S. market share is poised to increase.’” *Id.* at 16 (internal citations omitted). On remand, the Court instructed the Commission to reconsider its affirmative threat determination “on the whole, in the absence of these findings and conclusions.” *Id.* at 17.

The Court also remanded two issues to the Commission for further explanation. First, the Court directed the Commission “to explain why, and to what extent, it based its overall determination related to likely future import volume on its stated findings that the U.S. market share of subject merchandise was ‘substantial’ throughout the POI and ‘grew’ in first-half 2010.” *Id.* at 20. Second, the Court instructed the Commission to provide further explanation in support of its finding that “U.S. importers have increased their quantities of inventories of Chinese product to levels are particularly significant in the context of current market conditions.” *Id.* at 21.

Under the remand schedule ordered by the Court, the Commission must file its remand determination by November 18, 2013.

Participation in the proceeding. – Only those persons who were interested parties to the reviews (i.e., persons listed on the Commission Secretary’s service list) and parties to the appeal may participate in the remand proceeding. Such persons need not make any additional filings with the Commission to participate in the remand proceeding. Business proprietary information (“BPI”) referred to during the remand proceeding will be governed, as appropriate, by the administrative protective order issued in the reviews.

Written submissions. – The Commission will permit the parties to file comments pertaining to the specific issues that are the subject of the Court’s remand instructions. Comments should be limited to no more than fifteen (15) double-spaced and single-sided pages of textual material. The parties may not themselves submit any new factual information in their comments and may not address any issue other than those that are the subject of the Court’s remand instructions. Any such comments must be filed with the Commission no later than October 10, 2013.

All written submissions must conform with the provisions of section 201.8 of the Commission’s rules; any submissions that contain BPI must also conform with the requirements of sections 201.6, 207.3, and 207.7 of the Commission’s rules. 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 Fed. Reg. 68036 (Nov. 8, 2002).

In accordance with sections 201.16(c) and 207.3 of the Commission’s rules, each document filed by a party to the investigation must be served on all other parties to the investigation (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.

Parties are also advised to consult with the Commission's Rules of Practice and Procedure, part 201, subparts A through E (19 C.F.R. part 201), and part 207, subpart A (19 C.F.R. part 207) for provisions of general applicability concerning written submissions to the Commission.

By order of the Commission.

A handwritten signature in black ink, appearing to read "Lisa R. Barton", is positioned above a horizontal line.

Lisa R. Barton
Acting Secretary to the Commission

Issued: September 25, 2013