HOT-ROLLED CARBON STEEL PLATE FROM BELGIUM, BRAZIL, AND ROMANIA

Determinations of the Commission in Investigations Nos. 701-TA-83 and 701-TA-84 (Preliminary) Under Section 703(a) of the Tariff Act of 1930, and Investigation No. 731-TA-51 (Preliminary) Under Section 733(a) of the Tariff Act of 1930, Together With Information Obtained in the Investigations

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UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

Investigations Nos. 701-TA-83, 701-TA-84, and 731-TA-51 (Preliminary)

HOT-ROLLED CARBON STEEL PLATE FROM BELGIUM, HOT-ROLLED CARBON STEEL PLATE FROM BRAZIL, AND HOT-ROLLED CARBON STEEL PLATE FROM ROMANIA

Determinations

On the basis of the record 1/ developed in investigation No. 701-TA-83 (Preliminary), the Commission determines that there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury 2/ by reason of imports from Belgium of hot-rolled carbon steel plate, provided for in item 607.6615 of the Tariff Schedules of the United States Annotated (1981), which are alleged to be subsidized by the Government of Belgium.

On the basis of the record 1/ developed in investigation No. 701-TA-84 (Preliminary), the Commission determines that there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury 3/ by reason of imports from Brazil of hot-rolled carbon steel plate, provided for in item 607.6615 of the Tariff Schedules of the United States Annotated (1981), which are alleged to be subsidized by the Government of Brazil.

On the basis of the record 1/ developed in investigation No. 731-TA-51 (Preliminary), the Commission determines that there is a reasonable indication that an industry in the United States is materially injured or threatened

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

2/ Chairman Alberger and Commissioner Frank determine that there is a reasonable indication that an industry in the United States is materially injured by reason of imports from Belgium of hot-rolled carbon steel plate which are alleged to be subsidized by the Government of Belgium.

3/ Chairman Alberger and Commissioner Frank determine that there is a reasonable indication that an industry in the United States is materially injured by reason of imports from Brazil of hot-rolled carbon steel plate which are alleged to be subsidized by the Government of Brazil.

with material injury 1/ by reason of imports from Romania of hot-rolled carbon steel plate, provided for in item 607.6615 of the Tariff Schedules of the United States Annotated (1981), which are alleged to be sold in the United States at less than fair value (LTFV).

Background

On November 18, 1981, the U.S. International Trade Commission received advice from the U.S. Department of Commerce that it was initiating countervailing duty investigations on imports of hot-rolled carbon steel plate from Belgium and Brazil and an antidumping investigation on imports of hot-rolled carbon steel plate from Romania. Accordingly, effective November 18, 1981, the Commission instituted investigations pursuant to sections 703(a) and 733(a) of the Tariff Act of 1930 (19 U.S.C. § 1671b(a) and § 1673b(a)) to determine whether there is a reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports of the merchandise which is the subject of the investigations by the Department of Commerce.

Notice of the institution of the Commission's investigations and of a public conference to be held in connection therewith was duly given by posting copies of the notices at the Office of the Secretary, U.S. International Trade Commission, Washington, D.C., and by publishing the notices in the Federal Register of November 25, 1981 (46 F.R. 57784). The conference was held in Washington, D.C., on December 14, 1981, and all persons who requested the opportunity were permitted to appear in person or by counsel.

1/ Chairman Alberger and Commissioner Frank determine that there is a reasonable indication that an industry in the United States is materially injured by reason of imports from Romania of hot-rolled carbon steel plate which are alleged to be sold in the United States at less than fair value.

VIEWS OF THE COMMISSION

After considering all available information, we conclude: (1) there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of imports of hot-rolled carbon steel plate from Romania allegedly sold at less than fair value (LTFV); (2) there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of allegedly subsidized imports of hot-rolled carbon steel plate from Belgium; (3) there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of allegedly subsidized imports of hot-rolled carbon steel plate from Brazil. 1/

In the following analysis we will first define the domestic industry pursuant to section 771(4)(A) of the Tariff Act of 1930. We will then examine the state of the domestic industry in terms of the relevant economic indicators set forth in section 771(7)(C)(iii). Finally, we will examine the causal relationship between the state of the domestic industry and the dumped or subsidized imports on a country by country basis. 2/ 3/

1/ Chairman Alberger and Commissioner Frank, having found a reasonable indication of material injury with respect to imports from Romania, Belgium and Brazil, do not reach the issue of threat in any of the three investigations.

2/ Commissioner Paula Stern fully joins the views of the Commission on carbon steel plate. In her separate views on Hot-Rolled Carbon Steel Sheet from France, Inv. No. 701-TA-85, she has discussed in detail issues of interest in all these cases.

3/ Commissioner Frank notes that the statute and legislative history require the Commission in its preliminary determinations in both antidumping and countervailing duty investigations to exercise only a low threshold test based upon the best information available to it at the time of such determination that the facts reasonably indicate that an industry in the United States could possibly be suffering injury, threat thereof or material retardation. H.R. Rep. No. 96-317, 96th Cong., 1st sess., 52 (1979).

Domestic industry

Section 771(4)(A) of the Tariff Act of 1930 defines the term "industry" as the "domestic producers as a whole of a like product or those producers whose collective output of the like product constitutes a major proportion of the total domestic production of that product." Section 771(10) defines "like product" as a product which is like, or in the absence of like, most similar in characteristics and uses with the article under investigation.

In its Notice of Initiation, the Department of Commerce defined the scope of the countervailing duty and antidumping investigations regarding carbon steel plate as follows:

> For the purposes of this investigation, the term "hot rolled carbon steel plate" covers steel not alloyed; not pickled and not cold rolled; not in coils; not coated or plated with metal and not clad; 0.1875 inch or more in thickness and over eight inches in width, as currently provided for in item 607.6615 of the Tariff Schedules of the United States Annotated. 4/ 5/

The information obtained in these preliminary investigations shows that imported Belgian, 6/ Brazilian and Romanian hot-rolled carbon steel plate and

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4/ 46 F.R. 56635 (Nov. 18, 1981).

5/ One Belgian manufacturer, Cockerill Sambre, S.A., argued that the Commerce Department improperly included cut-to-length hot-rolled steel band in the investigation. Transcript of Public Conference, pp. 192-94. Cockerill contends that the Commerce Department incorrectly defined the imported articles subject to this investigation by TSUS numbers, rather than according to commercial practice. According to Cockerill, this confusion resulted in the mistaken inclusion of hot-rolled steel band in the investigation. We believe that the resolution of this issue should be left to the Department of Commerce.

6/ A Belgian firm, Forges de Clabecq, argued that the great majority of its plate falls within certain combinations of width and thickness that cannot be economically manufactured by U.S. mills. Clabecq's mill is a somewhat unusual combination of a reversing mill followed by a four stand finishing mill. According to Clabecq, the mill can produce certain thinner gages of plate in widths exceeding 84 inches. Clabecq alleges that plate in these gages and widths can be produced in U.S. mills, but at a much higher cost.

(Footnote continued)

domestic hot-rolled carbon steel plate consists of a variety of widths, lengths and thicknesses. There are no clear dividing lines between the characteristics and uses of different sizes and shapes of plate. 7/ Accordingly, for purposes of this preliminary investigation, the like product consists of all hot-rolled steel plate, not alloyed, not pickled and not cold-rolled; not coated or plated with metal and not clad; not in coils, 0.1875 inch or more in thickness and over 8 inches in width.

Condition of the domestic industry

It is clear from a review of the relevant economic indicators set forth in section 771(7)(C)(iii) that there is a reasonable indication that the domestic hot-rolled carbon steel plate industry is experiencing severe difficulties. The domestic industry's production, capacity utilization, and employment, while fluctuating from year to year, have shown sharp overall declines during the period under investigation. Thus production fell from 6,094,000 tons in 1979 to 5,750,000 tons in 1980. 8/ During the first 9 months of 1981, production remained at low levels comparable to those reached in 1980.

(Footnote continued)

The advantage of the wider plate lies in the lower number of welds required to cover a given surface area. According to Clabecq, the narrower U.S. plate requires more welds, thus increasing the cost of covering a given area. Clabecq did not furnish information as to how, if at all, the alleged width-thickness differences affect the uses of the imported article.

For purposes of this preliminary investigation, we conclude that hot-rolled steel plate of all widths is "like" the Belgian imported article. There is information indicating that the wider varieties of Belgian plate can be cut into smaller sizes. Such smaller sizes are produced in the United States. Furthermore, U.S. products in narrower widths can be welded together in a processor to form plate of widths and thicknesses equivalent to that of the allegedly unique Belgian plate.

7/ See Stainless Clad Steel Plate from Japan, Inv. No. 731-TA-50 (Preliminary), USITC Pub. 1196 (1981).

8/ Staff Report at A-22, Table 8.

Capacity declined markedly from 1979 to 1980 from 10,096,000 tons to 9,683,000 tons. This trend continued in 1981 with a further decline in practical domestic capacity. 9/ While capacity utilization remained relatively stable from 1978-81, showing only a slight decline from 61.5 percent utilization in 1978 to 59.8 percent utilization in January-September 1981, such stability is misleading. 10/ The industry's practical capacity declined significantly from 1979 to the present. Although there have been some additions to practical capacity, notably at Bethlehem Steel's Chesterton, Indiana facilities in 1978, there have been a number of closures of carbon steel plate facilities during the period, most recently in February 1981 the permanent shutdown of Jones & Laughlin Steel's only plate mill and a hot strip mill at its Pittsburgh, Pa. 11/

Employment of production and related workers in the carbon steel plate sector fell from 17,909 workers in 1979 to 17,096 workers in 1980 and 16,612 workers in January-September 1981. 12/ The 2.8 percent decline in the carbon steel plate sector during January-September 1981 compared to the same period in 1980 is noteworthy because overall employment in facilities in which carbon steel plate was produced rose during the same period. 13/

9/ Id.
10/ Id. at A-22.
11/ Id. at A-10 to A-11.
12/ Id. at A-26, Table 11.
13/ Id. Commissioner Frank notes that it is reasonable to presume such recent levels of capacity utilization are not sufficient per se to enable the industry to return to a more healthy condition in view of its capital intensive nature. He also finds it appropriate to observe in this context that continuance of these capacity utilization levels surely would affect industry management decisions as to the nature, magnitude and timing of future capital investment in productive facilities, aside from other economic and financial considerations.

Part of the industry's problems can be attributed to shrinking demand. During the period under investigation, U.S. consumption of carbon steel plate showed a significant overall decline. Consumption fell from 8,467,000 tons in 1978 to 7,683,000 tons in 1980. 14/ While consumption rose slightly in the first 9 months of 1981, it remained significantly below levels attained in 1978-79. Shipments by domestic producers also showed a declining trend, falling by 8 percent in 1980 and by another 2 percent in January-September, 1981. 15/

Throughout the period under investigation, profitability in the carbon steel plate industry remained extremely low. The industry showed a ratio of operating profit to net sales of 4.0 percent in 1978 and 3.7 percent in 1979. 16/ In 1980 the industry's performance deteriorated, recording an operating profit to net sales ratio of only 1.4 percent. The industry turned a profit in 1981, but the January-September 1981 operating profit to net sales ratio of 3.1 percent hardly qualifies as grounds for optimism. Indeed, three U.S. producers reported operating losses for the partial accounting year ending in September 1981. 17/

Reasonable Indication of Material Injury By Reason of Imports

We turn now to the impact of the allegedly dumped or subsidized imports on the state of the domestic industry. We will discuss the reasons for our

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14/ Id. at A-21, Table 7.
15/ Id. at A-23.
16/ Id. at A-31, Table 16.
17/ Commissioner Frank notes that steel industry association data cite certain productivity statistics, e.g., tons per hour, that indicate that this industry manifests greater productivity than Belgian, Brazilian and Romanian producers. He believes that, if final Commission investigations are conducted, the Commission should independently obtain relevant comparative productivity data from domestic and Belgian, Romanian, and Brazilian producers.

affirmative determinations on a country-by-country basis because we find a reasonable indication of material injury due to the imports of each country individually, rather than cumulatively. 18/

1. HOT-ROLLED CARBON STEEL PLATE FROM ROMANIA

Introduction

Our determination that there is a reasonable indication that allegedly dumped hot-rolled carbon steel plate from Romania has caused or threatens to cause 19/ material injury to the domestic industry is based principally on the dramatic rise in imports of Romanian plate during 1980-81, lost sales, and the large margins of underselling. There are preliminary indications that underselling attributable to Romanian imports has caused both price suppression and depression in the U.S. steel market. Our finding that there is a reasonable indication of a threat of material injury 19/ by reason of imports from Romania rests on the likelihood that imports of Romanian plate will continue at their current penetration levels during a period in which the domestic industry is particularly vulnerable to injury.

18/ Commissioner Frank, while not cumulating the impact of allegedly subsidized imports from Belgium and Brazil as a principal factor in reaching his determinations in these preliminary investigations, notes, based on the record developed to date, the appropriateness of Commerce's self-initiated investigations against these countries inasmuch as aggregated imports of carbon steel plate represent overall over 32% of total carbon steel plate imports for consumption by quantity and value as of September 1981. He did consider, however, the cumulative impact of such imports (including Romanian imports) as an adjunct to his analyses in reaching his determinations in these preliminary investigations.

19/ See footnote 1.

Volume of Imports

The information developed in our preliminary investigation reveals a dramatic rise in imports of Romanian hot-rolled carbon steel plate. Imports remained below 1 percent of apparent U.S. consumption from 1978-80, accounting for a mere 0.6 percent of apparent U.S. consumption in 1978, 0.2 percent in 1979, and 0.4 percent in 1980. 20/ This relatively low level of import penetration changed in 1981 with a sudden increase in the first nine months of 1981 to 3.1 percent. Imports from Romania totaled 35,000 tons during 1980. In the first 9 months of 1981, imports jumped to 184,000 tons. 21/ Thus imports for the first three quarters of 1981 are more than five times the level attained over an entire year in 1980. We see indications that this increase has materially disturbed domestic markets at a time of declining overall domestic plate demand.

Impact on prices

Preliminary indications of possible price suppression or depression form an additional linkage between the state of the domestic industry and the alleged dumping of Romanian plate. For the reasons set forth in the Staff Report it is difficult to make price comparisons between imported and domestic plate. 22/ Some quarterly price comparisons, however, are available for 1980

20/ Staff Report at A-41 to A-42, Table 20.
21/ Id. at A-41 to A-42, Table 19.
22/ Id. at A-46. Commissioner Frank points out that there are some differences in handling freight, transportation costs, and other considerations which affect net prices to end users and domestic purchasers, making price comparisons difficult in some circumstances.

and the first three quarters of 1981. The Romanian product undersold at significant margins the domestically produced hot-rolled plate in six of the seven quarters. 23/

The Commission was also able to confirm that the domestic industry lost sales to Romanian imports. 24/ Price was the determining factor in every case. Purchasers reported that Romanian offering and selling prices were as much as 100 dollars per ton below domestic producers' published prices. We conclude that the information available on pricing and lost sales indicates a reasonable possibility of price suppression.

The underselling by Romanian producers may have broader implications. The carbon steel plate industry appears to be highly price-sensitive, and even more so during periods of stagnant or declining demand. According to information obtained by the Commission, buyers generally are aware of prevailing market prices and are able to play off competing domestic and foreign offers. Hence the low prices of one firm, foreign or domestic, may have a broad-ranging effect on the market. The margins of underselling attributable to possibly dumped imports may be suppressing or depressing domestic prices. 25/

Accordingly, we conclude that there is a reasonable indication that the domestic industry has incurred material injury by reason of allegedly LTFV imports.

23/ Id. at A-51, Table 26.
24/ Id. at A-51 to A-52.
25/ Id. at A-51, Table 26; A-52, Table 27.

Threat of material injury 26/

We further determine that there is a reasonable indication that the domestic industry is threatened with material injury by reason of allegedly dumped imports of hot-rolled carbon steel plate from Romania. The issue of whether there is a reasonable indication of a threat of material injury turns on the "likelihood of a particular situation developing into actual material injury." 27/ The threat must be real and imminent, not a mere possibility based on supposition and conjecture. 28/ Information available in this preliminary investigation reasonably indicates that Romanian exporters have the capacity, the export capability and the financial incentive to direct large and increasing quantities of hot-rolled plate to the U.S. market.

Romania's capacity for producing hot-rolled carbon steel plate has increased and will continue to increase. Capacity rose substantially from 1979-80 to January-October, 1981. 29/ As a new plant constructed by Combinat Siderurgica Galati (CSG) comes on stream, capacity is projected to increase further in 1985. 30/ Since there was substantial unused capacity in 1981, the Romanian steel industry has the ability to substantially increase its production and its exports to the United States. The dramatic increase in Romanian plate imports during January-September 1981 demonstrates that Romania has the ability to increase rapidly its exports to the United States.

26/ See footnote 1.
27/ H.R. Rep. No. 96-317, 96th Cong., 1st Sess. 47 (1979).
28/ Alberta Gas Chemicals, Inc. v. United States, 515 F. Supp. 780 (Ct. Int'l Trade 1981).
29/ Staff Report at A-57.
30/ Id.

We also note that there are preliminary indications that Romania is currently experiencing a shortage of hard currency. This appears to be a particular problem for the steel industry, since the rolling mill equipment for the new CSG plant was purchased with a U.S. Export-Import Bank loan which must be repaid in dollars. 31/ Until the loan is repaid, it would appear that the Romanian steel industry has reason to export in order to obtain U.S. currency. 32/ Representatives of the Romanian industry argued that rising Romanian demand will absorb projected increases in steel production, thus removing the threat of future Romanian imports. However, they also stated that they could not be "precise" about when and to what extent demand will increase. 33/ This claim can be investigated in our final investigation.

We conclude that the capacity, export capability, and financial needs of the Romanian steel industry establish a reasonable indication of a real and imminent threat of material injury by reason of imports of hot-rolled plate from Romania.

2. HOT-ROLLED CARBON STEEL PLATE FROM BELGIUM

Introduction

We conclude that there is a reasonable indication that the domestic industry has suffered or is threatened with 34/ material injury by reason of allegedly subsidized imports of hot-rolled carbon steel plate from Belgium. Our determination is based, among other things, on the continued significant

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31/ Transcript at 226-27.
32/ Id.
33/ Id. at 240.
34/ See footnote 1.

volume of Belgian imports, lost sales, and a consistent pattern of underselling.

Volume of imports

During January 1978-September 1981, Belgium was the largest exporter of hot-rolled plate to the United States, accounting for 17 percent of total imports. 35/ While Belgian imports have fluctuated in terms of tonnage, 36/ they have consistently accounted for a sizeable share of domestic consumption. After falling from 4.6 percent of apparent domestic consumption in 1978 to 2.7 percent in 1979, Belgian imports rose to 3.7 percent of apparent domestic consumption in 1980 and 3.9 percent in January-September, 1981. During January-September, 1981, imports totaled 232,000 tons, as opposed to 200,000 tons during the comparable period of 1980. This represents an increase of 16 percent.

Price

Pricing data collected by the Commission show that imported Belgian plate consistently undersold domestic plate. On sales to service center distributors underselling occurred in every quarter, with the margin of underselling ranging as high as 18 percent. 37/ Sales to end-user customers also showed repeated instances of underselling, although at somewhat smaller margins.

35/ Staff Report at A-41.
36/ Id. at A-41, Table 19.
37/ Id. at A-50, Table 24. The underselling was particularly marked in the Northeast and Southeast areas.

The Commission was able to confirm instances of lost sales to imports from Belgium. 38/ In each case, the purchaser stated that price was the principal reason for its decision to purchase Belgian plate over a competing domestic offer. Furthermore, in several situations, domestic producers lowered their prices to avoid losing sales to Belgian competitors. 39/ Thus, the information developed in this preliminary investigation suggests that imports of Belgian hot-rolled plate have contributed to price suppression or depression in the U.S. market. 40/ 41/

The continued significant volume of Belgian imports of hot-rolled plate, coupled with underselling and confirmed lost sales, establishes a reasonable indication that allegedly subsidized Belgian imports have caused material injury to the domestic industry. 42/

Threat of material injury 43/

The Belgian steel industry has significant plate-making capacity.

38/ Id. at A-51.

39/ Id. at A-52, Table 27.

40/ Commissioner Frank notes that during the 1980 to September 1981 period there also appears to be an indication of possible price distortions in both domestic and imported hot-rolled carbon steel plate which warrants further scrutiny should a final Commission investigation in this matter be undertaken.

41/ Commissioner Frank notes that the U.S. Department of Commerce, in announcing its self-initiated countervailing duty investigation specifically indicated those government programs which it intends to investigate that are listed in the Report on pages A-6 through A-7. He also observes that Under Secretary of Commerce Olmer in his testimony at the Commission's public conference disclosed that the Commerce Department had already made an estimate of the per ton value of just two of the government programs of nearly $40 per ton in some cases and indicated the total value of subsidization under all such programs to be determined after a thorough investigation could be much higher.

42/ Commissioner Frank believes it should be emphasized that such pricing patterns, trends and indications of impact should be scrutinized per se totally independent of such impacts on Trigger Price Mechanisms in effect, which for the purpose of this subsidy investigations are not relevant.

43/ See footnote 1.

Capacity utilization has remained relatively low, ranging from 47.4 percent in 1979 to 59.5 percent in January-September 1981. 44/ Hence it is possible for the Belgian steel producers to increase greatly their production of hot-rolled plate. Furthermore, according to data supplied by the Belgian government, almost all Belgian plate is exported. In 1979, exports of 1,323,000 tons exceeded Belgian production of 1,314,000 tons. 45/ During January-September 1981, Belgian production of 1,188,000 tons barely exceeded exports of 1,148,000 tons. After falling to 214,000 tons in 1979, imports from Belgium rose in 1980 and in January-September 1981. 46/ It is clear from past import patterns that the Belgian producers are capable of exporting significant quantities of plate to the United States. For these reasons, there is a reasonable indication that imports from Belgium pose a threat of material injury.

3. HOT-ROLLED CARBON STEEL PLATE FROM BRAZIL

Introduction

The sharp increase in imports of hot-rolled plate from Brazil, indications of underselling, and confirmed lost sales form the principal bases for our determination that there is a reasonable indication that allegedly subsidized Brazilian imports have caused or threaten 47/ to cause material injury to the domestic hot-rolled carbon steel plate industry.

44/ Id. at A-54, Table 28.
45/ Id.
46/ Id. at A-41, Table 19.
47/ See footnote 1.

Volume of imports

The volume of imports of hot-rolled plate from Brazil rose consistently during the period under investigation. Brazilian imports totalled 80,000 tons in 1978. 48/ They increased to 206,000 tons in 1979 and 323,000 tons in 1980. This trend continued in 1981. In January-September 1981, 228,000 tons of imported Brazilian plate entered the United States, as opposed to 218,000 tons during the comparable period of 1980. 49/

These increases in volume were accompanied by equivalent increases in import penetration. Thus, the ratio of Brazilian imports to domestic consumption went from 0.9 percent in 1978 to 2.6 percent in 1979 and 4.2 percent in 1980. 50/ Accordingly, Brazilian plate played an increasing role in the U.S. market during a period in which the health of the domestic industry declined.

Price

The pricing data regarding Brazil are mixed. There are repeated, albeit irregular, indications of underselling at margins ranging from 2 to 7 percent. 51/

Furthermore, the Commission was able to confirm instances in which potential purchasers of hot-rolled plate selected the Brazilian product over a competing domestic offer. 52/ Each purchaser cited the lower price of the Brazilian plate as the basis for its decision to purchase the imported article.

48/ Staff Report at A-41, Table 19.
49/ Id.
50/ Id. at A-41, Table 20.
51/ Id. at A-50, Table 25.
52/ Id. at A-51.

The steel market is highly price sensitive, particularly during periods of stagnant or declining demand. There is information available which indicates that buyers generally are aware of prevailing market prices and are able to play off competing domestic and foreign offers. Hence the low prices of one firm, foreign or domestic, may have a broad-ranging effect on the market.

There are preliminary indications that Brazilian imports, by virtue of a competitive advantage allegedly derived from government subsidization, are taking sales away from domestic manufacturers and may be materially suppressing or depressing prices in the U.S. market. 53/ 54/ Accordingly, we conclude that there is a reasonable indication of material injury by reason of allegedly subsidized imports from Brazil. 55/

Threat of material injury 56/

Section 771(7)(E)(i) of the Tariff Act of 1930 provides:

53/ Commissioner Frank notes that the U.S. Department of Commerce in self-initiating its countervailing duty investigation has indicated its intention to investigate participation by the Brazilian industry in certain export incentive programs as well as other governmental programs that may provide countervailable benefits which are described in the Report on pages A-7 to A-8. He notes additionally that Commerce has currently estimated a total ad valorem benefit of up to 27 percent for three principal programs which have been found countervailable in previous cases; and further, he notes that Commerce has indicated that it does not currently have sufficient information to estimate the ad valorem value of other possible countervailable assistance, which may be substantial.

54/ Commissioner Frank notes that during the 1980 to September 1981 period there also appears to be an indication of possible price distortions in both domestic and imported hot-rolled carbon steel plate which warrants further scrutiny should a final Commission investigation in this matter be undertaken.

55/ Commissioner Frank believes it should be emphasized that such pricing patterns, trends and indications of impact should be scrutinized per se totally independent of such impacts on Trigger Price Mechanisms in effect, which for the purpose of this subsidy investigation are not relevant.

56/ See footnote 1.

> (i) Nature of subsidy.--In determining whether there is a threat of material injury, the Commission shall consider such information as may be presented to it by the administering authority as to the nature of the subsidy (particularly as to whether the subsidy is an export subsidy inconsistent with the Agreement) provided by a foreign country and the effects likely to be caused by the subsidy.

In its Notice of Investigation, 57/ the Department of Commerce alleged that certain of the Brazilian subsidies under investigation are specifically directed at stimulating exports. Exports have accounted for an increasing portion of Brazil's hot-rolled plate production, with the bulk of these exports directed at the United States. Approximately 55 percent of Brazilian plate exports entered the United States in 1979 and 68 percent in 1980. During the period under investigation, Brazil's exports of carbon steel plate to the United States have more than doubled from 177,000 tons in 1979 to 389,000 tons in 1980. 58/

Information obtained in the course of this preliminary investigation indicates that the Brazilian industry's plate capacity may increase as the two facilities currently under construction begin production. 59/

Hence, the Brazilian steel industry appears to have the capacity and the financial incentive to increase its shipments to the United States over present levels. Such shipments would further injure a domestic industry that is already weakened.

57/ 46 F.R. 56636-37 (Nov. 18, 1981).
58/ Staff Report at A-55. Table 29..
59/ Id. at A-55 to A-57.

INFORMATION OBTAINED IN THE INVESTIGATIONS

Introduction

On November 18, 1981, the U.S. International Trade Commission received advice from the U.S. Department of Commerce that it was initiating countervailing duty investigations on imports of carbon steel plate from Belgium and Brazil and an antidumping investigation on imports of carbon steel plate from Romania. 1/ Accordingly, effective November 18, 1981, the Commission instituted the following investigations pursuant to sections 703(a) and 733(a) of the Tariff Act of 1930 (19 U.S.C. § 1671b(a) and § 1673b(a)) to determine whether there is a reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports of the merchandise which is the subject of the investigations by the Department of Commerce:

701-TA-83 (Preliminary)--Hot-rolled carbon steel plate from Belgium,
701-TA-84 (Preliminary)--Hot-rolled carbon steel plate from Brazil, and
731-TA-51 (Preliminary)--Hot-rolled carbon steel plate from Romania.

Notice of the institution of the Commission's investigations and of a public conference to be held in connection therewith was duly given by posting copies of the notices at the Office of the Secretary, U.S. International Trade Commission, Washington, D.C., and by publishing the notices in the Federal Register of November 25, 1981 (46 F.R. 57784). 2/ The conference was held in Washington, D.C., on December 14, 1981. 3/ The Commission's votes in these investigations were held on December 22, 1981. By statute, the Commission must render its determinations within 45 days after its receipt of advice from Commerce--in these cases, by January 4, 1982.

Commerce initiated these investigations on its own accord pursuant to information developed under the Trigger-Price Mechanism (TPM) for monitoring U.S. imports of certain steel mill products. This information and Commerce's analysis of the steel industries in the respective foreign countries indicated that (a) countervailing duty investigations were warranted to determine whether the Governments of Belgium and Brazil are providing subsidies within

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1/ Copies of Commerce's letters of notification to the Commission and its notices of investigation, as published in the Federal Register of Nov. 18, 1981 (46 F.R. 56635), are presented in app. A. Commerce also notified the Commission that it was initiating a countervailing duty investigation on carbon steel plate from South Africa. Because South Africa is not a "country under the Agreement" within the meaning of sec. 701 of the Trade Act of 1930, the Commission is not required to make an injury determination for that country.

2/ Copies of the Commission's notices are presented in app. B. The conference in these investigations was held concurrently with the conference held in investigation No. 701-TA-85 (Preliminary), hot-rolled carbon steel sheet from France.

3/ A list of witnesses appearing at the conference is presented in app. B.

the meaning of section 771(5) of the Tariff Act of 1930 with respect to the manufacture, production, or exportation of carbon steel plate, and (b) significant sales of carbon steel plate from Romania were being made at less than the applicable trigger prices (such sales constitute possible sales at less than fair value (LTFV)).

Within the past 4 years, the Commission has conducted several antidumping investigations concerning imports of carbon steel plate, as summarized below:

In April 1978, the Commission unanimously determined (Chairman Parker and Commissioner Ablondi not participating) that an industry in the United States was being injured by reason of the importation of carbon steel plate from Japan that was being, or was likely to be, sold at LTFV within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. § 160(a)). 1/ Subsequent to the Commission's determination, antidumping duties were imposed on imports of carbon steel plate from Japan.

In May 1979, the Commission determined (Vice Chairman Alberger and Commissioner Stern dissenting, Chairman Parker not participating) that an industry in the United States was being or was likely to be injured by reason of the importation of carbon steel plate at LTFV from Taiwan. 2/ Following the Commission's determination, antidumping duties were assessed on imports of carbon steel plate from Taiwan.

In June 1979, the Commission unanimously determined (Chairman Parker not participating) that an industry in the United States was not being and was not likely to be injured, and was not prevented from being established, by reason of the importation of carbon steel plate from Poland, which the Department of the Treasury had determined was being, or was likely to be, sold at LTFV. 3/

In May 1980, the Commission determined, pursuant to section 733(a) of the Tariff Act of 1930, that there was a reasonable indication that an industry in the United States was materially injured by reason of imports of carbon steel plate from Belgium, the Federal Republic of Germany, France, Italy (Commissioner Stern dissenting), the Netherlands (Vice Chairman Alberger and Commissioner Stern dissenting), and the United Kingdom (Vice Chairman Alberger and Commissioner Stern dissenting), which the petitioner (the United States Steel Corp.) alleged were being, or

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1/ Carbon Steel Plate from Japan: Determination of Injury in Investigation No. AA1921-179 . . ., USITC Publication 882, April 1978.

2/ Carbon Steel Plate from Taiwan: Determination of Injury in Investigation No. AA1921-197 . . ., USITC Publication 970, May 1979.

3/ Carbon Steel Plate from Poland: Determination of No Injury or the Likelihood Thereof in Investigation No. AA1921-203 . . ., USITC Publication 984, June 1979.

were likely to be, sold in the United States at LTFV. 1/ Subsequent to the Commission's affirmative determination, the petitions against the European steel producers were withdrawn.

The Product

Description and uses 2/

Carbon steel plate is a flat-rolled steel mill article produced by hot-rolling reheated slabs or ingots in plate mills or hot-strip mills. Plate is generally considered to be a finished product, and is distinguished from other flat-rolled products by its dimensions.

The Department of Commerce defined the carbon steel plate which is the subject of its countervailing duty and antidumping investigations as "steel not alloyed; not pickled and not cold rolled; not in coils; not coated or plated with metal and not clad; 0.1875 inch or more in thickness and over eight inches in width, as currently provided for in item 607.6615 of the Tariff Schedules of the United States Annotated" (1981). 3/

Carbon steel plate is produced in various types of mills, including universal plate mills, sheared-plate mills, and hot-strip mills. Universal mills are characterized by vertical rolls preceding and following horizontal rolls. In these mills, only the length of the plate is increased; the vertical rolls control the width. Consequently, only the ends of the plate need to be sheared. Sheared-plate mills, on the other hand, roll plate only between horizontal rolls, thereby increasing both the width and length of the product while reducing its thickness. Later, all the edges are trimmed. Sheared-plate mills are generally classified as either reversing, semi-continuous, or continuous. Hot-strip mills roll plate in the longitudinal

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1/ Certain Carbon Steel Products from Belgium, the Federal Republic of Germany, France, Italy, Luxembourg, the Netherlands, and the United Kingdom: Determinations of the Commission in Investigations Nos. 731-TA-18 - 24 (Preliminary) . . ., USITC Publication 1064, May 1980.

2/ A detailed discussion of the steelmaking process and the relative significance of carbon steel plate compared with all carbon steel products is presented in USITC Publication 1064 (Id.), at pp. A-5 through A-9 and A-47.

3/ The Tariff Schedules of the United States (TSUS) defines plates as "flat rolled products, whether or not corrugated or crimped, in coils or cut in length, 0.1875 inch or more in thickness and, if not cold rolled, over 8 inches in width, or, if cold rolled, over 12 inches in width." As indicated above by Commerce's definition of the merchandise involved, however, carbon steel plate in coils is not included within the scope of its investigations. For statistical reporting purposes, the hot-rolled carbon steel plate which is the subject of these three investigations is provided for in item 607.6615 of the Tariff Schedules of the United States Annotated (TSUSA). Hot-rolled carbon steel plate in coils, as provided for in TSUSA item 607.6610, is included within the scope of the Commission's concurrent countervailing duty investigation (No. 701-TA-85 (Preliminary)) concerning hot-rolled carbon steel sheet from France.

direction of the slab. The slabs are roughed down in roughing stands and sent to finishing stands to attain the desired thickness. Hot-strip-mill plate is subsequently sheared to length or coiled and later sheared.

The production of steel plate in plate mills begins with the uniform heating of slabs or ingots. This is accomplished in slab-reheating furnaces, most notably continuous or batch-type furnaces. The slabs, which usually enter the furnaces cold, are heated to their rolling temperature of approximately 2,400° F. and sent to a scalebreaker. The scalebreaker removes furnace scale by the use of hydraulic water sprays and sends the slabs to either a roughing or finishing mill, depending on mill type. In reversing mills, slabs are usually sent directly from the scalebreaker to the finishing mill, usually a four-high stand. The slab is passed back and forth through the rolls, thereby reducing the product to its final thickness. Four-high reversing stands are equipped with a set of work rolls, which are slightly crowned and supported by backup rolls. The backup rolls provide added strength to the work rolls and help reduce roll wear. In semicontinuous plate mills, slabs are usually passed from the scalebreaker through a reversing roughing stand and a series of single-pass finishing stands. The roughing stand is usually a four-high mill, and finishing stands are customarily exact duplicates of each other, each further reducing the thickness of the product. In continuous plate mills, slabs receive only a single pass through roughing and finishing mills. A roughing mill usually consists of several roughing stands, and a finishing mill has four to six finishing stands. Semicontinuous and continuous plate mills have several advantages over reversing mills; for example, the tonnage capacity per unit of time of the former is generally greater, and their roll wear is less, thereby reducing replacement time.

After leaving one of the assorted finishing stands, the plates are usually divided according to their thickness. Thicker plates that cannot be flattened by a leveler are removed and usually sent to a flame-cutting department. Plates that remain are generally cooled by top and bottom water sprays, and then flattened by a leveler. The effectiveness of the flattening is increased with decreasing thickness of the plate and increasing temperature. From the leveler, the plates will usually travel to a cooling bed. They are then measured and marked to desired size and shape, and stamped or painted with proper identification. The plates are crop sheared and subsequently side and end sheared. The plates are then weighed individually and transferred to the shipping building. Circular or semicircular plates and sketch plates can be produced by gas cutting or shearing these rectangular plates.

Steel service centers and distributors, the construction industry, and producers of machinery and industrial equipment are the largest consumers of steel plate, accounting for approximately 21 percent, 21 percent, and 16 percent, respectively, of total U.S. producers' shipments in 1980. Carbon steel plate is used primarily in the construction of bridges, storage tanks, pressure vessels, railroad freight and passenger cars, ships, line pipe, industrial machinery, and a large variety of other products.

U.S. tariff treatment

The imported carbon steel plate which is the subject of these investigations is classified for tariff purposes under item 607.66 of the TSUS. 1/ This item provides for plates "of iron or steel, not cut, not pressed, and not stamped to nonrectangular shape (except as provided in item 609.17), not coated or plated with metal and not clad, not pickled and not cold rolled, other than alloy iron or steel." The column 1 (most-favored-nation) rate of duty for item 607.66 is currently 7.5 percent ad valorem. 2/ As a result of concessions granted in the Tokyo round of the Multilateral Trade Negotiations (MTN), this rate will undergo a series of successive annual reductions beginning Janury 1, 1982, and ending January 1, 1987, when the final column 1 rate of 6 percent ad valorem will be reached.

The column 2 rate of duty for item 607.66 is 20 percent ad valorem. 3/ This item is not eligible for duty-free treatment under the Generalized System of Preferences (GSP), 4/ and imports from the least developed developing countries (LDDC) are not granted preferential rates. 5/

In addition to the import duties discussed above, findings of dumping are currently in effect with respect to imports of carbon steel plate from Japan and Taiwan. U.S. imports of carbon steel mill products such as plate are also subject to restraints imposed by administrative actions taken under provisions of the Buy American Act. 6/

1/ Prior to Jan. 1, 1980, such carbon steel plate was classified under TSUS item 608.84. This item has since been deleted.

2/ In 1978 and 1979, the column 1 rate of duty for item 608.84 was also 7.5 percent ad valorem. The column 1 rates are applicable to imported products from all countries except those Communist countries and areas enumerated in general headnote 3(f) of the TSUS.

3/ The rate of duty in column 2 applies to imported products from those Communist countries and areas enumerated in general headnote 3(f) of the TSUS.

4/ The GSP, under title V of the Trade Act of 1974, provides duty-free treatment for specified eligible articles imported directly from designated beneficiary developing countries. GSP, implemented by Executive Order No. 11888 of Nov. 24, 1975, applies to merchandise imported on or after Jan. 1, 1976, and is expected to remain in effect until January 1985.

5/ LDDC rates are preferential rates (reflecting the full U.S. MTN concession rate for a particular item without staging) applicable to products of those LDDC's designated in general headnote 3(d) of the TSUS which are not granted duty-free treatment under the GSP.

6/ The Buy American Act, 41 U.S.C. 10a-10d (1978), is the primary congressionally mandated legislative preference for U.S. goods. Under this act, U.S. Government agencies may purchase products of foreign origin for delivery in the United States only if the cost of the domestic product exceeds the cost of the foreign product, including duty, by 6 percent or more. This differential rises to 12 percent if the low domestic bidder is situated in a labor-surplus area, and to 50 percent if the purchase is made by the Department of Defense. The preferences may be waived in the public interest, however. For a more complete discussion of Buy-American restrictions, see USITC Publication 1064, op. cit., p. A-17.

Nature and Extent of Possibly Subsidized or LTFV Sales

Belgium

As indicated previously, on the basis of information developed under the TPM and its analysis of the Belgian steel industry, 1/ the Department of Commerce inititated a countervailing duty investigation to determine whether the Government of Belgium is providing a subsidy with respect to the manufacture, production, or exportation of carbon steel plate. Commerce announced that most of the programs which it intends to investigate are provided under Belgium's general incentive law of July 17, 1959, and its regional incentive law of December 30, 1970. 2/ These programs include capital grants, interest rebates, loan guarantees, exemptions of income tax on capital grants, exemptions from real property taxes, accelerated depreciation, and forgiveness and assumption of debt. 3/ Other Government programs which may provide countervailable benefits on the production or exportation of carbon steel plate will also be investigated as appropriate.

Commerce listed the following as "other" programs that may or may not be used by carbon steel plate producers in Belgium: (a) nontax incentives, such as nonrepayable capital premiums, employment premiums, preferential Government contracting, research and development incentives, environmental incentives, and other special industry incentives; (b) tax incentives (other than those previously indicated as specifically related to steel) provided under Belgium's 1970 regional incentive law, such as exemptions from the capital registration tax, reduction of the capital gains tax, and exemptions from local taxes; and (c) preferential export financing. With regard to preferen-

1/ The TPM, which was originally established in early 1978, consists of the following four major parts: (1) the establishment of trigger prices for basic steel mill products imported into the United States; (2) the use of a Special Summary Steel Invoice (SSSI) applicable to imports of all basic steel mill products; (3) the continuous collection and analysis of data concerning (a) the cost of production and prices of basic steel mill products exported to the United States and (b) the condition of the domestic steel industry; and (4) where appropriate, the expedited initiation (triggering) and disposition of proceedings under the antidumping law with respect to imports below the trigger prices. For a more complete discussion of the operation of the TPM from its inception to mid-1980, see USITC Publication 1064, op. cit., pp. A-171-A-178.

2/ The general incentives are available for investments of particular technological or sectoral interest anywhere in Belgium. Regional aids are available for companies that create employment in designated development areas. The incentives offered by these two laws are similar, with the major exception being the additional tax advantages offered under the regional incentive law.

3/ Mr. Lionel Olmer, Under Secretary of Commerce, testified at the Commission's public conference as follows: "We estimate the value of just two of these programs, the assumption of debt and capital grants and interest rebates, could be nearly $40 per ton in some cases. The total value of subsidization under all programs to be determined after thorough investigation we think could be much higher" (transcript of the conference, pp. 13 and 14).

tial export financing, Commerce stated the following:

> With a small internal market, Belgium has developed programs and policies for the promotion of exports. The emphasis on exports extends even to the granting of investment incentives that are negotiated with the Government. When negotiations take place, the amount of exports is not necessarily the decisive factor, but when it can be claimed that a very substantial portion of the manufactured goods will be exported, such a statement will certainly have a favorable influence on the negotiations. While it is not possible to determine the exact quantitative advantage provided by those export subsidies, it is probable that the steel industry has benefited from such programs, since typically 75-80% of its output is exported and since steel accounts for 12-14% of total Belgian exports. The following are summaries of the subsidies provided to favored export industries like steel:
>
> 1. Lower Premium Rates for Commercial Risk Insurance.--The Belgian government, through a special institution controlled by it, the Office National du Ducroire (OND), provides commercial risk insurance (90% coverage) to private buyers at premium rates. These rates may be inadequate to cover the long-term operating cost of the programs.
>
> 2. Preferred Rates for Long-Term and Medium-Term Borrowers.--Medium- and long-term export loans (up to 12 years or more) granted by the banks may be refinanced at preferred rates through the semi-public credit export interest rate and the "OECD consensus rate". The subsidy is available on selectively approved export credits (mainly capital goods like steel) for sales to non-EC countries.

Brazil

Similar to its investigation concerning imports of carbon steel plate from Belgium, the Department of Commerce initiated its countervailing duty investigation on imports of such merchandise from Brazil as a result of its TPM monitoring activities and an analysis of the Brazilian steel industry. Commerce's investigation will cover all Brazilian manufacturers, producers, and exporters found to have exported carbon steel plate to the United States. The Department intends to investigate participation by these firms in three export incentive programs: (1) the Industrial Products Tax (IPI) export credit premium; (2) preferential working capital financing; and (3) an income tax exemption based on export profits. Other Government programs which may provide countervailable benefits on the production or exportation of carbon steel plate, such as direct Government investment in the steel industry and preferential factor pricing (e.g., special rates for steel firms using rail and port facilities), will also be investigated as warranted.

Commerce estimated a total ad valorem benefit of up to 27 percent for the three principal programs, computed as follows: the IPI credit premium reimburses firms for 15 percent of the value of exported carbon steel plate,

the preferential working capital program provides a benefit of up to 9 percent, and income tax exemptions for export profits yield up to a 3-percent benefit. Commerce stated that all three programs have been found countervailable in previous cases, and added that "The Department does not have sufficient information to estimate at this time the ad valorem value of other potentially countervailable government assistance, which may be quite substantial."

Romania

The Department of Commerce initiated its antidumping investigation concerning imports of carbon steel plate from Romania as a result of information gathered under the TPM. Under the TPM, Commerce monitors imports of basic steel mill products and identifies those imports that may be sold at LTFV in the U.S. market. A comparison is made between the prices at which imported steel products enter the United States and the applicable trigger prices, which are based on the estimated costs of producing steel products in Japan. 1/ Because Japan is currently considered to be, on the average, the most efficient producer of steel in the world, it is considered possible that any imports entering the United States at prices below trigger prices are being sold at LTFV. 2/

On the basis of the information available to it, Commerce estimated that all carbon steel plate imported from Romania in January-July 1981 was sold below applicable trigger prices. The estimated average percentage increase necessary to reach trigger prices was 45 percent. During January-July 1981, when Commerce examined SSSI's submitted by importers of carbon steel plate from Romania, all such merchandise was imported into the United States through non-mill-related middlemen who acquire carbon steel plate outside the United States and resell it to their U.S. affiliates in related party, intracompany, transactions. 3/

1/ Data regarding Japanese costs of production are adjusted by Commerce to take into account appropriate extras and transportation costs.

2/ It is, however, possible to sell below trigger prices and yet be selling at fair value, as stated in Certain Steel Wire Rods from the Republic of Korea, USITC Publication 1088, August 1980, p. A-58.

3/ In connection with its investigation, Commerce noted that "With regard to the Department's monitoring of imports of Romanian plate, the Department has reason to believe that, notwithstanding the apparent CIF landed import transaction prices that have been reported to it, Romanian plate is being sold at prices and under circumstances that would constitute sales at less than fair value under the U.S. antidumping law. In an antidumping investigation, the relevant price to compare with fair value will be the price originally charged by the producer in a sale to a non-mill-related middleman with reason to know that the product is intended for resale in the United States. The Department has reason to believe that Romanian plate is being sold to non-mill-related middlemen with knowledge that the plate is intended for resale in the United States. Thus, the relevant price is not the related party import transaction price. Nor is it the unrelated resale price in the United States. The relevant price in an antidumping investigation involving sales of Romanian plate will be the price at which that plate is first sold outside the United States to a non-mill-related middleman who will resell in the United States."

U.S. Market and Market Participants

The United States is the world's largest free market for carbon steel plate. It influences the activities of literally thousands of economic units throughout the world, and at least 50 foreign firms produce some carbon steel plate for export to the United States. Owing to the pervasive use of carbon steel plate in the heavy capital equipment field, this market responds directly to the level of industrial investment in the United States. This section identifies the major participants in this important market.

In the U.S. market, sales of carbon steel plate by domestic producers and importers are made either directly to end users or to steel service centers and distributors, which, in turn, sell to end users. 1/ In 1980, approximately 21 percent of all domestically produced steel plate went to service centers and distribuors. The remaining 79 percent was shipped to end users. The largest end-user markets for steel plate were the construction and the machinery/industrial equipment industries, which accounted for 21 percent and 16 percent, respectively, of total U.S. shipments in 1980. Other major end-user markets included shipbuilding (12 percent), rail transportation (9 percent), and the oil and gas industry (4 percent). In 1980, about 2 percent of U.S. producers' total shipments of carbon steel plate was exported.

No precise data exist on the percentage of total U.S. imports that reach each class of customer; however, a 1978 Commission study indicated that steel service centers and distributors may be the largest single market for imported steel. 2/ Steel importers have traditionally sold their steel to independent steel service centers and distributors in the United States. In recent years, however, wholly owned or affiliated service centers and distributors have been established by many foreign steel producers, particularly those in the European Community (EC). In contrast, only three domestic producers of carbon steel plate--Inland Steel Co., National Steel Corp., and U.S. Steel Corp.--operated subsidiary service centers in 1980.

U.S. producers

About 15 firms produce carbon steel plate in the United States. Domestic production of carbon steel plate is highly concentrated, with the four largest producers--* * *--accounting for 69 percent of total producers' shipments in 1978 and 73 percent in 1980. These four producers and * * * are fully integrated firms that produce a wide range of steel mill products. Lukens Steel Co., * * *, is a nonintegrated firm which primarily produces steel plate

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1/ Large integrated domestic producers (for example, U.S. Steel Corp., Bethlehem Steel Corp., and Kaiser Steel Corp.) also use part of their output of carbon steel plate in fabricating other products, such as bridges, ships, offshore oil-drilling rigs, and pressure vessels.

2/ Conditions of Competition in the Western U.S. Steel Market Between Certain Domestic and Foreign Steel Products, USITC Publication 1004, September 1979. According to this study, importers shipped 60 percent of their imports to the service center/distributor market in 1978.

and plate products. The following tabulation, which was compiled from data obtained in response to the Commission's questionnaires, shows the principal producers and each firm's share of total U.S. producers' shipments of carbon steel plate in 1978 and in January-September 1981 (in percent):

Firm	Market share 1978	Market share Jan.-Sept. 1981
Armco, Inc. (Armco)	***	***
Bethlehem Steel Corp. (Bethlehem)	***	***
Gilmore Steel Corp. (Gilmore)	***	***
Inland Steel Co. (Inland)	***	***
Kaiser Steel Corp. (Kaiser)	***	***
Lukens Steel Co. (Lukens)	***	***
National Steel Corp. (National)	***	***
Phoenix Steel Corp. (Phoenix)	***	***
Republic Steel Corp. (Republic)	***	***
U.S. Steel Corp. (U.S. Steel)	***	***

In 1980, domestic producers operated approximately 30 establishments in which carbon steel plate was produced. These plants are scattered throughout the United States, but are concentrated in the Great Lakes area and in Pennsylvania. Carbon steel plate is rolled in a variety of sizes and in an assortment of rolling mills. Table 1 shows the principal producers, the locations of their various plants that produce carbon steel plate, the types of mills in use in each plant, and estimated annual plate-producing capacity. The locations of the principal establishments are also shown in the map on page A-12.

The following facilities are among those which have been closed by domestic steel producers in recent years: in 1977, Bethlehem's facilities in Johnstown, Pa. (plate and galvanized sheet); in 1977, Jones & Laughlin Steel Corp.'s (J&L) Campbell Works (plate, hot- and cold-rolled sheet) and Brier Hill Works (plate-finishing mill), both in Youngstown, Ohio; in 1979, U.S. Steel's plate mill in Fairfield, Ala., its plate and strip mill in Youngstown, Ohio, and its plate mill in Torrance, Calif. J&L reported that its only plate mill and a hot-strip mill at its Pittsburgh, Pa., plant were closed permanently in February 1981. In 1978, Bethlehem opened a new 110-inch plate mill in Chesterton, Ind., which, * * *.

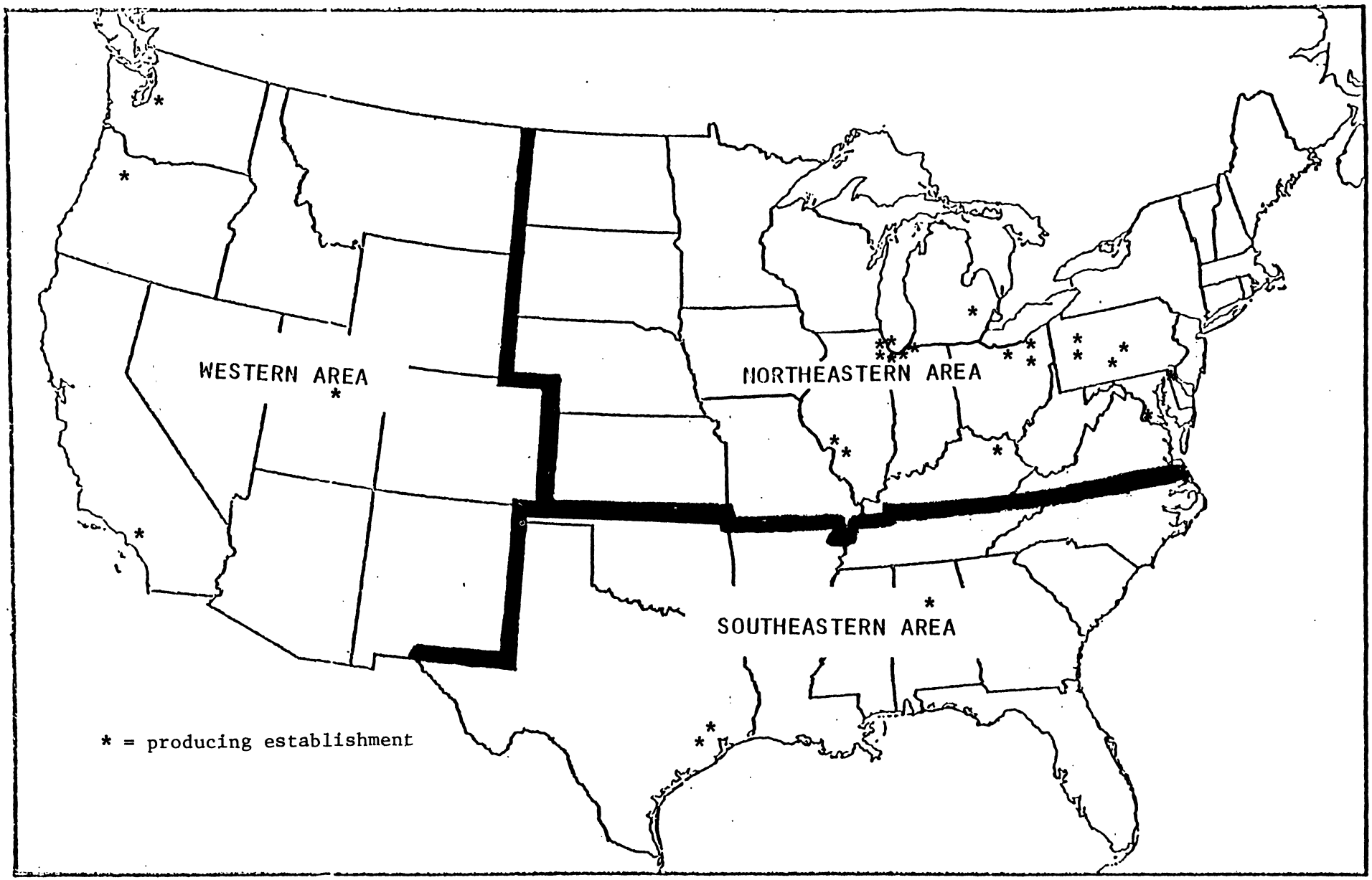
Table 1.--Carbon steel plate: U.S. producers, locations of their establishments, types of mills, and annual capacity, 1980

Firm	Establishment location	Type of mill	Production capacity
			1,000 tons
U.S. Steel	Homestead, Pa.	160-inch and 100-inch sheared plate.	
	Baytown, Tex.	160-inch sheared plate.	
	Gary, Ind.	160/210-inch sheared plate.	1/ ***
	South Chicago, Ill.	96-inch sheared plate.	
	Geneva, Utah	combination plate/strip and 33-inch universal plate.	
	Dravosburg, Pa.	33-inch hot strip.	
Bethlehem	Sparrows, Point, Md.	160-inch sheared plate and universal plate.	***
	Chesterton, Ind.	110-inch and 160-inch sheared plate.	***
	Seattle, Wash.	combination.	***
Armco	Ashland, Ky.	80-inch continuous plate, strip and sheet.	***
	Houston, Tex.	130-inch plate and 156-inch combination slab/plate.	***
Inland	East Chicago, Ind.	100-inch plate and 76-inch hot strip.	***
Lukens	Coatsville, Pa.	120-inch, 140-inch, and 206-inch plate.	1/ ***
	Conshohocken, Pa.	110-inch plate.	
Kaiser	Fontana, Calif.	148-inch plate.	2/ ***
Republic	Gadsden, Ala.	134-inch plate and 54-inch hot strip.	1/ ***
	Cleveland, Ohio	84-inch hot strip.	
	Warren, Ohio	56-inch hot strip.	
J&L	Cleveland, Ohio	80-inch hot strip.	1/3/ ***
	East Chicago, Ind.	84-inch hot strip.	
Gilmore	Portland, Oreg.	96-inch plate.	***
Interlake	Riverdale, Ill.	36-inch hot strip.	4/
Phoenix	Claymont, Del.	160-inch plate.	***
Sharon Steel	Sharon, Pa.	60-inch hot strip.	4/
National	Ecorse, Mich.	80-inch hot strip.	1/ ***
	Granite City, Ill.	80-inch hot strip.	
Laclede Steel	Alton, Ill.	22-inch hot strip.	***

1/ Total capacity of the firm to produce carbon steel plate.
2/ Estimated.
3/ * * *.
4/ Not available.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Figure 1.--Carbon steel plate: U.S. producers' locations, by areas, 1980



Source: Compiled from information submitted in response to questionnaires of the U.S. International Trade Commission.

Importers

The net importer file maintained by the U.S. Customs Service identifies about 130 importers of carbon steel plate from Belgium, Brazil, and Romania during October 1980-August 1981. Three-fifths of the importers obtained carbon steel plate from only one of those countries; only five importers obtained such merchandise from all three sources. Many of the firms that import carbon steel plate from Belgium, Brazil, or Romania are large trading companies that also obtain such merchandise from a number of other foreign countries.

Similar to the situation among domestic producers, the importation of carbon steel plate is rather heavily concentrated. The four largest importers accounted for almost half of combined imports from Belgium, Brazil, and Romania during October 1980-August 1981, and the 10 largest importers took 70 percent of the total. One firm, * * *, accounted for three-fourths of the total imports of carbon steel plate from Romania. The largest importers and the countries from which these firms imported (i.e., Belgium, Brazil, or Romania) during October 1980-August 1981 are shown in the following tabulation:

Firm	Country
* * *	Belgium, Brazil, Romania
* * *	Belgium
* * *	Brazil
* * *	Brazil
* * * 1/	Belgium, Brazil
* * *	Belgium, Brazil
* * *	Belgium
* * *	Belgium, Brazil
* * * 1/	Belgium, Brazil, Romania
* * * 1/	Belgium, Romania
* * *	Belgium
* * *	Brazil, Romania
* * * 1/	Belgium
* * *	Belgium, Brazil
* * *	Brazil
* * *	Belgium, Brazil
* * * 1/	Brazil

Steel service centers and distributors

As indicated previously, steel service centers and distributors account for about 20 percent of the carbon steel plate marketed in the United States by domestic producers, and for an unknown, but possibly substantial, share of imported carbon steel plate. There are currently about 500 steel service centers and distributors that buy and sell domestic and imported steel products. These firms generally service end-user accounts lacking the volume to efficiently utilize direct sourcing from U.S. producers or the large-volume trading companies. Steel service centers and distributors inventory the

1/ These importing firms are owned by or affiliated with foreign steel producers.

merchandise and prepare the plate to the individual specifications of the customer. The distributors' function in the market is primarily that of servicing customers that buy in small volume; the steel service centers provide additional services, including the cutting, leveling, slitting, and coating of the plate. Sometimes distributors and steel service centers compete directly with domestic producers, as well as large importers, for end-user accounts. Domestic steel mills usually sell in quantities of not less than a truckload (20 tons); distributors sometimes sell in quantities of less than half a truckload. Steel service centers will sell in even smaller quantities, sometimes as small as a single steel plate or section of a plate.

At least 10,000 firms engaged in the domestic manufacture of boilers, storage tanks, railway cars, ships, nonelectric machinery, and nonresidential construction are believed to purchase carbon steel plate. End users with a large and regular need for plate are generally very concerned about their supplier's long-term production capabilities, and for this reason tend to deal directly with U.S. producers or the trading companies. End users that purchase plate infrequently or in smaller quantities tend to buy from distributors or steel cervice centers.

Regional Market Considerations

In appropriate circumstances, the Commission may examine the question of material injury on a regional basis (19 U.S.C. § 1677(4)(C)). At the outset of these investigations, three possible "regions" were identified on the basis of an examination of quickly available secondary source data concerning the location of U.S. producers of carbon steel plate, the location of their customers, and the ports of entry through which imports of carbon steel plate were entered during 1980 and January-September 1981. The three areas are identified on the map on page A-12 and are referred to as the Northeastern, Southeastern, and Western areas. This section presents data developed during the course of the investigations that relate to economic factors relevant to a determination of whether any of the identified areas merit treatment as "regions" within the meaning of section 771(4)(C) of the Tariff Act of 1930. That section states that--

> In appropriate circumstances, the United States, for a particular product market, may be divided into 2 or more markets and the producers within each market may be treated as if they were a separate industry if--
>
> (i) the producers within such market sell all or almost all of their production of the like product in question in that market, and
>
> (ii) the demand in that market is not supplied, to any substantial degree, by producers of the product in question located elsewhere in the United States.
>
> In such appropriate circumstances, material injury, the threat of material injury, or material retardation of the

> establishment of an industry may be found to exist with respect to an industry even if the domestic industry as a whole, or those producers whose collective output of a like product constitutes a major proportion of the total domestic production of that product, is not injured, if there is a concentration of subsidized or dumped imports into such an isolated market and if the producers of all, or almost all, of the production within that market are being materially injured or threatened by material injury, or if the establishment of an industry is being materially retarded, by reason of the subsidized or dumped imports.

The following discussion addresses the considerations set forth in section 771(4)(C) as they relate to hot-rolled carbon steel plate. 1/

Data from public sources on the costs of rail shipments can provide a general idea of the significance of the costs of transporting plate. Although much steel is shipped by truck, rail is more important for the longer hauls that are likely to be involved in cross-regional shipments. 2/ Table 2 shows the cost of shipping a ton of steel plate 1 mile and the cost of a shipment of average length for movements between the Official territory, which includes

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1/ At the Commission's conference held in connection with these investigations, counsel for Armco, Eugene L. Stewart, was the only party to allege injury to a regional industry. Armco produces carbon steel plate at two locations, Ashland, Ky., and Houston, Tex. Mr. Stewart's preconference statement (p. 22) stated that the Houston mill primarily serves a five-State area consisting of Texas, Louisiana, Mississippi, Oklahoma, and Arkansas. This statement goes on to allege (p. 24) that "With an increasing proportion, and the majority of total imports of carbon steel plate from the countries under investigation concentrated in the Houston market area, entering through the Gulf Coast ports, these unfairly priced imports dramatically increased in volume, 1979 vs. 9 months 1981, while Armco's domestic shipments moved sharply in the opposite direction. As a result, imports in 1981 eclipsed Armco's production and shipments at the Houston works." The only other domestic producer that manufactures plate in the indicated five-State area is U.S. Steel (at its plant in Baytown, Tex.). U.S. Steel did not allege injury to a regional industry and did not provide data for each of its plate-producing establishments in the United States. (It has six, as shown in table 1.)

2/ Data from 1977 indicate that 53.4 percent of the ton-miles traveled by iron and steel plate movements are on rail, 45.9 percent are on truck, and 0.7 percent are on water. The average length of haul for rail is 231.9 miles and for truck, 175.5 miles. See Bureau of the Census, Census of Transportation 1977, vol. 1, Washington, D.C., 1980, p. 207. Certain mills can use water transport to ship between areas. For example, the Bethlehem mill at Sparrows Point, Md., ships steel to Houston, Tex., by water. Shippers primarily use water transport for very long hauls; as stated in the Census report, the average length of haul by water is 323.5 miles. By using water transport, these mills can reduce their transportation costs and increase their ability to ship between areas.

the major steel-producing States, and four other territories. 1/ There are large steel mills outside the Official territory, but this table focuses on that territory because, among all domestic producers of carbon steel plate, those in the Northeastern area ship the largest volume to other areas. The Official and Western Trunk territories roughly correspond to the Northeastern area, the Mountain-Pacific territory roughly corresponds to the Western area, and the Southwestern and Southern territories roughly correspond to the Southeastern area.

Table 2.--Costs of shipments from the Official territory for iron or steel plate, October 1981

Destination territory	Cost per ton mile	Average length of haul	Cost of average haul	
	Cents	Miles	Per ton	Percent of price 1/
Southern	4.62	718	$33.17	6.7
Southwestern	4.15	965	44.05	8.8
Western Trunk	5.76	523	30.12	6.0
Mountain Pacific	3.65	2,471	90.19	18.1

1/ Price is defined as $498.67 per ton, the average of domestic producers' carbon steel plate prices to end users in the Northeastern area during the third quarter of 1981. This price is the arithmetic average of the prices of the three types of plate for which data were collected in these investigations by the Commission.

Source: U.S. Department of Transportation, Carload Waybill Statistics 1979, Washington, D.C., December 1980, p. 146. The Bureau of Labor Statistics index of rail rates for primary iron and steel products was used to adjust the 1979 cost data to reflect the level of rates in October 1981. The Department of Transportation data refer to standard transportation commodity code 33122 (Iron or Steel Plates). This category includes some products not involved in these investigations.

1/ The territories, as defined by the U.S. Department of Transportation, are:

Official.--New England, New York, New Jersey, Pennsylvania, Delaware, Maryland, West Virginia, Illinois, Ohio, Indiana, the lower peninsula of Michigan, the southeastern carrier of Wisconsin, and northern Virginia;

Western Trunk.--Missouri, Iowa, Minnesota, North Dakota, South Dakota, Nebraska, Kansas, eastern Colorado, eastern Utah, and the rest of Wisconsin;

Southwestern.--Texas, Oklahoma, Arkansas, Louisiana west of the Mississippi River, and eastern New Mexico;

Southern.--Kentucky, Tennessee, Mississippi, Alabama, Florida, Georgia, South Carolina, North Carolina, Louisiana east of the Mississippi River, and southern Virginia; and

Mountain-Pacific.--the area west of the Southwestern and Western Trunk territories.

These data give only the average costs for all steel shipments between the specified territories. The cost of actual shipments will vary with the specific origin and destination involved. However, these data do indicate that movements from the Northeastern area to the Western or Southeastern areas involve substantial transportation costs, which may be large enough to cause one of these areas to be a separate and identifiable region. These transportation costs, however, may be counterbalanced by regional differences in production costs. As shown in table 3, production of carbon steel plate is heavily concentrated in the Northeastern area, 1/ possibly because the cost of producing steel is lower there than in other parts of the United States (this is an unproven possibility only). If the Northeastern producers have a production cost advantage, they may be able to effectively compete with local producers in areas where they have a substantial transportation cost disadvantage. Under these circumstances, the steel belt producers will be able to ship plate throughout the country, and no area will be separate and isolated.

Table 3.--Carbon steel plate: Percentage distribution of U.S. production, by areas, 1978-80, January-September 1980, and January-September 1981 1/

Area	1978	1979	1980	January-September--	
				1980	1981
Northeastern	68.1	66.5	64.0	63.6	66.7
Southeastern	***	***	***	***	***
Western	***	***	***	***	***
Total	100.0	100.0	100.0	100.0	100.0

1/ These data are incomplete. In particular, U.S. Steel, which manufactures plate in all three areas, did not provide production on a regional basis.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Questionnaire data on the destination of shipments of U.S.-produced carbon steel plate may indicate whether Northeastern producers can effectively compete in the other regions. These data are summarized in table 4.

1/ In particular, production is concentrated in the four states of the steel belt: Pennsylvania, Ohio, Indiana, and Illinois. In 1980, plants in these States shipped 58.5 percent of the tonnage shipped under census code 33124 (steel plates, structural shapes and piling, and hot-rolled bar and bar shapes). This code includes products that are not the subject of these investigations. See U.S. Bureau of the Census, Current Industrial Reports: Steel Mill Products, 1980, Washington, D.C. Sept. 1981, p. 15.

Table 4.--Carbon steel plate: U.S. producers' shipments across regional boundaries, January-September 1981 1/

(In percent)

Area	Share of sales shipped from other regions	Share of shipments shipped to other regions
Northeastern	1.6	14.1
Southeastern	27.4	4.6
Western	7.5	-

1/ These data are incomplete. In particular, U.S. Steel, which manufactures plate in all three areas, did not provide shipments on a regional basis.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

These data indicate that Northeastern producers supply almost all the domestically supplied plate sold within that area. These producers ship 14.1 percent of their domestic shipments to other regions; they supply 27.4 percent of the domestic shipments of plate to Southeastern purchasers and 6.1 percent of domestic shipments of plate to Western purchasers. 1/

The concentration of imports may be considered in either absolute or relative terms. Absolute concentration can be measured by each area's share of total imports. Table 5 presents data on these shares. 2/

1/ Southeastern producers supply 1.4 percent of the domestic shipments of plate to Western purchasers.

2/ The data in table 5 assign imports to the area of their port of entry. However, imports may enter in one area and then be shipped to a purchaser in another area. The Commission asked importers for data on imports by purchaser's region, but the response was insufficient to determine the distribution of plate imports. Classifying imports by areas of entry probably underestimates the Northeast's share of imports. In the concurrent investigation involving hot-rolled carbon steel sheet, the port-of-entry data consistently underestimated the Northeast's share of imports. Furthermore, in an earlier investigation involving carbon steel plate, the Commission found that some plate entering at New Orleans, La., a major port of entry for the Southeastern area, was shipped to the Northeastern area. See Carbon Steel Plate from Taiwan . . ., USITC Publication 970, May 1979, pp. A-22 and 23.

Table 5.--Carbon steel plate: Percentage distribution of U.S. imports from Belgium, Brazil, and Romania, by areas of entry, 1978-80, January-September 1980, and January-September 1981

(In percent of total imports)

Source and area of entry	1978	1979	1980	Jan.-Sept. 1980	Jan.-Sept. 1981
Belgium:					
Northeastern	10.3	12.7	9.3	7.9	15.8
Southeastern	64.2	60.9	75.8	73.5	72.7
Western	25.4	26.4	14.9	18.6	11.5
Total	100.0	100.0	100.0	100.0	100.0
Brazil:					
Northeastern	39.9	55.0	27.3	19.5	20.0
Southeastern	60.1	40.2	64.5	68.4	71.9
Western	-	4.8	8.2	12.0	8.1
Total	100.0	100.0	100.0	100.0	100.0
Romania:					
Northeastern	47.9	63.1	31.5	0.4	24.6
Southeastern	35.0	35.7	66.4	99.2	68.4
Western	17.1	1.2	2.1	.4	6.9
Total	100.0	100.0	100.0	100.0	100.0

Source: Compiled from official statistics of the U.S. Department of Commerce.

The regional distribution of imports can also be measured in relation to the regional distribution of other sources of supply. Relative import concentration can be measured by each area's import penetration levels. Table 6 shows import penetration by area.

Total import penetration consistently is the lowest in the Northeastern area. In 1980, imports of carbon steel plate from Belgium made their greatest penetration in the Southeastern area; in 1978 and 1979, their greatest penetration was in the Western area. Such imports consistently made their smallest penetration in the Northeastern area. Imports from Brazil consistently made their greatest penetration in the Southeastern area. In 1978 and 1979, they made their smallest penetration in the Western area; in 1980, their smallest penetration was in the Northeastern area. Market penetration for imports from Romania was small and not consistently concentrated in any one area during 1978-80.

Table 6.--Carbon steel plate: Percentage distribution of U.S. sales, by areas and by sources of supply, 1978-80

(In percent)

Area and source of supply	1978	1979	1980
Northeastern area:			
Domestic producers	***	***	***
Imports from Belgium	***	***	***
Imports from Brazil	***	***	***
Imports from Romania	***	***	***
Imports from other countries	***	***	***
Total	100.0	100.0	100.0
Southeastern area:			
Domestic producers	***	***	***
Imports from Belgium	***	***	***
Imports from Brazil	***	***	***
Imports from Romania	***	***	***
Imports from other countries	***	***	***
Total	100.0	100.0	100.0
Western area:			
Domestic producers	***	***	***
Imports from Belgium	***	***	***
Imports from Brazil	***	***	***
Imports from Romania	***	***	***
Imports from other countries	***	***	***
Total	100.0	100.0	100.0

Source: Domestic producers' shipments are from confidential data of the American Iron & Steel Institute. Data on imports are from official statistics of the U.S. Department of Commerce. The Commerce data allocate imports to regions by port of entry.

Import penetration may differ between areas because of the high cost of transporting steel within the United States. High transportation costs will hamper the efforts of producers in the steel belt to compete with imports in other areas of the country. Therefore, import penetration may be higher in the Western and Southeastern areas than in the Northeastern area because of the producers' costs of shipping steel to purchasers in these areas.

U.S. Consumption

Apparent U.S. consumption of carbon steel plate declined from 8.5 million tons in 1978 to 7.7 million tons in 1980, or by 9 percent. Consumption during January-September 1981 amounted to 5.9 million tons, or 4 percent more than that during the corresponding period of 1980 (table 7). The share of the market supplied by the domestic industry increased in 1979, as U.S. producers' shipments rose and imports fell. In 1980, however, the domestic industry lost about half the increased market share gained the previous year. The ratio of imports from all sources to apparent consumption decreased from 23.4 percent in 1978 to 15.7 percent in 1979, but subsequently increased without interruption to 24.3 percent during January-September 1981. 1/

Table 7.--Carbon steel plate: U.S. producers' shipments, imports for consumption, exports of domestic merchandise, and apparent consumption, 1978-80, January-September 1980, and January-September 1981

Period	Shipments	Imports	Exports	Apparent consumption	Ratio of imports to--	
					Shipments	Consumption
	1,000 short tons				Percent	
1978	6,588	1/ 1,978	99	8,467	30.0	23.4
1979	6,803	1,244	143	7,904	18.3	15.7
1980	6,242	1,568	127	7,683	25.1	20.4
Jan.-Sept.--						
1980	4,683	1,112	98	5,697	23.7	19.5
1981	4,577	1,436	2/ 114	5,899	31.4	24.3

1/ Adjusted to exclude 167,500 tons of slab greater than 6 inches in thickness imported from Poland.

2/ Estimated by the staff of the U.S. International Trade Commission; exports in January-August amounted to 101,000 tons.

Source: Shipments, American Iron & Steel Institute, Annual Statistical Report; imports and exports, official statistics of the U.S. Department of Commerce, except as noted.

1/ In comparison, apparent U.S. consumption of carbon steel plate in other recent years was as follows (in millions of short tons): 1972--7.4, 1973--8.8, 1974--10.0, 1975--7.7, 1976--6.8, and 1977--7.4. The ratio of imports from all sources to apparent consumption in those years was as follows (in percent): 1972--16.6, 1973--11.3, 1974--13.1, 1975--13.3, 1976--18.1, and 1977--21.3.

Consideration of Material Injury to an Industry in the United States

U.S. production, capacity, and capacity utilization

U.S. production of carbon steel plate during 1978-80 and January-September 1981, as well as the capacity of domestic producers to produce such merchandise and their utilization of that capacity, is shown in table 8. As indicated, both production and capacity have fallen since 1979; as a result, capacity utilization has remained fairly stable at about 60 percent. Capacity declined from 10.1 million tons in 1979 to 9.4 million tons (on an annual basis) during January-September 1981, or by about 7 percent. Production decreased from 6.1 million tons in 1979 to 5.8 million tons in 1980; production during January-September 1981 was at an annual rate of 5.6 million tons.

Table 8.--Carbon steel plate: U.S. production, production capacity, 1/ and capacity utilization, 1978-80, January-September 1980, and January-September 1981

Item	1978	1979	1980	Jan.-Sept.--	
				1980	1981
Production 2/---1,000 short tons--	5,728	6,094	5,750	4,274	4,234
Capacity----------do----	9,310	10,096	9,683	7,256	7,076
Capacity utilization-----percent--	61.5	60.4	59.4	58.9	59.8

1/ Practical capacity was defined as the greatest level of output a plant can achieve within the framework of a realistic work pattern. Producers were asked to consider, among other factors, a normal product mix and an expansion of operations that could be reasonably attained in their industry and locality in setting capacity in terms of the number of shifts and hours of plant operation.

2/ U.S. producers submitting usable data accounted for 92 percent of total shipments in 1980 as reported by the American Iron & Steel Institute.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Caution should be used in evaluating the above capacity utilization figures. As indicated previously, carbon steel plate is produced both in plate mills and in hot-strip mills; the latter produce hot-rolled carbon steel sheet on the same equipment used to produce plate. Thus, an allocation of a plant's total productive capacity must be made to arrive at a capacity figure on a product-by-product basis. Moreover, the capacity utilization of rolling and finishing mills is not necessarily the best method of determining the extent to which a steelmaking operation is most efficiently utilizing its facilities. All steelmaking facilities--blast furnaces, steelmaking furnaces,

and rolling and finishing mills--are interrelated, and the primary consideration of the firms in the industry is to insure that their primary production facilities, i.e, ironmaking and steelmaking furnaces, are operating at high capacity levels. This normally requires excess capacity at rolling and finishing mills. It is generally agreed, therefore, that a better gage of the steel industry's, and an individual producer's, operating levels is capacity utilization for the production of raw steel. According to the American Iron & Steel Institute (AISI), raw steel production capability 1/ in the United States totaled 157.9 million tons in 1978, 155.3 million tons in 1979, and 153.7 million tons in 1980. U.S. production of raw steel decreased from 137.0 million tons in 1978 to 136.3 million tons in 1979, and then dropped sharply to 111.8 million tons in 1980. Thus, production equaled 86.8 percent of the industry's total raw steel production capability in 1978, 87.8 percent in 1979, and 72.7 percent in 1980.

U.S. producers' shipments

During 1978-80, U.S. producers' shipments of carbon steel plate accounted for about 8 percent of aggregate shipments of all carbon steel mill products by U.S. producers. Producers' shipments of carbon steel plate increased 3 percent from 1978 to 1979, but then fell 8 percent in 1980. Shipments of carbon steel plate have continued their decline thus far in 1981; shipments in January-September 1981 were about 2 percent less than shipments during the corresponding period of 1980. Total U.S. producers' shipments of carbon steel plate, as reported by AISI (such shipments include intracompany transfers and exports), are shown in the following tabulation:

	Shipments (1,000 short tons)
1978	6,588
1979	6,803
1980	6,242
January-September--	
1980	4,683
1981	4,577

1/ Raw steel, as defined by the AISI, is steel in the first solid state after melting, suitable for further processing or sale, including ingots, steel castings, and continuous or pressure-cast blooms, billets, slabs, or other product forms. Capability, as defined by the AISI, is the tonnage capability to produce raw steel for a full order book on the current availability of raw materials, fuels, and supplies, and of the industry's coke, iron, steelmaking, rolling, and finishing facilities, recognizing current environmental and safety requirements.

U.S. producers' intracompany shipments, domestic market shipments, and export shipments, as reported in response to the Commission's questionnaires, are shown in table 9. 1/ These data show the decline in producers' shipments since 1979 and indicate that (a) intracompany shipments by U.S. producers of carbon steel plate for use in the manufacture of other products remained relatively stable at about 6 percent of total shipments in each of the periods shown, and (b) exports by producers accounted for less than 2 percent of their total shipments in each period.

Table 9.--Carbon steel plate: U.S. producers' shipments, 1978-80, January-September 1980, and January-September 1981

Item	1978	1979	1980	Jan.-Sept.--	
				1980	1981
	Quantity (1,000 short tons)				
Intracompany shipments	359	378	358	261	241
Domestic market shipments	5,270	5,635	5,280	3,974	3,963
Export shipments	37	51	98	77	63
Total	5,666	6,064	5,736	4,312	4,267
	Value (million dollars)				
Domestic market shipments	1,972	2,318	2,362	1,758	1,934
Export shipments	13	17	34	25	24
Total	1,985	2,335	2,396	1,783	1,958

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

U.S. exports

During 1978-80, exports of carbon steel plate accounted for about 5 percent of annual U.S. exports of all carbon steel mill products. Exports of carbon steel plate increased from 99,000 tons in 1978 to 143,000 tons in 1979, but then slipped to 127,000 tons in 1980. Exports in January-August 1981 amounted to 101,000 tons, or about 9 percent more than exports in January-August 1980 (table 10). Principal export markets for domestically produced carbon steel plate during January 1978-August 1981 were Canada, Thailand, and Mexico; 35 percent of aggregate exports went to Canada, 29 percent went to Thailand, and 16 percent went to Mexico.

1/ Domestic producers responding to the Commission's questionnaires accounted for 86 percent of shipments reported by AISI in 1978, 89 percent in 1979, 92 percent in 1980, and 93 percent in January-September 1981.

Table 10.--Carbon steel plate: U.S. exports of domestic merchandise, by principal markets, 1978-80, January-August 1980, and January-August 1981

Market	1978	1979	1980	January-August--	
				1980	1981
	Quantity (1,000 short tons)				
Mexico	5	16	33	20	19
Thailand	46	33	32	23	27
Canada	29	63	30	24	42
Italy	0	6	14	9	1/
United Kingdom	0	5	7	7	1/
Venezuela	2	3	1	1	1
Brazil	1	1/	1	1	1/
Republic of Korea	0	5	1	1/	1/
Japan	6	2	1/	1/	1/
All other	10	10	8	8	12
Total	99	143	127	93	101
	Value (1,000 dollars)				
Mexico	2,226	8,517	14,628	9,338	9,118
Thailand	6,089	5,586	6,162	4,557	5,124
Canada	11,980	25,929	16,892	13,739	23,410
Italy	-	957	2,287	1,649	32
United Kingdom	-	984	1,112	1,111	91
Venezuela	1,175	1,831	997	845	474
Brazil	216	758	2,267	1,795	1,195
Republic of Korea	-	1,025	970	672	462
Japan	746	517	61	61	110
All other	4,142	6,334	5,632	4,416	7,261
Total	26,574	52,438	51,008	38,183	47,277

1/ Less than 500 tons.

Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. producers' inventories

As indicated earlier, end users and distributors perform much of the inventory function in the domestic market for carbon steel plate. Producers keep minimum stocks of finished plate, preferring to inventory slab, which can be rolled into many steel mill products. Inventories of carbon steel plate reported by U.S. producers in response to the Commission's questionnaires remained small and relatively constant during 1978-80 and January-September 1981. Yearend inventories amounted to 5 percent of producers' total annual shipments in each of the years 1978-80. Reported end-of-period inventories are shown in the following tabulation:

Date	Inventories (1,000 short tons)
Dec. 31--	
1977	273
1978	291
1979	308
1980	298
Sept. 30--	
1980	243
1981	223

U.S. employment, wages, and productivity

In domestic establishments producing hot-rolled carbon steel plate, the average employment of all persons, production and related workers producing all products, and production and related workers producing plate followed a similar pattern of increasing in 1979 and then declining in 1980. In January-September 1981, the number of production and related workers producing plate continued to fall, but the other two employment categories rose. Similar patterns of change can be seen for hours paid for production and related workers in the production of all products and of plate (table 11). Comparisons of regional average employment and hours paid for hot-rolled plate production show the same pattern except in the Southeastern area, where employment and hours paid rose substantially in 1980 (table 12).

Wages and total compensation paid to production and related workers producing all products in domestic establishments producing carbon steel plate followed the same pattern of increasing in 1979, decreasing in 1980, and then increasing in January-June 1981 (table 13). In 1979 and January-September 1981, the increases in wages and total compensation were considerably greater than the increases in employment and hours, and in 1980, the declines were less sharp. In contrast, for production and related workers producing carbon steel plate, wages and total compensation paid rose throughout the period. The difference between total compensation and wages is an estimate of workers' benefits. In 1979 and 1980, these benefits increased approximately 12 percent annually for the plate production and related workers.

Table 11.--Average number of employees, total and production and related workers, in U.S. establishments producing hot-rolled carbon steel plate, and hours paid 1/ for the latter, 1978-80, 2/ January-September 1980, and January-September 1981

Item	1978	1979	1980	January-September--	
				1980	1981
Average employment:					
All persons:					
Number	158,064	175,983	145,707	144,342	150,028
Percentage change	3/	11.3	(17.2)	3/	3.9
Production and related workers producing--					
All products: 4/					
Number	133,701	147,393	119,615	118,315	124,061
Percentage change	3/	10.2	(18.8)	3/	4.8
Hot-rolled carbon steel plate: 5/					
Number	16,735	17,909	17,096	17,098	16,612
Percentage change	3/	7.0	(4.5)	3/	(2.8)
Hours paid for production and related workers producing--					
All products: 4/					
Number----------thousands--	276,373	300,394	233,127	172,868	187,334
Percentage change	3/	8.7	(22.4)	3/	8.4
Hot-rolled carbon steel plate: 5/					
Number----------thousands--	33,971	35,905	33,204	25,505	25,314
Percentage change	3/	5.7	(7.5)	3/	(0.7)

1/ Includes hours worked plus hours of paid leave time.
2/ Includes producers accounting for *** percent of total U.S. shipments of carbon steel plate in 1980.
3/ Not available.
4/ Does not include data for Gilmore.
5/ Does not include data for Laclede.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 12.--Average number of production and related workers producing hot-rolled carbon steel plate and hours paid 1/ for them, by areas, 1978-80, 2/ January-September 1980, and January-September 1981

Item	1978	1979	1980	January-September--	
				1980	1981
Southeastern area:					
Average employment:					
Number	***	***	***	***	***
Percentage change	3/	***	***	3/	(***)
Hours paid:					
Number----------thousands--	***	***	***	***	***
Percentage change	3/	***	***	3/	(***)
Northeastern area:					
Average employment:					
Number	7,471	8,128	7,116	7,207	6,447
Percentage change	3/	8.8	(12.4)	3/	(10.5)
Hours paid:					
Number----------thousands--	14,675	15,816	13,301	10,733	9,846
Percentage change	3/	7.8	(15.9)	3/	(8.3)
Western area:					
Average employment:					
Number	***	***	***	***	***
Percentage change	3/	***	(***)	3/	(***)
Hours paid:					
Number----------thousands--	***	***	***	***	***
Percentage change	3/	***	(***)	3/	(***)

1/ Includes hours worked plus hours of paid leave time.

2/ Includes producers accounting for *** percent of total U.S. shipments of carbon steel plate in 1980.

3/ Not available.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Note.--Does not include data for U.S. Steel or Laclede.

Table 13.--Wages and total compensation 1/ paid to production and related workers in establishments producing hot-rolled carbon steel plate, 1978-80, 2/ January-September 1980, and January-September 1981

Item	1978	1979	1980	January-September--	
				1980	1981
Wages paid to production and related workers producing--					
All products: 3/					
Value---------million dollars--	2,929	3,568	3,117	2,290	2,706
Percentage change----------	4/	21.8	(12.6)	4/	18.2
Hot-rolled carbon steel plate: 5/					
Value---------million dollars--	368	427	444	336	363
Percentage change----------	4/	16.0	4.0	4/	8.0
Total compensation paid to production and related workers producing--					
All products: 3/					
Value---------million dollars--	3,738	4,562	4,112	3,034	3,568
Percentage change----------	4/	22.0	(9.9)	4/	17.6
Hot-rolled carbon steel plate: 5/					
Value---------million dollars--	463	535	565	431	464
Percentage change----------	4/	15.6	5.6	4/	7.6

1/ Includes wages and contributions to social security and other employee benefits.
2/ Includes producers accounting for *** percent of total U.S. shipments of carbon steel plate in 1980.
3/ Does not include data for Gilmore.
4/ Not available.
5/ Does not include data for Laclede.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Data on labor productivity, hourly compensation, and unit labor costs in the production of hot-rolled carbon steel plate are presented in table 14. Labor productivity increased by less than 1 percent in 1979 and by about 2 percent in 1980, and then declined slightly during January-September 1981 compared with labor productivity in January-September 1980. Hourly compensation, however, increased continuously throughout the period. Inasmuch as the rise in hourly compensation was not offset by improved labor productivity, unit labor costs increased throughout the period--from $80.97 per ton in 1978 to $110.36 per ton during January-September 1981.

Table 14.--Labor productivity, hourly compensation, and unit labor costs in the production of hot-rolled carbon steel plate, 1978-80, 1/ January-September 1980, and January-September 1981

Item	1978	1979	1980	January-September--	
				1980	1981
Labor productivity:					
Quantity------tons per hour--	0.1682	0.1692	0.1724	0.1669	0.1663
Percentage change----------	2/	.6	1.9	2/	(.4)
Hourly compensation:					
Value----------per hour--	$13.62	$14.90	$17.02	$16.91	$18.35
Percentage change----------	2/	9.4	14.2	2/	8.5
Unit labor costs:					
Value----------per ton--	$80.97	$88.04	$98.77	$101.30	$110.36
Percentage change----------	2/	8.7	12.2	2/	8.9

1/ Includes producers accounting for *** percent of total U.S. shipments of carbon steel plate in 1980.

2/ Not available.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Note.--Does not include data for Laclede.

Financial experience of U.S. producers

Overall operations of the establishments or divisions.--Ten producers of hot-rolled carbon steel plate provided profit-and-loss data relative to the overall operations of the establishments or divisions within which such merchandise is produced. Net sales by these producers increased from $14.4 billion in 1978 to $17.4 billion in 1979, and then fell to $14.9 billion in 1980 (table 15). Net sales rose to $13.6 billion during the partial accounting year ending in September 1981 (partial year 1981), topping net sales in the corresponding period of 1980 by $2.7 billion, or 25 percent. In the aggregate, the 10 firms derived about 14 percent of their overall establishment or division sales revenue from the sale of hot-rolled carbon steel plate in 1978 and 1979, 17 percent in 1980, and 15 percent in partial year 1981.

The 10 firms reported an aggregate operating profit of $242 million, or 1.7 percent of net sales, in 1978. Such profit plunged to $78 million, or 0.4 percent of net sales, in 1979, and in 1980, the 10 firms sustained an aggregate loss of $511 million, equal to 3.4 percent of net sales. Operating profit climbed to $116 million during partial year 1981, compared with an operating loss of $505 million during the corresponding period of 1980. The partial year 1980 operating loss was equal to 4.7 percent of net sales, and the partial year 1981 operating profit was equal to 0.9 percent of net sales. Operating losses were experienced by two firms in 1978, three firms in 1979, five in 1980, and three in partial year 1981.

The ratio of cost of goods sold to net sales rose from 96 percent in 1978 to 101 percent in 1980, indicating that, in the aggregate, the 10 firms sold a share of their products at less than cost during the latter year. In partial year 1981, the ratio of cost of goods sold to net sales declined to 97 percent.

Operations on hot-rolled carbon steel plate.--The 10 firms which furnished profit-and-loss data accounted for about 91 percent of total U.S. producers' shipments of hot-rolled carbon steel plate in 1980. Their net sales of hot-rolled carbon steel plate rose from $2.1 billion in 1978 to $2.5 billion in 1980, representing an increase of 21 percent (table 16). In partial year 1981, net sales were up $174 million, or 9 percent, over the $1.9 billion net sales recorded during the corresponding period of 1980.

The 10 firms' aggregate operations on hot-rolled carbon steel plate were profitable during 1978-80 and partial year 1981. Their aggregate operating profit was rather meager, however, especially in 1980. 1/ The 10 firms earned an operating profit of $84 million and $92 million in 1978 and 1979, respectively. Such profit fell sharply to $34 million in 1980. In partial year 1981, the 10 firms recorded an operating profit of $64 million, compared with $9 million in the corresponding period of 1980.

1/ The Commission's questionnaires also requested data on net profit before income taxes. However, several firms failed to submit data relative to their interest expense and other nonoperating expenses and income. If such data were available, they probably would show that the 10 firms' operations on hot-rolled carbon steel plate were unprofitable (on the basis of net income or loss before income taxes) in 1980.

Table 15.--Profit-and-loss experience of 10 U.S. producers on the overall operations of their establishments or divisions within which carbon steel plate was produced, accounting years 1978-80, partial accounting year ending in September 1980, and partial accounting year ending in September 1981

Item	1978	1979	1980	Partial accounting year ending in Sept.	
				1980	1981
Net sales----------million dollars--	14,362	17,350	14,920	10,842	13,559
Cost of goods sold----------do----	13,772	16,886	15,045	11,057	13,117
Gross profit or (loss)----------do----	590	464	(125)	(215)	442
Selling and administrative expenses----------do----	348	386	386	289	326
Operating profit or (loss)----------do----	242	78	(511)	(505)	116
Ratio of gross profit or (loss) to net sales----------percent--	4.1	2.7	(.8)	(2.0)	3.3
Ratio of operating profit or (loss) to net sales----------do----	1.7	.4	(3.4)	(4.7)	.9
Ratio of cost of goods sold to net sales----------do----	95.9	97.3	100.8	102.0	96.7
Ratio of selling and administrative expenses to net sales----------do----	2.4	2.2	2.6	2.7	2.4
Net sales of carbon steel plate----------million dollars--	2,096	2,463	2,534	1,883	2,057
Ratio of net sales of carbon steel plate to total establishment or division net sales----------percent--	14.6	14.2	17.0	17.4	15.2
Number of firms reporting operating losses----------	2	3	5	6	3

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

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

Table 16.--Profit-and-loss experience of 10 U.S. producers on their operations producing carbon steel plate, accounting years 1978-80, partial accounting year ending in September 1980, and partial accounting year ending in September 1981

Item	1978	1979	1980	Partial accounting year ending in Sept.	
				1980	1981
Net sales----------million dollars--	2,096	2,463	2,534	1,883	2,057
Cost of goods sold----------do----	1,946	2,301	2,422	1,816	1,931
Gross profit----------do----	150	163	112	67	126
Selling and administrative expenses----------do----	66	70	78	58	62
Operating profit----------do----	84	92	34	9	64
Ratio of gross profit to net sales----------percent--	7.2	6.6	4.4	3.6	6.1
Ratio of operating profit to net sales----------do----	4.0	3.7	1.4	.5	3.1
Ratio of cost of goods sold to net sales----------do----	92.8	93.4	95.6	96.4	93.8
Ratio of selling and administrative expenses to net sales----------do----	3.2	2.8	3.1	3.1	3.0
Number of firms reporting operating losses----------	3	4	6	7	3

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

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

Operating profits realized by the domestic industry producing hot-rolled carbon steel plate, as measured by the ratio of operating profit to net sales, were considerably less during 1978-80 and partial year 1981 than profits realized by most U.S. manufacturing firms. The following tabulation compares operating profit ratios for the 10 producers of hot-rolled carbon steel plate with comparable profit ratios for all U.S. manufacturing firms (in percent):

	Ratio of net operating profit to net sales	
	Hot-rolled carbon steel plate	All U.S. manufacturing 1/
1978----------	4.0	8.1
1979----------	3.7	7.7
1980----------	1.4	6.8
1981----------	2/ 3.1	3/ 7.2

1/ Obtained from Federal Trade Commission Quarterly Reports.
2/ Partial accounting year ending in September 1981.
3/ January-June.

Regional profit-and-loss data relative to nine firms' hot-rolled carbon steel plate operations are shown in table 17. Production facilities located in the Northeastern area of the United States accounted for 70 percent of the nine firms' aggregate 1980 net sales of carbon steel plate. Facilities located in the Southeastern area accounted for *** percent of aggregate net sales, and those located in the Western area accounted for *** percent of sales. Carbon steel plate operations in the Northeastern and Southeastern areas were profitable in each of the reporting periods, although profit margins were rather small in some years. The two establishments in the Western area reported an aggregate * * * in 1978, and in 1980, they * * *.

Table 17.--Profit-and-loss experience of nine U.S. producers on their operations producing carbon steel plate, by areas in which their production facilities are located, 1/ accounting years 1978-80, partial accounting year ending in September 1980, and partial accounting year ending in September 1981

Area and item	1978	1979	1980	Partial accounting year ending in Sept. 1980	Partial accounting year ending in Sept. 1981
Northeast:					
Net sales----------million dollars--	1,026	1,243	1,178	885	941
Cost of goods sold----------do----	938	1,131	1,106	843	861
Gross profit----------do----	89	112	72	42	80
Selling and administrative expenses----------do----	35	40	43	33	34
Operating profit----------do----	54	72	29	9	46
Ratio of operating profit to net sales----------percent--	5.2	5.8	2.4	1.0	4.9
Number of reporting firms----------	8	8	8	8	8
Southeast:					
Net sales----------million dollars--	***	***	***	***	***
Cost of goods sold----------do----	***	***	***	***	***
Gross profit----------do----	***	***	***	***	***
Selling and administrative expenses----------do----	***	***	***	***	***
Operating profit----------do----	***	***	***	***	***
Ratio of operating profit to net sales----------percent--	***	***	***	***	***
Number of reporting firms----------	2	2	2	2	2
West:					
Net sales----------million dollars--	***	***	***	***	***
Cost of goods sold----------do----	***	***	***	***	***
Gross profit----------do----	***	***	***	***	***
Selling and administrative expenses----------do----	***	***	***	***	***
Operating profit or (loss)--------do----	***	***	***	***	***
Ratio of operating profit or (loss) to net sales----------percent--	***	***	***	***	***
Number of reporting firms----------	2	2	2	2	2

1/ The areas are shown in the map on page A-12.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Investment in productive facilities.--Nine firms supplied data on their investment in productive facilities in 1978-80, and eight firms supplied such data for partial year 1981. The nine firms' investment, valued at cost, in facilities used in the production of hot-rolled carbon steel plate increased $188 million during 1978-80; the book value of such assets increased $83 million (table 18). The relationship of operating profit to investment in productive facilities, whether valued at original cost or book value, generally followed the same trend as the ratio of such profits to net sales.

Table 18.--Investment in productive facilities by U.S. producers of carbon steel plate, as of the end of accounting years 1978-80, and as of September 30, 1981 1/

Item	1978	1979	1980	Sept. 30, 1981
Original cost-----million dollars--	1,992	2,074	2,180	1,893
Book value----------do----	1,038	1,087	1,121	920
Net sales----------do----	2,006	2,408	2,481	2,020
Operating profit----------do----	75	82	33	61
Ratio of operating profit to--				
Original cost----------percent--	3.8	4.0	1.5	2/ 3.2
Book value----------do----	7.2	7.5	2.9	2/ 6.6
Net sales----------do----	3.7	3.4	1.3	3.0

1/ Data are for 9 firms in 1978-80 and for 8 firms in 1981.
2/ These ratios for 9-month data are not comparable to ratios based on 12-month data.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Capital expenditures.--Nine firms supplied data relative to their expenditures during 1978-80 for land, buildings, and machinery and equipment used in the production of hot-rolled carbon steel plate. Eight firms furnished such data for partial year 1981. As shown in the following tabulation, aggregate capital expenditures declined from $216 million in 1978 to $172 million in 1980, and amounted to $98 million in partial year 1981:

	Capital expenditures (1,000 dollars)
1978----------	216,169
1979----------	213,278
1980----------	171,710
1981 (partial year)--	98,234

Research and development expenditures.--Seven firms supplied data relative to their research and development expenses incurred during 1978-80 and partial year 1981 in connection with the production of hot-rolled carbon steel plate. Such expenses amounted to $5.1 million in 1978, $4.7 million in 1979, $5.3 million in 1980, and $6.2 million in partial year 1981.

Consideration of the Causal Relationship Between Possibly Subsidized or LTFV Imports and Material Injury

U.S. imports and market penetration of imports

During 1978-80, imports of carbon steel plate accounted for about 10 percent of total U.S. imports of all carbon steel mill products. Imports of carbon steel plate from all sources amounted to 2.1 million tons (valued at $515 million) in 1978, 1/ 1.2 million tons ($383 million) in 1979, and 1.6 million tons ($510 million) in 1980. About 1.4 million tons ($521 million) was imported during January-September 1981, compared with 1.1 million tons ($358 million) imported during the corresponding period of 1980 (table 19). The three countries involved in these investigations--Belgium, Brazil, and Romania--supplied 24 percent of total U.S. imports of carbon steel plate in 1978, 35 percent in 1979, 41 percent in 1980, and 45 percent in January-September 1981. Other principal suppliers during January 1978-September 1981 included Canada, the Republic of Korea, Spain, the Federal Republic of Germany, the Republic of South Africa, Poland, and Japan. 2/

As indicated previously, the ratio of imports from all sources to apparent U.S. consumption decreased from 23.4 percent in 1978 to 15.7 percent in 1979, but subsequently increased to 24.3 percent in January-September 1981. The ratio of combined imports from Belgium, Brazil, and Romania to consumption declined from 6.1 percent in 1978 to 5.5 percent in 1979, and then rose to a peak of 10.9 percent in January-September 1981 (table 20).

In 1980, 53 percent of total U.S. imports of carbon steel plate entered customs districts in the Southeast; the Northeast accounted for 33 percent, and the West for 14 percent (table 21 and figure 1 on page A-12). About 70 percent of combined imports from Belgium, Brazil, and Romania went into the Southeast, compared with 19 percent for the Northeast and 11 percent for the West.

1/ Includes 167,500 short tons of slab greater than 6 inches in thickness imported from Poland. See table 7 for adjusted import figure in 1978.

2/ Japan was the principal source of imports of carbon steel plate in 1977. Pursuant to a dumping finding against imports of such merchandise from Japan in 1978, however, imports from that country declined from 336,000 tons in 1977 to 90,000 tons in 1978 and 17,000 tons in 1979. Similarly, after a finding of dumping against imports of carbon steel plate from Taiwan in 1979, imports from that country fell from 91,000 tons in 1978 to 3,000 tons in 1979; no carbon steel plate from Taiwan was entered in 1980.

Table 19.--Carbon steel plate, not in coils (TSUSA item 607.6615): 1/ U.S. imports for consumption, by principal sources, 1978-80, January-September 1980, and January-September 1981

Source	1978	1979	1980	January-September--	
				1980	1981
	Quantity (1,000 short tons)				
Belgium	386	214	286	200	2/ 232
Brazil	80	206	323	218	228
Romania	49	15	35	12	184
Subtotal	515	435	644	430	644
Canada	243	236	251	183	194
Republic of Korea	72	119	212	151	92
Spain	244	74	110	63	92
Federal Republic of Germany	183	75	100	77	66
Republic of South Africa	70	41	66	61	48
Poland	3/ 288	67	60	41	96
Japan	90	17	32	28	23
Other EC countries 4/	196	54	45	38	70
All other	244	126	48	40	111
Total, all sources	2,145	1,244	1,568	1,112	1,436
	Value (1,000 dollars)				
Belgium	96,627	65,492	92,619	64,126	2/ 84,904
Brazil	22,125	61,754	101,796	65,024	83,335
Romania	9,496	4,745	11,297	3,785	66,134
Subtotal	128,248	131,991	205,712	136,935	234,373
Canada	69,097	78,249	85,373	61,765	72,348
Republic of Korea	18,633	35,693	67,887	48,346	32,641
Spain	55,973	23,806	36,306	20,530	34,184
Federal Republic of Germany	49,561	23,636	33,656	24,979	25,701
Republic of South Africa	15,871	12,303	20,030	18,619	16,625
Poland	3/ 47,930	13,732	18,136	12,291	33,286
Japan	28,080	7,143	11,396	9,357	10,092
Other EC countries 4/	45,136	16,955	14,281	11,828	24,281
All other	56,853	39,221	17,421	13,497	37,604
Total, all sources	515,382	382,929	510,398	358,147	521,135
	Unit value (per ton)				
Belgium	$250	$306	$323	$320	2/ $367
Brazil	278	300	315	316	365
Romania	194	314	319	305	360
Average	249	303	319	318	364
Canada	285	331	340	337	373
Republic of Korea	258	300	320	319	354
Spain	230	320	330	324	372
Federal Republic of Germany	271	318	337	325	388
Republic of South Africa	225	298	306	305	348
Poland	3/ 166	204	302	297	345
Japan	312	417	354	339	435
Other EC countries 4/	230	314	317	311	347
All other	233	311	363	337	339
Average, all sources	240	308	325	322	363

1/ In 1978 and 1979, such imports entered under TSUSA item 608.8415. Imports not adjusted to exclude slab (see footnotes 2 and 3).

2/ Includes *** short tons of slab greater than 6 inches in thickness.

3/ Includes 167,500 short tons of slab greater than 6 inches in thickness.

4/ Includes imports from Denmark, France, Italy, the Netherlands, and the United Kingdom.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table 20.--Carbon steel plate: Ratios of imports, total and from Belgium, Brazil, and Romania, to apparent U.S. consumption and to U.S. producers' shipments, 1978-80, 1/ January-September 1980, and January-September 1981

(In percent)

Item	1978	1979	1980	January-September	
				1980	1981
Ratio of imports to apparent U.S. consumption:					
Belgium	4.6	2.7	3.7	3.5	3.9
Brazil	.9	2.6	4.2	3.8	3.9
Romania	.6	.2	.4	.2	3.1
Subtotal	6.1	5.5	8.4	7.5	10.9
All other countries	17.3	10.2	12.0	12.0	13.4
Total, all imports	23.4	15.7	20.4	19.5	24.3
Ratio of imports to U.S. producers' shipments:					
Belgium	5.8	3.1	4.6	4.3	5.1
Brazil	1.2	3.0	5.2	4.6	5.0
Romania	.7	.2	.6	.3	4.0
Subtotal	7.8	6.4	10.3	9.2	14.1
All other countries	22.2	11.9	14.8	14.6	17.3
Total, all imports	30.0	18.3	25.1	23.7	31.4

1/ Excludes 167,500 tons of slab greater than 6 inches in thickness imported from Poland in 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce and from AISI data.

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

Table 21.--Carbon steel plate, not in coils (TSUSA item 607.6615): 1/ U.S. imports for consumption from Belgium, Brazil, and Romania, by areas of entry, 2/ 1978-80, January-September 1980, and January-September 1981

Area and source	1978	1979	1980	January-September--	
				1980	1981
	Quantity (1,000 short tons)				
Northeast:					
Belgium	40	27	27	16	37
Brazil	32	113	88	43	46
Romania	23	10	11	3/	45
Subtotal	95	150	126	59	128
All other countries	750	475	391	282	308
Total, all sources	845	625	517	341	436
Southeast:					
Belgium	248	130	217	147	168
Brazil	48	83	208	149	164
Romania	17	5	23	12	126
Subtotal	313	218	449	308	458
All other countries	674	280	383	292	375
Total, all sources	987	498	832	600	833
West:					
Belgium	99	57	43	37	27
Brazil	0	10	26	26	18
Romania	8	3/	1	3/	13
Subtotal	107	67	70	63	58
All other countries	205	54	149	108	109
Total, all sources	313	121	219	171	167
	Percent				
Northeast:					
Belgium	10	13	9	8	16
Brazil	40	55	27	20	20
Romania	48	63	32	4/	25
Subtotal	18	35	19	14	20
All other countries	46	59	42	41	39
Total, all sources	39	50	33	31	30
Southeast:					
Belgium	64	61	76	73	73
Brazil	60	40	65	68	72
Romania	35	36	66	99	68
Subtotal	61	50	70	72	71
All other countries	41	34	42	43	47
Total, all sources	46	40	53	54	58
West:					
Belgium	26	26	15	19	11
Brazil	0	5	8	12	8
Romania	17	1	2	4/	7
Total	21	15	11	14	9
All other countries	13	7	16	16	14
Total, all sources	15	10	14	15	12

1/ In 1978 and 1979, such imports entered under TSUSA item 608.8415. Imports not adjusted to exclude slab.

2/ See figure 1 on page A-12 for indicated areas.

3/ Less than 500 tons.

4/ Less than 0.5 percent.

Source: Compiled from official statistics of the U.S. Department of Commerce.

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

Belgium.--Belgium was the largest foreign supplier of carbon steel plate to the U.S. market during January 1978-September 1981, providing 17 percent of total imports in that period. It was the largest supplier in 1978 and January-September 1981, and the second largest supplier in 1979 and 1980. Imports from Belgium fell from 386,000 tons (valued at $96.6 million) in 1978 to 214,000 tons ($65.5 million) in 1979, but then increased to 286,000 tons ($92.6 million) in 1980. Imports in January-September 1981 amounted to 232,000 tons, 1/ or 16 percent more than imports during the corresponding period of 1980 (table 19). The ratio of imports of carbon steel plate from Belgium to apparent U.S. consumption of such merchandise was 4.6 percent in 1978, 2.7 percent in 1979, 3.7 percent in 1980, and 3.9 percent in January-September 1981 (table 20). Approximately three-fourths of the carbon steel plate imported from Belgium in 1980 and January-September 1981 entered through customs districts in the Southeastern area of the United States (table 21).

Brazil.--Brazil was the third largest foreign supplier (after Belgium and Canada) to the U.S. market during January 1978-September 1981, providing 13 percent of total imports in that period. It was the largest supplier in 1980 and a close second-largest supplier (to Belgium) in January-September 1981. Imports from Brazil rose threefold from 1978 to 1980, or from 80,000 tons (valued at $22.1 million) to 323,000 tons ($101.8 million). Imports in January-September 1981 amounted to 228,000 tons, or 5 percent more than those during the corresponding period of 1980 (table 19). The ratio of imports of carbon steel plate from Brazil to apparent U.S. consumption of such merchandise increased from 0.9 percent in 1978 to 2.6 percent in 1979 and 4.2 percent in 1980; the ratio in the first three quarters of 1981 was 3.9 percent (table 20). About two-thirds of the carbon steel plate imported from Brazil in 1980 and January-September 1981 entered through customs districts in the Southeastern area of the United States (table 21).

Romania.--During 1978-80, Romania was a relatively minor supplier of carbon steel plate to the United States, accounting for less than 3 percent of total imports in each year. Imports of carbon steel plate from Romania in those years fluctuated from 15,000 tons (valued at $4.7 million) to 49,000 tons ($9.5 million). In January-September 1981, however, imports of such merchandise from Romania jumped to 184,000 tons; in comparison, only 12,000

1/ According to information obtained from one importer of hot-rolled carbon steel plate, about *** tons of slab greater than 6 inches in thickness were imported from Belgium during August 1981 and entered the United States under TSUSA item 607.6615. Although such slab is classified as "plate" under TSUSA item 607.6615 (item 608.8415 prior to Jan. 1, 1980), it is not directly competitive with plate, since it is a semifinished product requiring further processing before use; moreover, its unit value is about half that of finished plate. Treasury's determination of LTFV sales concerning imports of carbon steel plate from Poland in 1979 excluded hot-rolled slabs greater than 6 inches in thickness (167,500 tons of such merchandise were entered in 1978). However, Commerce's notice of institution of investigation in the instant cases did not specifically exclude such material. The relatively small importation from Belgium is the only known entry of such merchandise under item 607.6615 during January 1980-September 1981.

tons were imported in January-September 1980 (table 19). The ratio of imports of carbon steel plate from Romania to apparent U.S. consumption was 0.6 percent in 1978, 0.2 percent in 1979, 0.4 percent in 1980, and 3.1 percent in January-September 1981 (table 20). Two-thirds of the carbon steel plate from Romania in January-September 1981 entered through customs districts in the Southeast; one-quarter entered through customs districts in the Northeast, and the remainder in Western area districts (table 21).

Prices

U.S. producers usually quote prices for hot-rolled carbon steel plate from published lists in terms of dollars per ton, f.o.b. mill. Importers of hot-rolled carbon steel plate from Belgium, Brazil, and Romania generally sell the product f.o.b. port of entry or f.o.b. warehouse. Freight is charged to the account of the customer. Prices are determined using a base price for each product plus additional charges for extras such as differences in length, width, thickness, chemistry, and so forth. Prices can be increased or decreased by changing the base price, the charges for extras, or a combination of both. Typically, a single steel firm announces a price change and the rest of the industry follows. There have been five announced base price increases for steel plate since January 1, 1979. According to industry sources, the most recent one occurred on October 5, 1980. During a period of depressed market demand, as that reflected in the absence of price increases since October 1980, domestic firms will offer discounts off the published prices. Also, producers often equalize freight with the nearest competitive supplier.

Indexes of U.S. producers' steel plate prices, 1/ trigger prices, and the unit values of imports of plate from Belgium, Brazil, and Romania are presented in table 22 and figure 2. The Producer Price Index for domestically produced steel plate increased almost 29 percent from January-March 1979 through July-September 1981, and steel plate trigger prices rose 21 percent during the same time period. The unit values of imported steel plate from Belgium, Brazil, and Romania increased 21 percent, 30 percent and 26 percent, respectively, during the same period. The index of the unit values of imported steel plate from Belgium reached its highest level of 129.6 during January-March 1981, and then declined in April-September. The unit value indexes of imported steel plate from Brazil and Romania continued to increase throughout 1981. From January-March 1981 through July-September 1981, the U.S. Producer Price Index increased 5 percent, the unit value index of steel plate imported from Belgium decreased 7 percent, and the unit value indexes of plate imported from Brazil and Romania increased 4 percent and 6 percent, respectively.

1/ These indexes are based on published price data collected by the Bureau of Labor Statistics. Actual transaction prices are typically at discounts below published prices.

Table 22.--Hot-rolled carbon steel plate: Indexes of trigger prices, producer prices, and the unit value of imports from Belgium, Brazil, and Romania, by quarters, 1979, 1980, and January-September 1981

(January-March 1979 = 100)

Period	Trigger price	Producer price	Unit value of steel plate imported from--		
			Belgium	Brazil	Romania
1979:					
January-March	100.0	100.0	100.0	100.0	100.0
April-June	100.0	102.3	107.2	106.3	108.1
July-September	99.4	103.5	106.2	105.1	114.1
October-December	99.4	108.7	103.7	107.2	99.3
1980:					
January-March	105.4	108.7	104.2	110.6	109.0
April-June	1/	114.5	110.4	112.3	104.7
July-September	1/	115.4	110.4	108.3	103.2
October-December	117.7	119.4	112.9	109.0	112.8
1981:					
January-March	118.5	122.6	129.6	125.5	118.7
April-June	121.1	128.9	127.2	127.8	124.6
July-September	121.1	128.7	120.7	130.4	126.3

1/ Trigger prices were suspended.

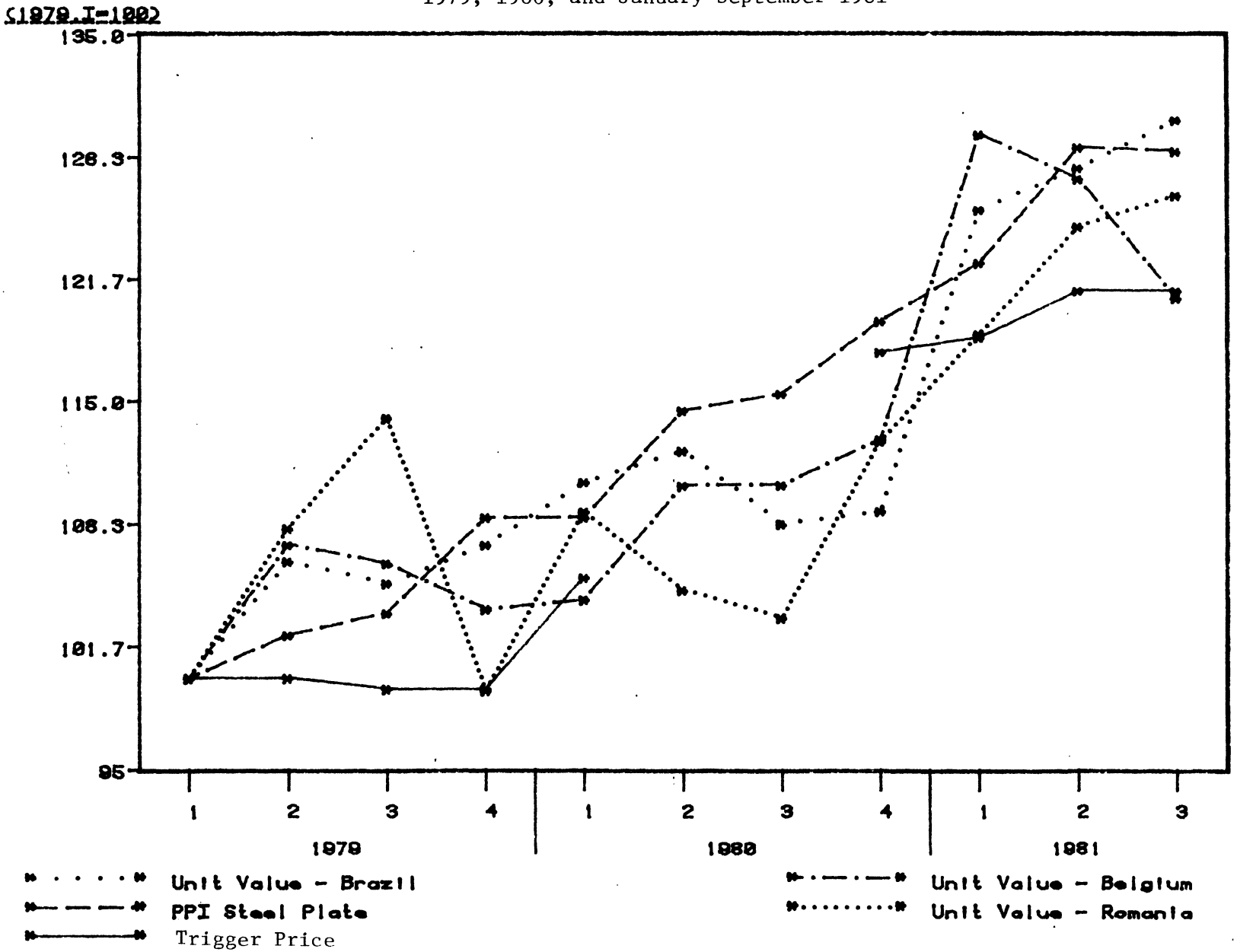
Source: Compiled from official statistics of the U.S. Bureau of Labor Statistics and the U.S. Department of Commerce.

Note.--Indexes are presented for comparisons of trends; index levels are not comparable.

The appreciation of the dollar.--The recent strength of the U.S. dollar has led to claims that foreign steel producers have had an increase in competitiveness vis-a-vis U.S. steel producers. Indeed, because the dollar now buys more foreign currency than before, the appreciation should have made imported steel less expensive to U.S. purchasers. 1/ However, there are several reasons why the increase in price competitiveness of foreign steel may not have been as great as the percentage appreciation of the dollar. First, if foreign producers import raw materials from the United States or from

1/ Further, in contrast to the depreciation of the home currencies of many countries that export steel products to the United States, the Japanese yen appreciated by 4.9 percent from January-March 1980 to July-September 1981. As the exchange rate is a factor used by the Department of Commerce in the calculation of trigger prices, the appreciation of the yen, as reflected in trigger price modifications, also theoretically increased the competitive advantage of those countries whose currencies had depreciated against the dollar during this period.

Figure 2.--Steel plate: Selected price indexes, by quarters, 1979, 1980, and January-September 1981



Source: Compiled from official statistics of the U.S. Departments of Labor and Commerce.

Note.--Indexes are presented for comparisons of trends; index levels are not comparable.

countries whose currencies are tied to the dollar, a portion of their costs will rise with the dollar.

Second, the existence of the Trigger-Price Mechanism may make importers reluctant to reduce their prices. If foreign producers are already selling their steel near the trigger price, they may not wish to lower their price, despite the depreciation of their home currency.

Finally, foreign producers may choose to increase their per unit profits by lowering their dollar prices by less than the depreciation would allow. By not passing on the full cost reduction to consumers, they could increase their sales volume or their per unit profits.

Table 23 shows how much the currencies of the principal countries that export carbon steel plate to the United States changed vis-a-vis the dollar from January-March 1980 to July-September 1981. The percentage changes given in the table show the maximum amount that foreign producers could have lowered (if the figure in the "Percentage change" column has a negative sign) the dollar price of their carbon steel plate and kept their profit margins constant, assuming that they had no dollar-denominated costs.

Table 23.--Movements of specified foreign currencies versus the dollar from January-March 1980 to July-September 1981 1/

Country	Exchange rate in January-March 1980	Exchange rate in July-September 1981	Percentage change
Belgium	0.0347	0.0251	-27.7
Brazil	.0222	.0100	-55.0
Romania	.0556	.0667	20.0
Canada	.8589	.8253	-3.9
Republic of Korea	.0018	.0015	-16.6
Spain	.0149	.0102	-31.5
Federal Republic of Germany	.5639	.4111	-27.1
Republic of South Africa	.8146	.9396	15.3
Japan	.0041	.0043	4.9

1/ The exchange rates given are period averages, and are in terms of U.S. dollars per unit of foreign currency.

Source: Compiled from official statistics of the International Monetary Fund.

Possibly in response to the appreciation of the dollar, steel producers in Belgium requested "pre-clearance" from the Department of Commerce to sell products in the United States at prices below trigger price. The preclearance procedure allows sales at less than trigger price if the foreign producer can demonstrate that its production costs are lower than those of producers in Japan (as determined by Commerce). The request from the Belgian producers was not granted.

Transaction prices.--Price data were received from 8 domestic producers and 13 importers of hot-rolled carbon steel plate. Eleven firms provided data on prices of plate imported from Belgium, 6 reported data on imports from Brazil, and 4 supplied information on imports from Romania.

Two of the largest importers of plate from all sources-- * * * and * * *--did not provide any price data, alleging that their records system was not set up in a way to respond to the Commission's request given the short time constraint of the investigations. * * *, identified through telephone verification of lost sales as the principal distributor of * * * plate in the * * * area, provided no price information in responding to the questionnaire. In the event that these investigations are continued or that new investigations are initiated on hot-rolled carbon steel plate, efforts will be made to obtain the required information from these firms through the use of subpoenas and on-site verification of records by accountants and economists of the Commission's staff. In addition, questionnaires will be sent to firms that purchase plate from both foreign and domestic sources to obtain their purchase prices.

The data reported show that in several instances, delivered prices of imported steel plate were higher than domestic prices by from 1 to 85 percent. Telephone contacts with a sample of representative purchasers explored possible explanations for imported prices exceeding domestic prices. The consensus was that factors such as quality or availability did not justify a price premium for imports of plate from Belgium, Brazil, and Romania.

Other possible reasons for reported import prices exceeding reported domestic prices involve alleged difficulties in reporting delivered prices paid by purchasers. Several domestic producers had problems in providing delivered prices, explaining that freight charges are a cost to the purchaser and are not specifically known to the vendor. U.S. Steel calculated an average cost of freight by a common methodology for each price submitted, but noted in their response that the resulting delivered price "has only limited usefulness in making comparisons with other producers' delivered prices." Bethlehem provided average unit value data on the subject products adjusted to include average freight by region. Inland provided only f.o.b. mill prices, which are not useful for comparison with delivered prices of imports. Both J&L and Armco used constructed freight and freight estimates to provide a delivered price.

Prices of representative types of hot-rolled carbon steel plate from Belgium, Brazil, and Romania are presented in tables 24, 25, and 26. The Commission requested quarterly net delivered selling prices for domestic producers' and importers' largest quarterly sale of hot-rolled carbon steel plate to both end-user and service center/distributor customers for January-March 1980 through July-September 1981. Delivered prices were requested for sales made to customers located in the three areas of the country identified in figure 1 (page A-12).

Table 24.--Hot-rolled carbon steel plate, 1/ A-36 or equivalent, 0.1875-0.2499 inches in thickness and over 90 inches through 100 inches in width: Ranges and weighted average net delivered selling prices for the largest sales of imports from Belgium and domestic products and the average margins by which imports from Belgium undersold domestic products, by areas of sale and by quarters, January 1980-September 1981

Area and period	Prices to end-user customers					Prices to service center/distributor customers				
	Imports from Belgium		Domestic product		Average margin of underselling by imports from Belgium	Imports from Belgium		Domestic product		Average margin of underselling by imports from Belgium
	Range	Weighted average	Range	Weighted average		Range	Weighted average	Range	Weighted average	
	Per short ton				Percent	Per short ton				Percent
Northeast: 2/										
1980:										
January-March	-	-	$474-413	$434	-	-	$465-407	$442	$488-439	$454	$12	3
April-June	-	-	523-429	462	-	-	472-426	447	509-419	473	25	5
July-September	$435	$435	511-451	472	$37	8	476-438	464	574-425	455	-6	-2
October-December	409	409	512-388	442	33	8	478-407	425	515-440	491	66	13
1981:										
January-March	466-417	428	497-475	483	55	11	407	407	515-491	495	88	18
April-June	478	478	550-490	511	33	6	526-393	489	550-533	536	47	9
July-September	-	-	564-516	530	-	-	500-467	469	552-464	543	74	14
Southeast: 2/										
1980:										
January-March	599-427	559	508-457	459	3/ -100	-22	457-379	416	459-440	454	38	8
April-June	660-446	494	490-458	477	-17	-4	470-391	405	494-477	481	76	16
July-September	472-438	449	467-442	466	17	4	620-404	411	487-483	486	74	15
October-December	500-443	458	495-424	494	36	7	454-396	408	565-494	496	88	18
1981:										
January-March	500	500	502-451	489	-11	-2	488-450	458	489-481	483	25	5
April-June	740-508	656	551-537	549	3/ -108	-20	502-444	460	556-516	532	72	14
July-September	531-495	508	548-510	533	25	5	605-453	477	507-504	506	29	6
West: 2/										
1980:										
January-March	434	434	434-422	434	0	0	-	-	456-426	446	-	-
April-June	-	-	455-435	450	-	-	444	444	433-426	429	-15	-4
July-September	-	-	453-434	446	-	-	470-435	442	496-422	422	-6	-4
October-December	458	458	492-423	461	3	1	501-448	475	509-426	467	-8	-2
1981:										
January-March	456	456	471-455	470	14	3	504-455	467	547-455	503	35	7
April-June	-	-	529-456	524	-	-	471-448	455	507-455	466	11	2
July-September	-	-	455-448	449	-	-	471-458	464	545-460	493	30	6

1/ Sheared edge, not heat treated, not cleaned or oiled.
2/ See figure 1.
3/ Data are being checked for possible error.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

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

Table 25.--Hot-rolled carbon steel plate, 1/ A-36 or equivalent, 0.3750-0.4999 inches in thickness and over 90 inches through 100 inches in width: Ranges and weighted average net delivered selling prices for the largest sales of imports from Brazil and domestic products and the average margins by which imports from Brazil undersold domestic products, by areas of sale and by quarters, January 1980-September 1981

Area and period	Prices to end-user customers					Prices to service center/distributor customers				
	Imports from Brazil		Domestic product		Average margin of underselling by imports from Brazil	Imports from Brazil		Domestic product		Average margin of underselling by imports from Brazil
	Range	Weighted average	Range	Weighted average		Range	Weighted average	Range	Weighted average	
	Per short ton				Percent	Per short ton				Percent
Northeast: 2/										
1980:										
January-March	-	-	$459-397	$412	-	-	-	-	$427-415	$420	-	-
April-June	-	-	460-392	400	-	-	-	-	452-370	380	-	-
July-September	-	-	458-424	445	-	-	-	-	446-441	441	-	-
October-December	-	-	478-440	465	-	-	$446	$446	464-457	458	$12	3
1981:												
January-March	-	-	473-428	471	-	-	-	464	446-459	-	-	-
April-June	-	-	509-464	496	-	-	-	509	480-481	-	-	-
July-September	-	-	509-458	471	-	-	-	512	472-475	-	-	-
Southeast: 2/												
1980:												
January-March	$778	$778	450-413	421	3/-$357	-85	409-390	408	429-404	406	-2	-1
April-June	530	530	471-426	441	3/ -89	-20	455	455	486-427	442	-13	-3
July-September	430	430	469-421	431	1	0	415	415	439-403	412	-3	-1
October-December	439	439	458-453	457	18	4	456-432	455	493-460	464	9	2
1981:												
January-March	460-450	456	503-447	465	9	2	454-450	452	510-434	442	-11	-2
April-June	519-430	459	564-481	491	33	7	475-440	446	530-459	469	23	5
July-September	510-480	498	520-476	497	-1	0	480-450	464	511-460	474	10	2
Western: 2/												
1980:												
January-March	-	-	473-405	416	-	-	-	-	433-405	414	-	-
April-June	-	-	453-405	422	-	-	-	-	462-405	429	-	-
July-September	-	-	455-400	422	-	-	-	-	466-413	445	-	-
October-December	-	-	464-458	462	-	-	-	-	481-405	437	-	-
1981:												
January-March	-	-	463-455	457	-	-	-	-	468-446	460	-	-
April-June	-	-	505-457	464	-	-	-	-	440-433	434	-	-
July-September	-	-	489-483	484	-	-	-	-	487-434	458	-	-

1/ Sheared edge, not heat treated, not cleaned or oiled.
2/ See figure 1.
3/ Data are being checked for possible error.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

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

Table 26.--Hot-rolled carbon steel plate, 1/ A-36 or equivalent, 0.3750-0.4999 inches in thickness and over 90 inches through 100 inches in width: Ranges and weighted average net delivered selling prices for the largest sales of imports from Romnia and domestic products and the average margins by which imports from Romania undersold domestic products, by areas of sale and by quarters, January-1980-September 1981

Area and period	Prices to end-user customers						Prices to service center/distributor customers					
	Imports from Romania		Domestic product		Average margin of underselling by imports from Romania		Imports from Romania		Domestic product		Average margin of underselling by imports from Romania	
	Range	Weighted average	Range	Weighted average			Range	Weighted average	Range	Weighted average		
	Per short ton					Percent	Per short ton					Percent
Northeast: 2/												
1980:												
January-March	-	-	$459-397	$412	-	-	-	-	$427-415	$420	-	-
April-June	-	-	460-392	400	-	-	-	-	452-370	380	-	-
July-September	-	-	458-424	445	-	-	-	-	446-441	441	-	-
October-December	-	-	478-440	465	-	-	-	-	464-457	458	-	-
1981:												
January-March	-	-	473-428	471	-	-	-	-	464-446	459	-	-
April-June	-	-	509-464	496	-	-	***	***	509-480	481	***	***
July-September	-	-	509-458	471	-	-	***	***	512-472	475	***	***
Southeast: 2/												
1980:												
January-March	***	***	450-413	421	***	***	***	***	429-404	406	***	***
April-June	***	***	471-426	441	***	***	***	***	486-427	442	***	***
July-September	***	***	469-421	431	***	***	***	***	439-403	412	***	***
October-December	***	***	458-453	457	***	***	***	***	493-460	464	***	***
1981:												
January-March	-	-	503-447	465	-	-	***	***	510-434	442	***	***
April-June	-	-	564-461	491	-	-	***	***	530-459	469	***	***
July-September	-	-	520-476	497	-	-	***	***	511-460	474	***	***
Western: 2/												
1980:												
January-March	-	-	473-405	416	-	-	-	-	433-405	414	-	-
April-June	-	-	453-405	422	-	-	-	-	462-405	429	-	-
July-September	-	-	455-400	422	-	-	-	-	468-413	445	-	-
October-December	-	-	464-458	462	-	-	-	-	481-405	437	-	-
1981:												
January-March	-	-	463-455	457	-	-	-	-	466-446	460	-	-
April-June	-	-	505-457	464	-	-	***	***	440-433	434	***	***
July-September	-	-	489-483	484	-	-	-	-	487-434	458	-	-

1/ Sheared edge, not heat treated, not cleaned or oiled.
2/ See figure 1.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

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

Belgium.--For carbon steel plate 0.1875-0.2499 inch in thickness, the largest and most frequent average margins of underselling of steel plate imported from Belgium occurred in sales to service center/distributor customers located in the Northeastern and Southeastern areas (table 24). In the Northeast, underselling occurred in every quarter except July-September 1980, when the price of imports exceeded the domestic price by $8 per ton, or 2 percent. The average margins of underselling ranged from $12 per ton, or 3 percent, in January-March 1980 to $88 per ton, or 18 percent, in January-March 1981. In the Southeast, underselling occurred in every quarter, with the average margins ranging from $25 per ton, or 5 percent, in January-March 1981 to $88 per ton, or 18 percent, during October-December 1981.

In the Western area, the data reported show no underselling to service center/distributor customers in 1980, when import prices were greater than domestic prices by margins of $6-$15 per ton, or 2 to 4 percent. This was followed by underselling in all periods of 1981; the average margins ranging from $11 per ton, or 2 percent, in April-June 1981 to $35 per ton, or 7 percent, in January-March 1981.

Prices to end-user customers typically show smaller average margins of underselling in each of the three areas than were shown for prices to service center/distributor customers. In the Northeast, underselling occurred in every quarter for which comparisons could be made; the average margins ranged from $33 per ton, or 6 percent, in April-June 1981 to $55 per ton, or 11 percent, in January-March 1981. In the Southeast, average margins of underselling occurred in three of the seven quarters. Prices of imports were less than domestic prices by 4 to 7 percent in July-December 1980 and in July-September 1981. Prices of imports were greater than domestic prices in four of the seven quarters, by average margins of $11-$108 per ton, or 2 to 22 percent. Smaller margins of underselling, 3 percent or less, to end-user customers occurred in the Western area in October-December 1980 and January-March 1981.

Brazil.--For carbon steel plate 0.3750-0.4999 inch in thickness, comparisons of delivered prices of imported Brazilian plate with domestically produced plate can be made for all quarters in the Southeast and for October-December 1980 in the Northeast (table 25). The average margins of underselling to end-user customers in the Southeast ranged from $9 per ton, or 2 percent, during January-March 1981 to $33 per ton, or 7 percent, during April-June 1981. In three of the seven quarters, import prices were reported to be greater than domestic prices.

For prices to service center/distributor customers in the Southeast, the margins of underselling ranged from $9 per ton, or 2 percent, during October-December 1980 to $23 per ton, or 5 percent, in April-June 1981. In four of the seven quarters, reported import prices exceeded domestic prices.

The only data available on prices of imported Brazilian plate outside the Southeastern area show a margin of underselling of $12 per ton, or 3 percent, to service center/distributor customers in the Northeast during October-December 1980.

Romania.--For carbon steel plate 0.3750-0.4999 inch in thickness, delivered price comparisons between domestically produced steel plate and imported Romanian steel plate can be made principally during 1980 and January-September 1981 in the Southeastern area (table 26). Average margins of underselling to end-user customers ranged from *** per ton, or *** percent, in April-June 1980 to *** per ton, or *** percent, during October-December 1980. Average margins of underselling on prices to service center/distributor customers ranged from *** per ton, or *** percent, in July-September 1980 to *** per ton, or *** percent, during October-December 1980. Reported prices of imports exceeded domestic prices to end-users and service center/distributor customers during January-March 1980.

Lost sales

Five domestic producers 1/ submitted a total of 86 specific instances of lost sales of hot-rolled carbon steel plate to imports of that product from Belgium, Brazil, or Romania during 1980 and January-September 1981. These allegations of lost sales are discussed, by countries, below.

Imports from Belgium.--The 32 instances of alleged lost sales to plate imported from Belgium totaled over 73,000 tons, valued at almost $33 million. Thirteen of the firms named as purchasers, randomly selected, were contacted in an effort to verify the allegations. Five firms confirmed the allegations, each stating that price was the principal reason for their purchase of plate from Belgium. Reported margins of unserselling ranged up to $30 per ton. Four firms denied that they had purchased plate from Belgium in lieu of U.S.-produced plate, and the remaining four firms were uncertain. Their uncertainty arose from their assertion that once plate passes through one or more levels of distribution, it is often impossible to determine its country of origin.

Imports from Brazil.--The 22 allegations of lost sales attributed to imports of carbon steel plate from Brazil involved almost 67,000 tons valued at about $30 million. Seven firms, selected at random, were contacted in attempting to verify the allegations of lost sales. The allegations were confirmed by five firms, all of which identified price as the basis for their decision to purchase the imported product. Reported margins of underselling ranged up to $40 per ton. One firm denied purchasing plate from Brazil in lieu of domestic plate, and one firm was uncertain.

Imports from Romania.--The 32 examples of lost sales attributed to imports of carbon steel plate from Romania involved about 47,000 tons valued at $21 million. Nine randomly selected firms were contacted to try to verify the allegations. Three firms confirmed the allegations, and two other firms stated that their purchases of imported plate were possibly from Romania, but they could not be certain because the purchases were not made directly from an importer. Price was the determining factor in every case, although quality and delivery assurances were also mentioned. The offer and selling prices for

1/ U.S. Steel, Republic, National, Bethlehem, and Inland.

Romanian plate were as much as $100 per ton below domestic producers' published prices. Romanian plate was said to be of generally acceptable commercial quality, although in some instances shipping damage resulted in poor quality plate that was salable only at sharp discounts. The remaining four firms that were contacted denied purchasing Romanian plate in lieu of domestic plate.

Price suppression/depression

Domestic producers were also asked to provide information on price reductions (discounts) and/or rollbacks of announced price increases in order to avoid losing sales to competitors selling hot-rolled carbon steel plate imported from Belgium, Brazil, or Romania. Four domestic producers supplied such information. Their data are aggregated in table 27. 1/

The 18 examples of reduced prices to avoid lost sales included 6 instances of responses to offers of lower priced plate from Romania, 4 offers of imported plate from Brazil, and 8 instances in competition with plate imported from Belgium. 2/

A comparison of the initital rejected quotation 3/ by the domestic producer with the subsequent discounted accepted quotation provides the basis for quantifying the degree of price depression/suppression that resulted from the lower priced offers of competing imports. Lost revenue resulting from the reduced price ammounted to more than $9 million for those examples cited. The price depression/suppression measured by the domestic producers' discounted prices ranged from 4 percent to about 12 percent.

Randomly selected firms from the above instances were contacted to verify these examples of price reductions. Of those instances investigated by the Commission staff, the allegations of discounted prices to save the sale were confirmed in three cases. In two of these instances, the competing imported product was from Belgium; in the other case, the imported plate came from Brazil.

1/ On Dec. 16, 1981, Armco submitted an extensive list of sales allegedly made at discounts in response to competition from plate imported from Belgium, Brazil, or Romania. The total alleged lost revenue amounted to * * *. The data were received too late for any verification to be included in this report.

2/ Two examples cited only identified the imported plate as European in origin.

3/ Initial quotations reported were actual offer prices, not published prices. As mentioned earlier, recent price quotations have typically been discounted from published prices.

Table 27.--Carbon steel plate: Examples of price suppression/depression alleged by U.S. producers as instances in which they were forced to reduce prices to avoid losing sales to competitors selling plate imported from Belgium, Brazil, or Romania, by producers, 1980 and January-November 1981

* * * * * * *

Consideration of the Threat of Material Injury to a Domestic Industry

As part of its consideration of threat of material injury to a domestic industry, the Commission examines the rate of increase of the subsidized or dumped exports to the U.S. market, capacity in the exporting country to generate exports, the likelihood that such exports will be directed to the U.S. market, taking into the account the availability of other export markets, and the amount and the nature of the subsidy in question (i.e., is the subsidy the sort that is likely to generate exports to the United States), or in the case of dumping investigations, the amount of the LTFV margins. Data on the rate of increase of U.S. imports of hot-rolled carbon steel plate from Belgium, Brazil, and Romania were presented in the section entitled "U.S. imports and market penetration of imports," and the available information concerning the possible subsidies in Belgium and Brazil and the possible LTFV sales from Romania was given in the section entitled "Nature and extent of possibly subsidized or LTFV sales." This section summarizes the data available concerning the capacity in those three countries to generate exports of carbon steel plate.

Capacity of the exporting countries to generate exports

Belgium.--Belgium's production of carbon steel plate in 1980 amounted to 1.4 million tons, representing a 10-percent increase from the 1979 total of 1.3 million tons; production in January-September 1981 amounted to 1.2 million tons (equivalent to an annual rate of 1.6 million tons). 1/ The utilization of Belgium's capacity to produce carbon steel plate increased from 47 percent in 1979 to 54 percent in 1980 and 60 percent in January-September 1981. As shown in table 28, virtually all of Belgium's production of carbon steel plate is exported, principally to other members of the EC. Exports to the United States accounted for 16 percent of aggregate exports in 1979, 20 percent in 1980, and 21 percent in January-September 1981.

Table 28.--Carbon steel plate: Belgium's production, capacity, capacity utilization, and exports, 1979, 1980, and January-September 1981

Item	1979	1980	January-September 1981
Production----------1,000 short tons--	1,314	1,448	1,188
Capacity----------do----	2,772	2,668	1/ 1,996
Capacity utilization----------percent--	47.4	54.3	59.5
Exports to--			
United States----------1,000 short tons--	212	278	238
EC----------do----	844	953	638
All other countries----------do----	267	169	272
Total----------do----	1,323	1,400	1,148

1/ Equivalent to an annual capacity of 2,661,000 short tons.

Source: Compiled from data obtained from the Belgian Embassy.

1/ All quantities in this section were converted from metric tons to short tons (1 metric tons equals 1.1023 short tons).

The industry in Belgium that produces carbon steel plate consists basically of five companies, two of which operate plate mills and three of which produce plate in hot-strip mills. In 1980, 1.1 million tons of hot-rolled carbon steel plate were produced in plate mills, and 350,000 tons of plate were cut to length from decoiling and cutting lines in hot-strip mills. The Belgian producers are Forges de Clabecq (Clabecq), Fabrique de Fer de Charleroi (Fabfer), Cockerill-Sambre (Cockerill), Usines Gustave Boel S.A. (Boel), and Sidmar. Caroloregienne de Laminage S.A. (Carlam) is also a producer of plate; however, it is a subsidiary (70 percent) of Cockerill. 1/

Clabecq, with an annual capacity of about 1.1 million tons, is the largest of the Belgian carbon steel plate producers. 2/ Clabecq produces the product in a 110-inch semicontinuous plate mill utilizing one 4-high reversing stand and four 4-high finishing stands. It produces plate in maximum dimensions of 5-3/4 inches in thickness, 104 inches in width, and 50 feet in length.

Fabfer, a nonintegrated producer, is a leading European manufacturer of large plates. Plate is made in a 4-high plate mill with an annual capacity of about 711,000 tons. It is rolled up to 12 inches in thickness, 157 inches in width, and 82 feet in length.

Cockerill, which is the largest Belgian steel producer, produces an entire range of hot-rolled, cold-rolled, and uncoated flat products, and some coated flat products. Plate production is accomplished in hot-strip mills at Ougree and Chertal. Cockerill has an annual capacity of producing 4.3 million tons of coils, and the capacity of its decoiling and cutting lines is 220,000 tons. Plate is rolled in maximum dimensions of 0.5 inch in thickness, 80 inches in width, and 41 feet in length.

Brazil.--Brazil produced 1.8 million tons of carbon steel plate in 1980, or 20 percent more than the 1.5 million tons produced in 1979 (table 29). Production in January-August 1981 amounted to 1.1 million tons, equivalent to an annual rate of 1.7 million tons. According to information obtained from the U.S. Department of State, the utilization of Brazil's capacity to produce carbon steel plate is reported to have ranged from 75 to 85 percent during 1981. As shown in table 29, about one-fifth of Brazil's production of carbon steel plate was exported in 1979, and almost one-third was exported in 1980. The United States took 55 percent of Brazil's aggregate exports of carbon steel plate in 1979 and 68 percent in 1980.

Carbon steel plate is produced in Brazil by three or four integrated steelmakers. They are Companhia Siderurgica Nacional (CSN), Companhia Siderurgica Paulista (Cosipa), Usinas Siderurgicas de Minas Gerais (Usiminas),

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1/ According to information obtained by the Department of Commerce from its TPM monitoring activities, no carbon steel plate from Boel or Sidmar was imported into the United States during July-September 1981.

2/ Prior to 1976, Clabecq also produced steel wire rods, bars, and assorted structural shapes.

Table 29.--Carbon steel plate: Brazil's production and exports, 1979, 1980, and January-August 1981

Item	1979	1980	January-August 1981
Production----------1,000 short tons--	1,500	1,800	1,118
Exports to--			
United States----------do----	177	389	1/
EC----------do----	19	46	1/
All other countries----------do----	128	140	1/
Total----------do----	324	575	1/

1/ Not available.

Source: Information obtained from the U.S. Department of State.

and Companhia Acos Especiais Itabira (Acesita). 1/ CSN, Cosipa, and Usiminas are steel companies controlled by Siderbras, a Government-controlled corporation established in 1973 to promote and stimulate new steel projects involving state participation. 2/ Siderbras controls seven steel companies currently in operation and two facilities under construction.

CSN produces plate, hot- and cold-rolled sheet, galvanized sheet, structural shapes, rails, and round and square bars. The firm's total annual steelmaking capacity is approximately 2.8 million tons. Plate is produced in a hot-strip mill with an annual capacity of 1.45 million tons. The firm produces carbon steel plate in maximum dimensions of 3 inches in thickness, 48 inches in width, and 35 feet in length. The firm is located in Volta Redonda and employs about 21,000 workers.

Cosipa produces plate, and hot- and cold-rolled sheet and strip. The firm's total annual steelmaking capacity is more than 2 million tons. Cosipa produces carbon steel plate in a hot-strip mill (the annual capacity of this plant is about 1.5 million tons), and in 1980 and 1981 installed a 160-inch plate mill with an annual capacity of 900,000 tons. Plate is produced in maximum dimensions of approximately 3 inches in thickness, 63 inches in width, and 56 feet in length. Cosipa is located in Sao Paulo; it employs some 14,000 workers.

1/ According to information obtained from the U.S. Department of State, there are three producers of carbon steel plate in Brazil--CSN, Cosipa, and Usiminas. However, it is believed that the fourth firm listed above, Acesita, may also produce such merchandise.

2/ According to the U.S. Department of Commerce, facilities controlled by the Government of Brazil now account for about 80 percent of that country's total output of steel. Brazilian Federal officials are reportedly directing the bulk of the domestic and foreign financial resources they mobilize for the steel sector toward the Government enterprises.

Usiminas primarily produces plate and hot- and cold-rolled sheet. Carbon steel plate is produced in a 80-inch hot-strip mill with an annual capacity of 1.7 million tons. Plate is produced in thicknesses to about 6 inches, widths to 116 inches, and lengths to 82 feet.

Acesita produces various types of steel bars (flat, square, round, polished, and so forth), carbon, stainless and alloy sheet (both hot- and cold-rolled), and is also believed to produce carbon steel plate. Acesita's total annual capacity is approximately 650,000 tons, which is fairly evenly divided between flat and nonflat products. Plate is reportedly produced in a 3-high plate mill. Acesita is located in Minas Gerais; the firm employs about 8,000 workers.

Romania.--Hot-rolled carbon steel plate is produced in Romania by Combinat Siderurgica Galati (CSG) and Resita Steel Works (Resita), both fully integrated steelmakers. CSG, the larger of the two, produces flat-rolled products exclusively. It makes plate, hot- and cold-rolled sheet, and strip. Plate is produced in a 118-inch heavy plate mill in thicknesses up to approximately 6 inches. Resita produces primarily heavy, medium, and light sections, and plate.

Data obtained from counsel for Metalimportexport, a Romanian trading company that exports carbon steel plate to the United States, show that Romania's production of carbon steel plate amounted to about *** tons annually in 1979 and 1980. Production in January-October 1981 reached *** tons, or about *** percent greater than production in all of 1980 (table 30). Romania's capacity remained relatively unchanged in 1979 and 1980, and then increased in 1981 as a new CSG mill came on stream. The new mill is scheduled to reach full output by 1985, whereupon Romanian capacity is projected to be *** tons, or *** greater than capacity in 1980. *** was Romania's largest export market for carbon steel plate in January-October 1981, taking *** percent of aggregate exports in that period. Other principal markets included ***.

Table 30.--Carbon steel plate: Romania's production, capacity, capacity utilization, and exports, 1979, 1980, and January-October 1981

Item	1979	1980	January-October 1981
Production----------1,000 short tons--	***	***	***
Capacity----------do----	***	***	***
Capacity utilization----------percent--	***	***	***
Exports to--			
United States----------1,000 short tons--	***	***	***
All other countries----------do----	***	***	***
Total----------do----	***	***	***

Source: Information obtained from Leva, Hawes, Symington, Martin & Oppenheimer, counsel for Metalimportexport.

U.S. importers' inventories

End-of-period inventories reported by U.S. importers of carbon steel plate from Belgium, Brazil, and Romania are shown in table 31. As indicated, their inventories generally declined from 1978 to 1979, and subsequently increased.

Table 31.--Carbon steel plate: End-of-period inventories held by U.S. importers, by sources, 1978-80, January-September 1980, and January-September 1981

Item	1978	1979	1980	Jan.-Sept.--	
				1980	1981
	Quantity (1,000 short tons)				
Inventories of imports from--					
Belgium	6	5	16	12	19
Brazil	0	1/	8	4	14
Romania	0	***	0	0	0
Subtotal	6	***	24	16	33
All other countries	49	***	41	23	40
Total, all inventories	2/ 64	2/ 27	65	39	73
	Ratio of inventories to reported imports (percent)				
Inventories of imports from--					
Belgium	3.3	3.9	8.4	9.6	13.5
Brazil	-	1.0	7.4	7.1	30.1
Romania	-	***	-	-	-
Average, above countries	2.2	***	7.3	8.1	16.0
All other countries	14.5	***	17.2	13.7	16.7
Average, all countries	10.4	6.2	11.5	10.7	16.4

1/ Less than 500 tons.

2/ Some importers reported inventories that they could not identify by country of origin.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

APPENDIX A

COMMERCE'S LETTERS TO THE COMMISSION AND ITS FEDERAL REGISTER NOTICES

Sub A-60

UNITED STATES DEPARTMENT OF COMMERCE
International Trade Administration
Washington, D.C. 20230

November 18, 1981

The Honorable Bill Alberger, Chairman
International Trade Commission
701 E Street, N.W.
Washington, D.C. 20436

Dear Chairman Alberger:

We have determined that countervailing duty investigations of carbon steel plate from Belgium, Brazil and South Africa are warranted under section 702(a) of the Tariff Act of 1930, as amended ("the Act"). Because South Africa does not meet the standards of Section 701 of the Act, the International Trade Commission will not be required to make an injury determination for that country. Pursuant to section 702(d) of the Act, I hereby formally advise you of these determinations. The bases for these determinations are specified in the attached copies of the Federal Register notices.

Pursuant to section 355.25(b), Commerce Regulations, we will give you full access to all non-privileged and non-confidential information in our files. We will make all privileged and confidential information in the files available upon confirmation that the confidentiality of such information will be maintained and that it will not be disclosed, either publicly or under administrative protective order, without the express written consent of the Deputy Assistant Secretary for Import Administration.

Sincerely,

Gary N. Horlick
Deputy Assistant Secretary
for Import Administration

UNITED STATES DEPARTMENT OF COMMERCE
International Trade Administration
Washington, D.C. 20230

November 18, 1981

The Honorable Bill Alberger, Chairman
International Trade Commission
701 E Street, N.W.
Washington, D.C. 20436

Dear Chairman Alberger:

We have determined that an antidumping investigation of carbon steel plate from Romania is warranted under section 732(a) of the Tariff Act of 1930, as amended ("the Act"). Pursuant to section 732(d)(1) of the Act, I hereby formally advise you of this determination. The basis for this determination is specified in the attached copy of the Federal Register notice.

Pursuant to section 353.39(f), Commerce Regulations, we will give you full access to all non-privileged and non-confidential information in our files. We will make all privileged and confidential information in the files available upon confirmation that the confidentiality of such information will be maintained and that it will not be disclosed, either publicly or under administrative protective order, without the express written consent of the Deputy Assistant Secretary for Import Administration.

Sincerely,

Gary N. Horlick
Deputy Assistant Secretary
for Import Administration

Carbon Steel Plate From Belgium; Initiation of Countervailing Duty Investigation

AGENCY: International Trade Administration, Commerce.

ACTION: Initiation of countervailing duty investigation.

SUMMARY: On the basis of information currently before it, the U.S. Department of Commerce is initiating a countervailing duty investigation to determine whether manufacturers, producers, or exporters of carbon steel plate in Belgium receive subsidies within the meaning of section 771(5) of the Tariff Act of 1930, as amended. The Department is notifying the International Trade Commission of this action so that it may preliminarily determine whether imports of this merchandise from Belgium are materially injuring or threatening to materially injure a U.S. industry.

EFFECTIVE DATE: November 18, 1981.

FOR FURTHER INFORMATION CONTACT: Charles E. Wilson, Office of

Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230, (202) 377-5497.

SUPPLEMENTARY INFORMATION:

Background

On December 6, 1977, the President approved implementation by the Treasury Department of the Trigger Price Mechanism ("TPM"), applicable to imports of certain steel mill products. As stated in the Federal Register of December 30, 1977 (42 FR 65214), the TPM consisted of four major parts: (1) The establishment of trigger prices for basic steel mill products imported into the United States; (2) the use of a Special Summary Steel Invoice ("SSSI") applicable to imports of all basic steel mill products; (3) the continuous collection and analysis of data concerning (a) the cost of production and prices of basic steel mill products exported to the United States, and (b) the condition of the domestic steel industry; and, (4) where appropriate, the expedited initiation and disposition of proceedings under the antidumping law with respect to imports below the trigger prices.

Responsibility for administration of the antidumping and countervailing duty laws and the TPM was transferred to the Department of Commerce on January 2, 1980, as part of Reorganization Plan No. 3 of 1979.

The original TPM was designed as a substitute for major antidumping petitions by the domestic industry. On March 21, 1980, dumping petitions involving basic steel mill products from seven European countries were filed with the Department of Commerce. As a result of those petitions, the Department suspended the TPM. On October 8, 1980, following withdrawal of the antidumping complaints against the European steel producers, the Department of Commerce announced its intention to reinstate the TPM in modified form (45 FR 66833). The present TPM, however, still incorporates the four principles described above.

The TPM, as reinstated, is designed to promote the elimination of injurious dumping and subsidization of imported basic steel mill products and thereby to moderate the adverse effects on the domestic industry that can result from unfair import competition. The Department's administration of the TPM includes the collection and analysis of information about government subsidization of steel industries in foreign countries.

Initiation of Countervailing Duty Investigation

The Department of Commerce has determined that an investigation is warranted to determine whether the Government of Belgium is providing a subsidy with respect to the manufacture, production, or exportation of carbon steel plate. The countervailing duty investigation of carbon steel plate from Belgium is being initiated under section 702(a) of the Tariff Act of 1930, as amended (the "Act") (19 U.S.C. 1671a(a)). This initiation is based on our monitoring of carbon steel plate imports and our analysis of the Belgian steel industry. There is also evidence indicating that these imports may be having an injurious effect upon the U.S. steel industry. Imports of Belgian plate may be causing depressed conditions in the U.S. industry, including suppressed prices and declining shipments and sales.

The Department of Commerce will investigate whether Belgian carbon steel plate manufacturers, producers or exporters receive, directly or indirectly, countervailable subsidies. The International Trade Commission (ITC) will determine whether these imports are materially injuring or threatening to materially injure U.S. carbon steel plate manufacturers. If the ITC finds injury and the Department determines that a subsidy exists, countervailing duties will be imposed, equal to the amount of the net subsidy.

Scope of the Investigation

Carbon steel plate (AISI Category 5) is a finished steel mill product that is used in the manufacture of boilers, storage tanks, railway cars, ships, and nonelectric machinery. It is also used extensively in various construction projects, including pipelines, bridges, and nonresidential buildings.

For the purposes of this investigation, the term "hot rolled carbon steel plate" covers steel not alloyed; not pickled and not cold rolled; not in coils; not coated or plated with metal and not clad; 0.1875 inch or more in thickness and over eight inches in width, as currently provided for in item 607.6615 of the *Tariff Schedules of the United States Annotated*.

Most of the Belgian programs which we intend to investigate are provided under the general incentive law, dated July 17, 1959, and the regional incentive law dated December 30, 1970. These include capital grants, interest rebates, loan guarantees, exemptions of income tax on capital grants, exemptions from real property taxes, and accelerated depreciation. Another program to be investigated provides forgiveness and assumption of debt. Other government programs which may provide countervailable benefits to the production or exportation of carbon steel plate also will be investigated as warranted.

Notification to ITC

Pursuant to section 702(d) of the Act the Department is notifying the U.S. International Trade Commission of this action and making available to it all non-privileged and non-confidential information we used in reaching our decision to initiate. The Department will also allow the ITC access to all privileged and confidential information in our files, provided it confirms that it will not disclose such information, either publicly or under an administrative protective order, without the written consent of the Deputy Assistant Secretary for Import Administration.

The ITC will make its preliminary determination on whether there is a reasonable indication that imports of carbon steel plate from Belgium are materially injuring or are threatening to materially injure a U.S. industry within 45 days after it receives notice of this initiation. If the ITC's preliminary determination is affirmative, the Department will issue a preliminary determination by February 11, 1982 unless the investigation is extended.

Dated: November 12, 1981.

Gary N. Horlick,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 81-33259 Filed 11-17-81; 8:45 am]
BILLING CODE 3510-25-M

Carbon Steel Plate From Brazil; Initiation of Countervailing Duty Investigation

AGENCY: International Trade Administration, Commerce.

ACTION: Initiation of countervailing duty investigation.

SUMMARY: On the basis of information currently before it, the U.S. Department of Commerce is initiating a countervailing duty investigation to determine whether manufacturers, producers, or exporters of carbon steel plate in Brazil receive subsidies within the meaning of section 771(5) of the Tariff Act of 1930, as amended. The Department is notifying the International Trade Commission of this action so that it may preliminarily determine whether imports of this merchandise from Brazil are materially

injuring or threatening to materially injure a U.S. industry.

EFFECTIVE DATE: November 18, 1981.

FOR FURTHER INFORMATION CONTACT: Paul J. McGarr, Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, D.C. 20230, (202) 377-1167.

SUPPLEMENTARY INFORMATION:

Background

On December 6, 1977, the President approved implementation by the Treasury Department of the Trigger Price Mechanism ("TPM"), applicable to imports of certain steel mill products. As stated in the Federal Register of December 30, 1977 (42 FR 65214), the TPM consisted of four major parts: (1) the establishment of trigger prices for basic steel mill products imported into the United States; (2) the use of a Special Summary Steel Invoice ("SSSI") applicable to imports of all basic steel mill products; (3) the continuous collection and analysis of data concerning (a) the cost of production and prices of basic steel mill products exported to the United States, and (b) the condition of the domestic steel industry; and, (4) where appropriate, the expedited initiation and disposition of proceedings under the antidumping law with respect to imports below the trigger prices.

Responsibility for administration of the antidumping and countervailing duty laws and the TPM was transferred to the Department of Commerce on January 2, 1980, as part of Reorganization Plan No. 3 of 1979.

The original TPM was designed as a substitute for major antidumping petitions by the domestic industry. On March 21, 1980, dumping petitions involving basic steel mill products from seven European countries were filed with the Department of Commerce. As a result of those petitions, the Department suspended the TPM. On October 8, 1980, following withdrawal of the antidumping complaints against the European steel producers, the Department of Commerce announced its intention to reinstate the TPM in modified form (45 FR 66833). The present TPM, however, still incorporates the four principles described above.

The TPM, as reinstated, is designed to promote the elimination of injurious dumping and subsidization of imported basic steel mill products and thereby to moderate the adverse effects on the domestic industry that can result from unfair import competition. The Department's administration of the TPM includes the collection and analysis of information about government subsidization of steel industries in foreign countries.

Initiation of Countervailing Duty Investigation

The Department of Commerce has determined that an investigation is warranted to determine whether the Government of Brazil is providing a subsidy with respect to the manufacture, production, or exportation of carbon steel plate. The countervailing duty investigation of carbon steel plate from Brazil is being initiated under section 702(a) of the Tariff Act of 1930, as amended (the "Act") (19 U.S.C. 1671a(a)). This initiation is based on our monitoring of carbon steel plate imports and our analysis of the Brazilian steel industry. There is also evidence indicating that these imports may be having an injurious effect upon the U.S. steel industry. Imports of Brazilian plate may be causing depressed conditions in the U.S. industry, including suppressed prices and declining shipments and sales.

The Department of Commerce will investigate whether Brazilian carbon steel plate manufacturers, producers or exporters receive, directly or indirectly, countervailable subsidies. The International Trade Commission (ITC) will determine whether these imports are materially injuring or threatening to materially injure U.S. carbon steel plate manufacturers. If the ITC finds injury and the Department determines that a subsidy exists, countervailing duties will be imposed, equal to the amount of the net subsidy.

Scope of the Investigation

Carbon steel plate (AISI Catgegory 5) is a finished steel mill product that is used in the manufacture of boilers, storage tanks, railway cars, ships, and nonelectric machinery. It is also used extensively in various construction projects, including pipelines, bridges, and nonresidential buildings.

For the purposes of this investigation, the term "hot rolled carbon steel plate" covers steel not alloyed; not pickled and not cold rolled; not in coils; not coated or plated with metal and not clad; 0.1875 inch or more in thickness and over eight inches in width, as currently provided for in item 607.6615 of the *Tariff Schedules of the United States Annotated*.

Our investigation will cover all Brazilian manufacturers, producers and exporters found to have exported carbon steel plate to the United States. The Department intends to investigate participation by these firms in three export incentive programs:

(1) The Industrial Products Tax (IPI) export credit premium.

(2) Preferential working capital financing.

(3) An income tax exemption based on export profits.

Other government programs which may provide countervailable benefits to the production or exportation of carbon steel plate will be investigated as warranted.

Notification to ITC

Pursuant to Section 702(d) of the Act the Department is notifying the U.S. International Trade Commission of this action and making available to it all non-privileged and non-confidential information we used in reaching our decision to initiate. The Department will also allow the ITC access to all privileged and confidential information in our files, provided it confirms that it will not disclose such information, either publicly or under an administrative protective order, without the written consent of the Deputy Assistant Secretary for Import Administration.

The ITC will make its preliminary determination on whether there is a reasonable indication that imports of carbon steel plate from Brazil are materially injuring or are threatening to materially injure a U.S. industry within 45 days after it receives notice of this initiation. If the ITC's preliminary determination is affirmative, the Department will issue a preliminary determination by February 11, 1982 unless the investigation is extended.

Dated: November 12, 1981.

Gary N. Horlick,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 81-33282 Filed 11-17-81; 8:45 am]

BILLING CODE 3510-25-M

Carbon Steel Plate From Romania; Initiation of Antidumping Investigation

AGENCY: International Trade Administration, Commerce.

ACTION: Initiation of Antidumping Investigation.

SUMMARY: On the basis of information developed by the U.S. Department of Commerce under the Steel Trigger Price Mechanism for steel mill products, the Department is initiating an antidumping investigation to determine whether carbon steel plate from Romania is being imported at less than fair value. The Department is notifying the U.S. International Trade Commission of this

action so that it may determine whether there is a reasonable indication that these imports are materially injuring or threatening to materially injure a U.S. industry.

EFFECTIVE DATE: November 18, 1981.

FOR FURTHER INFORMATION CONTACT: Raymond G. Busen, Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, D.C. 20230, (202) 377-1276.

SUPPLEMENTARY INFORMATION:

Background

On December 6, 1977, the President approved implementation by the Treasury Department of a Steel Trigger Price Mechanism (TPM) applicable to imports of certain steel mill products. As stated in the **Federal Register** of December 30, 1977, (42 FR 65214), the TPM consisted of four major parts: (1) The establishment of trigger prices for basic steel mill products imported into the United States; (2) the use of a Special Summary Steel Invoice ("SSSI") applicable to imports of all basic steel mill products; (3) the continuous collection and analysis of data concerning (a) the cost of production and prices of basic steel mill products exported to the United States, and (b) the condition of the domestic steel industry; and, (4) where appropriate, the expedited initiation and disposition of proceedings under the antidumping law with respect to imports below the trigger prices.

Responsibility for administration of the antidumping law and the TPM was transferred to the Department of Commerce on January 2, 1980, as part of Reorganization Plan No. 3 of 1979.

The original TPM was designed as a substitute for major antidumping petitions by the domestic industry. On March 21, 1980, antidumping petitions involving basic steel mill products from seven European countries were filed with the Department of Commerce. As a result of these petitions, the Department suspended the TPM. On October 8, 1980, following withdrawal of the petitions against the European steel producers, the Department of Commerce announced its intention to reinstate the TPM in modified form (45 FR 66833).

The present TPM still incorporates the four principles described above. It is a monitoring device used by the Department of Commerce to identify those basic steel mill products most likely to be sold at less than fair value in the United States or with the benefit of countervailable subsidization. Actual C.I.F. prices of merchandise entering the United States are compared with applicable trigger prices established by the Department of Commerce. Since trigger prices reflect the estimated cost of production and shipping costs of the world's most efficient producers of steel, any imports entering the United States at prices significantly below the applicable trigger prices represent potential sales at less than fair value.

Initiation of Antidumping Investigation

The Department has examined SSSI's submitted by importers of carbon steel plate from Romania. The Department believes that Romanian plate is being sold to non-mill-related middlemen outside the United States for resale in the United States. Based on its information, the Department estimates that, during the period January–July 1981, 100 percent of the carbon steel plate entering the United States from Romania was sold below applicable trigger prices. The estimated average percentage increase necessary to reach trigger is 45 percent. Such information indicates the possibility that carbon steel plate is being, or is likely to be, sold at less than fair value within the meaning of section 731 of the Traiff Act of 1930, as amended (19 U.S.C. 1673) (hereafter referred to as "the Act").

There is also evidence indicating that these sales may be having an injurious effect upon the U.S. steel industry. Imports of Romanian plate at less than fair-value may be causing depressed conditions in the U.S. industry, including suppressed prices and declining shipments and sales.

Based on this information, I hereby determine in accordance with section 732(a) of the Act (19 U.S.C. 1673a(a)) that an antidumping investigation should be initiated to determine whether carbon steel plate from Romania is being, or is likely to be, sold in the United States at less than fair value and whether a U.S. industry is being materially injured or is threatened with material injury by reason of imports of such merchandise.

Scope of the Investigation

For the purposes of this investigation, the term "hot rolled carbon steel plate" covers steel not alloyed; not pickled and not cold rolled; not in coils; not coated or plated with metal and not clad; 0.1875 inch or more in thickness and over eight inches in width, as currently provided for in item 607.6615 of the *Tariff Schedules of the United States Annotated.*

Notification of International Trade Commission

As required by section 732(d) of the Act (19 U.S.C. 1673a(d)), the Department of Commerce is notifying the International Trade Commission ("ITC") of this determination and is making available to it all non-privileged and non-confidential information we used in reaching our decision to initiate. The Department will also allow the ITC access to all privileged and confidential information in our files, provided it confirms that it will not disclose such information, either publicly or under an administrative protective order, without the written consent of the Deputy Assistant Secretary for Import Administration.

Preliminary Determination by ITC

Under section 733(a) of the Act (19 U.S.C. 1673b(a)), the ITC must determine no later than 45 days from the date of notification whether there is a reasonable indication that an industry in the United States is materially injured, or threatened with material injury, by reason of imports of carbon steel plate from Romania. If that determination is negative, this investigation will be terminated, and we will publish no further notice. Unless this investigation is terminated or extended, the Department of Commerce will announce its preliminary determination no later than 160 days after publication of this notice. This notice is published pursuant to section 732 of the Act (19 U.S.C. 1673a) and § 353.37 of the Commerce Regulations (19 CFR 353.37).

Dated: November 12, 1981.

Gary N. Horlick,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 81-33280 Filed 11-17-81; 8:45 am]

BILLING CODE 3510-25-M

APPENDIX B

COMMISSION'S NOTICES OF INSTITUTION OF INVESTIGATIONS AND LIST OF WITNESSES APPEARING AT THE CONFERENCE

[Investigations Nos. 701-TA-83 and 84 (Preliminary)]

Hot-Rolled Carbon Steel Plate From Belgium and Brazil; Countervailing Duty Investigations and Conference

AGENCY: International Trade Commission.

ACTION: Institution of two preliminary countervailing duty investigations and scheduling of a conference to be held in connection with the investigations.

SUMMARY: The U.S. International Trade Commission hereby gives notice of the institution of investigations Nos. 701-TA-83 (Preliminary) and 701-TA-84 (Preliminary) to determine, pursuant to section 703(a) of the Tariff Act of 1930 (19 U.S.C. 1671b(a)), whether there is a reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports from Belgium and Brazil of hot-rolled carbon steel plate, provided for in item 607.6615 of the Tariff Schedules of the United States Annotated (1981), upon which bounties or grants are alleged to be paid.

EFFECTIVE DATE: November 18, 1981.

FOR FURTHER INFORMATION CONTACT: Mr. Lynn Featherstone, Office of Investigations, U.S. International Trade Commission; telephone 202-523-0242.

SUPPLEMENTARY INFORMATION:

Background.—These investigations are being instituted following receipt of advise from the U.S. Department of Commerce on November 18, 1981, that it was initiating countervailing duty investigations on hot-rolled carbon steel plate, from Belgium and Brazil pursuant to section 702(a) of the Tariff Act of 1930 (19 U.S.C. 1671a(a)). The Commission must make its determination in these investigations within 45 days after the date of notification from Commere, or by January 4, 1982 19 CFR 207.17). The investigations will be subject to the provisions of Part 207 of the Commission's Rules of Practice and Procedure (19 CFR 207, 44 FR 76457), and Particularly Subpart B thereof.

Written submissions.—Any person may submit to the Commission on or before December 16, 1981, a written statement of information pertinent to the subject matter of the investigations. A signed original and nineteen copies of such statements must be submitted.

Any business information which a submitter desires the Commission to treat as confidential shall be submitted separately, and each sheet must be clearly marked at the top "Confidential Business Data." Confidential submissions must conform with the requirements of § 201.6 of the Commission's Rules of Practice and Procedure (19 CFR 201.6). All written submissions, except for confidential business data, will be available for public inspection.

Conference.—The Director of Operations of the Commission has scheduled a conference in connection with the investigations for 9:30 a.m., e.s.t., on December 14, 1981, at the U.S. International Trade Commission Building, 701 E Street, NW., Washington, D.C. Parties wishing to participate in the conference should contact the supervisiory investigator for the investigation, Mr. Lynn Featherstone, telephone 202-523-0242, not later than December 7, 1981, to arrange for their appearance. The conference in these investigations will be held concurrently

with that for investigations Nos. 731-TA-51 (Preliminary), hot-rolled carbon steel plate, from Romania, and 701-TA-85 (Preliminary), hot-rolled carbon steel sheet, from France. Parties in support of the imposition of antidumping or countervailing duties in these cases will be collectively allocated two hours within which to make an oral presentation at the conference. Parties in opposition to the imposition of such duties will also be collectively allocated two hours, with one-half hour each for representatives of Romania, Belgium, Brazil, and France.

For further information concerning the conduct of the investigations and rules of general application, consult the Commission's Rules of Practice and Procedure, Part 207, subparts A and B (19 CFR Part 207), and Part 201, subparts A through E (19 CFR Part 201). Further information concerning the conduct of the conference will be provided by Mr. Featherstone.

This notice is published pursuant to § 207.12 of the Commission's Rules of Practice and Procedure (19 CFR 207.12).

Issued: November 19, 1981.

By order of the Commission.

Kenneth R. Mason,

Secretary.

[FR Doc. 34125 Filed 11-24-81; 8:45 am]

BILLING CODE 7020-02-M

[Investigation No. 731-TA-51 (Preliminary)]

Hot-Rolled Carbon Steel Plate From Romania; Antidumping Investigation and Conference

AGENCY: International Trade Commission.

ACTION: Institution of a preliminary antidumping investigation and scheduling of a conference to be held in connection with the investigation.

SUMMARY: The U.S. International Trade Commission hereby gives notice of the institution of investigation No. 731-TA-51 (Preliminary) to determine, pursuant to section 733(a) of the Tariff Act of 1930 (19 U.S.C 1673b(a)), whether there is a reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports from Romania of hot-rolled carbon steel plate, provided for in item 607.6615 of the Tariff Schedules of the United States Annotated (1981), which are possibly sold in the United States at less than fair value.

EFFECTIVE DATE: November 18, 1981.

FOR FURTHER INFORMATION CONTACT: Mr. Lynn Featherstone, Office of Investigations, U.S. International Trade Commission; telephone 202-523-0242.

SUPPLEMENTARY INFORMATION:

Background.—This investigation is being instituted following receipt of advice from the U.S. Department of Commerce on November 18, 1981, that it was initiating an antidumping investigation on hot-rolled carbon steel plate from Romania pursuant to section 732(a) of the Tariff Act of 1930 (19 U.S.C. 1673a(a)). After monitoring imports of certain steel products under the Trigger Price Mechanism, Commerce found significant sales of hot-rolled carbon steel plate from Romania being made at less than the relevant trigger price. These sales constitute possible sales at less than fair value. The Commission must make its determination in the investigation within 45 days after the date of notification from Commerce, or by January 4, 1982 (19 CFR 207.17). The investigation will be subject to the provisions of Part 207 of the Commission's Rules of Practice and Procedure (19 CFR 207, 44 FR 76457), and particularly Subpart B thereof.

Written submissions.—Any person may submit to the Commission on or before December 16, 1981, a written statement of information pertinent to the subject matter of this investigation. A signed original and nineteen copies of such statements must be submitted.

Any business information which a submitter desires the Commission to treat as confidential shall be submitted separately, and each sheet must be clearly marked at the top "Confidential Business Data." Confidential submissions must conform with the requirements of § 201.6 of the Commission's Rules of Practice and Procedure (19 CFR 201.6). All written submissions, except for confidential business data, will be available for public inspection.

Conference.—The Director of Operations of the Commission has scheduled a conference in connection with this investigation for 9:30 am., e.s.t., on December 14, 1981, at the U.S. International Trade Commission Building, 701 E Street, NW., Washington, D.C. Parties wishing to participate in the conference should contact the supervisory investigator for the investigation, Mr. Lynn Featherstone, telephone 202-523-0242, not later than December 7, 1981, to arrange for their appearance. The conference in this investigation will be held concurrently with that for investigations Nos. 701-TA-83 and 84 (Preliminary), hot-rolled carbon steel plate from Belgium and Brazil, and 701-TA-85 (Preliminary), hot-rolled carbon steel sheet from France. Parties in support of the imposition of antidumping or countervailing duties in these cases will be collectively allocated two hours within which to make an oral presentation at the conference. Parties in opposition to the imposition of such duties will also be collectively allocated two hours, with one-half hour each for representatives of Romania, Belgium, Brazil, and France.

For further information concerning the conduct of the investigation and rules of general application, consult the Commission's Rules of Practice and Procedure, Part 207, subparts A and B (19 CFR 207), and Part 201, Subparts A through E (19 CFR Part 201). Further information concerning the conduct of the conference will be provided by Mr. Featherstone.

This notice is published pursuant to § 207.12 of the Commission's Rules of Practice and Procedure (19 CFR 207.12).

Issued: November 19, 1981.

By order of the Commission.

Kenneth R. Mason,

Secretary.

[FR Doc. 81-34126 Filed 11-24-81; 8:45 am]

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CALENDAR OF PUBLIC CONFERENCE

Investigations Nos. 731-TA-51 and 701-TA-83 through 85 (Preliminary)

HOT-ROLLED CARBON STEEL PLATE FROM ROMANIA
HOT-ROLLED CARBON STEEL PLATE FROM BELGIUM AND BRAZIL
HOT-ROLLED CARBON STEEL SHEET FROM FRANCE

Those listed below appeared as witnesses at the United States International Trade Commission conference held in connection with the subject investigations on Monday, December 14, 1981, in the Hearing Room of the USITC Building, 701 E Street, NW., Washington, D.C.

United States Department of Commerce

Lionel Olmer, Under Secretary of Commerce

In support of the imposition of antidumping or countervailing duties

Law Offices of Eugene L. Stewart--Counsel
Washington, D.C.
on behalf of

Bethlehem Steel Corp.

Laird D. Patterson, General Attorney

Eugene L. Stewart)
Terence P. Stewart) --OF COUNSEL

Law Offices of Eugene L. Stewart--Counsel
Washington, D.C.
on behalf of

Armco, Inc.

Eugene L. Stewart)
Terence P. Stewart) --OF COUNSEL

In support of the imposition of antidumping or countervailing duties--Continued

United States Steel Corp.
Pittsburgh, Pa.

D.B. King, Assistant General Counsel
J.J. Mangan, General Attorney, International Trade
L. Ranney, Attorney
D.L. Armstrong, Senior Vice President, Commercial Sales
P.L. Fidel, Manager, Special Services, Import and Domestic

United Steelworkers of America

John J. Sheehan, Assistant to the President

Cravath, Swaine & Moore--Counsel
New York, N.Y.
on behalf of

Republic Steel Corp.
Inland Steel Co.
Jones & Laughlin Steel Corp.
National Steel Corp.
Cyclops Corp.

Alan J. Hruska)
David Boies)--OF COUNSEL

In opposition to the imposition of antidumping or countervailing duties

Mudge, Rose, Guthrie & Alexander--Counsel
Washington, D.C.
Law Offices of Robert M. Gottschalk, P.C.--Counsel
New York, N.Y.
on behalf of

Usinor, S.A. (France)

Robert W. Crandall, Senior Fellow, Brookings Institution
John G. Reilly, Economic Analyst, ICF, Inc.

Joel Davidow)
Robert M. Gottschalk)--OF COUNSEL
William N. Walker)

In opposition to the imposition of antidumping or countervailing duties--Continued

Windels, Marx, Davies & Ives--Counsel
New York, N.Y.
on behalf of

Sacilor (Acieries et Laminoirs de Lorraine) (France)

Pierre de Ravel d'Esclapon--OF COUNSEL

Graubard, Moskovitz & McCauley--Counsel
Washington, D.C.
on behalf of

Fabrique de Fer de Charleroi (Belgium)
Fabrique de Fer de Charleroi (USA)

Alfred R. McCauley)
Beatrice A. Brickell) --OF COUNSEL

Graubard, Moskovitz, McGoldrick, Dannett & Horowitz--Counsel
New York, N.Y.
on behalf of

Cockerill-Sambre S.A., of Charleroi (Belgium)

Michael H. Greenberg)
Charles L. Rosenzweig) --OF COUNSEL

Law Offices of Robert M. Gottschalk, P.C.--Counsel
New York, N.Y.
on behalf of

Forges de Clabecq (Belgium)

Robert M. Gottschalk)
Richard E. Hull)--OF COUNSEL
Roger L. Levy)

In opposition to the imposition of antidumping or countervailing duties--Continued

Leva, Hawes, Symington, Martin & Oppenheimer--Counsel
Washington, D.C.
on behalf of

Metalimportexport (Romania)

Joe Price)
Simeon Kriesberg) --OF COUNSEL

Arter, Hadden & Hemmendinger--Counsel
Washington, D.C.
on behalf of

Companhia Siderurgica, Paulista (Cosipa) (Brazil)
Usinas Siderurgicas de Minas Gerais, SA (Usiminas) (Brazil)

William Barringer--OF COUNSEL