

SODIUM NITRATE FROM CHILE

**Determination of the Commission
in Investigation No. 731-TA-91
(Preliminary) Under the Tariff Act
of 1930, Together With the Information
Obtained in the Investigation**

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UNITED STATES INTERNATIONAL TRADE COMMISSION

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Note.--Information which would reveal the confidential operations of individual concerns may not be published and, therefore, has been deleted from this report. Such deletions are indicated by asterisks.

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

Investigation No. 731-TA-91 (Preliminary)

SODIUM NITRATE FROM CHILE

Determination

On the basis of the record 1/ developed in investigation No. 731-TA-91 (Preliminary), the Commission determines, pursuant to section 733(a) of the Tariff Act of 1930 (19 U.S.C. 1673b(a)), 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 Chile of sodium nitrate, provided for in item 480.25 of the Tariff Schedules of the United States, which are alleged to be sold in the United States at less than fair value (LTFV).

Background

On April 12, 1982, a petition was filed by Olin Corp. with the U.S. International Trade Commission and the U.S. Department of Commerce alleging that imports of sodium nitrate from Chile are being sold in the United States at LTFV. Accordingly, the Commission instituted a preliminary antidumping investigation under section 733(a) of the Tariff Act of 1930 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 such merchandise into the United States.

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, Commissioner Haggart and Commissioner Frank found only that there is a reasonable indication that an industry in the United States is materially injured.

Notice of the institution of the Commission's investigation and of a public conference to be held in connection therewith was duly given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, D.C., and by publishing the notice in the Federal Register on April 21, 1982 (47 F.R. 17136). The conference was held in Washington, D.C., on May 4, 1982, and all persons who requested the opportunity were permitted to appear in person or by counsel.

VIEWS OF THE COMMISSION

The record of this investigation provides a reasonable indication that an industry in the United States is materially injured 1/ by reason of imports from Chile of sodium nitrate allegedly sold at less than fair value (LTFV). 2/ Our affirmative finding is based on the following: the substantial increase in the volume and market penetration of the alleged LTFV imports from Chile; underselling of the domestic product by Chilean imports; and the deteriorating condition of the domestic sodium nitrate industry.

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." 3/ "Like product" is defined as a product which is like, or in the absence of like, most similar in characteristics and uses with, the article under investigation. 4/

The imported article subject to this investigation is sodium nitrate from Chile. Sodium nitrate (NaNO_3) is a colorless, solid chemical used in a variety of products, including fertilizers, explosives, glass, and charcoal. The imported product is mined from natural deposits of nitrate ore. It is

1/ The votes of Vice Chairman Calhoun and Commissioners Stern and Eckes reflect the statutory language, which provides for a finding of "material injury or threat of material injury." (emphasis added) Section 733(a) of the Tariff Act of 1930, 19 U.S.C. § 1673b(a).

2/ Material retardation of the establishment of the sodium nitrate industry is not an issue in this investigation because there is an industry already producing sodium nitrate.

3/ 19 U.S.C. § 1677(4)(A).

4/ 19 U.S.C. § 1677(10).

produced in two grades: an agricultural grade of approximately 97 percent sodium nitrate, by weight, and an industrial grade of approximately 98 percent sodium nitrate, by weight. 5/ Both grades of natural sodium nitrate are processed in the same manner. The difference between the grades is a function of the amount of moisture which is allowed to evaporate during storage.

Domestic sodium nitrate is produced synthetically in one grade of over 99 percent sodium nitrate, by weight. This grade has been sold for industrial, agricultural, and food use. 6/

Although natural and synthetic sodium nitrate differ in their production processes, their chemical composition is virtually the same. 7/ The domestic synthetic product and the grades of the imported natural product differ slightly in their purity. 8/ Despite these small differences in purity, there

5/ Report at A-2.

6/ Approximately 98 percent of the domestic sodium nitrate is sold for industrial use. See further discussion on page 5.

7/ The possibility that different means of production might create different industries was not raised as an issue in this case. The Commission held in a previous case, Menthol From Japan and the People's Republic of China, Inv. No. 731-TA-27 and 28 (Preliminary), USITC Pub. No. 1087 (1980), that the U.S. product was like both the synthetically produced imports and the natural imports.

8/ The Commission has dealt with the issue of grades based on degrees of purity in previous cases. In these cases the Commission found there to be one like product. In Sodium Gluconate From the European Community, Inv. No. 701-TA-79 (Preliminary), USITC Pub. No. 1169 (1981), the Commission stated that:

since the characteristics of the two grades are basically the same, i.e., they have the same chemical formula, and since both the FCC grade and the technical grade in the majority of cases are interchangeable and compete against each other, we believe that the one like product in this case is all sodium gluconate produced in the United States. (Views of the Commission in Sodium Gluconate at 4).

The Commission reached a similar conclusion in Precipitated Barium Carbonate from the Federal Republic of Germany, Inv. No. 731-TA-31 (Final), USITC Pub. No. 1154 (1981). The reasoning given by the Commission in determining there was one like product within the meaning of the statute included the fact that there was basically one chemical formula and the grades could be substituted for each other. (Views of the Commission in Precipitated Barium Carbonate at 4-5).

does appear to be a substantial degree of substitutability among the different grades. The agricultural grade of sodium nitrate may not be used for some industrial purposes because of impurities, but it may be used for other industrial purposes, such as the manufacture of charcoal. The purer synthetic product appears to be usable for both agricultural and industrial purposes, but it is not generally competitive in the agricultural market because of price. In the event that this case returns to the Commission for a final investigation, we will want to explore further the extent of substitutability among the grades of sodium nitrate.

We conclude that domestic sodium nitrate is like the imported product because there is one chemical formula for sodium nitrate and there appears to be substantial substitutability in uses among the grades of natural and synthetic sodium nitrate. Therefore, we find that the domestic industry consists of the only U.S. producer of sodium nitrate, Olin Corporation.

Petitioner alleges that imports of sodium nitrate sold at LTFV were responsible for the material retardation of a domestic solar nitrate salts industry. Solar nitrate salts are a chemical mixture of approximately 60 percent sodium nitrate and 40 percent potassium nitrate used as a medium of heat storage in solar energy production. 9/ Sodium nitrate is a pure chemical used in fertilizers, explosives, food, production of glass, and metal treatment. On the basis of our examination of characteristics and uses, we find that nitrate salts are not like the imported sodium nitrate under investigation. Nitrate salts are not a part of the sodium nitrate industry

9/ Petition at Attachment 13(c)(1).

because nitrate salts and sodium nitrate are not like products. 10/ The question of material retardation, therefore, does not arise inasmuch as there is an industry already producing sodium nitrate.

Reasonable indication of material injury by reason of LTFV imports

Section 771(7) of the Act directs the Commission to consider, among other factors, (1) the volume of imports of the merchandise under investigation, (2) their impact on domestic prices, and (3) the consequent impact on the domestic industry. 11/

10/ Commissioner Frank notes that despite the fact that it is agreed that nitrate salts and sodium nitrate are not like products, there are certain implications flowing from the alleged LTFV Chilean sodium nitrate sales in the United States. He also notes that Olin, in producing nitric acid as one of its feedstock for its sodium nitrate, has had to operate below capacity recently for nitric acid because of falling sodium nitrate sales allegedly caused by Chilean pricing actions. Hence, Olin has lost a major portion of its in-house market for ammonia. This loss forced Olin to sell "large amounts of ammonia in the highly competitive, price sensitive merchant market." Any decline in income because of receiving lower prices on ammonia causes a decline in capability to sustain corporate research and development, maintain facilities and production capabilities which in turn are related to future capability to supply sodium nitrate that can be utilized as one of the major inputs for the potential domestic solar nitrate salts industry. Such a potential solar nitrate salt industry would probably save fuel and there are relationships to national security and the adequacy of present industry to meet near-term identified needs as well as long-term needs. Having a capable, useful product domestically available for tobacco, sugar beet and citrus crops, provides an alternative to other nutrients. It would be harmful not to have a sodium nitrate industry in the United States in the future if Olin ceased production. Reportedly, there will also be a rise of Olin's natural gas costs in the future when a new supply contract is arranged. Hence, this will further pressure Olin if alleged LTFV sales are allowed to continue. There is a more direct relationship between sodium nitrate capabilities and certain kinds of explosives. Commissioner Frank does not make an industry retardation argument, but rather wants to emphasize relationships among profits, research, capability maintenance and national security and even food supplies. See Post-Conference Brief of Olin Corporation, May 10, 1982, page 5.

11/ 19 U.S.C. § 1677(7)(B). The industry data have been designated confidential because there is only one importer of Chilean sodium nitrate and only one domestic producer, Olin Corporation. Consequently, the discussion necessarily focuses on generalized trends.

Volume of imports.--Although the domestic market for sodium nitrate steadily declined from 1979 through the first quarter of 1982, imports from Chile increased significantly. 12/ As a result, the ratio of imports to apparent U.S. consumption rose dramatically in 1980 and continued to rise in 1981. 13/

Effect of the imports on prices.--Data on price effects are limited at this preliminary stage to comparisons of transaction prices for bag shipments 14/ on an f.o.b. factory/f.o.b. warehouse basis. These data show that Chilean industrial grade sodium nitrate generally undersold U.S. sodium nitrate throughout the January, 1979 to March, 1982 period, with the widest margin of underselling occurring between April and September, 1981. The imported agricultural grade substantially undersold the domestic product throughout the entire period under investigation. 15/

Data gathered also show price depression since the fourth quarter of 1981. 16/ The price of domestic sodium nitrate dropped between the third quarter of 1981 and the first quarter of 1982. The ratio of the cost of goods sold to net sales rose significantly in this period, a fact which normally would call for higher rather than lower prices. 17/

In a final investigation, we will want to look at a comparison of domestic and imported prices for bulk as well as bag shipments. Since

12/ Report at A-6-8.

13/ Id. at A-15.

14/ The domestic producer only reported bag prices for one customer. See Report at Table 11, A-16.

15/ Report at Table 11, A-16.

16/ Id.

17/ Id. at A-13.

transportation costs are important in this industry, we also hope to be able to compare delivered prices.

Impact of imports on the domestic industry.--A number of important indicators show that the domestic producer's sodium nitrate business declined as imports and import penetration increased. Olin experienced overall declining trends in production, capacity utilization, shipments, and financial performance.

During the period under investigation, Olin's production decreased substantially while its production capacity remained constant. As a result, Olin's capacity utilization rate fell. In the period January-March 1982, Olin's utilization rate fell even further to well below the previous year's January-March rate as production continued to decline. 18/

Olin's sodium nitrate shipments, including exports, declined significantly from 1979 to 1981. Likewise, shipments in January-March 1982 were significantly below the level of shipments in January-March 1981. 19/

Olin's profitability on sodium nitrate, as measured by net operating profit and return on fixed assets employed in the production of sodium nitrate, declined markedly from 1979 to 1981. Net operating profit fell precipitously in 1980, but then rose slightly in 1981. Olin's net operating profit in January-March 1982 deteriorated further compared with that in the corresponding period of 1981. 20/ The ratio of Olin's net operating profit or loss to its investment in productive facilities, similarly, showed an overall

18/ Id. at A-9.

19/ Id. at A-9-10.

20/ Id. at A-13.

declining trend. The ratio fell dramatically from 1979 to 1981, and declined even further in the first three months of 1982 compared with the similar period in 1981. 21/

The Commission confirmed the existence of four lost sales of domestic sodium nitrate to the imported product. The four firms involved reported that they viewed the domestic and imported products as equally satisfactory for their particular use and that the principal factor in their decision to alter their purchasing pattern in favor of the Chilean product was price. 22/ 23/

Conclusion

Information in this preliminary investigation on the volume of the alleged LTFV imports, price effects, and the condition of the domestic sodium nitrate industry convinces us that the investigation should be continued.

21/ Id. at A-13.

22/ Id. at A-16-17.

23/ Commissioner Frank notes that other problems are to be considered when considering the impact of alleged LTFV imports of Chilean sodium nitrate. These are: Are environmental restraint cost or lack of such restraints considered? Is the United States industry able to attract capital to maintain facilities? Can the United States industry afford to maintain adequately an inventory position and distribution system?

INFORMATION OBTAINED IN THE INVESTIGATION

Introduction

On April 12, 1982, a petition was simultaneously filed with the U.S. International Trade Commission and the U.S. Department of Commerce on behalf of Olin Corp. alleging that sodium nitrate imported from Chile is being, or is likely to be, sold in the United States at less than fair value (LTFV) within the meaning of the U.S. antidumping laws. Accordingly, effective April 12, 1982, the Commission instituted investigation No. 731-TA-91 (Preliminary) under section 733(a) of the Tariff Act of 1930 (19 U.S.C. 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 that the establishment of an industry in the United States is materially retarded, by reason of imports from Chile of sodium nitrate, provided for in item 480.25 of the Tariff Schedules of the United States (TSUS). The statute directs that the Commission make its determination within 45 days of receipt of the petition, or in this case by May 27, 1982.

Notice of the institution of the Commission's investigation and of the public conference to be held in connection therewith was duly given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, D.C., and by publishing the notice in the Federal Register of April 21, 1982. 1/ A public conference was held in Washington, D.C., on May 4, 1982, at which all interested parties were afforded the opportunity to present information for consideration by the Commission. 2/ The Commission voted on this investigation on May 19, 1982.

The Product

Description

Sodium nitrate (NaNO_3) is a colorless solid which is moderately hygroscopic, i.e., capable of absorbing and retaining moisture, and very soluble in an aqueous solution. Commercial sodium nitrate is of two types: natural and synthetic. Although they are produced by completely different processes, their chemical composition is almost identical and, for purposes of most users, the two are fungible.

Natural sodium nitrate.-- Natural sodium nitrate, also known as Chile saltpeter or Chile nitrate, occurs in nature, usually in deposits associated with sodium chloride, sodium sulfate, and other salts. Although many parts of the world may contain small deposits of natural sodium nitrate, the largest known deposit is located in northern Chile.

1/ A copy of the Commission's notice of this investigation and conference is presented in app. A.

2/ A copy of the calendar of the public conference is presented in app. E.

Nitrate ore is mined from open pits and is generally found in two grades: the high grade ore referred to as caliche, and the low grade ore known as costra. Today, all Chilean nitrate ore is simply referred to as caliche since no effort is made to separate the high-grade from the low-grade ore. In addition to sodium nitrate, nitrate ores are rich in sodium sulfate, magnesium compounds, borax, and potassium nitrate. Nitrate ores also contain significant amounts of calcium and sodium iodate, which may be extracted and converted to free iodine concurrently with the refining of the nitrate.

In general, the process used to extract sodium nitrate from nitrate ore involves washing the ore in water or in an aqueous solution, at which time the sodium nitrate is dissolved in the solution. After this so-called leaching phase, the sodium nitrate is removed from the solution by a crystallization step. The extraction processes used to separate the sodium nitrate from the ore vary in the temperature at which the sodium nitrate is dissolved or is crystallized, the chemical composition of the aqueous solution used to dissolve the sodium nitrate, and the number of leaching cycles which the nitrate ore is subjected to.

In the current process used to extract sodium nitrate from ore (known as the Guggenheim process), the ore, having an average sodium nitrate content of about 7 to 9 percent, is crushed and then leached at a temperature of about 40°C. The solution is concentrated by circulating it sequentially through several vats of ore for about 4 days. The concentrated solution is then sent to a crystallizing plant, where it is allowed to cool by refrigeration. After cooling, the slurry containing the crystallized sodium nitrate is centrifuged and the separated sodium nitrate washed to remove impurities.

In response to rising energy costs, an open-circuit leaching process was recently developed in which the nitrate-containing ore is leached in only one pass, and the solution from which the sodium nitrate salt was crystallized is concentrated by solar evaporation. The open-circuit leaching process requires less energy and produces less waste salts than the Guggenheim process.

The purified natural sodium nitrate is marketed commercially in two grades: an agricultural grade which contains approximately 97 percent, by weight, of sodium nitrate, and an industrial grade which contains approximately 98 percent, by weight, of sodium nitrate. Both grades contain small amounts of sodium chloride, sodium sulfate, and potassium nitrate.

Synthetic sodium nitrate.--Sodium nitrate can also be obtained synthetically by the reaction of nitric acid with soda ash (sodium carbonate) or sodium hydroxide. The nitric acid is obtained by the oxidation of ammonia, which is in turn obtained by the catalytic fixation of nitrogen and hydrogen under conditions of high temperature and pressure. In the United States most hydrogen is obtained commercially from natural gas. The sodium nitrate obtained synthetically has a higher degree of purity than the natural sodium nitrate from Chile, having a sodium nitrate content of over 99 percent, by weight.

Uses

Sodium nitrate's principal use in the United States is as a nitrogenous fertilizer (it is believed to be the oldest known inorganic fertilizer material). However, demand for sodium nitrate has declined sharply, especially since 1958, as a result of competition from less expensive nitrogenous fertilizers such as ammonium nitrate and urea, which are produced from synthetic ammonia.

In the United States today, sodium nitrate is primarily used on specialty crops such as tobacco, citrus, and sugar beets. Although more expensive than other nitrogenous fertilizers, it has the advantage of being very rapidly assimilated by crops. It is claimed that the sodium in sodium nitrate can serve at least in part as a substitute for potash. In addition, sodium nitrate is slightly alkaline, which is advantageous for many crops grown in partly acidic soils.

Sodium nitrate's principal industrial use is in the manufacture of explosives. It functions as an oxidant and a densifier and helps to prevent undesired separation of phases. This use of sodium nitrate is one of the few in which demand is increasing, particularly for slurry and gel explosives.

Other major industrial uses for sodium nitrate include the production of charcoal, in which it is used to facilitate kindling; as an intermediate in the preparation of other chemicals such as nitric acid; in metal treatment, where it is used as a flux; as an oxidizing agent; and in the heat treatment of aluminum alloys. The ability of sodium nitrate to oxidize iron makes it useful in the manufacture of clear glass. It is finding new uses in the manufacture of architectural glass, which has energy-conserving properties. Small amounts of sodium nitrate are also used in the manufacture of adhesives and pulp and paper, in water treatment, and as a deicing agent. A mixture of molten sodium and potassium nitrate is being investigated for use as a heat-transfer fluid and a heat-storage medium in solar-energy receivers.

Possible sodium nitrate substitutes in agricultural and industrial applications include ammonium nitrate, urea, calcium nitrate, potassium nitrate, and sodium sulfate. However, there are varying opinions as to the technical feasibility of using these so-called substitutes in lieu of sodium nitrate in agricultural and industrial applications. Notwithstanding the argument of sodium nitrate's technical superiority, the prevailing consensus is that, when deciding on substitutes, price is a major determining factor.

U.S. tariff treatment

Sodium nitrate is classified under item 480.25 of the TSUS and is duty free from all sources.

Nature and Extent of Alleged LTFV Sales

All known U.S. imports of sodium nitrate from Chile are accounted for by the exports of Sociedad Quimica y Minera de Chile, S.A. (SQM). The petition alleges that LTFV sales of sodium nitrate from Chile have resulted in a loss in market share for the domestic industry and that such LTFV sales have acted to suppress the price of the domestic product.

To support these claims, the petition presents data comparing SQM's 1980 home-market selling price of sodium nitrate (on a constructed-value basis) with the estimated f.a.s. value of sodium nitrate exported to the U.S. market. This comparison resulted in an alleged LTFV margin of 79 percent.

U.S. Market and Channels of Distribution

On the basis of the combined 1981 shipments of the U.S. producer and the U.S. importer to U.S. and Canadian markets, consumption of sodium nitrate may be broken down into the following end-use categories (in percent):

<u>End use</u>	<u>Percentage distribution of U.S. and Canadian shipments</u>
Fertilizer-----	33
Explosives-----	24
Glass-----	9
Metal treatment-----	9
Miscellaneous-----	25
	<u>100</u>

As mentioned earlier, the fertilizer market is currently the largest single market for sodium nitrate. However, sodium nitrate fertilizer is the most expensive of all nitrogenous fertilizers, and is used only on such specialized crops as tobacco, citrus, and sugar beets. Due to its apparent cost disadvantage and an anticipated decline in tobacco acreage, its use as a fertilizer is expected to decline slightly over the next 2 to 3 years.

Use of sodium nitrate in industrial applications (i.e., explosives, metal, glass, and so forth.) is forecast by the industry to grow by only about 1 percent during 1982-84. However, new applications in the areas of architectural glass and solar energy, now in the experimental and development stages, could push the growth rate significantly higher in years ahead.

More than * * * percent of the U.S. producer's sales of sodium nitrate are purchased directly by end-use customers; the remaining * * * percent are sold to distributors. Similarly, about * * * percent of the imported industrial-grade sodium nitrate is marketed through distributors. However, more than * * * percent of the imported agricultural grade is marketed through distributors.

Sodium nitrate is generally shipped in 50- or 100-pound bags, or in bulk. All material shipped by the U.S. producer is shipped either from the producing plant in Lake Charles, La., or from a bag warehouse located in Norcross, Ga. Imported sodium nitrate is shipped to customers from warehouses in Norfolk, Va., Charleston, S.C., Tampa and Pensacola, Fla., San Diego, Calif., Wilmington, N.C., Gulfport, Miss., and Brunswick, Ga. Most of these locations also serve as ports of entry for the imported material. Sodium nitrate exports from Chile to Canada travel indirectly to Canada by way of Norfolk, Va.

The Domestic Industry

U.S. producers

Prior to 1965, there were two domestic producers of sodium nitrate: Allied Chemical Corp. (Hopewell, Va.) and Olin Corp. (Stamford, Conn). In 1965, Allied stopped producing sodium nitrate altogether, leaving Olin as the sole domestic producer. There are other companies that reprocess the material; i.e., they purchase the finished product from either the domestic producer or the importer and further purify and grind the material to a particular particle size to suit individual customer preferences.

Olin's synthetic sodium nitrate facility is located in Lake Charles, La. The plant, built in the 1940's, is dedicated to producing a host of chemical products in addition to sodium nitrate, although the equipment used to produce sodium nitrate is used exclusively for that purpose.

U.S. importers

Virtually all (99 percent) sodium nitrate imported into the United States originates in Chile. The exclusive U.S. importer of record for these imports is Chilean Nitrate Sales Corp. (CNS), New York, N.Y. CNS is a wholly owned U.S. subsidiary of Nitrate Corp. of Chile in the United Kingdom. The United Kingdom parent is, in turn, wholly owned by SQM, Santiago, Chile. Other chemicals imported into the United States from Chile by CNS include sodium-potassium nitrate and iodine.

Foreign Producers

There are only a handful of sodium nitrate producers throughout the world. With the exception of the one in Chile, producers in other countries--France, West Germany, and Japan--are relatively small-volume producers that do not export to the U.S. market. The Chilean producer, SQM, is in effect a state-owned company which is directly controlled by the state development corporation of the Government of Chile, Corporation de Fomento de la Produccion. Chile first exported sodium nitrate to the United States in 1831.

SQM has two plants that are capable of producing sodium nitrate, although only one is currently used for that purpose. In 1981, that plant's sodium nitrate capacity was approximately * * * short tons; production totaled more than * * * short tons, or * * * percent of capacity. Of the more than * * * short tons of sodium nitrate produced in 1981, nearly * * * short tons, or roughly * * * percent of production, was exported to markets in * * *.

SQM's other plant is currently used to produce potassium nitrate. Should this plant be used to produce sodium nitrate in the future, its annual capacity would be about * * * short tons of industrial-grade sodium nitrate.

U.S. Imports

Official statistics of the U.S. Department of Commerce indicate that between 1970 and 1978, U.S. imports of sodium nitrate from Chile accounted for not less than 99 percent of total U.S. imports. U.S. imports from other countries, primarily Canada, 1/ were recorded sporadically over the same period. As shown in table 1 and in the following figure, the annual volume of

Table 1.--Sodium nitrate: U.S. imports for consumption, 1/
by principal sources, 1970-78

Year	Quantity			Value			Average unit value		
	Total	Chile	Other	Total	Chile	Other	Total	Chile	Other
	-----Short tons-----			----1,000 dollars----			-----Per short ton-----		
1970--	129,458	129,418	40	4,141	4,138	3	\$31.99	\$31.97	\$75.00
1971--	203,188	203,138	50	6,917	6,913	4	34.04	34.03	80.00
1972--	110,877	110,877	0	3,865	3,865	-	34.86	34.86	-
1973--	69,209	69,209	0	2,833	2,833	-	40.93	40.93	-
1974--	150,082	150,069	13	14,356	14,356	<u>2/</u>	95.66	95.66	36.85
1975--	139,149	139,144	5	19,100	19,099	1	137.26	137.26	200.00
1976--	102,746	102,746	0	8,143	8,143	-	79.25	79.25	-
1977--	156,600	156,600	0	11,139	11,139	-	71.13	71.13	-
1978--	142,479	142,255	224	11,601	11,584	17	81.42	81.43	75.89
	:	:	:	:	:	:	:	:	:

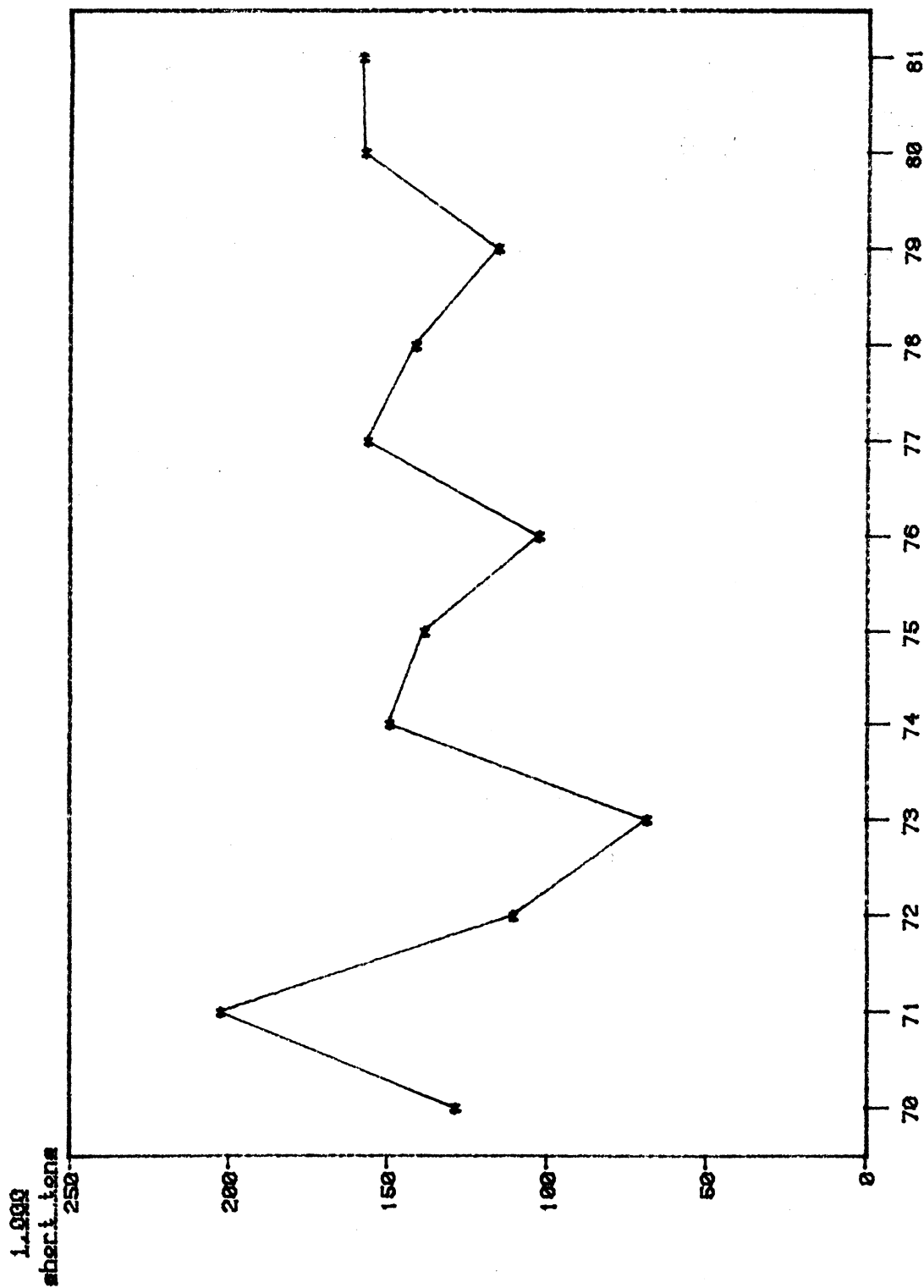
1/ Includes material that is imported into the United States but which is not offered for sale in the United States and is subsequently exported to Canada.

2/ Less than \$500.

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

1/ There are no known sodium nitrate producers in Canada; it is generally believed that such imports are reimports of the Chilean material.

Sodium nitrate: U.S. imports from Chile, 1970-81



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

U.S. imports between 1970 and 1978 was very erratic. Total U.S. imports increased from 129,458 short tons in 1970 to 203,188 short tons in 1971. They then declined in 1972 to 110,877 short tons. This fluctuating pattern continued throughout the remainder of the period.

The value of U.S. imports of sodium nitrate rose from \$4.1 million in 1970 to \$11.6 million in 1978. The average unit value of U.S. imports increased from \$32 per short ton in 1970 to \$81 per short ton in 1978.

Data supplied in the questionnaire response of the U.S. importer show that the volume of U.S. imports of sodium nitrate from Chile increased by * * * percent between 1979 and 1981. Again, sodium nitrate imported from Chile accounted for not less than 99 percent of total U.S. imports during the period. U.S. imports from Chile rose from * * * short tons in 1979 to * * * short tons in 1981 (table 2). In January-March 1982, such imports totaled * * * short tons, slightly more than imports reported in January-March 1981.

The composition of sodium nitrate imported from Chile after 1979 was heavily skewed in favor of the agricultural-grade material, which accounted for * * * percent and * * * percent of total U.S. imports in 1980 and 1981, respectively. In January-March 1982, * * * percent of total imports from Chile consisted of the agricultural material.

The value of sodium nitrate imported from Chile rose by * * * percent during 1979-1981, from * * * million to * * * million. The average unit value of imported sodium nitrate rose from * * * per short ton in 1979 to * * * per short ton in 1981, or by * * * percent. The average unit value in January-March 1982 was slightly below that in the corresponding period of 1981.

Table 2.--Sodium nitrate: U.S. imports for consumption from Chile, by grades, 1979-81, January-March 1981, and January-March 1982

* * * * *

The Question of Injury or the Threat Thereof

U.S. production, capacity, and capacity utilization

Olin's total sodium nitrate production, net of intracompany consumption, declined by * * * percent between 1979 and 1981. Its production fell from * * * short tons in 1979 to * * * short tons in 1981. Total production decreased * * * short tons in January-March 1982 from production in January-March 1981 (table 3).

Table 3.--Sodium nitrate: U.S. producer's production, capacity, and utilization rate, by grades, 1979-81, January-March 1981, and January-March 1982

* * * * *

Olin's sodium nitrate production consists of the production of agricultural-, industrial-, and food-grade sodium nitrate. However, for all practical purposes the industrial-grade material is the chief output of Clin's plant, as shown in the following tabulation:

* * * * *

Olin effectively stopped producing agricultural-grade sodium nitrate in 1975. Although some production of this grade was reported in the company's questionnaire response, * * *.

From 1979 to 1981, Olin's annual sodium nitrate capacity remained unchanged at * * * short tons. Its utilization rate fell from * * * percent in 1979 to * * * in 1981, and then fell sharply to * * * percent in January-March 1982, well below the rate of * * * percent in January-March 1981. The decline in Olin's utilization rate resulted directly from Olin's declining production.

U.S. producer's shipments and exports

In terms of quantity shipped, Olin's domestic sodium nitrate shipments declined by * * * percent in 1980 and by * * * percent in 1981. Such shipments fell from * * * short tons in 1979 to * * * short tons in 1980, and to * * * short tons in 1981. In January-March 1982, domestic shipments declined by * * * percent to * * * short tons, compared with * * * short tons in January-March 1981 (table 4).

Table 4.--Sodium nitrate: U.S. producer's domestic shipments, by grades, 1979-81, January-March 1981, and January-March 1982

* * * * *

Conversely, the value of Olin's domestic shipments rose by * * * percent from 1979 to 1981, from * * * million to * * * million. In January-March 1982, Olin's domestic shipments were valued at * * * million.

The average unit value of Olin's domestic shipments increased from * * * per short ton in 1979 to * * * per short ton in 1981, up by * * * percent. In January-March 1982, the average unit value increased to * * * per short ton, up by * * * percent over the average unit value in the corresponding period of 1981. The average unit value of Olin's industrial-grade sodium nitrate, which represents more than * * * percent of Olin's total domestic shipments, rose by * * * percent from 1979 to 1981, from * * * per short ton to * * * per short ton.

Olin's sodium nitrate exports, which go primarily to * * * and consist mostly of the industrial-grade material, declined sharply in 1980, but then recovered in 1981, as shown in the tabulation below (in short tons):

<u>Period</u>	<u>Exports</u>
1979-----	***
1980-----	***
1981-----	***
January-March--	
1981-----	***
1982-----	***

Inventories

Olin's reported inventories of sodium nitrate consisted solely of the industrial-grade material. End-of-period inventories of industrial sodium nitrate declined from * * * short tons in 1979 to only * * * short tons in 1981. Inventories in January-March 1982 increased by * * * percent, to * * * short tons, compared with the volume held in the corresponding period of 1981. The ratio of Olin's inventories to sales followed a similar trend, declining from 1979 to 1981 but then rising in January-March 1982 (table 5).

Table 5.--Sodium nitrate: U.S. producer's inventories, by grades, Dec. 31 of 1979-81, Mar. 31, 1981, and Mar. 31, 1982

* * * * *

Total inventories held by the U.S. importer rose significantly throughout the period covered, as shown in the following tabulation (in short tons):

<u>Period</u>	<u>Inventories</u>
As of Dec. 31--	
1979-----	***
1980-----	***
1981-----	***
As of March 31--	
1981-----	***
1982-----	***

Inventories of the agricultural-grade material accounted for between * * * and * * * percent of total inventories held by the U.S. importer. A primary consideration in CNS' decision to build up inventory is the matter of ocean freight rates. A typical shipment of sodium nitrate entering the United States from Chile consists of * * * metric tons. During times of declining ocean rates, a shipment from Chile could total as much as * * * metric tons, * * * the normal tonnage.

Apparent U.S. consumption

Apparent U.S. consumption of sodium nitrate declined by * * * percent between 1979 and 1981, falling from * * * short tons to * * * short tons (table 6). Apparent consumption also registered an * * * percent decline in January-March 1982, compared with consumption in the corresponding period of 1981.

Table 6.--Sodium nitrate: U.S. production, imports for consumption, net change in inventories, Olin's exports, and apparent consumption, 1979-81, January-March 1981, and January-March 1982

* * * * *

U.S. employment

Table 7 shows that employment of production and related workers engaged in the production of sodium nitrate at Olin's reporting U.S. establishment decreased by * * * workers between 1979 and January-March 1982. The number of production and related workers producing sodium nitrate decreased from * * * workers in 1979 to * * * workers in 1981, and further declined in January-March 1982 to * * * workers. Production and related workers engaged in the production of all products increased by * * * percent to * * * workers¹¹

Table 7.--Sodium nitrate: Average number of employees, total and production and related workers, and man-hours worked by the latter, 1979-81, January-March 1981, and January-March 1982

* * * * *

between 1979 and 1981. A similar increase (* * * percent) was recorded in the average number of all persons employed in the reporting U.S. establishment.

The number of man-hours worked by production and related workers remained nearly unchanged at * * * man-hours in 1981, compared with * * * man-hours in 1979. This slight decrease contrasts sharply with the * * * percent increase in the number of man-hours worked by production and related workers engaged in the production of all products during the same period.

The following tabulation, which is based on data submitted by Olin in response to the Commission's questionnaire, shows average hourly wages paid to production and related workers employed at Olin's reporting establishment:

	<u>Production and related workers engaged in the production of--</u>	
	<u>All products</u>	<u>Sodium nitrate</u>
1979-----	***	***
1980-----	***	***
1981-----	***	***
January-March--		
1981-----	***	***
1982-----	***	***

The tabulation shows that in all periods the average hourly wages paid to production and related workers producing sodium nitrate * * *.

Financial performance of the U.S. producer

The net operating results of Olin's sodium nitrate operations * * *.

Net sales from overall establishment operations * * *.

Cost of goods sold for overall operations * * * (table 8).

Table 8.--Profit-and-loss experience of the U.S. producer on overall establishment operations and on sodium nitrate operations, 1979-81, January-March 1981, and January-March 1982.

* * * * *

To provide an additional measure of profitability, the ratios of net operating profit or loss to the original cost and book value of fixed assets employed in the production of sodium nitrate are presented in table 9. * * * .

Table 9.--Sodium nitrate: U.S. producer's investment in productive facilities and net operating profit, 1979-81, January-March 1981, and January-March 1982.

* * * * *

Cash flow generated from Olin's sodium nitrate operations * * * .

Research and development and capital expenditures * * * .

The Question of the Causal Relationship Between Alleged LTFV Imports From Chile and the Alleged Injury

U.S. imports and market penetration of alleged LTFV imports

The official import statistics of the Department of Commerce are presented in table 10. With respect to imports from Chile, Commerce statistics include sodium nitrate that is ultimately exported from the United States to Canada. To adjust for this "overstatement" of U.S. imports in official statistics, data on market penetration are calculated using import statistics provided by CNS.

U.S. imports from Chile, as reported by CNS, increased by * * * percent in 1980 over 1979 and by * * * percent in 1981 over 1980. Imports rose from * * * short tons in 1979 to * * * short tons in 1981 (table 2). U.S. imports in January-March 1982 were slightly higher in volume than imports in the corresponding period of 1981.

Table 10.---Sodium nitrate: U.S. imports for consumption, by principal sources and by quarters, January 1979-March 1982

Period	Quantity			Value 1/			Average unit value		
	Total	Chile	Other	Total	Chile	Other	Total	Chile	Other
	-----Short tons-----			-----1,000 dollars-----			-----Per short ton-----		
1979:									
Jan.-Mar-----	40,947	40,947	0	3,959	3,959	-	\$96.69	\$96.69	-
Apr.-June-----	32,648	32,648	0	2,196	2,196	-	67.26	67.26	-
July-Sept-----	37,267	37,267	0	3,274	3,274	-	87.85	87.85	-
Oct.-Dec-----	5,468	5,468	0	590	590	-	107.90	107.90	-
Year-----	116,330	116,330	0	10,019	10,019	-	86.13	86.13	-
1980:									
Jan.-Mar-----	57,705	57,604	101	5,088	5,082	6	88.17	88.22	\$59.41
Apr.-June-----	59,906	59,906	0	5,853	5,853	-	97.70	97.70	-
July-Sept-----	11,403	11,403	0	958	958	-	84.01	84.01	-
Oct.-Dec-----	29,474	29,474	0	3,197	3,197	-	108.47	108.47	-
Year-----	158,488	158,387	101	15,096	15,090	6	95.25	95.27	59.41
1981:									
Jan.-Mar-----	38,377	38,377	0	3,875	3,875	-	100.97	100.97	-
Apr.-June-----	63,387	63,387	0	6,622	6,622	-	104.47	104.47	-
July-Sept-----	26,117	26,117	0	3,195	3,195	-	122.33	122.33	-
Oct.-Dec-----	31,498	31,498	0	3,832	3,832	-	121.66	121.66	-
Year-----	159,379	159,379	0	17,524	17,524	-	109.95	109.95	-
1982:									
Jan.-Mar-----	33,717	33,717	0	3,804	3,804	-	112.82	112.82	-
1/ Customs import value.									

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

The ratio of U.S. imports of sodium nitrate to apparent U.S. consumption is presented in the following tabulation:

* * * * * *

As shown in the tabulation, * * *.

The ratio of imports to apparent consumption of industrial-grade sodium nitrate is presented in the following tabulation:

* * * * * *

As shown in the tabulation, * * *.

Prices

Both the sole domestic producer of sodium nitrate--Olin--and the sole importer of sodium nitrate from Chile--CNS--publish price lists. 1/ * * *.

Olin and CNS sell their industrial-grade sodium nitrate through similar distribution networks. Approximately * * * to * * * percent of each firm's sales of this product are made to end users, with the remainder going to distributors. * * *; Olin does not compete in the market for agricultural-grade sodium nitrate. Olin and CNS indicate that their prices are the same for both distributors and end users.

Olin has one manufacturing facility, in Lake Charles, La., and one warehouse, in Norcross, Ga. In contrast, CNS operates 17 warehouses. Eight are in ports on the east coast, west coast, and gulf coast; nine others are primarily in Eastern and Southeastern locations in the United States. With transportation costs averaging * * * to * * * percent of the total delivered cost of sodium nitrate, the greater number of warehouse locations appears to give CNS a transportation cost advantage over Olin. However, CNS' costs of warehousing and inventory may decrease this advantage.

The Commission requested that Olin and CNS supply net f.o.b. selling prices, 2/ by quarters, January-March 1979 through January-March 1982, for three grades of sodium nitrate--agricultural grade, industrial grade, and food

1/ * * *.

2/ Significant transportation costs suggest that it is the total (delivered) cost of sodium nitrate from alternative suppliers which is compared in making a decision to purchase. However, comparable delivered prices were not available in this investigation. As a result, the influence of transportation costs on prices may not be completely accounted for in these data, and the reported f.o.b. prices may provide only an indication of price fluctuations in the market.

grade. Data received suggest that the domestic and imported sodium nitrate has been competing only in the market for industrial-grade sodium nitrate. Olin reported no sales of agricultural-grade sodium nitrate, and CNS reported no sales of food-grade sodium nitrate.

Table 11 presents prices of the industrial and agricultural grades of sodium nitrate sold in bags and reported by CNS, and the industrial grade sold in bags and reported by Olin. 1/ These data indicate that prices of both domestically produced sodium nitrate and that imported from Chile increased irregularly over the period January-March 1979 through January-March 1982. * * *.

Prices of the industrial-grade product shown in table 11 indicate that the degree of underselling by CNS fluctuated in a range of * * * to * * * percent. The degree of underselling increased * * *. A comparison of prices of CNS' agricultural grade with Olin's industrial grade shows that the margin of underselling by CNS fluctuated in a range of * * * to * * * percent, but without a significant trend.

Table 11.--Sodium Nitrate: Weighted average prices of imported domestic merchandise, by grades and by quarters, January 1979-March 1982.

* * * * *

Lost sales

The Commission staff contacted * * * of the * * * firms identified by Olin as involving sales allegedly lost to Chilean sodium nitrate since the beginning of 1980. These * * * firms accounted for about * * * percent, or * * * million pounds, of the * * * million pounds in alleged lost sales from all * * * firms.

For the period from the beginning of 1980 to the present, * * * firms reported that they altered their sourcing pattern by increasing their purchases of Chilean sodium nitrate (* * * of these firms now purchase only the Chilean product); * * * firms reported that they purchased only the Olin product; * * * reported that they purchased both the domestic and Chilean products and that their purchase mix has not changed significantly; * * * purchased relatively more of the Chilean product, but not at the expense of the domestic product; * * * did not purchase any sodium nitrate.

The * * * firms that altered their purchasing pattern in favor of Chilean sodium nitrate 2/ reported that they viewed the domestic and imported products

1/ * * *.

2/ * * *.

as equally satisfactory for their particular uses. In purchasing more of the imported product, * * * of these firms cited the lower price of the Chilean product as the principal factor. 1/ * * *.

The * * * firms that purchased only the Olin product, or whose purchase mix between the domestic and Chilean products remained stable, reported that the sodium nitrate purchased from Olin was typically of a better quality and generally higher priced than that imported from Chile. 2/ These firms also reported that for some uses, only the quality of the Olin product was acceptable, although for other product applications, sodium nitrate from either source could be used interchangeably. When the latter situation was reported, some firms reported purchasing domestic and Chilean sodium nitrate in order to maintain a dual source of supply.

* * * reported that its increased purchases of Chilean sodium nitrate relative to the domestic product did not constitute lost sales for Olin. * * * indicated that it uses the sodium nitrate produced by Olin in one application and that imported from Chile in another and that the requirements of the two product processes do not allow the synthetic sodium nitrate (purchased from Olin) and the natural sodium nitrate (purchased from CNS) to be used interchangeably.

1/ * * * firms specified the increased price difference, currently * * * per ton (f.o.b. bulk lot), as critical to their decision to increase purchases of Chilean sodium nitrate.

2/ Chilean sodium nitrate reportedly contains more impurities.

APPENDIX A

NOTICE OF COMMISSION'S INVESTIGATION AND CONFERENCE

[Investigation No. 731-TA-91 (Preliminary)]**Sodium Nitrate From Chile; Preliminary Antidumping Investigation****AGENCY:** International Trade Commission.**ACTION:** Institution of preliminary antidumping investigation and scheduling of a conference to be held in connection therewith.

SUMMARY: The U.S. International Trade Commission hereby gives notice of the institution of investigation No. 731-TA-91 (Preliminary) under section 733(a) of the Tariff Act (19 U.S.C. 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 from Chile of sodium nitrate, provided for in item 480.25 of the Tariff Schedules of the United States, which are allegedly being sold in the United States at less than fair value (LTFV).

EFFECTIVE DATE: April 12, 1982.**FOR FURTHER INFORMATION CONTACT:** Mr. Woodley Timberlake, Office of Investigations, U.S. International Trade Commission; telephone 202-523-4618.**SUPPLEMENTARY INFORMATION:****Background**

This investigation is being instituted in response to a petition filed April 12, 1982, on behalf of Olin Corporation. The Commission must make its determination in the investigation within 45 days after the date of the filing of the petition, or in this case by May 27, 1982. The investigation will be subject to the provisions of part 207, Subpart B, of the Commission's Rules of Practice and Procedure (19 CFR Part 207).

Written Submissions

Any person may submit to the Commission on or before May 10, 1982, a written statement of information pertinent to the subject matter of this investigation. A signed original and fourteen (14) 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 10:00 a.m., on May 4, 1982, 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 investigator for this investigation, Mr. Woodley Timberlake, telephone 202-523-4618, not later than April 27, 1982, to arrange for their appearance.

Inspection of the Petition

The petition filed in this case is available for public inspection at the Office of the Secretary, U.S. International Trade Commission.

This notice is published pursuant to § 207.12 of the Commission's rules of practice and procedure (19 CFR 207.12).

By order of the Commission.

Issued: April 16, 1982.

Kenneth R. Mason,

Secretary.

[FR Doc. 82-10925 Filed 4-20-82; 8:45 am]

BILLING CODE 7020-02-M

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APPENDIX E
CALENDAR OF PUBLIC CONFERENCE

CALENDAR OF PUBLIC CONFERENCE

Investigation No. 731-TA-91 (Preliminary)

SODIUM NITRATE FROM CHILE

Those listed below appeared as witnesses at the United States International Trade Commission conference held in connection with the subject investigation on Tuesday, May 4, 1982, in the Hearing Room of the USITC Building, 701 E Street, NW., Washington, D.C.

In support of the imposition of
antidumping duties

Beveridge & Diamond--Counsel
Washington, D.C.
on behalf of

Olin Corporation Stamford, Conn.

Patrick N. Baker, Manager, Business Development, Industrial Chemicals

Alexander W. Sierck)
Andrew E. Mishkin)--OF COUNSEL

In opposition to the imposition of
antidumping duties

Busty, Rehm & Leonard, P.C.--Counsel
Washington, D.C.
on behalf of

Chilean Nitrate Sales Corp.

Rodrigo Duran R., President

Eduardo Botenreith
Eugenio Ponce
Donald F. Shanafelt

Will E. Leonard)
Raymond N. Marra)--OF COUNSEL

APPENDIX C

DEPARTMENT OF COMMERCE'S NOTICE OF INITIATION OF
ANTIDUMPING INVESTIGATION

injuring, or threatening to materially injure, a U.S. industry. If the investigation proceeds normally, the ITC will make its preliminary determination on or before May 27, 1982, and we will make ours on or before September 20, 1982.

EFFECTIVE DATE: May 6, 1982.

FOR FURTHER INFORMATION CONTACT:
Steven Morrison, Office of
Investigations, Import Administration,
International Trade Administration, U.S.
Department of Commerce, 14th Street
and Constitution Avenue NW.,
Washington, D.C. 20230 (202-377-3965).

SUPPLEMENTARY INFORMATION:

The Petition

On April 12, 1982, we received a petition from counsel for Olin Corporation of Stamford, Connecticut. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petition alleges that sodium nitrate is being, or is likely to be, sold in the United States at less than fair value, within the meaning of section 731 of the Tariff Act of 1930, as amended (19 U.S.C. 1673) (the "Act") and that these imports are materially injuring, or are threatening to materially injure, a U.S. industry. The allegation of sales at less than fair value is supported by comparisons of United States prices (developed from price lists published by the importer, a wholly owned subsidiary of the exporter) with a constructed value of sodium nitrate produced in Chile (developed from an analysis of the exporter's 1980 annual report). The petition also alleges that sales of sodium nitrate in the home market are being made at less than the cost of production as provided in section 773(b) of the Act and that critical circumstances exist as defined in section 733(e) of the Act.

Initiation of Investigation

Under section 732(c) of the Act, we must determine within 20 days after a petition is filed, whether a petition sets forth the allegations necessary for the initiation of an antidumping investigation and whether it contains information reasonably available to the petitioner supporting the allegations. We have examined the petition on sodium nitrate from Chile, and we have found that it meets these requirements. Therefore, in accordance with section 732(c)(2) of the Act, we are initiating an antidumping investigation to determine whether sodium nitrate from Chile is being, or is likely to be, sold in the United States at less than fair value.

We will also investigate whether sales in the home market of sodium nitrate are

DEPARTMENT OF COMMERCE

International Trade Administration

Antidumping Investigation; Sodium Nitrate From Chile

AGENCY: International Trade Administration, Commerce.

ACTION: Initiation of antidumping investigation.

SUMMARY: On the basis of a petition filed in proper form with the United States Department of Commerce, we are initiating an antidumping investigation to determine whether sodium nitrate from Chile is being, or is likely to be, sold in the U.S. at less than fair value. We are notifying the United States International Trade Commission (ITC) of this action so that it may determine whether these imports are materially

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being made at less than the cost of production, and we will make a determination regarding the critical circumstances allegation. If our investigation proceeds normally, we will make our preliminary determination by September 20, 1982.

Scope of the Investigation

The merchandise covered by this investigation is sodium nitrate, a chemical currently classifiable under item 480.2500, *Tariff Schedules of the United States Annotated* ("TSUSA"). Sodium nitrate is used in agricultural applications as a specialty fertilizer and in industrial applications as a constituent of explosives, an oxidizing material in glass making, and an additive to charcoal to facilitate ignition.

Notification to ITC

Section 732(d) of the Act (19 U.S.C. 1673a) requires us to notify the ITC of this action and to provide it with the information we used to arrive at this determination. We will notify the ITC and make available to it all nonprivileged and nonconfidential information. We 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 written consent of the Deputy Assistant Secretary for Import Administration.

Preliminary Determination by ITC

Pursuant to section 733(a) of the Act (93 Stat. 163, 19 U.S.C. 1673b(a)), the ITC will determine within 45 days, whether there is a reasonable indication that sodium nitrate from Chile is materially injuring, or is likely to materially injure, a U.S. industry. If the ITC determination is negative, this investigation will terminate; otherwise, it will proceed according to the statutory procedures.

This notice is published pursuant to section 732(c)(2) of the Act (93 Stat. 163, 19 U.S.C. 1673a(c)(2)) and § 353.37(b) of the Commerce Regulations (19 CFR 353.37(b)).

Gary N. Horlick,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 82-12357 Filed 5-5-82; 8:45 am]

BILLING CODE 3510-25-M

