CERTAIN STEEL PRODUCTS FROM SPAIN

Determinations of the Commission in Investigations Nos. 701-TA-155 through 163 (Preliminary) Under Section 703(a) of the Tariff Act of 1930, Together With the Information Obtained in the Investigations

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Note.--Information which would reveal the confidential operations of individual concerns may not be published and, therefore, has been deleted from this report.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

Investigations Nos. 701-TA-155 through 163 (Preliminary)

CERTAIN STEEL PRODUCTS FROM SPAIN

Determinations

On the basis of the record 1/ developed in the subject investigations, the Commission determines, pursuant to section 703(a) of the Tariff Act of 1930 (19 U.S.C. § 1671b(a)), that 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 the following products which are alleged to be subsidized by the Government of Spain:

Hot-rolled carbon steel plate 2/ (investigation No. 701-TA-155 (Preliminary)); 3/

Cold-rolled carbon steel sheet 4/ (investigation No. 701-TA-157 (Preliminary)); 5/

Galvanized carbon steel sheet 6/ (investigation No. 701-TA-158 (Preliminary)); 7/ 8/

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

2/ For purposes of these investigations, hot-rolled carbon steel plate is provided for in items 607.6615, 607.9400, 608.0710, and 608.1100 of the Tariff Schedules of the United States Annotated (TSUSA).

3/ Chairman Alberger and Commissioners Frank and Haggart determine that there is a reasonable indication that an industry in the United States is materially injured by reason of the subject imports.

4/ For purposes of these investigations, cold-rolled carbon steel sheet is provided for in items 607.8320 and 607.8344 of the TSUSA.

5/ Chairman Alberger and Commissioners Eckes and Haggart determine that there is a reasonable indication that an industry in the United States is threatened with material injury by reason of the subject imports. Commissioner Frank determines that there is a reasonable indication that an industry in the United States is materially injured by reason of the subject imports.

6/ For purposes of these investigations, galvanized carbon steel sheet is provided for in items 608.0730 and 608.1300 of the TSUSA.

7/ Chairman Alberger, Vice Chairman Calhoun, and Commissioner Stern dissenting.

8/ Commissioners Frank and Haggart determine that there is a reasonable indication that an industry in the United States is materially injured by reason of the subject imports.

Carbon steel structural shapes 9/ (investigation No. 701-TA-159 (Preliminary)); 10/

Hot-rolled carbon steel bar 11/ (investigation No. 701-TA-160 (Preliminary)); 12/ and

Cold-formed carbon steel bar 13/ (investigation No. 701-TA-162 (Preliminary)). 10/

The Commission determines that there is no reasonable indication that an industry in the United States is materially injured or threatened with material injury, or that the establishment of an industry in the United States is materially retarded, by reason of imports of the following products which are alleged to be subsidized by the Government of Spain:

Hot-rolled carbon steel sheet 14/ (investigation No. 701-TA-156 (Preliminary));

Hot-rolled alloy steel bar 15/ (investigation No. 701-TA-161 (Preliminary)); 16/ and

Cold-formed alloy steel bar 17/ (investigation No. 701-TA-163 (Preliminary)). 16/

9/ For purposes of these investigations, carbon steel structural shapes are provided for in items 609.8005, 609.8015, 609.8035, 609.8041, and 609.8045 of the TSUSA.

10/ Chairman Alberger and Commissioners Frank and Haggart determine that there is a reasonable indication that an industry in the United States is materially injured by reason of the subject imports.

11/ For purposes of these investigations, hot-rolled carbon steel bar is provided for in items 606.8310, 606.8330, and 606.8350 of the TSUSA.

12/ Chairman Alberger and Commissioners Eckes and Haggart determine that there is a reasonable indication that an industry in the United States is threatened with material injury by reason of the subject imports. Commissioner Frank determines that there is a reasonable indication that an industry in the United States is materially injured by reason of the subject imports.

13/ For purposes of these investigations, cold-formed carbon steel bar is provided for in items 606.8805 and 606.8815 of the TSUSA.

14/ For purposes of these investigations, hot-rolled carbon steel sheet is provided for in items 607.6610, 607.6700, 607.8320, 607.8342, and 607.9400 of the TSUSA.

15/ For purposes of these investigations, hot-rolled alloy steel bar is provided for in item 606.9700 of the TSUSA.

16/ Commissioner Frank dissenting.

17/ For purposes of these investigations, cold-formed alloy steel bar is provided for in item 606.9900 of the TSUSA.

Background

On January 11, 1982, petitions were filed with the Department of Commerce by the United States Steel Corp. and by counsel for Republic Steel Corp., Inland Steel Co., Jones & Laughlin Steel, Inc., National Steel Corp., and Cyclops Corp. alleging that producers, manufacturers, or exporters in Spain of certain steel products receive bounties or grants within the meaning of section 303 of the Tariff Act of 1930 (19 U.S.C. § 1303). Although Commerce subsequently initiated countervailing duty investigations on such merchandise under section 303, Spain was not at that time a "country under the Agreement" within the meaning of section 701(b) of the Act (19 U.S.C. § 1671(b)), and there was no requirement for the Commission to conduct preliminary injury investigations pursuant to section 703(a).

On April 14, 1982, the United States Trade Representative announced that Spain had become a "country under the Agreement" (47 F.R. 16697). On April 26, 1982, Commerce notified the Commission that it was terminating its investigations under section 303 and commencing investigations under section 702. Accordingly, effective April 26, 1982, the Commission, pursuant to section 703(a) of the Act (19 U.S.C. § 1671b(a)), instituted preliminary countervailing duty investigations 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 Spain 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 conference to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade

Commission, Washington, D.C., and by publishing the notice in the *Federal Register* of May 5, 1982 (47 F.R. 19486). The conference was held in Washington, D.C., on May 24, 1982, and all persons who requested the opportunity were permitted to appear in person or by counsel.

VIEWS OF THE COMMISSION

I. INTRODUCTION

The following constitute our views on the nine countervailing duty investigations involving certain carbon and alloy steel products from Spain. First, we summarize the standards for our determinations, and then we define the domestic industries against which the impact of the imports under investigation is to be assessed. Finally, in each investigation, we examine the condition of the industry and then evaluate the causal relationship between the allegedly subsidized imports and this condition.

Standards for Determinations

In preliminary countervailing duty investigations the Commission must 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, 1/ by reason of imports of the merchandise that is the subject of the investigation. 2/ "Material injury" is defined as "harm which is not inconsequential, immaterial, or unimportant." 3/ In making determinations, the Commission must consider, among other factors, (1) the volume of imports of the merchandise which is the subject of the investigation, (2) the effect of imports of that merchandise on prices in the United States for like products, and (3) the impact of imports of such merchandise on domestic producers of like products. 4/

1/ Material retardation of an industry is not an issue in these investigations.
2/ 19 U.S.C. §§ 1671b, 1673b.
3/ 19 U.S.C. § 1677(7)(A).
4/ 19 U.S.C. § 1677(7)(B).

In making a determination as to whether there is a threat of material injury the Commission considers, among other factors, (1) the rate of increases of subsidized imports into the U.S. market, (2) the capacity in the exporting country to generate exports, and (3) the availability of other export markets. 5/ Findings of a reasonable indication of threat of material injury must be based on a showing that the likelihood of harm is real and imminent, and not on mere supposition, speculation, or conjecture. 6/

Definition of the domestic industries

The domestic industry is defined in section 771(4)(A) of the Tariff Act of 1930 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." 7/ "Like product" is defined in section 771(10) as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation . . . ." 8/

These investigations concern allegedly subsidized imports from Spain of nine different types of steel products. These nine types are: (1) hot-rolled carbon steel plate; (2) hot-rolled carbon steel sheet; (3) cold-rolled carbon steel sheet; (4) galvanized carbon steel sheet; (5) carbon steel structural shapes (angles, shapes and sections); (6) hot-rolled carbon steel bar; (7)

5/ 19 C.F.R. § 207.26(d).
6/ S. Rep. No. 96-249, 96th Cong., 1st Sess. 88-89 (1979); S. Rep. No. 1298, 93d Cong., 2d Sess. 180 (1974); Alberta Gas Chemicals, Inc. v. United States, 515 F. Supp. 780, 790 (Ct. Int'l Trade 1981).
7/ 19 U.S.C. § 1677(4)(A).
8/ 19 U.S.C. § 1677(10).

hot-rolled alloy steel bar; (8) cold-formed carbon steel bar; and (9) cold-formed alloy steel bar.

These same products were the subject of the recent preliminary investigations involving certain steel products from Belgium, Brazil, France, Italy, Luxembourg, the Netherlands, Romania, the United Kingdom, and West Germany. 9/ In those cases, the Commission found that each of the nine product categories constituted a separate like product and noted:

> Each [product category] has physical characteristics of size, shape, or composition that are unlike those of the others. Moreover, they have varying uses, and products of one type generally do not compete with products of another type. As noted in the Commission determination in the 1980 steel products antidumping investigations, "Although raw steel constitutes much of the value of each of the . . . product groups under investigation, competition in the U.S. market between domestically produced steel products and the alleged LTFV [and subsidized] imports occurs in each of the . . . separate and distinct product groups." In these investigations the domestic producers have been able to identify production and profitability data in terms of each of the nine groups, allowing the Commission to examine the impact of imports on each group separately. 10/

The Commission recognized that within each of the nine product categories there may have been somewhat different characteristics and uses for articles having different specifications, but it lacked sufficient information to make any meaningful distinctions among them. In the absence of "clear dividing lines among the products in each group", each was treated in its entirety as a separate like product. 11/ Thus, the Commission determined that there were nine industries corresponding to the nine product groups.

9/ Investigations Nos. 701-TA-86 to 144, 701-TA-146, and 701-TA-147 (Preliminary), and Investigations Nos. 731-TA-53 to 86 (Preliminary), USITC Pubs. 1221 and 1226 (1982). Specific descriptions of the products, their characteristics and uses, and methods of manufacture may be obtained by reference to the Commission's Views and the Report in those investigations.

10/ Id. at 14-15 (footnote omitted).

11/ Id. at 15-16.

The record developed in these investigations contains no new information that would suggest a revision of the definitions. Additionally, no party has argued for a significant revision. We, therefore, find it appropriate to use the same industry definitions for purposes of the present preliminary investigations. 12/

Cumulation

Our determinations in these investigations have been made on a case-by-case basis, without aggregation of import data for each product category with the import data derived in earlier investigations regarding the same products imported from other countries. 13/ 14/ In the event that final investigations are conducted in these cases, however, we do not rule out cumulation if the record developed demonstrates it is appropriate. 15/

12/ Commissioners Stern and Haggart emphasize that the definitions of the industries at this preliminary stage are based on information now available; they do not preclude the possibility of defining the domestic industries differently in any final investigation if the record developed supports a revision of the definitions of the industries.

13/ See additional views of Vice Chairman Calhoun.

14/ Commissioner Frank has cumulated in certain cases. See his additional views and his discussion on cumulation in Certain Carbon Steel Products from Belgium, Brazil, France, Italy, Luxembourg, the Netherlands, Romania, the United Kingdom, and West Germany. Invs. Nos. 701-TA-86 to 144, 701-TA-146, and 701-TA-147 (Preliminary), and Invs. Nos. 731-TA-53 to 86 (Preliminary), USITC Pubs. 1221 and 1226 (1982), at 127-129.

15/ Chairman Alberger and Commissioner Stern refer readers to their respective discussions of the practice of cumulation in Certain Carbon Steel Products from Belgium, the Federal Republic of Germany, France, Italy, Luxembourg, the Netherlands, and the United Kingdom, Invs. Nos. 731-TA-18-24 (Preliminary), USITC Pub. 1064 (1980), at 14-15 and 64-67, respectively.

See also our joint views in Certain Steel Products from Belgium, Brazil, France, Italy, Luxembourg, the Netherlands, Romania, the United Kingdom, and West Germany, Invs. Nos. 701-TA-86 to 144, 701-TA-146, and 701-TA-147 (Preliminary), and Invs. Nos. 731-TA-53 to 86 (Preliminary), USITC Pubs. 1221 and 1226 (1982). The record developed in those investigations has been

(Footnote continued)

II. HOT-ROLLED CARBON STEEL PLATE

With respect to hot-rolled carbon steel plate from Spain, we find that there is a reasonable indication of material injury or threat of material injury to the affected domestic industry by the subject imports. 16/ We have made this determination in part on the basis of the substantial levels of Spanish imports that have entered during a period of decline in the domestic industry as well as indications that these imports may have caused price suppression or depression in the U.S. market and resulted in significant lost sales.

Condition of the domestic industry

The domestic industry producing hot-rolled carbon steel plate has suffered a serious decline in recent years. Domestic production has declined steadily from 5,897,000 tons in 1979 to 5,564,000 tons in 1980 and 5,161,000 tons in 1981. 17/ Production again turned sharply downward in the first quarter of 1982, amounting to only 971,000 tons as compared to 1,542,000 tons in the same period of 1981. 18/ Total domestic shipments of the product have similarly fallen. 19/

15/ Footnote continued
incorporated into the record of the present investigations. See Notice of Investigation, 47 F.R. 19486 (May 5, 1982).

Finally, see our views in Prestressed Concrete Steel Wire Strand from Brazil, France, and the United Kingdom, Invs. Nos. 701-TA-152 and 153 (Preliminary), and Inv. No. 731-TA-89, USITC Pub. 1240 (1982), at 3; Carbon Steel Wire Rod from Brazil, Belgium, France, and Venezuala, Invs. Nos. 701-TA-148 to 150 (Preliminary), and Inv. No. 731-TA-88 (Preliminary), USITC Pub. 1230 (1982).

16/ Chairman Alberger and Commissioners Frank and Haggart determine only that there is a reasonable indication of material injury, and therefore do not reach the issue of reasonable indication of threat of material injury.

17/ Report at A-12. All references to tonnage are to short tons.

18/ Id.

19/ Id. at A-9 and A-12.

Annual production capacity in this steel sector has dropped from 9,713,000 tons in 1979 to 9,051,000 tons in 1981. 20/ Utilization of this capacity, though, has fallen at a much sharper pace. Capacity utilization in 1978 stood at 62 percent and declined steadily to 57 percent in 1981. The first quarter of 1982 recorded a precipitous decline to 41.8 percent from 66.3 percent in the corresponding period of 1981. 21/ Employment trends have followed the trends in production and shipments, declining steadily from 1979 to 1981, then falling drastically in January-March 1982 from the already depressed level of January-March 1981. 22/

Information on the profitability of this industry provides the most striking picture of its condition. The ratio of operating profit to net sales has decreased from 4 percent in 1978 to 3.9 percent in 1979, 1.4 percent in 1980, and 2.3 percent in 1981. The industry suffered losses in the first quarter of 1982, with an operating loss of $40 million and a ratio of operating losses to net sales of 7.8 percent. 23/

Reasonable indication of material injury by reason of Spanish imports 24/

While declining domestic demand has surely had an adverse effect on the industry, 25/ there is a reasonable indication that imports from Spain have caused material injury. Although absolute imports and imports as a percentage

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20/ *Id.* at A-12.
21/ *Id.*
22/ *Id.* at A-14.
23/ *Id.* at A-21.
24/ Commissioner Frank has cumulated. See his separate views.
25/ Consumption fell from 8,452,000 tons in 1978 to 7,444,000 tons in 1981, and dropped 32 percent in the first quarter of 1982 compared to the same period in 1981. *Id.* at A-8 to A-9.

of apparent domestic consumption have generally declined over the period of investigation, they have remained at significant levels. 26/

Two instances indicative of possible price suppression or depression were confirmed, involving price reductions necessary to meet competition from lower-priced Spanish products. There are also ample indications that sales of domestic products have been lost to imports from Spain. Six instances of lost sales have been confirmed. 27/ In all these cases, the principal reason cited was the lower price of the imports, which may have been as much as $40 to $140 below comparable domestic products. The latter figure corresponds to an underselling margin of 27 percent. 28/

Reasonable indication of threat of material injury by reason of Spanish imports

Vice Chairman Calhoun and Commissioners Stern and Eckes base their finding on the above factors as well as on the following information. The United States is an increasingly major target for Spanish exports of plate, with exports to the United States rising from 20 percent of total exports in 1979 to 32.8 percent in 1981. 29/ Data on Spanish capacity for the production of plate is available only for 1981, but that data suggests that some additional capacity may be devoted to producing exports for the U.S. market.

26/ Chairman Alberger and Commissioner Stern note that imports, although declining, are still a presence in the market at lower prices at a difficult time for the domestic industry, and appear to be a contributing factor to the injury. These imports might be appropriately cumulated with those from other countries in a final determination.

27/ Report at A-50. Another purchaser was alleged to have bought an additional quantity of Spanish plate, but the origin of the products purchased could not be verified.

28/ Id. at A-53.

29/ Id. at A-27.

Additionally, although U.S. importers' inventories of Spanish plate are down from the peak levels of 1980 and early 1981, they remain substantial. 30/

III. HOT-ROLLED CARBON STEEL SHEET

We determine that there is no reasonable indication that imports of hot-rolled carbon steel sheet from Spain have resulted in material injury or threat of material injury to the domestic industry. Among other factors, we have relied in our determination on the consistently low import penetration and the lack of substantial evidence of price suppression, price depression or lost sales caused by Spanish imports.

Condition of the domestic industry

The industry producing hot-rolled carbon steel sheet, like other sectors of the overall steel industry, has suffered reverses in recent years. Production fell from 12,623,000 tons in 1979 to 9,855,000 tons in 1980, rebounded to 11,438,000 tons in 1981, then slumped to 1,916,000 tons in the first quarter of 1982 as compared to 2,975,000 tons in the first quarter of 1981. 31/ Data on shipments are similar. 32/ While domestic capacity for manufacture of these products fluctuated, utilization of capacity fell from 65.7 percent in 1978 to 65 percent in 1979, 52.5 percent in 1980, and rose to 59 percent in 1981. In the first quarter of 1982, it dropped sharply to 40.5 percent as production fell. 33/

30/ *Id*. at A-24.
31/ *Id*. at A-12.
32/ *Id*. at A-9 and A-12.
33/ *Id*. at A-12.

Employment of production and related workers declined from 25,400 in 1979 to 20,432 in 1980 and increased to 22,404 in 1981. With the drop in production in early 1982, employment fell sharply to 17,456. 34/

This industry has experienced substantial recent losses. Operating profits fell from $162 million in 1978 to $95 million in 1979. The industry then suffered operating losses totalling $232 million in 1980, $139 million in 1981, and a further $136 million in the first quarter of 1982. The ratio of operating losses to net sales went from 7.5 percent in 1980 to 3.5 percent in 1981, then jumped to 18.3 percent in the first quarter of 1982. 35/

No reasonable indication of material injury by reason of Spanish imports 36/

The record developed in this investigation demonstrates no reasonable indication that the depressed condition of the domestic industry is attributable to imports from Spain. Imports are presently at insignificant levels, having fallen from 33,000 tons in 1978 to 5,000 tons in 1979, 1,000 tons in 1980, and 5,000 tons in 1981. Imports in January-March 1982 were only 2,000 tons. 37/ As a percentage of domestic consumption these imports were only 0.2 percent in the peak year of 1978, falling to less than 0.05 percent in the three years 1979-81. Imports in the first quarter of 1982 reached a market penetration level of only 0.1 percent. 38/

One purchaser of hot-rolled carbon steel sheet confirmed that it had obtained a price discount on the domestically produced product in order to

34/ Id. at A-14.
35/ Id. at A-21.
36/ See Commissioner Frank's separate views.
37/ Id. at A-30.
38/ Id. at A-32.

meet price competition from Spanish imports. 39/ No instances of sales lost to Spanish imports, however, could be confirmed. 40/

No reasonable indication of threat of material injury by reason of Spanish imports

We find that there is no reasonable indication of a threat of material injury to the domestic industry by reason of Spanish imports. As noted above, imports have consistently remained at low levels since 1979. Moreover, total Spanish exports to all countries have accounted for only a small percentage of Spanish production of this product, almost all production being devoted to domestic Spanish consumption. 41/

IV. COLD-ROLLED CARBON STEEL SHEET

We find a reasonable indication of threat of material injury to the domestic industry due to imports of cold-rolled carbon steel sheet. 42/ This conclusion is based primarily on the rapidly rising level of Spanish imports of this product.

Condition of the domestic industry

As is true of other segments of the steel industry, the portion producing cold-rolled carbon steel sheet is in a severely weakened condition.

39/ Id. at A-56.
40/ Id. at A-53
41/ Id. at A-27.
42/ The vote language of Vice Chairman Calhoun and Commissioner Stern reflects a determination of material injury or threat of material injury. Section 703(a) of the Tariff Act of 1930, 19 U.S.C. § 1673b(a). Commissioner Frank determined that there is a reasonable indication of present material injury to the domestic injury with respect to the investigation on cold-rolled carbon steel sheet and did not reach the issue of threat. See his separate views.

Production fell to 11,195,000 tons in 1981 from 13,225,000 tons in 1979. The first quarter of 1982 showed an even greater decline to 1,931,000 tons from 3,039,000 tons in the same quarter of 1981. 43/ Shipments exhibited similar trends. 44/ While production capacity fluctuated slightly between 1978 and 1981, utilization of that capacity declined irregularly from 84.7 percent in 1978 to 70.4 percent in 1981. It then plunged to 45.1 percent in January-March 1982, compared to 71 percent in the corresponding period in 1981. 45/

The decline in production negatively affected employment levels. Employment fell from a high of 39,223 workers in 1979 to 32,050 in 1980, but increased to 35,303 in 1981. It then dropped precipitously in the first quarter of 1982 to 23,859 workers. 46/

Financial losses in this industry have been severe. Operating profits declined from $114 million in 1978 to $53 million in 1979, then turned to losses of $383 million in 1980 and $293 million in 1981. Further losses of $170 million were recorded in the first quarter of 1982. As a ratio of net sales, these losses amounted to 9.2 percent in 1980, 5.9 percent in 1981, and 18.4 percent in the first quarter of 1982. 47/

Reasonable indication of threat of material injury by reason of Spanish imports 48/

During 1978, 1979, and 1980, imports from Spain have steadily decreased in both absolute terms and in relation to apparent U.S. consumption. Imports

43/ Report at A-12.
44/ Id. at A-9 and A-12
45/ Id. at A-12.
46/ Id. at A-14.
47/ Id. at A-21.
48/ Commissioner Frank found a reasonable indication of present material injury and cumulated. See his separate views.

of cold-rolled carbon steel sheet from Spain declined from 90,000 tons in 1978 to 48,000 tons in 1979 and to 8,000 tons in 1980. 49/ Import penetration exhibited a similar trend dropping from 0.4 percent in 1978 to 0.3 percent in 1979 and to 0.1 percent in 1980. 50/ There is thus no visible relationship between these imports and the past problems associated with the domestic industry.

The period of 1981 and the first quarter of 1982, however, stands out in sharp contrast to the years 1978-80. Imports increased nearly eightfold in 1981 compared to the previous year and nearly fourfold in the first quarter of 1982 over the first quarter of 1981. In absolute terms imports jumped from 8,000 tons in 1980 to 62,000 tons in 1981 and from 7,000 tons in the first quarter of 1981 to 26,000 tons in the first quarter of 1982. 51/ The import penetration figures from 1981 to the present show a similar upsurge in imports. The 1981 figure of 0.4 percent matched the prior peak set in 1978 and penetration in the first quarter of 1982 climbed to 0.9 percent in contrast to a figure of 0.2 percent in the first quarter of 1981. 52/ There are indications that these recent sharp increases in the levels of imports are contributing to the accelerating downturn in the industry's performance and thus threaten material injury.

49/ Report at A-30.
50/ *Id.* at A-32.
51/ *Id.* at A-30.
52/ *Id.* at A-32.

V. GALVANIZED CARBON STEEL SHEET

VIEWS OF COMMISSIONERS ALFRED ECKES, EUGENE FRANK, AND VERONICA HAGGART

We determine that there is a reasonable indication that imports of galvanized carbon steel sheet from Spain are causing material injury to the domestic industry. 53/

The galvanized carbon steel sheet industry has experienced a downturn since 1979. Production fell from 4,698,000 tons in 1979 to 3,749,000 tons in 1980. Although production rose to 4,400,000 tons in 1981, a sharp drop in production occurred in the the first 3 months of 1982, with only 865,000 tons being produced, in contrast to the 1,289,000 tons produced in the same period in 1981. 54/ Shipments have similarly decreased. 55/ While capacity for producing galvanized sheet has remained roughly constant since 1978, capacity utilization fell from 72.7 percent in 1978 to 59.4 percent in 1980. After rebounding to 70.7 percent in 1981, it fell to its lowest point, 55.4 percent, in the first quarter of 1982. 56/ Employment of production and related workers, which had peaked at 13,919 in 1981, fell to 11,266 by the first quarter of 1982 as production declined. 57/

From operating profits of $135 million in 1979, the industry declined to losses of $91 million in 1980, $29 million in 1981, and $66 million in the first quarter of 1982 (compared to a loss of only $6 million in the same

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53/ Commissioner Eckes finds a reasonable indication of material injury or threat of material injury. Chairman Alberger, Vice Chairman Calhoun, and Commissioner Stern, as discussed in their separate views, find no reasonable indication of material injury or threat of material injury.
54/ Report at A-12.
55/ Id. at A-9 and A-12.
56/ Id. at A-12.
57/ Id. at A-14.

period in 1981). The first quarter 1981 loss was more than double that for the entire previous year. The ratio of operating losses to net sales was 4.8 percent in 1980, 1.2 percent in 1981, and 14.5 percent in the first quarter of 1982. 58/

Reasonable indication of material injury by reason of Spanish imports 59/

We find a reasonable indication that imports from Spain have contributed to the decline in the health of the domestic industry. Although they fell steadily from their peak level of 82,000 tons in 1978 to 19,000 tons in 1981, Spanish imports increased significantly to 25,000 tons in the first quarter of 1982 alone, an influx that was substantially in excess of that in the entire year 1981. 60/ The import penetration level for the first quarter of 1982 of 1.8 percent of total domestic consumption was the highest level during the period of investigation. 61/

The significant increase in Spanish imports coincided with the serious downturn in domestic production, capacity utilization, and profitability in early 1982. This link is sufficient to indicate causation of injury to the industry.

Other information also strongly supports our conclusion of a reasonable indication of injury. Of four allegations of sales lost by domestic firms to imports of galvanized sheet, two were confirmed. 62/ In addition, five

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58/ Id. at A-21.
59/ Commissioner Frank cumulated. See his separate views.
60/ Report at A-30.
61/ Id. at A-32.
62/ Id. at A-53.

transactions were confirmed in which a domestic firm lost revenues by lowering its prices in order to meet price competition by Spanish imports. 63/ Thus, there is a reasonable indication that imports from Spain are a factor in causing the problems the industry is experiencing.

V. GALVANIZED CARBON STEEL SHEET

VIEWS OF CHAIRMAN BILL ALBERGER, VICE CHAIRMAN MICHAEL J. CALHOUN, AND COMMISSIONER PAULA STERN

We find no reasonable indication of material injury or threat of material injury to the domestic industry producing galvanized carbon steel sheet. Although we agree with our colleagues that the domestic industry is experiencing severe problems, we are not convinced that those problems are causally related to imports from Spain or any other country previously investigated by the Commission. 64/ As noted in our views regarding galvanized carbon steel sheet in the recent steel investigations, 65/ it is our judgment, based upon the best information available to the Commission, that factors other than imports are responsible for the present condition of the domestic galvanized carbon steel sheet industry. Among the causes of the decline in the domestic industry were a sharp decline in domestic consumption, low labor productivity, and high labor costs.

63/ Id. at A-56.

64/ Investigations Nos. 701-TA-86 to 144, 701-TA-146, and 701-TA-147 (Preliminary), and Investigations Nos. 751-TA-53 to 86 (Preliminary), USITC Pubs. 1221 and 1226 (1982), at 54-57.

65/ Id.

Although domestic production, shipments, employment, and profitability have declined during the period under investigation, imports have also declined. There is no evidence of excessive inventories of Spanish imports during the entire period. Except for the first quarter in 1982 when imports of galvanized carbon steel sheet from Spain reached their highest market penetration level of 1.8 percent, they have maintained a consistently low level and have been insignificant as a share of overall imports during the period of this investigation. From 1979 to 1981, imports from Spain declined as a ratio of imports to consumption from 0.5 percent to 0.3 percent. During this period, overall imports declined sharply at the same time that domestic profitability fell. A first quarter increase in imports coinciding with a further drop in profits during a major recession hardly seems to us to call for a continuation of an investigation.

Even during the first quarter of 1982 when Spanish imports reached their highest level, as a share of overall imports, they represented less than 10 percent of the 21 percent market share for all imports of galvanized carbon steel sheet. We do not find this increase in imports sufficient to establish a pattern of imports which warrants a finding of a reasonable indication of threat of material injury.

VI. CARBON STEEL STRUCTURAL SHAPES

We determine that there is a reasonable indication of material injury or threat of material injury to the domestic industry producing carbon steel structural shapes by reason of imports from Spain. 66/ This determination is

66/ Chairman Alberger and Commissioners Frank and Haggart determine only that there is a reasonable indication of material injury, and therefore do not reach the issue of reasonable indication of threat of material injury.

based primarily on the substantial levels of Spanish imports and multiple confirmed instances of sales lost to Spanish imports during a period of decline in the domestic industry.

Condition of the domestic industry

Production in this industry has declined since 1979, falling from 4.1 million tons to 3.8 million tons in 1980 and 3.6 million tons in 1981. A further decline was registered in the first quarter of 1982, as production fell to 590,000 tons from 827,000 tons in the same period in 1981. 67/ Data on shipments fell similarly. 68/ Although total capacity for the production of structural shapes changed little over the period studied, capacity utilization fell in the latter part of the period, from 60.8 percent in 1980 to 58.2 percent in 1981 and then to 43.8 percent in the first quarter of 1982. 69/ Employment matched the downward trend in production, falling from 13,058 workers in 1979 to 12,269 in 1980, 11,667 in 1981, and 7,125 in the first quarter of 1982. 70/

Most significantly, the industry has suffered losses in every year covered by this investigation, with the losses accelerating toward the end of the period. Operating losses were 2.2 percent and 0.3 percent of net sales in 1978 and 1979, respectively, then increased to 4.7 percent in 1980 and 4.9 percent in 1981. The losses grew again in the first quarter of 1982 to 12.7 percent, compared to 4.9 percent in the same period of 1981. 71/

67/ Report at A-12.
68/ Id. at A-9 and A-12.
69/ Id. at A-12.
70/ Id. at A-14.
71/ Id. at A-21.

Reasonable indication of material injury by reason of imports from Spain 72/

There is ample information in the record to support a reasonable indication that the industry's troubles are causally connected to Spanish imports. Imports from Spain have steadily increased as the fortunes of the industry have turned downward. Imports grew from 56,000 tons in 1978 to 238,000 tons in 1981, accounting for an increased share of the U.S. market from 1 percent in 1978 to 4.1 percent in 1981. Although imports dropped somewhat in the first quarter of 1982, they still amounted to 3.7 percent of total consumption during the quarter. 73/

Information shows that the industry has lost sales to Spanish imports on the basis of price. A number of purchasers stated that they had bought Spanish steel and had done so primarily because of its lower price. Only one company stated that it would continue to purchase Spanish steel even if the prices of domestic products were competitive. 74/

Reasonable indication of threat of material injury by reason of Spanish imports

Vice Chairman Calhoun and Commissioners Stern and Eckes base their finding on the above factors as well as on the following information. There are indications that imports of structural shapes from Spain will continue to cause material injury to the U.S. industry. As noted above, these imports account for a significant portion of domestic consumption of the products. Additionally, U.S. importers were reported as holding a very substantial level of inventories of the imported products in the first quarter of this

72/ Commissioner Frank cumulated. See his separate views.
73/ Report at A-30, A-32.
74/ Id. at A-54.

year. 75/ Moreover, Spanish production of structural shapes is highly dependent on export sales, with about half of production in the years 1979-81 being exported to other countries. 76/

VII. HOT-ROLLED CARBON STEEL BAR

With respect to the investigation on hot-rolled carbon steel bar, we find that there is a reasonable indication of threat of material injury 77/ by reason of allegedly subsidized imports from Spain. We base this determination on a finding of increases in the ratio of imports from Spain to apparent U.S. consumption, the deteriorating condition of the domestic industry, and the percentage of total Spanish exports to the United States.

Condition of domestic industry

The domestic hot-rolled carbon steel bar industry's production, capacity utilization, employment, and profitability have all declined in the last two years. The most dramatic decreases have been in the figures for the first quarter of 1982.

During this quarter, production dropped to 759,000 tons from 1,088,000 tons in the comparable 1981 period. 78/ This decrease was a continuation of the irregular annual production decline from 5,493,000 tons in 1978 to

75/ Id. at A-24.
76/ Id. at A-27, A-28.
77/ The vote language of Vice Chairman Calhoun and Commissioner Stern reflects a determination of material injury or threat of material injury. Section 703(a) of the Tariff Act of 1930, 19 U.S.C. § 1673b(a). Commissioner Frank finds a reasonable indication of present material injury and did not reach the issue of threat.
78/ Report at A-13.

4,089,000 tons in 1981. Shipment data show similar trends. 79/ Although capacity remained relatively constant since 1980, capacity utilization decreased from 56.5 percent in January-March 1981 to 39.6 percent in January-March 1982. 80/

Employment statistics reflect a parallel pattern. Workers engaged in production of hot-rolled carbon steel bar went from 20,272 in 1978 to 14,579 in 1981. The most decisive drop again was in the January-March quarter when the number of workers went from 12,983 in 1981 to 9,788 in 1982. 81/

Profit-and-loss records have consistently shown an operating loss since 1980. In that year, the loss was $114 million. Although the loss was less substantial in 1981 at $35 million, it grew radically in the first quarter of 1982. In the 1982 January-March period the operating loss was $71 million compared to $8 million in the 1981 January-March period. 82/ This almost eightfold increase has resulted in a ratio of operating loss to net sales of 21 percent for the first quarter of 1982 compared to 1.6 percent for the first quarter of 1981. 83/

Reasonable indication of threat of material injury by reason of Spanish imports 84/

Imports of hot-rolled carbon steel bar from Spain increased from 24,000 tons in 1980 to 34,000 tons in 1981, and have continued to rise during the first quarter of 1982. 85/ The ratio of Spanish imports to apparent U.S.

79/ *Id.* at A-10 and A-13.
80/ *Id.* at A-13.
81/ *Id.* at A-15.
82/ *Id.* at A-22.
83/ *Id.*
84/ Commissioner Frank cumulated. See his separate views.
85/ Report at A-31.

consumption has increased from 0.5 percent in 1978 to 0.7 percent in 1981. 86/ This increase was more dramatic in the first quarter of 1982 when the imports more than doubled from 5,000 tons in January-March 1981 to 11,000 tons in the comparable 1982 period. 87/ The same ratio for the quarterly period tripled from 0.4 percent for the first quarter of 1981 to 1.2 percent for 1982. 88/

Although total Spanish exports of hot-rolled carbon steel bar decreased from 1980 to 1981, exports to the United States more than doubled. The percentage of exports to the U.S. went from 2.3 percent of total exports in 1980 to 6.7 percent in 1981. 89/

Very little information on lost sales or price reductions to meet competition is available at this time. However, an instance of a lost sale because of lower priced imports from Spain was confirmed, 90/ as was a price concession because of a purchaser's threat to buy a less expensive Spanish import. 91/

Imports from Spain have become particularly significant in the first quarter of 1982. The recent upsurge in imports coincides with the dramatic decreases in the industry's production, capacity utilization, employment and profitability in the first quarter of 1982. U.S. importers' 1981 yearend inventories of hot-rolled carbon steel bar were 11,549 tons. Although end of March inventories have declined slightly, they still remain near peak

86/ Id. at A-33.
87/ Id. at A-31.
88/ Id. at A-33.
89/ Id. at A-27.
90/ Id. at A-54.
91/ Id. at A-57.

levels. 92/ Therefore, we find sufficient information to conclude that there is a reasonable indication of threat of material injury to the domestic industry due to Spanish imports.

VIII. HOT-ROLLED ALLOY STEEL BAR

We determine that there is no reasonable indication of material injury or threat thereof to a domestic industry by reason of imports from Spain. 93/ This finding is primarily based on the healthy condition of the domestic industry and on the decline in Spanish imports of this product.

Condition of the domestic industry

Production, capacity utilization, shipments, employment, and profit-and-loss ratios all rose in 1981 after a decline in the three preceding years.

In 1981, domestic production of hot-rolled alloy steel bar rose to 1,412,000 tons from the previous year's level of 1,151,000 tons. 94/ Because production increased and capacity remained constant, capacity utilization also rose from 53.1 percent in 1980 to 65.1 percent in 1981. 95/ Shipments grew from 1,179,000 tons in 1980 to 1,402,000 tons in 1981. 96/ Employment also increased, rising from 5,761 in 1980 to 6,250 in 1981. 97/

The most dramatic jump, however, was in the profit-and-loss experience of the domestic producers. The ratio of operating profit to net sales almost doubled from 4.8 percent in 1980 to 8.6 percent in 1981, while the operating profit went from $37 million in 1980 to $87 million in 1981. 98/

92/ Id. at A-24.
93/ Commissioner Frank dissents. See his separate views.
94/ Report at A-13.
95/ Id.
96/ Id.
97/ Id. at A-15.
98/ Id. at A-22.

No reasonable indication of material injury by reason of Spanish imports

During the same period of time when this U.S. industry was growing, Spanish imports were declining. These Spanish imports increased in the first quarter of 1982. Although domestic production, capacity utilization, employment, and profits declined in the first quarter of 1982 compared with the first quarter of 1981, there is no reasonable indication that these declines are related to imports from Spain.

Imports of this product from Spain have not followed a consistent pattern. The volume of imports was 11,000 tons in 1978; less than 500 tons in 1979; 1,000 tons in 1980; 5,000 tons in 1981; 1,000 tons in the first quarter of 1981 and 4,000 tons in the first quarter of 1982. 99/ The penetration level was 0.4 percent in 1978; less than 0.05 percent in 1979; less than 0.05 percent in 1980; 0.2 percent in 1981; 0.1 percent in the first quarter of 1981; and 0.7 percent in the first quarter of 1982. 100/

Further, the Commission was not able to confirm any lost sales. The purchasers involved in the allegations stated that they had bought imports from other countries, but denied ever buying imports of this product from Spain. 101/ No information indicating either price suppression or depression has been provided or developed.

No reasonable indication of threat of material injury by reason of Spanish imports

In 1982, U.S. importers' end-of-period inventories for the January-March period increased to 5,493 tons compared to 1,629 tons for the comparable 1981

99/ Id. at A-31.
100/ Id. at A-33.
101/ Id. at A-55.

period. Even more important were the substantial decreases between 1980-1981 in both total exports and exports to the United States. 102/ Furthermore, no other information such as Spanish capacity utilization or intent to increase exports to the U.S. was presented. Thus, there is no reasonable indication of threat of material injury by reason of Spanish imports of hot-rolled alloy steel bar.

IX. COLD-FORMED CARBON STEEL BAR

The Commission determined that there is a reasonable indication of material injury or threat of material injury 103/ to a domestic industry by reason of imports of cold-formed carbon steel bar from Spain. This determination is based on dramatically increased imports, consistent underselling, and confirmed lost sales.

Condition of the domestic industry

The domestic cold-formed carbon steel bar industry has experienced financial losses as well as a decline in capacity utilization and employment during the past two years. Although production rose slightly in 1981, it did not offset the decline experienced in 1980. 104/

The domestic industry sustained an operating loss of $7 million for 1980, $5 million for 1981, and $13 million for the first quarter of 1982. This

102/ *Id*. at A-27.

103/ Chairman Alberger and Commissioners Frank and Haggart determine only that there is a reasonable indication of material injury, and therefore do not reach the issue of reasonable indication of threat of material injury.

104/ *Id*. at A-13.

resulted in a ratio of operating loss to net sales of 14.5 percent for the January-March 1982 period. 105/

Although capacity has increased slightly in the past year, capacity utilization has decreased since 1979. 106/ Capacity utilization went from a high of 80.5 percent in 1979 to 56 percent in 1981. This decline has resulted from an irregular decrease in production from 1,051,000 tons in 1979 to 738,000 tons in 1980 and 796,000 tons in 1981. 107/ Shipment data essentially mirror the production figures. 108/

Employment figures show a similar decline since 1979. Persons working in the production and related areas of cold-formed carbon steel bar were 3,724 in 1979, 2,841 in 1980 and 2,731 in 1981. 109/

Reasonable indication of material injury by reason of Spanish imports 110/

Imports, both in absolute terms and as a ratio of apparent U.S. consumption, rose dramatically in 1981. The quantity more than tripled from 5,000 tons in 1980 to 17,000 tons in 1981. This high level is expected to continue since the January-March 1982 import figure is the same as it was for those months in 1981, 4,000 tons. 111/ This substantial increase in Spanish imports has meant that the penetration level of imports has tripled. 112/ The ratio of Spanish imports to apparent U.S. consumption increased from 0.4 percent in 1980 to 1.2 percent in 1981.

105/ Id. at A-22.
106/ Id. at A-13.
107/ Id.
108/ Id. at A-10 and A-13.
109/ Id. at A-15.
110/ Commissioner Frank cumulated. See his separate views.
111/ Id. at A-31.
112/ Report at A-33.

Price data reveal that importers have consistently undersold domestic producers since the second quarter of 1980. 113/ Although price comparsions were made on the basis of only one importer, this importer accounted for almost all imports of the product. 114/ The Commission also confirmed two lost sales of about 4,000 tons on which quotations of $2.8 million had been made. 115/

Reasonable indication of threat of material injury by reason of Spanish imports

Vice Chairman Calhoun and Commissioners Stern and Eckes base their finding on the above factors as well as on the following information. Although data on Spain's capacity were not available, information on the increased percentage of exports was provided. This information showed that, although exports to the U.S. fell 50 percent in 1980, they more than tripled in 1981. In that year, exports to the U.S. accounted for 40 percent of Spain's total exports. 116/ In quantity, the increase has been from 4 tons in 1980 to 14 tons in 1981. 117/ End-of-period inventories of U.S. importers also rose from 1,500 tons in 1980 to 5,390 tons in 1981. This level has already been exceeded in the first quarter of 1982 at 5,454 tons. 118/

X. COLD-FORMED ALLOY STEEL BAR

We have determined that there is no reasonable indication of material injury or threat thereof to a domestic industry by reason of imports of

113/ Id. at A-51.
114/ *Id.* at A-45.
115/ *Id.* at A-55.
116/ *Id.* at A-27.
117/ *Id.*
118/ *Id.* at A-24.

cold-formed alloy steel bar from Spain. 119/ Spanish imports account for a small proportion of total domestic consumption, and there is no indication that they have had a meaningful effect on prices or sales of domestic products.

Condition of the domestic industry

Even though its production levels have declined during the period covered by this investigation, the industry producing cold-formed alloy steel bar has remained in a relatively healthy condition. Production irregularly declined from a high of 159,000 tons in 1979 to 122,000 tons in 1981 and declined slightly again in the first quarter of 1982. 120/ Shipments declined in a like manner. Although production capacity has remained almost static, capacity utilization has fallen from 71 percent in 1978 to 57.3 percent in 1981, with a further decrease to 47.8 percent in the first quarter of 1982. 121/ Employment also has declined from its high point of 931 workers in 1979 to 701 in 1981 and 666 in the first quarter of 1982. 122/

Profitability in this industry, however, has not suffered to the same extent that it has in other segments of the overall steel industry. Operating profits have declined from $17 million in 1978 to $11 million in 1981. Profits were less than $500,000 in the first quarter of 1982, down from $4 million in the first quarter of 1981. The ratio of operating profit to net sales, although down from 1978 levels, has generally remained high during the period studied. It was 16.2 percent in 1978, 12.1 percent in 1979, 10.4

119/ Commissioner Frank dissents. See his separate views.
120/ Report at A-13.
121/ Id.
122/ Id. at A-15.

percent in 1980, and 9.9 percent in 1981. In the first quarter of 1982 it dropped to 0.7 percent. 123/

No reasonable indication of material injury by reason of Spanish imports

Although the economic indicators applicable to this industry have declined during the period under investigation, we find no reasonable indication of a causal relationship between this decline and the presence of Spanish imports in the U.S. market. Spanish imports have never totalled more than 2,000 tons in any year between 1978 and the present, and were less than 500 tons in 1980 and 1981. Spanish import penetration levels ranged from lows of 0.1 percent in 1980 and 1981 to a high of only 0.5 percent in 1979. The first quarter of 1982 showed a 0.5 percent penetration figure for that period. 124/ Moreover, no lost sales were confirmed and no information supporting a finding of price suppression or depression was provided or developed.

No threat of material injury by reason of imports from Spain

We also find no threat of material injury to be present in this case. As noted above, Spanish imports have remained very low for the last several years. The United States does not appear to be a principal export market for Spain in this product. While total exports have remained relatively constant since 1979, exports to the United States have fallen, amounting to only 5.8 percent of total exports in 1981, compared with 17.4 percent in 1980 and 47.1 percent in 1979. 125/

123/ *Id.* at A-22.
124/ *Id.* at A-33 and A-36.
125/ *Id.* at A-27.

ADDITIONAL VIEWS OF VICE CHAIRMAN MICHAEL J. CALHOUN

In reaching my determinations in these investigations, I have assessed the impact of the Spanish imports under investigation in the context of the corresponding imports from Belgium, Brazil, Italy, France, Luxembourg, the Netherlands, Romania, the United Kingdom and West Germany which were the subject of the Commission's preliminary investigations 701-TA-86 through 144, 701-TA-146 through 147, and 731-TA-53 through 86. As was the case in the previous investigations, I have not included imports from South Africa in my aggregate assessment. (See Additional Views of Vice Chairman Calhoun, ITC Publication 1221, February 1982, p. 95).

In analyzing the impact of Spanish imports in the context of the imports previously investigated, I recognize that the statute requires a finding of material injury with regard only to the imports under investigation by the Department of Commerce. Thus it is possible to construe the statute as proscribing the cumulation of the impact of certain imports with the impact of those investigated in previous Commission investigations. Because these imports are still under investigation by Commerce, my action is consistent with the statute.

In my view, our authority for aggregating the impact of imports from different countries and under different investigations, whether the investigations are undertaken concurrently or at different times, arises under section 771(7)(B) which provides that in making our material injury assessments we shall consider the delineated factors "among other factors." And under section 771(7)(C)(iii), in assessing the impact of imports on the industry we are, by similar implication, given equally broad discretion.

This view of our broad discretion in assessing the impact of imports on domestic producers seems well enough established so as not to warrant lengthy discussion here. The gist of this broad discretion plainly goes to our ability to relate the behavior of imports to realities in the marketplace.

Consistent with this view, I understand our task under the Trade Agreements Act of 1979, in its most basic expression, to be that of identifying whether imported products are adversely impacting in a material way the producers of those domestic products with which they are the most competitive. In this regard, then, whether a particular product is coming from only one country or from several is of little significance to the impact suffered by the domestic industry.

If imports from various countries are present in the marketplace at the same time and meet the other criteria we have used, it is most likely in their cumulative effect that their impact is most significant. Therefore, it has been the practice of this body to aggregate, on occasion, the impact of products from various countries when those imported products have been before us all at one time. In the absence of compelling reasons to the contrary, it is becoming my usual practice to aggregate in such circumstances.

Quite simply, in the present case, my cumulating the impact of Spanish imports with the impact of imports assessed in recent but previous Commission investigations is based on the same sound reasons underlying cumulation in investigations conducted concurrently. It seems to me that the timing of the filing of a petition before us ought not, in and of itself, be a basis for finding that the impact of a category of imports in the marketplace is somehow unrelated to that of similar imports whose impact has been recently assessed. If imports unequivocally interact in the market concurrently or with a hammering effect and all the other considerations underlying cumulation are met, it seems unaccountably arbitrary to assess impact separately simply on the basis of the date on which the case arises. Admittedly, this view provides little incentive for petitioners to be diligent in bringing complete and comprehensive cases before us in the first instance. However, as this particular case demonstrates, factors beyond the diligence of petitioners can result in subsequent and related allegations of harm by imports from additional sources.

For these reasons, I have evaluated the impact of Spanish imports in the context of the aggregate impact of imports analyzed in the previous steel cases.

Separate Views of Commissioner Eugene J. Frank

I. INTRODUCTION

These views are to be considered in conjunction with my views with respect to the carbon and alloy steel 92 steel product preliminary investigations before the Commission in January 1982 1/, and made an integral part of this opinion.

Since those preliminary cases, the condition of the U.S. steel industry has suffered further significant deterioration by all recognized indicia of economic distress which does not bear recitation here. Some mention is warranted however. The American Iron and Steel Institute reported for the week ended June 5, 1982, industry capacity utilization of 42.5 percent and last weeks raw steel production was 49.3 percent below output produced a year earlier. Since mid-1981 about 105,000 steelmakers have either lost their jobs permanently or are on indefinite layoff. This does not even consider the effects on indirect employment which are of great magnitude. Some steel executives are predicting industry total shipment levels for 1982 as low as 70 million tons, compared with 87 million tons shipped last year. And steel imports have risen to more than 20 percent of this depressed domestic market since last year.

Although statutory considerations prescribe a like product and definition of industry approach as set forth by my colleagues for these cases, in my views in the January cases, I stated therein: "I believe, in ascertaining injury to the domestic industry affected in the conduct of these investigations

1/ Investigation Nos. 701-TA-86 to 144, 701-TA-146, and 701-TA-147 (Prel.), and Investigations Nos. 731-TA-53 to 86 (Prel.), USITC Pubs. 1221 and 1226, February 1982, Certain Steel Products from Belgium, Brazil, France, Italy, Luxembourg, The Netherlands, Romania, The United Kingdom, and West Germany, Views of Commissioner Eugene J. Frank, pp. 121-185.

it is appropriate to consider as a relevant factor in all these investigations, the basic, commonsense economic reality of the impact of such imports on the domestic steel industry in general." 2/

For these preliminary investigations, I cumulated the impact of alleged unfairly traded imports of comparable articles on the domestic industry from countries whose preliminary cases have been continued (including South Africa, not a signatory to the Subsidies Code) consistent with my approach and position on cumulation. 3/ In this respect, I depart from the approach taken by some of my colleagues who have approached these preliminary investigations on a case-by-case basis.

Finally, I would reiterate here my oft-stated position that the statute and legislative history in Title VII investigations require the Commission in its preliminary determinations for both antidumping and countervailing duty investigations to exercise only a low-threshold test based upon the best information available that the facts reasonably indicate that an industry in the United States could possibly be suffering material injury, threat thereof, or material retardation. 4/

The following represent my determinations on these preliminary investigations, stating, where applicable, points of departure from my colleagues in analyses and dissent. 5/

II. HOT-ROLLED CARBON STEEL PLATE

I find that there is a reasonable indication of material injury to the affected domestic industry by subject imports and do not reach the issue of threat. While otherwise concurring in general with my colleagues, I cumulated the impact on the pertinent domestic industry of subject imports

2/ Views of Commissioner Eugene J. Frank, Certain Steel Products from Belgium..p.136
3/ See Id. pp. 127-129.
4/ H.R. Report No. 96-317, 96th Cong., 1st Sess., p. 52 (1979).
5/ All data are derived from the accompanying Report unless otherwise indicated. First quarter January-March 1982 and January-December 1981 data on imports from South Africa were obtained by direct inquiry from staff on June 1 and June 2, 1982.

from Spain along with Belgium, The United Kingdom, West Germany, Brazil, Romania, and South Africa, which indicates a general increase in overall levels of imports since 1978 to significant levels with a marked degree of domestic market penetration of 12.7 percent with respect to apparent domestic consumption the first quarter 1982.

III. HOT-ROLLED CARBON STEEL SHEET

I find that there is no reasonable indication that imports of hot-rolled carbon steel sheet from Spain have resulted in material injury or threat of material injury to the domestic industry. While I generally concur with the observations of my colleagues, I amplify my position to indicate that I did not believe cumulation of subject imports from Spain with those countries for which the Commission made an affirmative preliminary determination, and South Africa, was appropriate. This was primarily in view of the historically miniscule levels and insignificant market presence of such Spanish imports (less than 0.05 percent in 1979-1981) only reaching a level worthy of some note in the first quarter 1982 of 0.1 percent. Further, I note that Spain's imports of hot-rolled carbon steel sheet substantially exceeded exports during 1979-1981, attributable to problems with a fairly new cold-reduction mill put in by Altos Hornos del Mediterraneo.

IV. COLD-ROLLED CARBON STEEL SHEET

I find a reasonable indication of material injury to the affected domestic industry by subject imports and do not reach the issue of threat. I concur with my colleagues in their observations relative to the severely weakened condition of the domestic industry. However, in cumulating the impact of subject imports on the domestic industry along with France, Italy, Netherlands, West Germany, and South Africa imports, it is readily apparent that imports have increased significantly from 1979 to 1981, registering a dramatic surge in the comparable 1981-1982 January-March quarter, and attained a significant market penetration of 5.5 percent for 1981 and 7.3 percent the first quarter 1982 compared with 1.7 percent the first quarter 1981. Although pricing data and lost sales information is insufficient or inconclusive, I would anticipate such information would be available in a final investigation for Commission consideration should the case return. 6/

V. GALVANIZED CARBON STEEL SHEET

I find a reasonable indication of material injury to the affected domestic industry by subject imports and did not reach the issue of threat. Although I generally concur with the observations of Commissioners Eckes and Haggart in their views on this investigation, I cumulated the impact of subject imports from Spain with those from South Africa. Although such imports declined in absolute levels and with respect to market share from 1979-1981, they registered a substantial increase in the first quarter of 1982, comprising two-thirds of imports for the entire 1981 period in this quarter, and attained a market penetration of 2.3 percent of domestic consumption.

VI. CARBON STEEL STRUCTURAL SHAPES

I find a reasonable indication of material injury to the affected domestic industry by subject imports and do not reach the issue of threat. Although I generally concur with the observations of my colleagues in this case, I cumulated the impact of subject imports from Spain with those from South Africa, Belgium/Luxembourg, France, the United Kingdom, and West Germany. Such imports increased substantially from 850,000 tons in 1979 to 1,046,000 tons in 1981, accounting for an 18 percent share of the U.S. market in 1981. Although such imports dropped somewhat the first quarter 1982, they still amounted to 15.5 percent of domestic consumption during that period.

6/ See my views on the January cases, pp. 125-127 in which I cite my concerns about these areas.

VII. HOT-ROLLED CARBON STEEL BAR

I find a reasonable indication of material injury to the affected domestic industry by subject imports and do not reach the issue of threat. Although I generally concur with the observations of my colleagues, I cumulated the impact of subject imports from Spain with those from the United Kingdom and South Africa. Such imports increased from 95,000 tons in 1980 to 153,000 tons in 1981, and comparable January to March 1981-1982 quarters similarly reflect a substantial increase. Additionally, market penetration of such imports increased from 1.9 percent in 1979 to 3.4 percent in 1981; and although it abated somewhat in the first quarter 1982 to 2.3 percent, it still represents significant penetration. I would anticipate more thorough scrutiny of pricing data and lost sales information in a final investigation should the Commission be called upon to conduct one.

VIII. HOT-ROLLED ALLOY STEEL BAR

I find a reasonable indication of material injury to the affected domestic industry by subject imports and do not reach the issue of threat. I therefore dissent from my colleagues in this determination and analyses herein. Relevant indications of the health of the domestic industry such as production, capacity, capacity utilization, shipments, employment, paid hours worked and inconsistent profitability as I had stated in my views on the previous January cases 7/ for this product have shown declines albeit irregular during the 1978-1981 period. Moreover, in the instant investigation it is germane to note for the first quarter 1982 marked further declines in shipments, production, employment and hours paid, and capacity utilization rate of 52.3 percent. Further, relevant profit and loss data for U.S. producers in January-March 1982 showed aggregate gross profits of only $1 million compared with $32 million for the comparable 1981 period, and an aggregate operating

7/ See my views on the January cases, pp. 173-175.

loss of $10.0 million for the 1982 first quarter--negative 5.0 percent with respect to net sales--compared with $23 million operating profit or 9.9 percent of sales for the comparable 1981 quarter.

I cumulated subject imports from Spain with those from South Africa. Such imports posted a 532 percent increase in 1981 to 5,058 short tons, 0.2 percent of the market, from 800 short tons in 1980; more strikingly, such imports evidenced a marked surge, looking at comparable January-March 1981-1982 data, registering a 286 percent increase from 980 tons to 3,785 tons, and jumped to 0.7 percent of apparent domestic consumption while domestic industry indicators declined substantially. I would anticipate that the Commission would be able to develop further and more comprehensive data on pricing patterns and lost sales in a final investigation. I note that importers did not provide data on average prices of this product according to the Staff Report and that lost sales information is inconclusive. 8/

I believe on the basis of the available information that there is a reasonable indication that the affected domestic industry in the United States could possibly be suffering material injury, and that this investigation should continue.

IX. COLD-FORMED CARBON STEEL BAR

I find that there is a reasonable indication of material injury to the affected domestic industry by subject imports and do not reach the issue of threat. While otherwise concurring in general with my colleagues, I cumulated the impact on the pertinent domestic industry of subject imports from Spain along with the United Kingdom and South Africa. Such imports increased 266 percent in 1981 to 48,827 tons from 1980 levels and, as a percent of domestic

8/ See my views on the January cases, pp. 125-127 relative to my concerns about these areas.

consumption, also climbed markedly from 1 percent to 3.4 percent. Although first quarter 1981-1982 data show some decline in absolute levels, market penetration of 2.7 percent is still significant contrasted with 2.3 percent in January-March 1981.

X. COLD-FORMED ALLOY STEEL BAR

I find that there is a reasonable indication of material injury to the affected domestic industry by subject imports and do not reach the issue of threat. I therefore dissent from my colleagues in this determination and analyses herein. I believe relevant indicia of industry condition evidence overall a decline in its health during the 1978-81 period manifested by decreases, albeit irregular in production, capacity utilization, shipments employment and paid hours worked and flattened operating profits. 9/ Moreover, first quarter 1982 figures show further deterioration in these areas witnessed, for example, by capacity utilization rate of 47.8 percent (compared with 58.2 percent the comparable 1981 quarter), further declines in employment, and substantial decreases in gross and operating profits, especially operating profit margins which plummeted from 14.3 percent to 0.7 percent. One must note the most recent first quarter surge of imports for the entire 1981 period with penetration climbing from 0.1 percent to 0.5 percent of consumption, coupled with a decline in industry fortunes in considering a reasonable indication of the domestic industry possibly suffering material injury. Information on prices and lost sales was not available for this product, which would more likely be developed in a final investigation should the Commission be called upon to conduct one.

I believe on the basis of available information that there is a reasonable indication that the affected domestic industry in the United States could possibly be suffering material injury and that this investigation should continue.

9/ See my views on the January cases, pp. 181-184

INFORMATION OBTAINED IN THE INVESTIGATIONS

Introduction

On January 11, 1982, petitions were filed with the Department of Commerce by the United States Steel Corp. and by counsel for Republic Steel Corp., Inland Steel Co., Jones & Laughlin Steel, Inc., National Steel Corp., and Cyclops Corp. alleging that producers, manufacturers, or exporters in Spain of certain steel products receive bounties or grants within the meaning of section 303 of the Tariff Act of 1930, as amended (19 U.S.C. § 1303). Although Commerce subsequently initiated countervailing duty investigations on such merchandise under section 303, 1/ Spain was not at that time a "country under the Agreement" within the meaning of section 701(b) of the act (19 U.S.C. § 1671(b)), and there was no requirement for the Commission to conduct preliminary injury investigations pursuant to section 703(a).

On April 14, 1982, the United States Trade Representative announced that Spain had become a "country under the Agreement" (47 F.R. 16697). On April 26, 1982, Commerce notified the Commission that it was terminating its investigations under section 303 and commencing investigations under section 702. 2/ Accordingly, effective April 26, 1982, the Commission, pursuant to section 703(a) of the act (19 U.S.C. § 1671b(a)), instituted the following preliminary countervailing duty investigations 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 Spain of the merchandise which is the subject of the investigations by the Department of Commerce:

Investigation No.	Product
701-TA-155 (Preliminary)---------	Hot-rolled carbon steel plate
701-TA-156 (Preliminary)---------	Hot-rolled carbon steel sheet
701-TA-157 (Preliminary)---------	Cold-rolled carbon steel sheet
701-TA-158 (Preliminary)---------	Galvanized carbon steel sheet
701-TA-159 (Preliminary)---------	Carbon steel structural shapes
701-TA-160 (Preliminary)---------	Hot-rolled carbon steel bar
701-TA-161 (Preliminary)---------	Hot-rolled alloy steel bar
701-TA-162 (Preliminary)---------	Cold-formed carbon steel bar
701-TA-163 (Preliminary)---------	Cold-formed alloy steel bar

Notice of the institution of the Commission's investigations and of a conference to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade

1/ Commerce's notice of initiation of countervailing duty investigations was published in the Federal Register on Feb. 8, 1982, a copy of which is presented in app. A.
2/ Copies of Commerce's letter to the Commission and its initiation of countervailing duty investigations, as published in the Federal Register, are presented in app. A.

Commission, Washington, D.C., and by publishing the notice in the Federal Register of May 5, 1982 (47 F.R. 19486). 1/ The conference was held in Washington, D.C., on May 24, 1982. 2/

The applicable statute directs that the Commission make its determinations in these investigations within 45 days after receipt of notification by the Department of Commerce of its action, or in this case by June 10, 1982. The Commission's briefing and votes in these investigations were held on June 2, 1982.

Background and Discussion of Report Format

On January 11, 1982, petitions were filed with the Commission and the Department of Commerce by 7 U.S. steel producers 3/ alleging that imports of certain steel products from 11 countries--Belgium, Brazil, France, Italy, Luxembourg, the Netherlands, Romania, the United Kingdom, West Germany, Spain, and South Africa--were being subsidized by their respective Governments (countervailing duty petitions) and/or sold in the United States at less than fair value (LTFV) (antidumping petitions). On the basis of the petitions, the Department of Commerce instituted countervailing duty and/or antidumping investigations to determine whether such merchandise from the 11 cited countries was being subsidized and/or sold at LTFV.

With respect to imports of certain steel products from the first nine countries cited above, the Commission instituted and conducted preliminary countervailing duty and/or antidumping investigations under sections 701(a) and 733(a), respectively, 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. 4/ The Commission did not institute investigations on products from Spain and the Republic of South Africa since they had not signed the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade (GATT) (GATT Subsidies Code) and were, therefore, not considered a "country under the Agreement" and were not entitled to an injury determination by the Commission. As previously indicated, however, the United States Trade Representative announced on April 14, 1982, that Spain had become a "country under the Agreement."

1/ A copy of the Commission's notice is presented in app. B.
2/ A list of witnesses appearing at the conference is presented in app. E.
3/ The six producers cited on p. 1 plus Bethlehem Steel Corp.
4/ Certain Steel Products From Belgium, Brazil, France, Italy, Luxembourg, the Netherlands, Romania, the United Kingdom, and West Germany: Determinations of the Commission in Investigations Nos. 701-TA-86 through 144, 701-TA-146, and 701-TA-147 (Preliminary) Under Section 703(a) of the Tariff Act of 1930 and Investigations Nos. 731-TA-53 through 86 (Preliminary) Under Section 733(a) of the Tariff Act of 1930, Together with the Information Obtained in the Investigations, . . . USITC Publication 1221, February 1982 (in two volumes).

As stated in the Commission's notice of institution of the instant investigations, the records of its investigations Nos. 701-TA-86 through 144 (Preliminary), 701-TA-146 (Preliminary), 701-TA-147 (Preliminary), and 731-TA-53 through 86 (Preliminary), Certain Steel Products from Belgium, Brazil, France, Italy, Luxembourg, the Netherlands, Romania, the United Kingdom, and West Germany, have been incorporated in the records of these investigations concerning such steel products from Spain. This report is designed to be used in conjunction with the Staff Report to the Commission in the prior investigations, dated February 12, 1982, and hereafter referred to as the "February Report." That report (as well as the Commission's public report in the investigations) was organized in 10 parts on the basis of product groups, as follows:

Part I.	Overview
Part II.	Hot-rolled carbon steel plate
Part III.	Hot-rolled carbon steel sheet and strip
Part IV.	Cold-rolled carbon steel sheet and strip
Part V.	Galvanized carbon steel sheet
Part VI.	Carbon steel structural shapes
Part VII.	Hot-rolled carbon steel bar
Part VIII.	Hot-rolled alloy steel bar
Part IX.	Cold-formed carbon steel bar
Part X.	Cold-formed alloy steel bar

Part I contained general information on U.S. and foreign steel operations, as well as some summary information on the specific products covered by the investigations. Parts II through X presented detailed information on each of the specified products, most of which was available for 1981 since it was obtained from questionnaires sent by the Commission to producers, importers, and purchasers of the steel mill products subject to those investigations. Data in parts II through X were presented in such a manner as to allow the Commission the opportunity to evaluate the "reasonable indication of material injury" by reason of--

(1) imports of products in each product group from all countries subject to the investigations; or

(2) imports of products in each product group from each country subject to the investigations.

The February Report is extensive and much information contained therein is not repeated in this report. For example, the February Report has sections in part I dealing with the steelmaking process; Western European (other than Spain), Brazilian, Romanian, and Japanese producers; channels of distribution; transportation costs; general information on U.S. producers, including their overall financial experience, capital expenditures, and research and development costs; and general information on pricing. Parts II through X contain detailed sections on descriptions and uses of each product, tariff treatment, U.S. producers, importers, imports from countries other than Spain, and the ratio of such imports to apparent U.S. consumption and producers' shipments. Finally, the February Report contains appendixes on the Trigger-Price Mechanism and the Davignon Plan.

Nature and Extent of Alleged Subsidies

On the basis of its review of the petitions, the Department of Commerce determined that the petitions set forth the allegations necessary for the initiation of countervailing duty investigations and contained information reasonably available to the petitioners supporting the allegations. The Department's description of the Spanish subsidy programs alleged in the petitions follows: 1/

1. Desgravacion fiscal a la exportacion

   Petitioners allege the excessive remission of indirect taxes upon export.

2. Privileged circuit exporter credits

   Petitioners allege that funds are made available at preferential rates through credit programs to designated classes of borrowers. These privileged circuit programs allegedly include working capital loans, commercial services loans, short-term export credit, prefinancing of exports, and warehouse construction loans.

3. Export credit insurance

   Petitioners allege that export credit insurance is made available at premium rates for such items as contract risks, credit risks, prefinancing loans, market research, cost increases, and exchange differences.

4. Law No. 60/1978

   Petitioners allege that this law authorizes government aid to the steel industry in the form of loans at subsidized rates of interest and capital grants.

5. Royal decree 878/1981

   Petitioners allege that this decree authorizes a wide variety of government aid to the steel industry. These benefits allegedly include loans at preferential rates of interest, capital grants, loan guarantees, amendment of annual finance investment plants, refinancing of existing debt, exceptional credits for new investments, and deferral of tax and social security benefits.

1/ This information has been taken from a memorandum to Gary N. Horlick, Deputy Assistant Secretary of Commerce for Import Administration, from Melinda L. Carmen, Director, Office of Investigations, International Trade Administration, Subject: Initiation of Countervailing Duty Investigations--Certain Steel Products from Spain (Feb. 1, 1982).

6. Research and development incentives

Petitioners allege that the Spanish Government makes grants to cover up to 50 percent of the cost of research and development projects.

7. Regional investment incentives program

Petitioners allege that the Spanish Government provides benefits in the form of reduction of taxes, expansion grants, and preferential finance.

The Products

The products covered in these investigations are as follows: Hot-rolled carbon steel plate, provided for in items 607.6615, 607.9400, 608.0710, and 608.1100 of the Tariff Schedules of the United States Annotated (TSUSA); hot-rolled carbon steel sheet, provided for in TSUSA items 607.6610, 607.6700, 607.8320, 607.8342, and 607.9400; cold-rolled carbon steel sheet, provided for in TSUSA items 607.8320 and 607.8344; galvanized carbon steel sheet, provided for in TSUSA items 608.0730 and 608.1300; carbon steel angles, shapes, and sections (hereafter referred to as "structural shapes"), provided for in TSUSA items 609.8005, 609.8015, 609.8035, 609.8041, and 609.8045; hot-rolled carbon steel bar, provided for in TSUSA items 606.8310, 606.8330, and 606.8350; hot-rolled alloy steel bar, provided for in TSUSA item 606.9700; cold-formed carbon steel bar, provided for in TSUSA items 606.8805 and 606.8815; and cold-formed alloy steel bar, provided for in TSUSA item 606.9900. 1/

All of the above products are produced in rolling mills by passing semifinished steel products through a series of grooved or reducing rolls. A discussion of the steelmaking process and the relative importance of these products compared with all carbon steel and/or alloy steel products was presented in part I of the February Report. Detailed descriptions of the specific products herein under investigation and discussions of their methods of production, principal markets, and U.S. tariff treatment were presented in parts II through X of that report (in the sections entitled "The Product").

1/ For the Department of Commerce's description of the merchandise which is the subject of its investigations, see pp. A-61, A-62, and A-65 in app. A.

U.S. Producers

The February Report noted that there are about 100 firms in the United States that produce, or are capable of producing, one or more of the steel products covered by these investigations. 1/ Table 1 shows the principal producers of each product and each firm's share of aggregate U.S. producers' shipments (as reported by the American Iron and Steel Institute (AISI)) of that product in 1981. The seven largest domestic producers of raw steel, 2/ which account for about 75 percent of total U.S. production of raw steel, also accounted for 70 percent or more of total U.S. producers' shipments of each of the following carbon steel products: hot-rolled plate, hot-rolled sheet, cold-rolled sheet, galvanized sheet, structural shapes, and hot-rolled bar. These seven firms also accounted for more than 50 percent of total U.S. producers' shipments of hot-rolled alloy steel bar, but supplied less than 30 percent of such shipments of cold-formed carbon steel bar and cold-formed alloy steel bar.

U.S. Importers

The net importer file maintained by the U.S. Customs Service identifies about 45 firms that import from Spain one or more of the steel products subject to these investigations. Table 2 shows the principal importers of such merchandise from Spain, by products, during October 1980-September 1981. Some of the largest importers are trading companies that deal in a variety of steel products from a number of countries. At least three importers shown in table 2 (Cavexsa (USA), Inc., Eagle Bar, Inc., and Promosteel, Inc.) are owned by firms in Spain, and several other importers are owned by or affiliated with firms in other foreign countries.

1/ February Report, pp. I-6 and I-7. For more detailed descriptions of U.S. producers of each of these steel products see pp. II-8 through II-10 (plate), III-10 and III-11 (hot-rolled sheet), IV-6 through IV-9 (cold-rolled sheet), V-5 through V-7 (galvanized sheet), VI-5 through VI-7 (structural shapes), VII-5 and VII-6 (hot-rolled carbon steel bar), VIII-6 through VIII-8 (hot-rolled alloy steel bar), IX-5 through IX-7 (cold-formed carbon steel bar), and X-6 through X-9 (cold-formed alloy steel bar).

2/ United States Steel Corp., Bethlehem Steel Corp., LTV Corp., National Steel Corp., Republic Steel Corp., Inland Steel Co., and Armco, Inc.

Table 1.--Certain steel products: Principal U.S. producers, 1981

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Table 2.--Certain steel products from Spain: Principal U.S. importers, by products, October 1980-September 1981

* * * * * * *

Apparent U.S. Consumption

Apparent U.S. consumption of the steel mill products subject to these investigations during 1978-81 and the first quarters (January-March) of 1981 and 1982 is shown in table 3. Consumption of most of these products declined moderately in 1979, fell more sharply in 1980, and then increased in 1981. 1/ However, apparent consumption of all but one of the products (cold-formed alloy steel bar) again dropped sharply in the first quarter of 1982 in comparison with consumption in the first quarter of 1981, as indicated in the following tabulation (in percent):

Item	Change in consumption
Carbon steel products:	
Hot-rolled plate	-32
Hot-rolled sheet	-20
Cold-rolled sheet	-24
Galvanized sheet	-20
Structural shapes	-21
Hot-rolled bar	-24
Cold-formed bar	-25
Alloy steel products:	
Hot-rolled bar	-12
Cold-formed bar	6

1/ More detailed discussions of apparent U.S. consumption of each of these steel products, as well as of the share of the domestic market supplied by U.S. producers and by imports, are contained in the February Report. See pp. I-37 through I-41, II-11 and II-12 (plate), III-8 and III-9 (hot-rolled sheet), IV-5 and IV-6 (cold-rolled sheet), V-4 and V-5 (galvanized sheet), VI-4 and VI-5 (structural shapes), VII-7 and VII-8 (hot-rolled carbon steel bar), VIII-5 and VIII-6 (hot-rolled alloy steel bar), IX-9 and IX-10 (cold-formed carbon steel bar), and X-5 and X-6 (cold-formed alloy steel bar).

Table 3.--Certain steel products: U.S. producers' shipments, imports for consumption, exports of domestically produced merchandise, and apparent U.S. consumption, by products, 1978-81, January-March 1981, and January-March 1982

Product and period	Shipments	Imports	Exports	Apparent consumption	Ratio of imports to-- Shipments	Ratio of imports to-- Consumption
	1,000 short tons				Percent	
Hot-rolled carbon steel plate:						
1978	6,588	1/ 1,982	118	8,452	30.1	23.4
1979	6,803	1,252	169	7,886	18.4	15.9
1980	6,242	1,571	162	7,651	25.2	20.5
1981	5,772	1,841	169	7,444	31.9	24.7
January-March--						
1981	1,646	412	27	2,031	25.0	20.3
1982	1,104	311	24	1,391	28.1	22.3
Hot-rolled carbon steel sheet:						
1978	14,114	3,343	78	17,379	23.7	19.2
1979	14,494	2,676	69	17,101	18.5	15.6
1980	10,870	1,937	92	12,715	17.8	15.2
1981	12,051	2,161	120	14,092	17.9	15.3
January-March--						
1981	3,171	259	9	3,421	8.2	7.6
1982	2,224	528	9	2,743	23.7	19.2
Cold-rolled carbon steel sheet:						
1978	17,235	3,123	101	20,257	18.1	15.4
1979	16,616	2,322	77	18,861	14.0	12.3
1980	12,745	1,415	100	14,060	11.1	10.1
1981	13,748	1,546	46	15,248	11.2	10.1
January-March--						
1981	3,736	180	12	3,904	4.8	4.6
1982	2,582	410	6	2,986	15.9	13.7
Galvanized carbon steel sheet:						
1978	6,414	2,313	54	8,673	36.1	26.7
1979	6,300	2,139	41	8,398	34.0	25.5
1980	5,167	1,350	36	6,481	26.1	20.8
1981	5,802	1,304	50	7,056	22.5	18.5
January-March--						
1981	1,610	184	11	1,783	11.4	10.3
1982	1,131	303	4	1,430	26.8	21.2
Carbon steel structural shapes:						
1978	4,057	1,771	103	5,725	43.7	30.9
1979	4,515	1,850	126	6,239	41.0	29.7
1980	4,121	1,725	120	5,726	41.9	30.1
1981	3,962	1,959	107	5,814	49.4	33.7
January-March--						
1981	1,141	420	34	1,527	36.8	27.5
1982	827	390	11	1,206	47.2	32.3

See footnote at end of table.

Table 3.--Certain steel products: U.S. producers' shipments, imports for consumption, exports of domestically produced merchandise, and apparent U.S. consumption, by products, 1978-81, January-March 1981, and January-March 1982--Continued

Product and period	Shipments	Imports	Exports	Apparent consumption	Ratio of imports to-- Shipments	Ratio of imports to-- Consumption
	1,000 short tons				Percent	
Hot-rolled carbon steel bar:						
1978	6,150	587	42	6,695	9.5	8.8
1979	5,875	438	68	6,245	7.5	7.0
1980	4,023	356	81	4,298	8.8	8.3
1981	4,204	405	91	4,518	9.6	9.0
January-March--						
1981	1,145	79	21	1,203	6.9	6.5
1982	843	84	9	919	10.0	9.2
Hot-rolled alloy steel bar:						
1978	2,569	160	63	2,666	6.2	6.0
1979	2,572	128	43	2,657	5.0	4.8
1980	1,890	105	120	1,875	5.6	5.6
1981	2,381	154	51	2,484	6.5	6.2
January-March--						
1981	586	36	12	610	6.1	5.9
1982	512	42	18	536	8.2	7.8
Cold-formed carbon steel bar:						
1978	1,691	141	18	1,814	8.3	7.8
1979	1,816	95	15	1,896	5.2	5.0
1980	1,253	86	12	1,327	6.9	6.5
1981	1,298	131	9	1,420	10.1	9.2
January-March--						
1981	356	26	2	380	7.3	6.8
1982	262	25	2	286	9.6	8.8
Cold-formed alloy steel bar:						
1978	297	37	11	323	12.5	11.5
1979	321	44	11	354	13.7	12.5
1980	235	23	13	246	10.0	9.5
1981	236	59	17	278	25.1	21.3
January-March--						
1981	60	8	3	65	14.1	12.9
1982	52	19	3	68	36.5	27.9

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

Source: Shipments compiled from data of the American Iron and Steel Institute; imports and exports compiled from official statistics of the U.S. Department of Commerce.

Consideration of Material Injury to an Industry in the United States

U.S. production, capacity, capacity utilization, shipments, exports, and producers' inventories

For each of the steel products covered by these investigations, table 4 shows data reported by domestic producers in response to the Commission's questionnaires on their production, capacity, capacity utilization, total shipments, export shipments, and end-of-period inventories during 1978-81 and the first quarters of 1981 and 1982. 1/ In general, the trends among the various products were similar during the period covered. 2/ Production, capacity utilization, and producers' shipments fell very sharply in the first quarter of 1982 in comparison with the corresponding economic indicators in the first quarter of 1981, while capacity generally remained unchanged and producers' end-of-period inventories showed no consistent pattern among the various products.

U.S. employment, wages, and productivity 2/

Table 5 shows, for 1978-81 and the first quarters of 1981 and 1982, the average number of total employees and the average number of, and hours worked by, all production and related workers in U.S. establishments in which each of the steel products covered in these investigations was produced. The table also shows the average number of production and related workers engaged specifically in producing each subject product, the hours worked by such employees, and their productivity. Wages and total compensation paid to production and related workers in establishments producing the subject products, and unit labor costs in the production of such items are shown in table 6. Employment of, hours worked by, and wages paid to production and related workers engaged in producing each of the steel products under investigation during the first quarter of 1982 tended to follow changes in U.S. production and shipments of those products; that is, such indicators fell substantially from levels prevailing in the first quarter of 1981.

1/ Table 3 shows aggregate U.S. producers' shipments (as reported by AISI) and total U.S. exports (as reported by the U.S. Department of Commerce) of each of these products during those periods.

2/ Detailed discussions of each of these economic indicators during 1978-81, for each product, may be found in the sections entitled "Consideration of Material Injury to an Industry in the United States" in pts. II through X of the February Report.

Table 4.--Certain steel products: U.S. producers' reported production, practical capacity, 1/ capacity utilization, shipments, exports, and end-of-period inventories, by products, 1978-81, January-March 1981, and January-March 1982

Product and period	Capacity utilization	Capacity	Production	Shipments		End-of-period inventories
				Total	Exports	
	Percent	1,000 short tons				
Hot-rolled carbon steel plate:						
1978	62.0	8,987	5,576	5,549	39	273
1979	60.7	9,713	5,897	5,900	50	275
1980	59.8	9,300	5,564	5,571	99	263
1981	57.0	9,051	5,161	5,179	80	233
January-March--						
1981	66.3	2,324	1,542	1,556	20	274
1982	41.8	2,324	971	1,009	11	185
Hot-rolled carbon steel sheet:						
1978 2/	65.7	17,886	11,744	11,616	43	684
1979 2/	65.0	19,420	12,623	12,690	136	616
1980 2/	52.5	18,775	9,855	9,844	178	591
1981 2/	59.0	19,386	11,438	11,355	126	674
January-March--						
1981	62.9	4,729	2,975	2,941	25	600
1982	40.5	4,729	1,916	2,014	25	548
Cold-rolled carbon steel sheet:						
1978 2/	84.7	15,595	13,206	13,102	33	878
1979 2/	79.8	16,567	13,225	13,346	19	757
1980 2/	64.8	15,923	10,322	10,303	50	774
1981 2/	70.4	15,899	11,195	11,136	32	847
January-March--						
1981	71.0	4,281	3,039	3,049	15	710
1982	45.1	4,281	1,931	2,025	5	722
Galvanized carbon steel sheet:						
1978	72.7	6,229	4,530	4,519	29	333
1979	70.4	6,673	4,698	4,666	24	377
1980	59.4	6,310	3,749	3,766	11	349
1981	70.7	6,226	4,400	4,299	13	450
January-March--						
1981	82.5	1,561	1,289	1,234	2	418
1982	55.4	1,561	865	854	3	421
Carbon steel structural shapes:						
1978	61.4	6,466	3,971	3,986	65	238
1979	64.4	6,430	4,141	4,139	57	223
1980	60.8	6,310	3,837	3,813	91	240
1981	58.2	6,310	3,673	3,644	48	256
January-March--						
1981	61.4	1,346	827	856	9	191
1982	43.8	1,346	590	594	4	205

See footnotes at end of table.

Table 4.--Certain steel products: U.S. producers' reported production, practical capacity, 1/ capacity utilization, shipments, exports, and end-of-period inventories, by products, 1978-81, January-March 1981, and January-March 1982--Continued

Product and period	Capacity utilization	Capacity	Production	Shipments: Total	Shipments: Exports	End-of-period inventories
	Percent	1,000 short tons				
Hot-rolled carbon steel bar:						
1978	68.1	8,061	5,493	5,395	63	370
1979	66.6	8,090	5,390	5,473	77	278
1980	50.7	7,667	3,891	3,892	162	283
1981	52.9	7,723	4,089	4,103	127	255
January-March--						
1981	56.5	1,924	1,088	1,033	13	277
1982	39.6	1,919	759	697	6	247
Hot-rolled alloy steel bar:						
1978	73.5	2,448	1,800	1,780	8	166
1979	67.4	2,449	1,650	1,663	19	150
1980	53.1	2,169	1,151	1,179	19	125
1981	65.1	2,170	1,412	1,402	19	137
January-March--						
1981	64.8	537	348	394	3	137
1982	52.3	548	287	338	2	137
Cold-formed carbon steel bar:						
1978	79.0	1,263	998	983	4	106
1979	80.5	1,306	1,051	1,040	5	113
1980	57.3	1,287	738	756	6	92
1981	56.0	1,422	796	769	5	97
January-March--						
1981	63.9	239	153	158	3/	61
1982	42.6	270	115	124	3/	73
Cold-formed alloy steel bar:						
1978	71.0	207	147	149	3/	11
1979	75.9	209	159	162	2	12
1980	55.5	208	116	123	4	10
1981	57.3	213	122	124	3/	9
January-March--						
1981	58.2	47	27	26	3/	7
1982	47.8	49	23	24	3/	7

1/ Capacity shown for the January-March periods is one-fourth of the annual reported capacity as of Mar. 31.
2/ Data include operations on strip.
3/ Less than 500 short tons.

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

Table 5.--Average number of employees, total and production and related workers, in U.S. establishments producing certain steel products, and hours paid 1/ for the latter, by products, 1978-81, January-March 1981, and January-March 1982

Product and period	Employment			Hours paid for production and related workers producing--		Labor productivity
	All persons	Production and related workers producing--				
		All products	Subject product	All products	Subject product	
				-----Thousands----		Tons per hour
Hot-rolled carbon steel plate:						
1978	154,489	132,681	17,938	274,346	36,923	0.1505
1979	172,339	146,415	19,143	299,801	38,896	.1510
1980	142,344	118,840	18,469	234,050	36,185	.1532
1981	139,937	117,383	16,937	233,238	33,570	.1532
January-March--						
1981	154,520	127,693	16,350	64,844	9,548	.1615
1982	127,078	102,410	10,245	49,548	6,378	.1523
Hot-rolled carbon steel sheet:						
1978 2/	204,012	175,323	23,103	359,685	47,440	.2370
1979 2/	222,786	189,715	25,400	385,182	51,596	.2356
1980 2/	187,466	157,279	20,432	306,920	39,970	.2369
1981 2/	192,471	163,161	22,404	320,041	44,338	.2480
January-March--						
1981	184,870	155,259	22,673	78,721	12,285	.2421
1982	151,936	124,825	17,456	59,949	9,124	.2099
Cold-rolled carbon steel sheet:						
1978 2/	200,111	170,957	37,632	350,195	77,220	.1692
1979 2/	218,673	185,113	39,223	375,457	80,023	.1636
1980 2/	186,396	155,664	32,050	303,557	62,874	.1627
1981 2/	192,070	162,176	35,303	317,954	70,071	.1588
January-March--						
1981	182,341	152,814	34,128	77,423	19,136	.1588
1982	150,156	123,109	23,859	59,052	13,179	.1465
Galvanized carbon steel sheet:						
1978	174,049	148,821	13,123	304,678	26,475	.1654
1979	194,005	164,433	13,883	333,511	27,652	.1647
1980	164,190	137,014	12,046	267,232	23,209	.1568
1981	167,624	141,245	13,919	276,726	27,107	.1567
January-March--						
1981	168,352	142,152	15,919	72,155	8,513	.1533
1982	137,624	113,718	11,266	54,492	5,963	.1450
Carbon steel structural shapes:						
1978	107,171	94,410	11,738	196,200	23,865	.1664
1979	124,768	108,187	13,058	237,141	26,712	.1550
1980	109,596	94,435	12,269	189,388	24,260	.1582
1981	103,871	89,525	11,667	180,996	23,061	.1593
January-March--						
1981	103,152	89,206	9,245	46,178	6,168	.1341
1982	81,852	69,308	7,125	33,904	4,598	.1284

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See footnotes at end of table.

Table 5.--Average number of employees, total and production and related workers, in U.S. establishments producing certain steel products, and hours paid 1/ for the latter, by products, 1978-81, January-March 1981, and January-March 1982--Continued

Product and period	Employment: All persons	Employment: Production and related workers producing-- All products	Employment: Production and related workers producing-- Subject product	Hours paid for production and related workers producing-- All products	Hours paid for production and related workers producing-- Subject product	Labor productivity
				-----Thousands----		Tons per hour
Hot-rolled carbon steel bar:						
1978	163,860	145,107	20,272	298,984	41,070	0.1310
1979	180,967	158,300	19,677	323,374	39,461	.1334
1980	158,412	137,546	14,396	269,947	27,607	.1368
1981	158,858	138,407	14,579	272,734	28,310	.1400
January-March--						
1981	155,801	135,211	12,983	69,044	7,618	.1428
1982	126,162	107,274	9,788	52,154	5,421	.1401
Hot-rolled alloy steel bar:						
1978	171,392	151,467	7,880	313,173	15,984	.1126
1979	188,329	164,485	7,144	337,055	14,401	.1146
1980	164,625	143,037	5,761	281,830	10,921	.1054
1981	165,642	144,497	6,250	285,755	12,158	.1161
January-March--						
1981	156,788	136,171	5,442	69,575	2,954	.1177
1982	127,221	108,304	5,008	52,715	2,557	.1121
Cold-formed carbon steel bar:						
1978	46,683	37,219	3,660	76,151	7,475	.0867
1979	61,044	47,793	3,724	97,746	7,657	.0893
1980	51,701	40,344	2,841	79,432	5,376	.0891
1981	50,192	39,365	2,731	75,464	5,325	.0944
January-March--						
1981	52,177	41,104	2,966	20,263	1,419	.1076
1982	43,006	32,702	2,615	15,515	1,216	.0944
Cold-formed alloy steel bar:						
1978	50,417	40,334	923	84,453	1,905	.0690
1979	64,951	51,063	931	105,275	1,972	.0721
1980	55,173	43,214	799	85,643	1,517	.0684
1981	53,798	42,380	701	82,202	1,388	.0767
January-March--						
1981	55,623	43,954	707	21,794	343	.0790
1982	46,302	35,423	666	16,845	310	.0753

1/ Includes hours worked plus hours of paid leave time.
2/ Includes operations in producing strip.

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

Table 6.--Wages and total compensation 1/ paid to production and related workers in establishments producing certain steel products, and unit labor costs in the production of such items, by products, 1978-81, January-March 1981, and January-March 1982

Product and period	Wages paid to production and related workers producing-- All products	Wages paid to production and related workers producing-- Subject product	Total compensation paid to production and related workers producing-- All products	Total compensation paid to production and related workers producing-- Subject product	Hourly compensation	Unit labor cost
	Million dollars				Per hour	Per ton
Hot-rolled carbon steel plate:						
1978	2,971	394	3,768	506	$13.70	$90.99
1979	3,627	463	4,608	591	15.20	100.67
1980	3,194	480	4,179	627	17.32	113.09
1981	3,538	482	4,642	632	18.81	122.77
January-March--						
1981	958	134	1,251	171	17.90	110.82
1982	798	95	1,080	127	19.96	131.10
Hot-rolled carbon steel sheet:						
1978 2/	3,980	542	5,046	685	14.45	60.98
1979 2/	4,749	657	6,011	830	16.09	68.22
1980 2/	4,254	573	5,557	747	18.68	78.83
1981 2/	4,766	691	6,239	900	20.30	81.81
January-March--						
1981	1,174	187	1,527	240	19.54	80.71
1982	979	148	1,319	197	21.62	102.97
Cold-rolled carbon steel sheet:						
1978 2/	3,889	879	4,923	1,109	14.36	84.85
1979 2/	4,632	1,003	5,878	1,268	15.85	96.87
1980 2/	4,215	894	5,504	1,161	18.47	113.54
1981 2/	4,785	1,030	6,260	1,401	20.00	125.93
January-March--						
1981	1,155	283	1,502	366	19.13	120.48
1982	964	203	1,300	273	20.68	141.12
Galvanized carbon steel sheet:						
1978	3,358	297	4,271	379	14.31	86.56
1979	4,092	345	5,209	440	15.91	96.60
1980	3,683	324	4,830	425	18.31	116.78
1981	4,140	411	5,444	540	19.94	127.28
January-March--						
1981	1,060	125	1,388	165	19.34	127.77
1982	881	94	1,197	128	21.46	148.00
Carbon steel structural shapes:						
1978	2,145	259	2,716	327	13.69	82.27
1979	2,744	323	3,475	404	15.14	97.68
1980	2,598	327	3,373	419	17.29	109.29
1981	2,721	340	3,567	443	19.23	120.72
January-March--						
1981	670	87	870	114	18.43	137.49
1982	541	69	733	93	20.12	156.66

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See footnotes at end of table.

Table 6.--Wages and total compensation 1/ paid to production and related workers in establishments producing certain steel products, and unit labor costs in the production of such items, by products, 1978-81, January-March 1981, and January-March 1982--Continued

Product and period	Wages paid to production and related workers producing-- All products	Wages paid to production and related workers producing-- Subject product	Total compensation paid to production and related workers producing-- All products	Total compensation paid to production and related workers producing-- Subject product	Hourly compensation	Unit labor cost
	Million dollars				Per hour	Per ton
Hot-rolled carbon steel bar:						
1978	3,205	440	4,072	561	$13.65	$104.23
1979	3,886	472	4,936	599	15.17	113.72
1980	3,628	371	4,738	487	17.64	128.93
1981	4,004	414	5,261	543	19.18	137.00
January-March--						
1981	1,007	107	1,308	138	18.08	126.62
1982	833	81	1,118	109	20.12	143.68
Hot-rolled alloy steel bar:						
1978	3,406	172	4,319	219	13.70	121.67
1979	4,092	171	4,394	218	15.12	141.94
1980	3,840	145	5,010	190	17.35	164.61
1981	4,189	177	5,570	232	19.07	164.25
January-March--						
1981	1,017	42	1,320	54	18.25	155.05
1982	844	39	1,130	52	20.44	182.36
Cold-formed carbon steel bar:						
1978	823	76	1,066	99	13.27	153.11
1979	1,196	89	1,555	116	15.13	169.46
1980	1,094	70	1,469	93	17.22	193.28
1981	1,149	76	1,549	101	19.02	201.47
January-March--						
1981	298	20	396	26	18.30	170.06
1982	254	19	352	26	21.38	226.53
Cold-formed alloy steel bar:						
1978	897	20	1,158	25	13.13	190.29
1979	1,278	22	1,657	28	14.42	200.00
1980	1,170	19	1,566	25	16.61	242.84
1981	1,241	19	1,667	25	18.21	237.20
January-March--						
1981	319	5	423	6	17.67	223.64
1982	274	5	378	6	20.30	269.68

1/ Includes wages and contributions to social security and other employee benefits.

2/ Includes operations in producing strip.

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

Financial experience of U.S. producers

Profit-and-loss data relative to 17 U.S. steel producers' 1/ overall corporate operations for accounting years 1978-81 are shown in table 7. Net sales of all products rose irregularly from $44.1 billion in 1978 to a peak of $55.2 billion in 1981. In the aggregate, the proportion of these firms' overall corporate sales revenue derived from the sale of various types of steel products declined from 75 percent in 1978 to 69 percent in 1980, but then increased to 72 percent in 1981.

Net sales of all steel products by the 17 producers increased irregularly from $33.3 billion in 1978 to $39.5 billion in 1981 (table 8). Operating profit on steel operations for these firms declined from $1.7 billion in 1978 to $723 million in 1980, and then rose to $1.6 billion in 1981. The ratio of operating profit to net sales dropped from 5.0 percent in 1978 to 2.0 percent in 1980, and then doubled to 4.1 percent in 1981; the ratio of operating profit to identifiable assets followed the same trend. Capital expenditures for steel-related projects increased from $1.8 billion in 1978 to $2.4 billion in 1980, and then slipped to $2.1 billion in 1981. One firm reported operating losses in 1978, two firms reported losses in 1979 and 1980, and one firm did so in 1981.

Profit-and-loss data relative to U.S. producers' operations on the steel products subject to these investigations are shown in table 9 for accounting years 1978-81 and the first quarters of 1981 and 1982. For all such products, the financial returns to domestic producers deteriorated very sharply in the first quarter of 1982 in comparison with those in the first quarter of 1981. 2/ Producers reported aggregate net operating losses during January-March 1982 on each of the products except cold-formed alloy steel bar (on which they reported breaking even). Such losses ranged from $10 million on hot-rolled alloy steel bar to $170 million on cold-rolled carbon steel sheet. The ratio of operating losses to net sales during the quarter ranged from 5.0 percent on hot-rolled alloy steel bar to 21.0 percent on hot-rolled carbon steel bar.

1/ These 17 producers accounted for an estimated 82 percent of raw steel production in the United States in 1980. Data for 1981 are for 16 producers; data were not available for 1 firm currently operating under ch. XI of the Federal Bankruptcy Act.

2/ Detailed discussions of profit-and-loss data relative to U.S. producers' operations on each of these steel products during 1978-81 may be found in the sections in pts. II through X of the February Report entitled "Consideration of Material Injury to an Industry in the United States."

Table 7.--Selected financial data on the overall corporate operations of 17 U.S. steel producers, 1/ accounting years 1978-81

Item	1978	1979	1980	1981 2/
Net sales---------million dollars--	44,090	52,677	51,164	55,214
Cost of goods sold and operating expenses--------million dollars--	41,862	50,375	49,796	52,606
Operating profit-------------do----	2,228	2,302	1,368	2,608
Other income-----------------do----	345	600	1,158	1,838
Interest expense-------------do----	(688)	(724)	(723)	(713)
Net profit before taxes on income----------million dollars--	1,885	2,178	1,803	3,733
Depreciation and amortization expense included above million dollars--	1,530	1,755	1,827	1,913
Cash flow from operations----do----	3,415	3,933	3,630	5,646
Total assets------million dollars--	35,646	37,340	40,197	42,761
Net investment in assets 3/ million dollars--	27,725	28,897	31,006	33,097
Shareholders' equity---------do----	16,172	16,660	16,860	19,656
Ratio of operating profit to net sales---------------percent--	5.1	4.4	2.7	4.7
Ratio of net profit before taxes on income to--				
Net sales---------------percent--	4.3	4.1	3.5	6.8
Total assets---------------do----	5.3	5.8	4.5	8.7
Net investment in assets---do----	6.8	7.5	5.8	11.3
Shareholders' equity-------do----	11.7	13.1	10.7	19.0
Number of firms reporting operating losses-----------------	1	1	4	0
Number of firms reporting net losses----------------------	2	1	2	0
Ratio of steel sales to total company sales-----------percent--	75	74	69	72

1/ These 17 producers accounted for an estimated 82 percent of total U.S. production of raw steel in 1980 as reported by the American Iron and Steel Institute.
2/ Data are for 16 producers. Data were not available for 1 producer currently operating under ch. XI of the Federal Bankruptcy Act.
3/ Total assets minus current liabilities.

Source: Compiled from data extracted from annual reports to stockholders and/or 10-K forms of U.S. producers.

Table 8.--Selected financial data on the steel manufacturing operations of 17 U.S. producers, 1/ accounting years 1978-81

Item	1978	1979	1980	1981 2/
Net sales---------million dollars--:	33,274	38,926	35,441	39,531
Cost of goods sold and operating expenses--------million dollars--:	31,608	37,330	34,718	37,921
Operating profit-------------do----:	1,666	1,596	723	1,610
Depreciation and amortization expense included above million dollars--:	1,255	1,439	1,477	1,573
Cash flow from operations 3/ million dollars--:	2,921	3,035	2,200	3,183
Identifiable assets million dollars--:	24,693	25,767	26,898	26,817
Capital expenditures---------do----:	1,787	2,307	2,386	2,103
Ratio of operating profit to--				
Net sales---------------percent--:	5.0	4.1	2.0	4.1
Identifiable assets--------do----:	6.7	6.2	2.7	6.0
Ratio of capital expenditures to cash flow from operations percent--:	61.2	76.0	108.5	66.1
Number of firms reporting operating losses-----------------:	1	2	2	1

1/ These 17 producers accounted for an estimated 82 percent of total U.S. production of raw steel in 1980 as reported by the American Iron and Steel Institute.

2/ Data are for 16 producers. Data were not available for 1 producer currently operating under ch. XI of the Federal Bankruptcy Act.

3/ Operating profit plus depreciation and amortization. These figures are not directly comparable with the "cash flow" figures in table 7.

Source: Compiled from data extracted from annual reports to stockholders and/or 10-K forms of U.S. producers.

Table 9.--Profit-and-loss experience of U.S. producers on their operations producing certain steel products, by products, accounting years 1978-81, January-March 1981, and January-March 1982

Product and period	Net sales	Cost of goods sold	Gross profit or (loss)	General, selling, and administrative expenses	Operating profit or (loss)	Ratio of operating profit or (loss) to net sales
	Million dollars					Percent
Hot-rolled carbon steel plate:						
1978	2,059	1,920	139	57	82	4.0
1979	2,393	2,237	156	63	93	3.9
1980	2,460	2,356	104	69	35	1.4
1981	2,519	2,385	134	75	59	2.3
January-March--						
1981	729	680	49	25	24	3.2
1982	512	530	(18)	22	(40)	(7.8)
Hot-rolled carbon steel sheet:						
1978 1/	3,346	3,102	244	82	162	4.8
1979 1/	4,014	3,827	187	92	95	2.4
1980 1/	3,083	3,228	(145)	87	(232)	(7.5)
1981 1/	3,980	4,009	(29)	110	(139)	(3.5)
January-March--						
1981	1,034	1,029	5	27	(22)	(2.1)
1982	745	852	(107)	29	(136)	(18.3)
Cold-rolled carbon steel sheet:						
1978 1/	4,690	4,454	236	122	114	2.4
1979 1/	5,264	5,084	180	127	53	1.0
1980 1/	4,150	4,414	(264)	119	(383)	(9.2)
1981 1/	4,946	5,095	(149)	144	(293)	(5.9)
January-March--						
1981	1,318	1,350	(32)	36	(68)	(5.1)
1982	926	1,060	(134)	36	(170)	(18.4)
Galvanized carbon steel sheet:						
1978	2,046	1,885	161	53	108	5.3
1979	2,338	2,147	191	56	135	5.8
1980	1,914	1,948	(34)	57	(91)	(4.8)
1981	2,383	2,345	38	67	(29)	(1.2)
January-March--						
1981	647	636	11	17	(6)	(.9)
1982	459	508	(49)	17	(66)	(14.5)
Carbon steel structural shapes:						
1978	1,109	1,104	5	30	(25)	(2.2)
1979	1,338	1,310	28	32	(4)	(.3)
1980	1,321	1,350	(29)	33	(62)	(4.7)
1981	1,358	1,386	(28)	38	(66)	(4.9)
January-March--						
1981	371	379	(8)	10	(18)	(4.9)
1982	284	310	(26)	10	(36)	(12.7)

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See footnotes at end of table.

Table 9.--Profit-and-loss experience of U.S. producers on their operations producing certain steel products, by products, accounting years 1978-81, January-March 1981, and January-March 1982--Continued

Product and period	Net sales	Cost of goods sold	Gross profit or (loss)	General, selling, and administrative expenses	Operating profit or (loss)	Ratio of operating profit or (loss) to net sales
	Million dollars					Percent
Hot-rolled carbon steel bar:						
1978	1,973	1,897	76	56	20	1.0
1979	2,169	2,091	78	59	19	.9
1980	1,597	1,661	(64)	50	(114)	(7.1)
1981	1,876	1,854	22	57	(35)	(1.8)
January-March--						
1981	498	491	7	15	(8)	(1.6)
1982	339	395	(56)	15	(71)	(21.0)
Hot-rolled alloy steel bar:						
1978	905	773	132	27	105	11.6
1979	947	837	110	28	82	8.7
1980	768	704	64	27	37	4.8
1981	1,006	887	119	32	87	8.6
January-March--						
1981	233	201	32	9	23	9.9
1982	200	199	1	11	(10)	(5.0)
Cold-formed carbon steel bar:						
1978	393	361	32	16	16	4.1
1979	467	430	37	18	19	4.1
1980	369	356	13	20	(7)	(1.9)
1981	411	394	17	22	(5)	(1.2)
January-March--						
1981	112	104	8	4	4	3.3
1982	93	102	(9)	4	(13)	(14.5)
Cold-formed alloy steel bar:						
1978	105	84	21	4	17	16.2
1979	124	104	20	5	15	12.1
1980	106	90	16	5	11	10.4
1981	111	95	16	5	11	9.9
January-March--						
1981	28	23	5	1	4	14.3
1982	26	25	1	1	2/	.7

1/ Includes operations on strip.
2/ Less than $0.5 million.

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

Consideration of Threat of Material Injury to an Industry in the United States

In its examination of the question of a reasonable indication of the threat of material injury to an industry in the United States, the Commission may take into consideration such factors as the rate of increase of allegedly subsidized imports, the rate of increase of U.S. market penetration by such imports, the amounts of imports held in inventory in the United States, and the capacity of producers in countries subject to the investigations to generate exports (including the availability of export markets other than the United States). A discussion of the rates of increase in imports from Spain of the products covered by these investigations and of their U.S. market penetration is presented in the section entitled "Consideration of the Causal Relationship Between Alleged Material Injury or the Threat Thereof and Allegedly Subsidized Imports." Discussions of importers' inventories of such merchandise imported from Spain and the information available on that country's capacity to generate exports follow.

U.S. importers' inventories

End-of-period inventories of imports from Spain of the steel products covered by these investigations, as reported in response to the Commission's questionnaires, are shown in table 10. Importers' inventories of carbon steel structural shapes and cold-formed carbon steel bar imported from Spain peaked on March 31, 1982. Importers' stocks of hot-rolled carbon steel plate, hot-rolled carbon steel bar, and hot-rolled alloy steel bar as of that date, although larger than end-of-period stocks during some other periods shown, were smaller than yearend 1981 inventories. As noted in the table, no inventories of imports from Spain of hot-rolled carbon steel sheet, cold-rolled carbon steel sheet, galvanized carbon steel sheet, or cold-formed alloy steel bar were reported.

Table 10.--U.S. importers' end-of-period inventories of certain steel products from Spain, by products, 1979-81, January-March 1981, and January-March 1982

Product and period	Quantity	Ratio of inventories to reported imports from Spain 1/
	Short tons	Percent
Hot-rolled carbon steel plate:		
1979	267	0.7
1980	19,844	32.6
1981	4,770	11.4
January-March--		
1981	10,700	58.6
1982	4,431	23.1
Carbon steel structural shapes:		
1979	521	8.9
1980	1,729	6.4
1981	7,563	18.2
January-March--		
1981	2,255	7.2
1982	8,437	22.0
Hot-rolled carbon steel bar:		
1979	0	-
1980	0	-
1981	11,549	61.3
January-March--		
1981	7,694	495.7
1982	10,469	400.8
Hot-rolled alloy steel bar:		
1979	0	-
1980	0	-
1981	6,492	123.9
January-March--		
1981	1,629	1,851.1
1982	5,493	122.7
Cold-formed carbon steel bar:		
1979	2,600	40.2
1980	1,500	31.0
1981	5,390	26.1
January-March--		
1981	1,800	11.7
1982	5,454	30.7

1/ Ratios for the January-March periods were computed from annualized imports.

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

Note.--No inventories of imports from Spain of hot-rolled carbon steel sheet, cold-rolled carbon steel sheet, galvanized carbon steel sheet, or cold-formed alloy steel bar were reported.

The Spanish industry

Production of raw steel in Spain increased without interruption from 12.31 million tons in 1977 to 14.24 million tons in 1981, or by 16 percent. Concurrently, Spanish steelmaking capacity increased from 16.60 million tons to 19.08 million tons, or by 15 percent. The increases in production and capacity occurred despite a 14-percent decline in apparent consumption. The industry operated at about 75 percent of capacity during 1977-81, as indicated in the following tabulation:

	Capacity to produce raw steel (million tons)	Production of raw steel (million tons)	Capacity utilization (percent)	Apparent consumption 1/ (million tons)
1977----------	16.60	12.31	74.2	11.16
1978----------	17.17	12.51	72.9	9.30
1979----------	17.85	13.51	75.7	8.81
1980----------	18.59	13.94	75.0	9.56
1981----------	19.08	14.24	74.7	9.59

1/ Apparent consumption data were obtained from the 1981 annual report of Altos Hornos de Vizcaya, S.A.; such consumption does not equal the total of production plus imports less exports.

Partly due to the relatively stagnant demand for steel products in Spain and the continued growth in the industry's steelmaking capability during 1977-81, exports increased steadily during the period. Imports fluctuated during those years, but remained generally at or somewhat above 1 million tons, as shown in the following tabulation (in millions of tons):

	Exports	Imports
1977-------------------	2.95	1.23
1978-------------------	4.54	.86
1979-------------------	4.67	1.18
1980-------------------	5.00	1.43
1981 1/----------------	5.04	1.22

1/ Estimated.

The industry in Spain consists of three integrated producers and numerous nonintegrated firms. 1/ Approximately 83,000 workers are employed; however, this figure represents a gradual decline from the approximately 90,000 workers in the industry in 1974. The three Spanish integrated producers are Empresa Nacional Siderurgica, S.A. (ENSIDESA), Altos Hornos de Vizcaya, S.A. (AHV),

1/ According to information received chiefly from the U.S. Department of State, there are 14 producers of the carbon and alloy bars subject to these investigations, 1 producer of plate, 5 producers of hot-rolled sheet, 6 producers of cold-rolled sheet, 3 producers of galvanized sheet, and 16 producers of structural shapes.

and Altos Hornos del Mediterraneo, S.A. (AHM). ENSIDESA is the largest, having produced 5.2 million tons of raw steel in 1980. It operates several facilities, employs more than 25,000 workers, and produces a wide range of steel mill products, most notably plate, hot-rolled sheet and strip, cold-rolled sheet, structural shapes, rails, and galvanized sheet. AHV was the second largest Spanish raw steel producer in 1980, with a production total of 1.4 million tons. The firm operates several facilities, employs some 12,000 workers, and primarily markets its products in the domestic (i.e., Spanish) market (84 percent in 1980). AHV primarily produces hot-rolled and cold-rolled sheet, galvanized sheet, tinplate, and pipes and tubes. AHM is an integrated producer that primarily manufactures semifinished products, cold-rolled sheet, and structural shapes. It produced 725,585 tons of raw steel in 1980 and shipped a total of 634,850 tons, with 88 percent going to the domestic market.

The available data on Spain's capacity, production, and exports of the specific steel mill products subject to these investigations are discussed in the following sections.

Hot-rolled carbon steel plate.--Spanish production of hot-rolled carbon steel plate is believed to be limited to that of one producer, ENSIDESA. In 1981, the firm produced 962,000 tons of plate; it has platemaking capacity of 1.1 million tons. Production and capacity figures for other recent years are not available, but capacity has declined in the last 2 years due to ENSIDESA's closing of two plate mills having a capacity of 150,000 tons (closed in 1980) and 200,000 tons (closed in 1981), respectively. Spain's exports of plate steadily declined in 1979-81, although exports to the United States fluctutated but generally increased (table 11).

Hot-rolled carbon steel sheet.--Spain's production of hot-rolled carbon steel sheet is primarily limited to that by ENSIDESA and AHV. Capacity and production data for 1979 and 1980 are not available, but in 1981 production amounted to 2.9 million tons and capacity was measured at 3.6 million tons. Total exports of hot-rolled carbon steel sheet were relatively small, but increased during 1979-81; in the latter year, exports accounted for 6 percent of production. Exports to the United States fluctuated considerably, climbing from 2,000 tons in 1979 to 13,000 tons in 1980, but dropping to zero in 1981 (table 11). 1/

Cold-rolled carbon steel sheet.--Spain's production of cold-rolled carbon steel sheet is primarily limited to that of ENSIDESA, AHV, and AHM. Production, capacity, and capacity utilization data are not available for 1979-81. Exports fluctuated during those years, dropping from 1979 to 1980, but then increasing significantly in 1981. Exports to the United States accounted for 21 percent of total exports in 1981, well above the 10-percent level in 1980, but slightly less than the level recorded in 1979 (table 11).

1/ It should be noted that Spain's imports of hot-rolled carbon steel sheet substantially exceeded its exports of that product during 1979-81. This is attributable to a fairly new cold-reduction mill put in by AHM. Spain's imports of hot-rolled carbon steel sheet were as follows (in 1,000 short tons): 1979--324, 1980--542, and 1981--384.

Table 11.--Certain steel products: Spain's production, capacity, capacity utilization, and exports, by products, 1979-81

Product and period	Production	Capacity	Capacity utiliza-tion	Exports: Total	Exports: To the United States: Quantity	Exports: To the United States: Share of total
	--1,000 short tons-		Percent	-1,000 short tons-		Percent
Hot-rolled carbon steel plate:						
1979--------------	1/	1/	1/	429	86	20.0
1980--------------	1/	1/	1/	376	80	21.2
1981--------------	962	1,103	87.2	271	89	32.8
Hot-rolled carbon steel sheet:						
1979--------------	1/	1/	1/	30	2	6.7
1980--------------	1/	1/	1/	66	13	19.7
1981--------------	2,890	3,638	79.4	169	0	-
Cold-rolled carbon steel sheet:						
1979--------------	1/	1/	1/	232	50	21.6
1980--------------	1/	1/	1/	138	14	10.1
1981--------------	1/	1/	1/	351	72	20.5
Galvanized carbon steel sheet:						
1979--------------	325	1/	1/	83	35	42.2
1980--------------	310	1/	1/	61	21	34.4
1981--------------	353	435	81.1	114	41	36.0
Carbon steel structural shapes:						
1979--------------	1,805	1/	1/	919	114	12.4
1980--------------	1,867	1/	1/	1,088	196	18.0
1981--------------	2,106	1/	1/	1,086	200	18.4
Hot-rolled carbon steel bar:						
1979--------------	1/	1/	1/	673	13	1.9
1980--------------	1/	1/	1/	728	17	2.3
1981--------------	1/	1/	1/	521	35	6.7
Hot-rolled alloy steel bar:						
1979--------------	1/	1/	1/	201	4	2.0
1980--------------	1/	1/	1/	157	8	5.1
1981--------------	1/	1/	1/	52	4	7.7
Cold-formed carbon steel bar:						
1979--------------	1/	1/	1/	25	8	32.0
1980--------------	1/	1/	1/	37	4	10.8
1981--------------	1/	1/	1/	35	14	40.0
Cold-formed alloy steel bar:						
1979--------------	1/	1/	1/	17	8	47.1
1980--------------	1/	1/	1/	23	4	17.4
1981--------------	1/	1/	1/	17	1	5.8

1/ Not available.

Source: Data provided by Mr. George Egge, counsel for the Spanish Steel Producers Association (UNESID) and from the 1981 annual report of Altos Hornos de Vizcaya, S.A.

Galvanized carbon steel sheet.--Spain's production of galvanized carbon steel sheet is primarily limited to that by ENSIDESA and AHV. Spanish production dropped 5 percent from 1979 to 1980, but then increased 14 percent in 1981. Capacity figures for 1979 and 1980 are not available; capacity in 1981 was 435,000 tons, resulting in a capacity utilization rate of 81 percent for that year. Similar to production, exports declined from 1979 to 1980 but then increased in 1981. In 1981, exports to the United States accounted for 36 percent of Spain's total exports of galvanized carbon steel sheet and for almost 12 percent of its production of that product (table 11).

Carbon steel structural shapes.--There are approximately 16 producers of carbon steel structural shapes in Spain. However, only ENSIDESA and Aristrain have universal mills capable of making wide flange beams, which account for the bulk of Spanish exports. Spanish production of structural shapes increased from 1.8 million tons in 1979 to 2.1 million tons in 1981, or by 17 percent. About half of Spain's production of carbon steel structural shapes during 1979-81 was exported; exports to the United States accounted for 18 percent of total exports in 1980 and 1981 (table 11).

Hot-rolled carbon steel bar.--Data are not available on Spain's production of, or capacity to produce, hot-rolled carbon steel bar. Spanish exports of this product rose 8 percent from 1979 to 1980, but then dropped 28 percent in 1981. Exports to the United States doubled in 1981 and accounted for about 7 percent of total exports in that year (table 11).

Hot-rolled alloy steel bar.--Data are not available on Spain's production of, or capacity to produce, hot-rolled alloy steel bar. Spanish exports of hot-rolled alloy steel bar steadily declined during 1979-81. Exports to the United States accounted for about 8 percent of total exports of this product from Spain in 1981 (table 11).

Cold-formed carbon steel bar.--Data are not available on Spain's production of, or capacity to produce, cold-formed carbon steel bar. Spanish exports of this product rose substantially from 1979 to 1980, but then declined somewhat in 1981. In contrast, exports to the United States fell 50 percent in 1980, and then more than trebled in 1981, when they accounted for 40 percent of total exports of cold-formed carbon steel bar (table 11).

Cold-formed alloy steel bar.--Data are not available on Spain's production of, or capacity to produce, cold-formed alloy steel bar. Total exports of this product from Spain in 1981 were the same as those in 1979, whereas exports to the United States dropped sharply during the period. In 1981, exports to the United States accounted for about 6 percent of total Spanish exports of cold-formed alloy steel bar (table 11).

Consideration of the Causal Relationship Between Alleged Material Injury or the Threat Thereof and Allegedly Subsidized Imports

U.S. imports and market penetration

U.S. imports, from all sources and from Spain, of each of the steel products covered by these investigations during 1978-81 and the first quarters of 1981 and 1982 are shown in table 12. The ratios of such imports to apparent U.S. consumption and to U.S. producers' shipments are shown in table 13. In addition, table 14 shows the ratios of imports to consumption and producers' shipments, by quarters, during January 1980-March 1982. 1/ As summarized in the following tabulation showing imports from Spain in 1981 and their ratio to apparent U.S. consumption, the largest volume products imported from that country (and those products having the greatest penetration of the domestic market) were carbon steel structural shapes and hot-rolled carbon steel plate:

Product	Quantity imported (1,000 short tons)	Ratio of imports to consumption (percent)
Carbon steel products:		
Hot-rolled plate----------------	99.4	1.3
Hot-rolled sheet----------------	5.4	1/
Cold-rolled sheet---------------	62.2	.4
Galvanized sheet----------------	18.6	.3
Structural shapes---------------	238.1	4.1
Hot-rolled bar------------------	33.7	.7
Cold-formed bar-----------------	17.2	1.2
Alloy steel products:		
Hot-rolled bar------------------	4.8	.2
Cold-formed bar-----------------	.1	.1

1/ Less than 0.5 percent.

1/ Tables 12, 13, and 14 in this report present data for each subject product only on aggregate imports and imports from Spain. For data on and discussions of imports of such products from other principal suppliers during 1978-80, January-November 1980, and January-November 1981, see the relevant pages of parts II through X in the February Report.

Table 12.--Certain steel products: U.S. imports for consumption, from all sources and from Spain, by products, 1978-81, January-March 1981, and January-March 1982

Product and period	Imports from all sources: Quantity	Imports from all sources: Value	Imports from all sources: Unit value	Imports from Spain: Quantity	Imports from Spain: Value	Imports from Spain: Unit value
	1,000 short tons	Million dollars	Per ton	1,000 short tons	Million dollars	Per ton
Hot-rolled carbon steel plate:						
1978	1/ 2,150	517	$241	244	56	$230
1979	1,252	386	308	74	24	320
1980	1,571	512	326	110	36	330
1981	1,841	677	368	99	37	372
January-March--						
1981	412	147	357	16	6	353
1982	311	116	373	9	3	330
Hot-rolled carbon steel sheet:						
1978	3,343	774	231	33	6	180
1979	2,676	737	275	5	1	272
1980	1,937	557	288	1	2/	378
1981	2,161	679	314	5	1	262
January-March--						
1981	259	79	306	3/	2/	344
1982	528	167	317	2	1	260
Cold-rolled carbon steel sheet:						
1978	3,123	892	286	90	24	265
1979	2,322	780	336	48	16	337
1980	1,415	502	355	8	3	319
1981	1,546	603	390	62	26	411
January-March--						
1981	180	68	379	7	3	379
1982	410	166	405	26	11	426
Galvanized carbon steel sheet:						
1978	2,313	841	363	82	25	306
1979	2,139	892	417	39	15	378
1980	1,350	597	443	24	8	350
1981	1,304	604	463	19	9	473
January-March--						
1981	184	83	450	3/	2/	412
1982	303	140	460	25	12	458
Carbon steel structural shapes:						
1978	1,771	445	251	56	12	223
1979	1,850	579	313	96	27	285
1980	1,725	575	333	174	56	320
1981	1,959	708	361	238	86	362
January-March--						
1981	420	148	351	79	27	345
1982	390	146	374	45	18	396

See footnotes at end of table.

Table 12.--Certain steel products: U.S. imports for consumption, from all sources and from Spain, by products, 1978-81, January-March 1981, and January-March 1982--Continued

Product and period	Imports from all sources			Imports from Spain		
	Quantity	Value	Unit value	Quantity	Value	Unit value
	1,000 short tons	Million dollars	Per ton	1,000 short tons	Million dollars	Per ton
Hot-rolled carbon steel bar:						
1978	587	153	$261	36	9	$244
1979	438	143	326	28	9	313
1980	356	124	350	24	8	342
1981	405	157	388	34	12	369
January-March--						
1981	79	27	348	5	2	342
1982	84	33	394	11	5	460
Hot-rolled alloy steel bar:						
1978	160	60	379	11	4	334
1979	128	56	435	3/	2/	455
1980	105	50	473	1	2/	583
1981	154	82	531	5	3	560
January-March--						
1981	36	17	473	1	2/	553
1982	42	23	546	4	2	628
Cold-formed carbon steel bar:						
1978	141	57	404	1	1	451
1979	95	47	496	6	3	493
1980	86	44	516	5	3	535
1981	131	77	586	17	10	604
January-March--						
1981	26	15	576	4	2	585
1982	25	15	598	4	2	671
Cold-formed alloy steel bar:						
1978	37	18	488	1	2/	465
1979	44	26	592	2	1	570
1980	23	18	786	3/	2/	708
1981	59	48	814	3/	2/	1,460
January-March--						
1981	8	7	824	0	-	-
1982	19	16	826	3/	2/	525

1/ Includes 167,500 tons of slab greater than 6 inches in thickness imported from Poland.
2/ Less than $500,000.
3/ Less than 500 short tons.

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

Table 13.--Certain steel products: Ratios of imports, total and from Spain, to apparent U.S. consumption and to U.S. producers' shipments, 1978-81, January-March 1981, and January-March 1982

(In percent)

Product and period	Ratio of imports from all sources to--		Ratio of imports from Spain to--	
	Apparent U.S. consumption	U.S. producers' shipments	Apparent U.S. consumption	U.S. producers' shipments
Hot-rolled carbon steel plate:				
1978	23.4	30.1	2.9	3.7
1979	15.9	18.4	.9	1.1
1980	20.5	25.2	1.4	1.8
1981	24.7	31.9	1.3	1.7
January-March--				
1981	20.3	25.0	.8	1.0
1982	22.3	28.1	.7	.8
Hot-rolled carbon steel sheet:				
1978	19.2	23.7	.2	.2
1979	15.6	18.5	1/	1/
1980	15.2	17.8	1/	1/
1981	15.3	17.9	1/	1/
January-March--				
1981	7.6	8.2	1/	1/
1982	19.3	23.8	.1	.1
Cold-rolled carbon steel sheet:				
1978	15.4	18.1	.4	.5
1979	12.3	14.0	.3	.3
1980	10.1	11.1	.1	.1
1981	10.1	11.2	.4	.5
January-March--				
1981	4.6	4.8	.2	.2
1982	13.7	15.9	.9	1.0
Galvanized carbon steel sheet:				
1978	26.7	36.1	.9	1.3
1979	25.5	34.0	.5	.6
1980	20.8	26.1	.4	.5
1981	18.5	22.5	.3	.3
January-March--				
1981	10.3	11.4	1/	1/
1982	21.2	26.8	1.8	2.2
Carbon steel structural shapes:				
1978	30.9	43.7	1.0	1.4
1979	29.7	41.0	1.5	2.1
1980	30.1	41.8	3.0	4.2
1981	33.7	49.4	4.1	6.0
January-March--				
1981	27.5	36.8	5.2	6.9
1982	32.4	47.2	3.7	5.4

See footnote at end of table.

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Table 13.--Certain steel products: Ratios of imports, total and from Spain, to apparent U.S. consumption and to U.S. producers' shipments, 1978-81, January-March 1981, and January-March 1982--Continued

(In percent)

Product and period	Ratio of imports from all sources to--		Ratio of imports from Spain to--	
	Apparent U.S. consumption	U.S. producers' shipments	Apparent U.S. consumption	U.S. producers' shipments
Hot-rolled carbon steel bar:				
1978	8.8	9.5	0.5	0.6
1979	7.0	7.5	.4	.5
1980	8.3	8.8	.6	.6
1981	9.0	9.6	.7	.8
January-March--				
1981	6.5	6.9	.4	.5
1982	9.2	10.0	1.2	1.3
Hot-rolled alloy steel bar:				
1978	6.0	6.2	.4	.4
1979	4.8	5.0	1/	1/
1980	5.6	5.6	1/	1/
1981	6.2	6.5	.2	.2
January-March--				
1981	5.8	6.1	.1	.1
1982	7.8	8.2	.7	.7
Cold-formed carbon steel bar:				
1978	7.8	8.3	.1	.1
1979	5.0	5.2	.3	.3
1980	6.5	6.9	.4	.4
1981	9.2	10.1	1.2	1.3
January-March--				
1981	6.8	7.3	1.0	1.1
1982	8.8	9.6	1.2	1.3
Cold-formed alloy steel bar:				
1978	11.5	12.5	.3	.3
1979	12.5	13.7	.5	.6
1980	9.5	10.0	.1	.1
1981	21.3	25.1	.1	.1
January-March--				
1981	12.9	14.1	-	-
1982	28.0	36.9	.5	.6

1/ Less than 0.05 percent.

Source: Compiled from official statistics of the U.S. Department of Commerce and from data of the American Iron and Steel Institute.

Note.--Ratios computed from unrounded data.

Table 14.--Certain steel products: Ratios of imports, total and from Spain, to apparent U.S. consumption and to U.S. producers' shipments, by quarters, 1980, 1981, and January-March 1982

(In percent)

Product and period	Ratio of imports from all sources to--		Ratio of imports from Spain to--	
	Apparent U.S. consumption	U.S. producers' shipments	Apparent U.S. consumption	U.S. producers' shipments
Hot-rolled carbon steel plate:				
1980:				
Jan.-Mar	16.3	19.2	1.2	1.4
Apr.-June	21.7	26.6	.9	1.1
July-Sept	21.5	26.7	1.3	1.6
Oct.-Dec	23.1	29.2	2.4	3.0
1981:				
Jan.-Mar	20.3	25.0	.8	1.0
Apr.-June	24.5	31.3	1.8	2.2
July-Sept	28.8	39.0	2.2	3.0
Oct.-Dec	25.8	33.6	.5	.6
1982:				
Jan.-Mar	22.3	28.1	.7	.8
Hot-rolled carbon steel sheet:				
1980:				
Jan.-Mar	14.6	17.1	1/	1/
Apr.-June	18.4	22.1	1/	1/
July-Sept	16.6	19.6	1/	1/
Oct.-Dec	12.4	14.1	1/	1/
1981:				
Jan.-Mar	7.6	8.2	1/	1/
Apr.-June	12.4	14.1	1/	1/
July-Sept	17.8	21.5	.1	.2
Oct.-Dec	24.5	31.6	1/	1/
1982:				
Jan.-Mar	19.3	23.8	.1	.1
Cold-rolled carbon steel sheet:				
1980:				
Jan.-Mar	10.3	11.4	1/	.1
Apr.-June	11.3	12.6	.1	.1
July-Sept	10.2	11.3	.1	.1
Oct.-Dec	8.7	9.5	1/	1/
1981:				
Jan.-Mar	4.6	4.8	.2	.2
Apr.-June	7.5	8.1	1/	1/
July-Sept	12.6	14.4	.5	.5
Oct.-Dec	17.6	21.2	1.2	1.4
1982:				
Jan.-Mar	13.7	15.9	.9	1.0

See footnote at end of table.

Table 14.--Certain steel products: Ratios of imports, total and from Spain, to apparent U.S. consumption and to U.S. producers' shipments, by quarters, 1980, 1981, and January-March 1982--Continued

(In percent)

Product and period	Ratio of imports from all sources to--		Ratio of imports from Spain to--	
	Apparent U.S. consumption	U.S. producers' shipments	Apparent U.S. consumption	U.S. producers' shipments
Galvanized carbon steel sheet:				
1980:				
Jan.-Mar----------	24.1	31.7	0.6	0.8
Apr.-June---------	24.0	31.5	.2	.3
July-Sept---------	19.4	23.7	.3	.3
Oct.-Dec----------	15.9	18.7	.3	.3
1981:				
Jan.-Mar----------	10.3	11.4	1/	1/
Apr.-June---------	14.6	17.0	1/	1/
July-Sept---------	22.4	28.6	.4	.5
Oct.-Dec----------	28.1	38.9	.7	1.0
1982:				
Jan.-Mar----------	21.2	26.8	1.8	2.2
Carbon steel structural shapes:				
1980:				
Jan.-Mar----------	28.6	39.3	2.1	2.9
Apr.-June---------	34.1	49.8	3.0	4.3
July-Sept---------	31.5	44.6	3.3	4.7
Oct.-Dec----------	26.6	35.1	4.0	5.2
1981:				
Jan.-Mar----------	27.5	36.8	5.2	6.9
Apr.-June---------	35.6	53.9	4.6	6.9
July-Sept---------	36.7	56.1	4.1	6.3
Oct.-Dec----------	35.3	53.6	2.1	3.2
1982:				
Jan.-Mar----------	32.4	47.2	3.7	5.4
Hot-rolled carbon steel bar:				
1980:				
Jan.-Mar----------	7.3	7.8	.3	.3
Apr.-June---------	9.0	9.6	.9	1.0
July-Sept---------	9.5	10.2	.5	.5
Oct.-Dec----------	7.8	8.3	.6	.6
1981:				
Jan.-Mar----------	6.5	6.9	.4	.5
Apr.-June---------	8.4	9.1	.8	.9
July-Sept---------	10.3	11.3	.9	1.0
Oct.-Dec----------	11.2	12.0	.8	.8
1982:				
Jan.-Mar----------	9.2	10.0	1.2	1.3

See footnote at end of table.

Table 14.--Certain steel products: Ratios of imports, total and from Spain, to apparent U.S. consumption and to U.S. producers' shipments, by quarters, 1980, 1981, and January-March 1982--Continued

(In percent)

Product and period	Ratio of imports from all sources to-- Apparent U.S. consumption	Ratio of imports from all sources to-- U.S. producers' shipments	Ratio of imports from Spain to-- Apparent U.S. consumption	Ratio of imports from Spain to-- U.S. producers' shipments
Hot-rolled alloy steel bar:				
1980:				
Jan.-Mar	4.6	4.7	-	-
Apr.-June	7.0	6.9	0.2	0.2
July-Sept	5.6	5.3	1/	1/
Oct.-Dec	5.4	5.6	1/	1/
1981:				
Jan.-Mar	5.8	6.1	.1	.1
Apr.-June	6.7	7.0	.3	.3
July-Sept	6.4	6.7	.2	.2
Oct.-Dec	5.8	6.1	.2	.2
1982:				
Jan.-Mar	7.8	8.2	.7	.7
Cold-formed carbon steel bar:				
1980:				
Jan.-Mar	5.7	5.9	.4	.4
Apr.-June	6.6	7.0	.3	.3
July-Sept	7.3	7.8	.2	.2
Oct.-Dec	6.8	7.3	.5	.5
1981:				
Jan.-Mar	6.8	7.3	1.0	1.1
Apr.-June	8.5	9.2	1.2	1.3
July-Sept	10.4	11.5	.9	1.0
Oct.-Dec	11.9	13.4	1.9	2.1
1982:				
Jan.-Mar	8.8	9.6	1.2	1.3
Cold-formed alloy steel bar:				
1980:				
Jan.-Mar	8.6	8.9	1/	1/
Apr.-June	9.5	10.0	.2	.3
July-Sept	9.8	10.2	-	-
Oct.-Dec	10.8	11.4	-	-
1981:				
Jan.-Mar	12.9	14.1	-	-
Apr.-June	26.8	34.7	1/	.1
July-Sept	22.1	25.5	.1	.1
Oct.-Dec	22.0	25.7	.1	.1
1982:				
Jan.-Mar	28.0	36.9	.5	.6

1/ Less than 0.05 percent.

Source: Compiled from official statistics of the U.S. Department of Commerce and from data of the American Iron and Steel Institute.

Prices

Market conditions in industries that require steel as an input, such as automobiles, construction, energy, and utilities, have long affected demand in the steel industry. For example, demand for carbon steel sheet products depends heavily on the automobile industry. The automobile industry, which has always been sensitive to the business cycle, has been greatly influenced since the mid-1970's by an accompanying structural change resulting from its down-sizing efforts because of declining demand for large cars. The production of smaller, lighter cars has reduced the demand for carbon steel sheet products and in turn has had a dampening effect on carbon steel sheet prices.

Demand for carbon steel structural shapes, and to a lesser extent carbon steel plate, and their respective prices depend largely on the level of activity in the construction industry. The construction industry, in turn, is highly influenced by the business cycle, particularly movements in interest rates, and the level of Government spending. Because of falling construction levels, demand for carbon steel structural shapes decreased in 1980, and fell sharply in January-March 1982, compared with demand in January-March 1981. As demand for structural shapes falls, competition and discounting increase and the price of structurals softens. Public nonresidential building construction, measured by value put in place, was down 9.2 percent in real terms in 1981 from its peak in 1978. 1/ Nonbuilding construction on the same basis was 19.4 percent below the 1978 level. 2/ Private nonresidential building construction (office buildings) was the only strong segment of this market in 1981.

Demand for steel bar is largely determined by conditions in the automotive, and machinery and industrial equipment sectors. Automotive is the sector that consumes the most hot-rolled steel bar, machinery and industrial equipment is second. The machinery and industrial equipment sector consumes the most cold-formed bar, and the automotive sector is second. Both of these sectors are highly influenced by the business cycle, so a decline in the general level of economic activity probably will lead to a decline in the demand for steel bar.

U.S. producers usually quote prices for carbon steel products on an f.o.b. mill basis. 3/ Importers of the product from Spain generally quote prices f.a.s. port-of-entry or f.o.b. warehouse. Prices consist of a base price for each product plus additional charges for extras such as differences

1/ These percentages are based on Bureau of Census data on value of construction put in place, in constant 1972 dollars.

2/ Nonbuilding construction includes such construction project categories as bridges, military facilities, development projects such as dams, sewer and water supply systems, railways, and subways.

3/ Domestic producers usually charge freight to the purchaser's account. One exception is the practice of freight equalization, in which a producer supplying a customer located closer to a competing producer will absorb any differences in freight costs. The more distant producer charges the customer's account for freight costs as if the product were shipped from the closer producer.

in length, width, thickness, chemistry, and so forth. Prices can be changed by changing the base price, the charges for extras, or both.

According to Bureau of Labor Statistics data, there were six announced base price increases for hot-rolled carbon steel plate and structural shapes during January 1979-March 1982, the most recent ones occurring in October 1981. During the same period, there were four announced base price increases for the three categories of carbon steel sheet products, the most recent of which occurred in July 1981. Each carbon steel product's list price, however, was temporarily rolled back during the third quarter of 1980.

The major steel producers have announced five base price increases for steel bars since January 1, 1979. According to industry sources, the most recent increase for hot-rolled carbon steel bar occurred on December 1, 1980; for cold-formed alloy steel bar, June 1, 1981; and for hot-rolled alloy and cold-formed carbon steel bars, June 21, 1981. Recently, one major domestic producer implemented discounts on all its bar products.

U.S. producers maintain published list prices, but discounting from list prices has become an increasing practice. Discounting can take several forms. Freight absorption is one method. Another is to forego the cost of extras, or discounts can be simply a reduction in base price. Domestic producers sometimes quote prices at time of shipment; importers quote prices at time of order. Pricing of primary quality steel mill products as secondary quality is yet another method of discounting.

Transaction prices.--The Commission requested data on average net selling prices for specific products from domestic producers and importers. In addition, to facilitate direct comparisons of prices, the Commission requested data on prices paid by steel purchasers.

Trends in prices.--The Commission asked domestic producers and importers for their average net selling prices to steel service center/ distributor and end-user customers for 22 specified steel mill products. 1/ Domestic producers' selling prices requested were weighted average f.o.b. mill prices, net of all discounts and allowances (including freight allowances), and excluding inland freight charges. Importers' selling prices requested were weighted average duty-paid prices, ex-dock, port of entry, net of all discounts and allowances, and excluding U.S. inland freight charges. These are average prices charged in many different transactions and do not include delivery charges. Such data cannot be used to compare the levels of domestic producers' and importers' prices from the purchasers' viewpoint, but are

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1/ As a basis for transaction price comparisons, the Commission selected 22 representative steel mill products covering the 9 product categories subject to these investigations. These products and their respective specifications are listed by product category in app. C. In numerical order the representative products to be found in the product list are: 1-3, hot-rolled carbon steel sheet; 4-5, cold-rolled carbon steel sheet; 6-8, galvanized carbon steel sheet; 9-12, hot-rolled carbon steel plate; 13-18, carbon steel structural shapes; 19, hot-rolled carbon steel bar; 20, hot-rolled alloy steel bar; 21, cold-formed carbon steel bar; and 22, cold-formed alloy steel bar.

useful for comparing trends in these prices and should reflect any discounting that may have occurred.

Hot-rolled carbon steel plate.--Price data for hot-rolled carbon steel plate sold to service center/distributors and end users were received from eight domestic producers of plate products 10 and 12 and from nine domestic producers of plate products 9 and 11, by quarters, for January-March 1980 through January-March 1982. As shown in table 15, domestic producers' prices to end users for the four plate products increased more (13 to 20 percent) during this period than did domestic producers' prices to service center/distributors (2 to 11 percent). However, for each plate product, regardless of customer, the domestic producers' price during January-March 1982 fell when compared with that in October-December 1981. In many instances this reverses the upward trend in domestic hot-rolled carbon steel plate prices established throughout 1980 and 1981.

Two importers reported prices on hot-rolled carbon steel plate imported from Spain. However, the data cover only plate products 10 and 12 sold to service center/distributors during July-December 1981 and January-March 1982, and plate product 12 sold to end users during January-March and October-December 1981. Because of the limited number of price observations on steel plate products imported from Spain, no clear price trends emerge. However, with respect to plate product 10 imported from Spain, the price to service center/distributor customers declined in January-March 1982 when compared with that in October-December 1981, as did domestic plate product prices.

Hot-rolled carbon steel sheet.--Price data for hot-rolled carbon steel sheet sold to service center/distributors and end users were received from six domestic producers of hot-rolled sheet products 1 and 2 and from eight domestic producers of hot-rolled sheet product 3, by quarters, for January-March 1980 through January-March 1982. No prices were reported for hot-rolled carbon steel sheet products imported from Spain. As shown in table 16, domestic producers' prices to end users increased proportionately about the same as domestic producers' prices to service center/distributor customers. For hot-rolled sheet product 1, the price increase from January-March 1980 through January-March 1982 was 17 percent to service center/distributors and 18 percent to end users; for hot-rolled sheet product 2, the domestic price increase was 12 percent to service center/distributors and 14 percent to end users; and for hot-rolled sheet product 3, the domestic price increase was 7 percent to service center/distributors but 12 percent to end users. With the exception of domestic producers' prices to end users of hot-rolled sheet product 3, domestic producers' prices to customers of all hot-rolled sheet products dropped during January-March 1982 when compared with those in October-December 1981, reversing the 1981 upward trend in hot-rolled carbon steel sheet prices.

Cold-rolled carbon steel sheet.--Eight domestic producers furnished price data by quarters for January-March 1980 through January-March 1982 on cold-rolled carbon steel sheet products sold to service center/distributors and end users. As shown in table 17, domestic producers' prices on cold-rolled sheet product 4 sold to service center/distributor and end-user customers increased 13 percent from January-March 1980 through January-March 1982. Domestic producers' prices to service center/distributors have declined

Table 15: Ranges and weighted average net selling prices for sales of imports from Spain and for sales of domestic products, by types of customers, by types of products, and by quarters, January 1980-March 1982

Hot-rolled carbon steel plate

Product and Period 1/	Prices to service centers/distributors						Prices to end users					
	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg
Product 9												
1980												
January-March	-	-	-	395	524	423	-	-	-	400	460	421
April-June	-	-	-	420	531	436	-	-	-	395	651	432
July-September	-	-	-	343	523	414	-	-	-	417	532	445
October-December	-	-	-	351	551	422	-	-	-	437	484	448
1981												
January-March	-	-	-	394	706	427	-	-	-	415	588	461
April-June	-	-	-	406	563	435	-	-	-	422	530	477
July-September	-	-	-	384	599	441	-	-	-	440	531	484
October-December	-	-	-	379	665	434	-	-	-	425	716	48[illegible]
1982												
January-March	-	-	-	386	636	432	-	-	-	418	757	479
Product 10												
1980												
January-March	-	-	-	390	429	411	-	-	-	390	435	412
April-June	-	-	-	412	445	429	-	-	-	415	445	431
July-September	-	-	-	397	448	423	-	-	-	415	448	430
October-December	-	-	-	414	465	438	-	-	-	419	466	442
1981												
January-March	-	-	-	430	476	450	-	-	-	430	474	447
April-June	-	-	-	431	506	467	-	-	-	454	494	474
July-September	***	***	***	435	512	466	-	-	-	462	503	481
October-December	***	***	***	420	514	470	-	-	-	473	526	488
1982												
January-March	***	***	***	410	514	458	-	-	-	451	514	483
Product 11												
1980												
January-March	-	-	-	390	437	409	-	-	-	389	473	408
April-June	-	-	-	408	498	421	-	-	-	419	470	428
July-September	-	-	-	342	449	403	-	-	-	425	488	435
October-December	-	-	-	349	493	404	-	-	-	436	488	442
1981												
January-March	-	-	-	398	488	426	-	-	-	424	530	450
April-June	-	-	-	412	493	433	-	-	-	420	505	472
July-September	-	-	-	383	482	427	-	-	-	427	528	477
October-December	-	-	-	381	504	430	-	-	-	436	530	488
1982												
January-March	-	-	-	385	551	423	-	-	-	438	522	477
Product 12												
1980												
January-March	-	-	-	17	482	435	-	-	-	409	482	454
April-June	-	-	-	425	478	458	-	-	-	426	502	465
July-September	-	-	-	423	496	457	-	-	-	429	496	466
October-December	-	-	-	449	528	470	-	-	-	426	528	452
1981												
January-March	-	-	-	453	515	476	***	***	***	443	515	493
April-June	-	-	-	449	563	499	-	-	-	479	563	528
July-September	***	***	***	425	569	479	-	-	-	476	569	536
October-December	***	***	***	470	565	498	***	***	***	441	565	543
1982												
January-March	-	-	-	450	514	472	-	-	-	466	551	514

1/ See product list for specifications

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Table 16: Ranges and weighted average net selling prices for sales of imports from Spain and for sales of domestic products, by types of customers, by types of products, and by quarters, January 1980-March 1982

Hot-rolled carbon steel sheet

Product and Period 1/	Prices to service centers/distributors						Prices to end users					
	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg
Product 1												
1980												
January-March	-	-	-	306	349	317	-	-	-	290	350	327
April-June	-	-	-	319	373	331	-	-	-	314	363	334
July-September	-	-	-	310	341	327	-	-	-	314	345	326
October-December	-	-	-	282	352	319	-	-	-	316	351	332
1981												
January-March	-	-	-	317	352	344	-	-	-	315	380	345
April-June	-	-	-	342	365	352	-	-	-	339	373	357
July-September	-	-	-	363	387	368	-	-	-	358	396	383
October-December	-	-	-	310	388	382	-	-	-	350	397	372
1982												
January-March	-	-	-	333	389	371	-	-	-	374	396	385
Product 2												
1980												
January-March	-	-	-	299	329	322	-	-	-	292	345	336
April-June	-	-	-	320	360	343	-	-	-	335	364	349
July-September	-	-	-	310	344	326	-	-	-	325	349	336
October-December	-	-	-	282	352	313	-	-	-	343	354	348
1981												
January-March	-	-	-	321	358	343	-	-	-	355	390	364
April-June	-	-	-	310	377	352	-	-	-	363	387	370
July-September	-	-	-	362	387	377	-	-	-	378	405	386
October-December	-	-	-	308	405	392	-	-	-	381	416	389
1982												
January-March	-	-	-	332	415	361	-	-	-	323	402	384
Product 3												
1980												
January-March	-	-	-	285	323	290	-	-	-	284	318	309
April-June	-	-	-	287	322	295	-	-	-	254	334	309
July-September	-	-	-	276	323	282	-	-	-	275	336	306
October-December	-	-	-	274	336	286	-	-	-	275	334	308
1981												
January-March	-	-	-	296	348	305	-	-	-	295	352	336
April-June	-	-	-	309	354	317	-	-	-	309	356	340
July-September	-	-	-	322	363	333	-	-	-	330	364	355
October-December	-	-	-	312	370	326	-	-	-	316	378	343
1982												
January-March	-	-	-	290	376	309	-	-	-	294	392	346

1/ See product list for specifications

Table 17: Ranges and weighted average net selling prices for sales of imports from Spain and for sales of domestic products, by types of customers, by types of products, and by quarters, January 1980-March 1982

Cold-rolled carbon steel sheet

Product and Period 1/	Prices to service centers/distributors						Prices to end users					
	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg
Product 4												
1980												
January-March	-	-	-	362	405	381	-	-	-	365	405	400
April-June	-	-	-	365	424	387	-	-	-	368	419	414
July-September	***	***	***	345	407	376	***	***	***	353	406	398
October-December	-	-	-	345	420	375	-	-	-	353	415	405
1981												
January-March	-	-	-	360	431	403	-	-	-	376	444	432
April-June	-	-	-	381	443	420	***	***	***	403	448	437
July-September	-	-	-	409	453	444	***	***	***	436	476	461
October-December	-	-	-	411	458	441	-	-	-	428	474	461
1982												
January-March	-	-	-	389	481	431	-	-	-	392	470	452
Product 5												
1980												
January-March	-	-	-	357	396	368	-	-	-	379	400	394
April-June	-	-	-	324	404	378	-	-	-	390	417	407
July-September	***	***	***	338	384	343	***	***	***	355	410	391
October-December	-	-	-	338	386	355	-	-	-	391	404	398
1981												
January-March	***	***	***	364	415	396	-	-	-	385	428	418
April-June	***	***	***	396	420	410	***	***	***	403	432	418
July-September	-	-	-	411	441	433	***	***	***	428	464	445
October-December	-	-	-	410	445	432	***	***	***	432	459	444
1982												
January-March	-	-	-	384	453	425	-	-	-	398	457	437

1/ See product list for specifications

on cold-rolled sheet product 4 since July-September 1981; the same prices to end users fell during January-March 1982 when compared with those in October-December 1981. Domestic producers' prices on cold-rolled sheet product 5 increased 16 percent on sales to service center/distributors and 11 percent on sales to end users from January-March 1980 through January-March 1982. Prices to both kinds of customers for cold-rolled sheet product 5 have not increased since July-September 1981 and dropped during January-March 1982 when compared with those in October-December 1981.

One importer reported prices on cold-rolled carbon steel sheet products imported from Spain. The data cover only one quarter in 1980, two or three quarters during 1981, depending on customer type, and do not include January-March 1982. No price trends are apparent from these limited observations, although comparison of 1981 prices with those in 1980 suggests that the price of cold-rolled sheet product 5 imported from Spain and sold to service center/distributors increased about 10 percent and the prices of cold-rolled sheet products 4 and 5 imported from Spain and sold to end users rose about 13 percent.

Galvanized carbon steel sheet.--Price data for galvanized carbon steel sheet sold to service center/distributors and end users were received from six domestic producers of galvanized sheet product 6, seven domestic producers of galvanized sheet product 7, and two domestic producers of galvanized sheet product 8, by quarters, for January-March 1980 through January-March 1982. 1/ As shown in table 18, domestic producers' prices to service center/distributors increased 28 percent on galvanized sheet product 6 and 6 percent on galvanized sheet product 7 from January-March 1980 through January-March 1982. Domestic producers' prices fell 23 percent on galvanized sheet product 8 from April-June 1980 through January-March 1982. Prices to service center/distributors on galvanized sheet products 6 and 7 have declined since July-September 1981, and although the downward trend in prices to service center/distributors for galvanized sheet product 8 was reversed during January-March 1981, prices for this product have declined since and have declined even more during the last two quarters, as indicated earlier in this section.

Domestic producers' prices to end users increased 10 percent for galvanized sheet products 6 and 7 and 19 percent for galvanized sheet product 8 from January-March 1980 through January-March 1982. However, domestic producers' prices on galvanized sheet product 6 sold to end users have declined since July-September 1981, reversing an upward trend begun in July-September 1980. Prices on galvanized sheet product 7 sold to end users have remained unchanged since July-September 1981, and have not declined since October-December 1980. Prices on galvanized sheet product 8 sold to end users have fluctuated throughout the past 2-1/4 years, with the most significant price increase occurring during January-March 1982 when compared with prices in October-December 1981.

1/ Price data furnished by domestic producers of galvanized carbon steel sheet product 8 do not include sales to service center/distributors during January-March 1980 and October-December 1981 or sales to end users during April-June 1980.

Table 18: Ranges and weighted average net selling prices for sales of imports from Spain and for sales of domestic products, by types of customers, by types of products, and by quarters, January 1980-March 1982

Galvanized carbon steel sheet

Product and Period 1/	Prices to service centers/distributors: Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg	Prices to end users: Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg
Product 6												
1980												
January-March	-	-	-	470	559	501	-	-	-	478	568	493
April-June	-	-	-	467	637	510	-	-	-	489	569	513
July-September	-	-	-	399	673	487	-	-	-	486	562	495
October-December	-	-	-	440	692	561	-	-	-	484	660	510
1981												
January-March	-	-	-	470	699	596	-	-	-	505	613	518
April-June	-	-	-	505	715	633	-	-	-	524	612	539
July-September	***	***	***	532	732	652	-	-	-	553	638	568
October-December	-	-	-	516	732	650	-	-	-	544	658	554
1982												
January-March	-	-	-	403	746	643	-	-	-	386	641	544
Product 7												
1980												
January-March	-	-	-	463	504	488	-	-	-	482	625	502
April-June	***	***	***	480	522	491	-	-	-	501	516	507
July-September	***	***	***	451	508	487	-	-	-	486	513	493
October-December	***	***	***	441	510	473	-	-	-	453	517	485
1981												
January-March	-	-	-	474	528	505	-	-	-	508	552	520
April-June	-	-	-	503	546	526	-	-	-	520	559	530
July-September	***	***	***	517	572	548	-	-	-	436	588	553
October-December	-	-	-	512	555	520	-	-	-	543	584	552
1982												
January-March	-	-	-	489	570	518	-	-	-	531	571	552
Product 8												
1980												
January-March	-	-	-	-	-	-	-	-	-	***	***	***
April-June	-	-	-	***	***	***	-	-	-	-	-	-
July-September	-	-	-	***	***	***	-	-	-	***	***	***
October-December	-	-	-	***	***	***	-	-	-	***	***	***
1981												
January-March	-	-	-	***	***	***	-	-	-	***	***	***
April-June	-	-	-	***	***	***	-	-	-	***	***	***
July-September	-	-	-	***	***	***	-	-	-	***	***	***
October-December	-	-	-	-	-	-	-	-	-	***	***	***
1982												
January-March	-	-	-	***	***	***	-	-	-	***	***	***

1/ See product list for specifications

One importer reported prices during July-September 1981 on galvanized sheet product 6 imported from Spain; one importer reported prices for April-December 1980 and July-September 1981 on galvanized sheet product 7 imported from Spain; and no importers reported prices on galvanized sheet product 8 imported from Spain. All prices reported were for galvanized sheet products sold to service center/distributors, but, because of the lack of data, no trends in prices of galvanized sheet products imported from Spain emerge. In the case of galvanized sheet product 7, the July-September 1981 price is 19 percent higher than the highest prices shown during 1980.

Carbon steel structural shapes.--Price data on the six selected carbon steel structural shapes sold to service center/distributors and end-users were received from five domestic producers for products 13 and 14, four producers for products 15 and 17, and three producers for products 16 and 18. The price data obtained were by quarters, for January-March 1980 through January-March 1982. As shown in table 19, domestic producers' prices to end users for the six structural shapes increased slightly more (19 to 23 percent) during this period than did domestic producer prices to service center/distributors (14 to 21 percent). Of the six selected carbon steel structural shapes sold to service center/distributors during January-March 1982, the prices for three types of structurals, when compared with those in October-December 1981, increased, while prices of three other types of structurals declined.

Two importers reported prices on carbon steel structural shapes imported from Spain. However, the data cover only products 13, 14, 16, and 17 sold to service center/distributors during July-September 1981 and January-March 1982. The limited number of observations indicate, however, that the prices for the four types of Spanish structural shapes declined during the subject period.

Hot-rolled carbon steel bar.--Price data on hot-rolled carbon steel bar were received from seven domestic producers (table 20). Domestic prices to end users showed little change in 1980, rose by 15 percent in the first three quarters of 1981, and then declined. Over the entire period, these prices increased 6 percent. During the same period, prices charged service center/distributor customers rose by 23 percent. Importers did not provide data on average prices of hot-rolled carbon steel bar from Spain.

Hot-rolled alloy steel bar.--Price data on hot-rolled alloy steel bar were received from six domestic producers (table 21). Domestic prices to end users rose 24 percent during 1980 and the first three quarters of 1981, and then declined by 7 percent during the next two quarters. Prices charged end users rose by 25 percent in 1980 and 1981 and then declined by 8 percent in the first quarter of 1982. From the first quarter of 1980 to the first quarter of 1982, prices charged both types of purchasers rose 15 percent. Importers did not provide data on average prices of hot-rolled alloy steel bar from Spain.

Cold-formed carbon steel bar.--Price data on cold-formed carbon steel bar were received from four domestic producers and one importer. In 1981 this importer accounted for almost all imports of this product from Spain, according to the Customs net import file.

Table 19:Ranges and weighted average net selling prices for sales of imports from Spain and for sales of domestic products, by types of customers, by types of products, and by quarters, January 1980-March 1982

Carbon steel structural shapes

Product and Period 1/	Prices to service centers/distributors						Prices to end users					
	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg
Product 13												
1980												
January-March	-	-	-	403	419	416	-	-	-	403	407	405
April-June	-	-	-	413	431	427	-	-	-	424	428	425
July-September	-	-	-	411	423	414	-	-	-	417	423	421
October-December	-	-	-	427	446	434	-	-	-	428	446	435
1981												
January-March	-	-	-	418	444	429	-	-	-	432	446	438
April-June	-	-	-	447	490	474	-	-	-	453	477	466
July-September	***	***	***	459	477	470	-	-	-	458	478	471
October-December	***	***	***	471	493	476	***	***	***	465	499	486
1982												
January-March	***	***	***	462	502	494	-	-	-	477	484	482
Product 14												
1980												
January-March	-	-	-	385	408	401	-	-	-	394	401	394
April-June	-	-	-	399	413	407	-	-	-	408	413	410
July-September	-	-	-	396	403	398	-	-	-	403	407	406
October-December	-	-	-	404	429	413	-	-	-	414	429	420
1981												
January-March	-	-	-	408	426	418	-	-	-	419	429	423
April-June	-	-	-	438	458	449	-	-	-	439	463	452
July-September	***	***	***	445	448	447	-	-	-	433	457	453
October-December	***	***	***	454	476	462	***	***	***	451	484	470
1982												
January-March	***	***	***	443	480	456	-	-	-	469	469	469
Product 15												
1980												
January-March	-	-	-	384	385	384	-	-	-	384	385	385
April-June	-	-	-	395	408	404	-	-	-	403	408	405
July-September	-	-	-	394	403	401	-	-	-	394	405	401
October-December	-	-	-	401	424	414	-	-	-	400	424	413
1981												
January-March	-	-	-	406	421	414	-	-	-	410	424	416
April-June	-	-	-	440	449	445	-	-	-	433	455	445
July-September	-	-	-	424	441	438	-	-	-	434	455	448
October-December	-	-	-	430	473	464	-	-	-	458	483	473
1982												
January-March	-	-	-	455	488	463	-	-	-	463	474	470

See footnote at end of table.

Table 19--Ranges and weighted average net selling prices for sales of imports from Spain and for sales of domestic products, by types of customers, by types of products, and by quarters, January 1980-March 1982

Carbon steel structural shapes--Continued

Product and Period 1/	Prices to service centers/distributors						Prices to end users					
	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg
Product 16												
1980												
January-March	-	-	-	383	388	386	-	-	-	383	400	390
April-June	-	-	-	407	408	408	-	-	-	404	412	407
July-September	-	-	-	403	408	405	-	-	-	402	405	403
October-December	-	-	-	417	425	420	-	-	-	414	425	417
1981												
January-March	-	-	-	422	423	423	-	-	-	418	429	422
April-June	-	-	-	453	459	456	-	-	-	448	458	452
July-September	***	***	***	448	455	451	-	-	-	451	457	453
October-December	***	***	***	469	477	472	-	-	-	468	488	472
1982												
January-March	***	***	***	461	461	461	-	-	-	464	467	465
Product 17												
1980												
January-March	-	-	-	403	427	412	-	-	-	405	424	420
April-June	-	-	-	404	433	427	-	-	-	416	439	436
July-September	-	-	-	412	430	423	-	-	-	399	437	431
October-December	-	-	-	421	436	432	-	-	-	431	449	445
1981												
January-March	-	-	-	428	442	439	-	-	-	433	453	449
April-June	-	-	-	461	478	473	-	-	-	467	483	480
July-September	***	***	***	465	469	468	-	-	-	455	487	482
October-December	***	***	***	474	486	484	-	-	-	475	503	500
1982												
January-March	***	***	***	466	501	496	-	-	-	478	499	495
Product 18												
1980												
January-March	-	-	-	396	430	411	-	-	-	393	445	443
April-June	-	-	-	407	436	427	-	-	-	436	459	458
July-September	-	-	-	410	448	428	-	-	-	425	457	456
October-December	-	-	-	429	443	437	-	-	-	422	469	468
1981												
January-March	-	-	-	427	440	435	-	-	-	441	473	472
April-June	-	-	-	455	474	469	-	-	-	452	503	501
July-September	-	-	-	465	468	467	-	-	-	448	507	506
October-December	-	-	-	481	496	494	-	-	-	481	523	521
1982												
January-March	-	-	-	462	506	499	-	-	-	499	519	518

1/ See product list for specifications

Table 20: Ranges and weighted average net selling prices for sales of imports from Spain and for sales of domestic products, by types of customers, by types of products, and by quarters, January 1980-March 1982

Hot-rolled carbon steel bars

Product and Period 1/	Prices to service centers/distributors						Prices to end users					
	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg
Product 19												
1980												
January-March	-	-	-	353	426	365	-	-	-	348	478	427
April-June	-	-	-	340	434	387	-	-	-	328	487	427
July-September	-	-	-	330	420	371	-	-	-	319	468	420
October-December	-	-	-	345	415	393	-	-	-	322	495	433
1981												
January-March	-	-	-	396	428	417	-	-	-	326	534	462
April-June	-	-	-	408	446	428	-	-	-	334	533	482
July-September	-	-	-	328	503	417	-	-	-	330	564	497
October-December	-	-	-	361	504	437	-	-	-	315	575	466
1982												
January-March	-	-	-	362	517	451	-	-	-	302	536	455

1/ See product list for specifications

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Table 21:Ranges and weighted average net selling prices for sales of imports from Spain and for sales of domestic products, by types of customers, by types of products, and by quarters, January 1980-March 1982

Hot-rolled alloy steel bars

Product and Period 1/	Prices to service centers/distributors						Prices to end users					
	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg
Product 20												
1980												
January-March	-	-	-	312	736	347	-	-	-	405	623	449
April-June	-	-	-	299	745	367	-	-	-	398	643	459
July-September	-	-	-	282	719	441	-	-	-	370	658	441
October-December	-	-	-	288	682	334	-	-	-	387	635	448
1981												
January-March	-	-	-	296	705	374	-	-	-	431	705	534
April-June	-	-	-	294	713	364	-	-	-	429	696	526
July-September	-	-	-	291	752	412	-	-	-	453	724	558
October-December	-	-	-	298	751	435	-	-	-	438	721	540
1932												
January-March	-	-	-	290	729	399	-	-	-	430	733	515

1/ See product list for specifications

From the first quarter of 1980 to the first quarter of 1982, domestic prices to service center/distributor customers rose 18 percent, while the price of imports from Spain rose 10 percent. During that period, domestic prices to end users rose 16 percent, while the prices of imports from Spain rose 11 percent (table 22).

Cold-formed alloy steel bar.--Price data on cold-formed alloy steel bar were received from three domestic producers (table 23). From the first quarter of 1980 to the first quarter of 1982, domestic prices to service center/distributor purchasers rose by 30 percent. During that same period, domestic prices to end users rose by 23 percent. Importers did not provide data on average prices of cold-formed alloy steel bar from Spain.

Purchase prices.--The Commission also asked purchasers to furnish the delivered prices they paid for the 22 imported and domestically produced steel mill products detailed in the preceding section. Purchasers were asked for prices, including delivery charges, paid in specific transactions. For comparability, the purchasers were identified by their location, and questionnaires were sent to firms located in six metropolitan areas: Atlanta, Chicago, Detroit, Houston, Los Angeles, and Philadelphia.

Of the 38 purchasers responding to this questionnaire, no more than 3 gave price information on any of the 4 domestically produced hot-rolled carbon steel plate products, and, similarly, no more than 3 gave price information on plate products imported from Spain. In no instance did the reported purchase prices on plate products produced domestically and imported from Spain correspond by quarters or metropolitan areas. With respect to all other steel mill products for which purchase prices were requested, no domestic purchaser furnished prices on products imported from Spain, and prices furnished on domestically produced steel products were extremely limited. It is therefore not possible to compare the levels of importers' and domestic producers' prices based on these market transactions or purchase prices.

Lost sales

Hot-rolled carbon steel plate.--Three domestic producers cited 17 specific instances involving 12 firms to which they alleged losing sales of 82,791 tons of hot-rolled carbon steel plate during 1980 and 1981 because of plate products imported from Spain. Ten firms were contacted regarding 14 of the allegations. Two firms could not be reached.

Six instances involving a total of 3,467 tons of lost plate sales to five firms were confirmed. 1/ One firm alleged to have purchased * * * tons of plate imported from Spain in each of the years 1980 and 1981 indicated that while this was possible, the country of origin could not be verified with

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1/ Another firm indicated that part of the * * * tons alleged to have been lost could have resulted from its purchase of steel plate from Spain. This firm suggested that it was equally likely that the alleged lost sales could have been placed with other domestic producers although it also bought imported steel plate from several different countries.

Table 22: Ranges and weighted average net selling prices for sales of imports from Spain and for sales of domestic products, by types of customers, by types of products, and by quarters, January 1980-March 1982

Cold-formed carbon steel bars

Product and Period 1/	Prices to service centers/distributors						Prices to end users					
	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg
Product 21												
1980												
January-March	***	***	***	588	661	656	***	***	***	608	663	657
April-June	***	***	***	610	692	683	***	***	***	627	673	671
July-September	***	***	***	602	693	683	***	***	***	603	682	676
October-December	***	***	***	620	704	694	***	***	***	628	697	689
1981												
January-March	***	***	***	645	737	731	***	***	***	646	734	723
April-June	***	***	***	655	737	732	***	***	***	649	733	726
July-September	***	***	***	662	792	777	***	***	***	684	780	766
October-December	***	***	***	657	801	784	***	***	***	685	790	780
1982												
January-March	***	***	***	675	798	777	***	***	***	671	768	759

1/ See product list for specifications

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Table 23:Ranges and weighted average net selling prices for sales of imports from Spain and for sales of domestic products, by types of customers, by types of products, and by quarters, January 1980-March 1982

Cold-formed alloy steel bars

Product and Period 1/	Prices to service centers/distributors						Prices to end users					
	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg	Spain low	Spain hi	Spain avg	Domestic low	Domestic hi	Domestic avg
Product 22												
1980												
January-March	-	-	-	850	860	850	-	-	-	835	849	839
April-June	-	-	-	885	905	886	-	-	-	864	884	870
July-September	-	-	-	877	1,018	883	-	-	-	862	910	880
October-December	-	-	-	881	923	882	-	-	-	860	887	868
1981												
January-March	-	-	-	890	1,022	959	-	-	-	935	966	963
April-June	-	-	-	926	1,066	1,008	-	-	-	942	971	967
July-September	-	-	-	945	1,044	1,002	-	-	-	950	1,038	1,030
October-December	-	-	-	934	1,197	1,180	-	-	-	1,045	1,045	1,045
1982												
January-March	-	-	-	975	1,152	1,108	-	-	-	873	1,031	1,030

1/ See product list for specifications

certainty because it purchased steel products from many different brokers. In all cases price was cited as the single most important consideration for purchasing imported steel in general, and steel plate imported from Spain in particular. 1/ Often, the contacted parties confirming lost sales qualified their remarks by indicating that purchasing imported steel was the only way they could remain competitive, or stay in business. Steel plate products imported from Spain and other EC countries were priced from $40 per ton to as much as $140 per ton below comparable domestic steel plate products, the latter figure representing a 27-percent margin of underselling.

Of the four firms denying domestic steel producers' allegations, two indicated no purchases of steel plate products imported from Spain, and two could not confirm the country of origin of their purchases of imported plate but felt it was not likely to have been Spain. One firm which confirmed one of two alleged lost sales indicated that the other allegation pertained to purchases of alloy plate imported from Italy.

Hot-rolled carbon steel sheet.--Three domestic producers submitted seven specific instances involving five firms to which alleged sales of 20,628 tons of hot-rolled carbon steel sheet were lost during 1980 and 1981 as a result of hot-rolled carbon steel sheet imports from Spain. One firm denied purchasing any foreign hot-rolled sheet, including the alleged * * * tons imported from Spain in each of the years 1980 and 1981. Two purchasers could not verify the specific allegations, which involved a total of * * * tons of hot-rolled sheet, but each indicated that his firm did purchase such products from Spain. One firm alleged to have purchased * * * tons of hot-rolled sheet imported from Spain in each of the years 1980 and 1981 was nearly certain that none of its purchases of hot-rolled sheet came from Spain. One firm could not be reached for comment.

Cold-rolled carbon steel sheet.--Two domestic producers submitted three specific instances involving three firms to which alleged sales of 37,263 tons of cold-rolled carbon steel sheet were lost during 1980 and 1981 as a result of cold-rolled carbon steel sheet imports from Spain. One purchaser indicated never having purchased such products imported from Spain, one purchaser indicated not having purchased such products from Spain since 1979, and the third purchaser could not be reached for comment.

Galvanized carbon steel sheet.--One domestic producer submitted four specific instances involving three firms to which alleged sales of 9,300 tons of galvanized carbon steel sheet had been lost during 1980 and 1981 as a result of galvanized carbon steel sheet imports from Spain. All firms were contacted, one of which confirmed the domestic producer's alleged lost sales of * * * tons in 1980 and * * * tons in 1981. The purchaser did not indicate the reason for buying imports from Spain, but suggested that everyone else was buying imported steel products from Spain as well. One firm indicated that although it did purchase some steel products from Spain, it could not verify the domestic producer's allegation, and the other purchaser was unaware that Spain produced galvanized carbon steel sheet.

1/ Quality was generally perceived to be uniform regardless of origin of imported or domestically produced steel plate products.

Carbon steel structural shapes.--Three domestic producers submitted 49 specific instances of sales of 34,166 tons of carbon steel structural shapes allegedly lost due to imports from Spain in 1980, 1981, and the first quarter of 1982. Twenty-one purchasers involved in allegations were contacted by the staff. Six reported no purchases of Spanish steel, four could not be reached, and one stated that it would reply by letter.

Most of the purchasers contacted stated that they purchased structurals imported from Spain mainly because of its lower price, and on occasions when the domestic product was not readily available. Of all purchasers contacted, only one company stated that it would keep on buying Spanish steel even if the prices for domestic products were competitive. One of the purchasers claimed that the volume of its imports has increased since the removal of the trigger price in 1981. Several purchasers stated that they had to purchase lower priced foreign steel in order to remain competitive.

Some sales reported lost to Spanish imports were in fact lost to domestic minimills. The staff has learned that some domestic minimills were manufacturing and selling structural shapes at prices lower than those of imported products; however, such minimills did not have the capacity to provide a full range of products. A number of purchasers stated that they could not distinguish Spanish steel from other imports, and in many cases did not know the origin of the imported products. Some purchasers were not interested in the origin, only in a good price and an acceptable quality. Most purchasers stated that the quality of Spanish structurals equaled that of the domestic product. Three firms advised that they did not purchase structurals from Spain because of specification problems.

One purchaser, located in * * *, indicated that it purchased structurals from South Africa, rather than from Spain, because of prices which were as much as $160 per ton lower than domestic prices. Being located near the seaport, this company pays inland freight of * * * cents per hundredweight for delivery of imported steel, whereas the inland freight for delivery from the nearest domestic mill (* * *) is * * * per hundredweight. The freight alone makes the imported structurals $40 cheaper per ton than the domestic product. Three purchasers reported that domestic structurals sold at 25 to 26 cents per pound, while the imports were offered at 20 to 22 cents per pound, or 15 to 20 percent below the domestic price. Other purchasers quoted price differentials of between 15 percent and 25 percent in favor of imports.

Hot-rolled carbon steel bar.--One domestic producer submitted six specific instances of sales of hot-rolled carbon steel bar allegedly lost due to imports from Spain in 1980 and 1981. Each of the four purchasers involved was contacted. Only one instance was confirmed. It involved * * * tons of steel, valued by the domestic producer at * * *. The purchaser involved bought approximately 5 percent of its total requirements of hot-rolled carbon steel bar from foreign sources because the imports were substantially cheaper. The firm stated that the quality of imports and the domestic product are comparable. However, it primarily bought from domestic sources because imports had to be ordered too far in advance and because it wanted to support the U.S. industry. The other three purchasers did not buy hot-rolled carbon steel bar from Spain. They primarily bought domestically produced bar; the imports they had bought were from Italy, Japan, and the United Kingdom.

Hot-rolled alloy steel bar.--One domestic producer submitted three instances of sales of hot-rolled alloy steel bar allegedly lost due to imports from Spain from 1980 to early 1982. The two purchasers involved in the allegations denied ever buying imports of this product from Spain. They said that most of their purchases are from domestic producers, although they buy some imports from Japan, Italy, and the United Kingdom.

Cold-formed carbon steel bar.--Three domestic producers submitted 10 specific instances of sales of cold-formed carbon steel bar allegedly lost to imports from Spain in 1980 and 1981. Two of the nine purchasers involved could not be contacted. Two purchasers confirmed two instances of lost sales involving approximately 4,000 tons, for which the total value of the domestic producers' rejected quotations was about $2.8 million. One of these purchasers, accounting for * * * tons of lost sales, is * * *. This importer was unwilling to discuss the reasons for this policy over the phone, but was willing to discuss its experience in competing with domestic firms. The importer stated that * * *, a domestic minimill, regularly undersold them. This importing firm reported that it can compete, however, because it has better quality merchandise, because it will sell in smaller quantities than will * * *, and because freight charges allowed it to undersell * * *'s delivered prices in some areas.

The second purchaser, accounting for * * * tons of lost sales, regularly asks both importers and domestic producers for price quotes on orders, and accepts the lowest bid. Sometimes the lowest bid is from a domestic producer and sometimes it is from an importer. Importers handling Spanish cold-formed carbon steel bar supply approximately 20 percent of this purchaser's needs; most of the remainder comes from domestic sources. The quality of the domestic and imported bar purchased by the firm is comparable.

Of the other five purchasers, one bought about 60 percent of its cold-formed bar from foreign sources, but most of those imports were from Japan. Because the firm buys some steel from brokers, the purchaser did not know the origin of all its steel. Therefore, while the firm had not knowingly bought cold-formed carbon steel bar from Spain, it could not rule out the possibility of such purchases. That purchaser noted that all imports were priced the same, and that that price was approximately the same as the domestic product. It believed imports were generally of superior quality.

The other four purchasers bought no cold-formed carbon steel bar from Spain. Three of these purchasers bought almost entirely from domestic sources. The fourth bought entirely from Japan until the middle of 1981, when it shifted to * * * because of the latter's lower pricing.

Cold-formed alloy steel bar.--One domestic producer submitted one instance of sales of cold-formed alloy steel bar allegedly lost due to imports from Spain in 1981. The purchaser involved denied ever buying imports of this product.

Price suppression and/or price depression

Hot-rolled carbon steel plate.--Two domestic producers each submitted one instance in which prices on hot-rolled carbon steel plate were reduced or otherwise adjusted in order to meet competition during 1981 from hot-rolled carbon steel plate products imported from Spain. Both allegations were confirmed in telephone inquiries to purchasers. The discounts involved alleged potential sales of * * * which were ultimately secured at * * *, representing a loss of * * * in revenue, or average discounts amounting to nearly 14 percent. One of the purchasers contacted indicated that by necessity it had to buy steel at the lowest price regardless of source, and that on numerous occasions domestic mills have had to lower prices to meet import competition.

Hot-rolled carbon steel sheet.--Two domestic producers each submitted one instance in which prices on hot-rolled carbon steel sheet were reduced in order to meet competition during 1980 and 1981 from hot-rolled carbon steel sheet products imported from Spain. One firm confirmed actual purchases of hot-rolled sheet for approximately * * * versus the domestic producer's original quotations of * * *, resulting in a revenue loss of * * *. The second purchaser did not respond to the staff's inquiry regarding alleged price reductions totaling * * * on actual sales totaling * * *.

Cold-rolled carbon steel sheet.--The one firm alleged to have benefited from an * * * total price reduction on sales of * * * of cold-rolled carbon steel sheet during 1981 did not respond to Commission staff's telephone inquiries.

Galvanized carbon steel sheet.--On five transactions with two firms buying galvanized carbon steel sheet, one domestic producer indicated loss of revenues from lowered prices required to meet import competition on such products from Spain. The five instances were confirmed and the total revenue loss amounted to * * * on actual sales of * * * during 1980; * * * on actual sales of * * * in 1981; and * * * on actual sales of * * * during the first quarter of 1982. Both firms indicated price to be the determining factor in their purchases of galvanized sheet products imported from Spain. One firm indicated that the amount of discount offered by the domestic producer reflected "normal" business in today's steel market and that all domestic producers are required to discount.

Carbon steel structural shapes.--Three domestic producers submitted several allegations of instances in which prices on carbon steel structural shapes were reduced or otherwise adjusted in sales to meet competition from structurals imported from Spain. Six allegations were confirmed in telephone inquiries to purchasers. The discounts involved potential sales of * * * secured at * * *, repesenting a loss of * * * in revenue, or an average discount amounting to nearly 11 percent.

According to a large distributor, * * *, two * * * firms, * * * and * * *, both importers of Spanish structurals, are in a position to undercut any offers made by * * * by $10 to $40 per ton when purchases are made in truck loads. Several other purchasers of structurals also identified * * * as being an importer (and source) of Spanish structurals in the past, but now viewed that company as a direct-sale competitor that offered lower prices.

Hot-rolled carbon steel bar.--Domestic producers were asked to provide information on price reductions (discounts) and/or rollbacks of announced price increases to avoid losing sales to competitors selling hot-rolled carbon steel bar from Spain. They provided only one example of a purchaser that allegedly got such a discount in both 1980 and 1981. In each year, the discount involved * * * tons and the accepted quotation was * * *. The purchaser denied the allegation, and stated that it had never bought that much bar but that it had * * *.

Cold-formed carbon steel bar.--Domestic producers were asked to provide information on price reductions (discounts) and/or rollbacks of announced price increases to avoid losing sales to competitors selling cold-formed carbon steel bar from Spain. One domestic producer gave five examples of such discounts. The five purchasers involved were all contacted by the staff. One purchaser refused to comment, and the other four all denied ever receiving a discount due to the possibility that they might buy imports.

APPENDIX A

U.S. DEPARTMENT OF COMMERCE'S LETTER TO THE COMMISSION AND *FEDERAL REGISTER* NOTICES OF INVESTIGATIONS

Initiation of Countervailing Duty Investigations Certain Steel Products From Spain

AGENCY: International Trade Administration, Commerce.

ACTION: Initiation of Countervailing Duty Investigations.

SUMMARY: On the basis of petitions filed in proper form with the U.S. Department of Commerce, we are initiating countervailing duty investigations to determine whether producers, manufacturers, or exporters in Spain of certain steel products receive benefits which constitute bounties or grants within the meaning of the countervailing duty law. If our investigations proceed normally, we will make our preliminary determinations on or before April 6, 1982.

EFFECTIVE DATE: February 8, 1982.

FOR FURTHER INFORMATION CONTACT: John J. Kenkel, Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, D.C. 20230 (202)/377-1273.

SUPPLEMENTARY INFORMATION:

Petitions

On January 11, 1982, we received petitions from United States Steel Corporation and from counsel for Republic Steel Corporation, Inland Steel Company, Jones & Laughlin Steel Incorporated, National Steel Corporation and Cyclops Corporation (the "Five"), on behalf of the U.S. industry producing certain steel products. In compliance with the filing requirements of 355.26 of the Commerce Regulations (19 CFR 355.26) the petitions allege that producers, manufacturers, or exporters in Spain of certain steel products receive, directly or indirectly, bounties or grants within the meaning of section 303 of the Tariff Act of 1930, as amended (the "Act"). Critical circumstances also have been alleged.

Since Spain is not a "country under the Agreement," section 303 of the Act applies to these investigations. In addition, the merchandise is dutiable; therefore, no injury determination is required.

Initiation of Investigations

Under section 702(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 a countervailing duty investigation and whether it contains information reasonably available to the petitioner supporting the allegations. We have examined the petitions on certain steel products, and we have found that petitions on products listed in the "Scope of the Investigations" section of this notice meet these requirements.

Therefore, we are initiating countervailing duty investigations to determine whether manufacturers, producers, or exporters in Spain of certain steel products, as listed in the "Scope of the Investigations" section of this notice, receive bounties or grants. If our investigations proceed normally, we will make our preliminary determinations by April 6, 1982.

Since Spain is not a "country under the Agreement," and this investigation is under section 303 of the Act, the critical circumstances provision is not applicable (see section 303(b)(3)). Accordingly, we will take no further action on the critical circumstances allegation.

Scope of the Investigation

The products covered by these investigations are: Carbon steel structural shapes, hot-rolled carbon steel plate, hot-rolled carbon steel sheet, cold-rolled carbon steel sheet, galvanized carbon steel sheet, hot-rolled carbon steel bars, hot-rolled alloy steel bars, cold-formed carbon steel bars and cold-formed alloy steel bars. For a further description of these products see the appendix appearing with the notice of "Initiation of Countervailing Duty Investigations, Certain Steel Products from France", in this issue of the **Federal Register**.

Allegations of Bounties or Grants

The petitions allege that producers, manufacturers, or exporters of certain steel products in Spain receive the following benefits that constitute bounties or grants: Excessive remission of indirect taxes; export credit insurance at premium rates; preferential loans and loan guarantees; preferential export financing programs; capital grants; refinancing of existing debt; amendment of annual financial investment plans; exceptional credit for new investments; deferral of tax and social security benefits; research and development funding; and other general and regional incentives.

Gary N. Horlick,

Deputy Assistant Secretary for Import Administration.

February 1, 1982.

[FR Doc. 82-3208 Filed 2-3-82; 11:56 am]

BILLING CODE 3510-25-M

Termination of Countervailing Duty and Antidumping Investigations; Certain Steel Products from Belgium, Brazil, France, Romania, South Africa, and Spain

AGENCY: International Trade Administration, Commerce.

ACTION: Termination of countervailing duty and antidumping investigations.

SUMMARY: We are terminating the countervailing duty and antidumping investigations on certain steel products from Belgium, Brazil, France, Romania, South Africa, and Spain that the Department of Commerce initiated in November 1981 under the steel Trigger Price Mechanism. The terminations are based on our initiation of investigations encompassing all the products and allegations covered by the November 1981 cases. These initiations are the result of countervailing duty and antidumping petitions filed by several U.S. steel manufacturers on behalf of the domestic steel industry.

EFFECTIVE DATE: February 8, 1982.

FOR FURTHER INFORMATION CONTACT: F. Lynn Holec, Import Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, D.C. 20230 (202) 377-3793.

SUPPLEMENTARY INFORMATION: On November 18, 1981, the Department of Commerce self-initiated three countervailing duty investigations regarding carbon steel plate from Belgium, Brazil, and South Africa; one countervailing duty investigation regarding hot-rolled steel sheet from France; and one antidumping investigation regarding carbon steel plate from Romania. On November 24, 1981, we self-initiated one countervailing duty investigation on structural steel from Spain. These investigations were self-initiated based upon information, developed under the steel Trigger Price Mechanism, which indicated that imports of these products might be benefitting from subsidies or were being, or were likely to be, sold in the United States at less than fair value.

On January 11, 1982, several U.S. steel manufacturers, on behalf of the domestic steel industry, filed petitions, alleging that steel products imported from eleven countries were receiving subsidies upon their manufacture, production or exportation and/or were being, or were likely to be, sold in the United States at less than fair value. These petitions covered a greater number of products, programs and countries than the self-initiated cases discussed above. However, included within the petitions were allegations sufficient to cover the entire scope of investigation of our self-initiated cases. On February 1, 1982, we initiated countervailing duty and antidumping investigations based on the petitions filed on behalf of the domestic steel industry.

Sections 704(a) and 734(a) of the Tariff Act of 1930, as amended (the "Act") (19 U.S.C. (1671c(a), 1673c(a)), provide that "An investigation under this subtitle may be terminated by either the administering authority or the Commission after notice to all parties to the investigation, upon the withdrawal of the petition by the petitioner." Under section 103(b) of the Trade Agreements Act of 1979 (19 U.S.C. 1303) and 19 CFR 355.30 investigations under section 303 of the Act also may be terminated on this basis.

We have determined that in self-initiated investigations the administering authority is the petitioner for purposes of these provisions and may, in appropriate circumstances, withdraw its petitions and terminate the investigations.

Termination of the self-initiated cases will consolidate, on a single timetable, both the Department of Commerce and the International Trade Commission ("ITC") investigations. Consolidation of all the cases will ease the administrative burden and allow simultaneous consideration of issues common to all investigations. Thus, the Department has concluded that the termination of these investigations is in the public interest.

The Department of Commerce has notified all parties to the investigations that it is terminating the self-initiated investigations and has consulted with the ITC regarding this action.

Accordingly, I hereby terminate these investigations.

Gary N. Horlick,

Deputy Assistant Secretary for Import Administration.

February 1, 1982.

[FR Doc. 82-3209 Filed 2-3-82; 11:56 am]

BILLING CODE 3510-25-M

Appendix—Description of Products

For purposes of these investigations:

1. The term *carbon steel structural shapes"* covers hot-rolled, forged, extruded, or drawn, or cold-formed or cold-finished carbon steel angles, shapes, or sections, not drilled, not punched, and not otherwise advanced, and not conforming completely to the specifications given in the headnotes to Schedule 6, Part 2 of the *Tariff Schedules of the United States Annotated ("TSUSA")*, for blooms, billets, slabs, sheet bars, bars, wire rods, plates, sheets, strip, wire, rails, joint bars, tie plates, or any tubular products set forth in the *TSUSA*, having a maximum cross-sectional dimension of 3 inches or more, as currently provided for in items 609.8005, 609.8015, 609.8035, 609.8041, or 609.8045 of the *TSUSA*. Such products are generally referred to as structural shapes.

2. The term *"hot-rolled carbon steel plate"* covers hot-rolled carbon steel products, whether or not corrugated or crimped; not pickled; not cold-rolled; not in coils; not cut, not pressed, and not stamped to non-rectangular shape; 0.1875 inch or more in thickness and over 8 inches in width; as currently provided for in items 607.6615, or 607.94, of the *Tariff Schedules of the United States Annotated ("TSUSA")*; and hot- or cold-rolled carbon steel plate which has been coated or plated with zinc including any material which has been painted or otherwise covered after having been coated or plated with zinc, as currently provided for in items 608.0710 or 608.11 of the *TSUSA*. Semifinished products of solid rectangular cross section with a width at least four times the thickness in the as cast condition or processed only through primary mill hot rolling are not included.

3. The term *"hot-rolled carbon steel sheet and strip"* covers the following hot-rolled carbon steel products. Hot-rolled carbon steel sheet is a hot-rolled carbon steel product, whether or not corrugated or crimped and whether or not pickled; not cold-rolled; not cut, not pressed, and not stamped to non-rectangular shape; not coated or plated with metal; over 12 inches in width and in coils or if not in coils under 0.1875 inch in thickness; as currently provided for in items 607.6610, 607.6700, 607.8320, 607.8342, or 607.9400 of the *Tariff Schedules of the United States Annotated ("TSUSA"). PLEASE NOTE THAT THE DEFINITION OF HOT-ROLLED CARBON STEEL SHEET INCLUDES SOME PRODUCTS CLASSIFIED AS "PLATE" IN THE TSUSA (ITEMS 607.6610 AND 607.8320).* Hot-rolled carbon steel strip is a flat-rolled steel product, whether or not corrugated or crimped and whether or not pickled; not cold-rolled, not cut, not pressed, and not stamped to non-rectangular shape; under 0.1875 inch in thickness and not over 12 inches in width; as currently provided for in items 608.1920, 608.2120, or 608.2320 of the *TSUSA*. Hot-rolled carbon steel strip originally rolled less than 12 inches in width and containing over 0.25 percent carbon is not included.

4. The term *"cold-rolled carbon steel sheet and strip"* covers the following cold-rolled carbon steel products. Cold-rolled carbon steel sheet is a cold-rolled carbon steel product, whether or not corrugated or crimped and whether or not pickled; not cut, not pressed, and not stamped to non-rectangular shape; not coated or plated with metal; over 12 inches in width and in coils or if not in coils under 0.1875 inch in thickness; as currently provided for in items 607.8320 or 607.8344 of the *Tariff Schedules of the United States Annotated ("TSUSA"). PLEASE NOTE THAT THE DEFINITION OF COLD-ROLLED CARBON STEEL SHEET INCLUDES SOME PRODUCTS CLASSIFIED AS "PLATE" IN THE TSUSA (ITEM 607.8320).* Cold-rolled carbon steel strip is a flat-rolled carbon steel product; cold-rolled, whether or not corrugated or crimped and whether or not pickled; not cut, not pressed, and not stamped to non-rectangular shape; under 0.1875 inch in thickness and over 0.50 inch in width but not over 12 inches in width; as currently provided for in items 608.1940, 608.2140, or 608.2340 of the *TSUSA*. Cold-rolled carbon steel strip originally rolled less than 12 inches in width and containing over 0.25 percent carbon is not included.

5. The term *"galvanized carbon steel sheet"* covers hot- or cold-rolled carbon steel sheet which has been coated or plated with zinc including any material which has been painted or otherwise covered after having been coated or plated with zinc, as currently provided for in items 608.0710, 608.0730, 608.11 or 608.13 of the *Tariff Schedules of the United States Annotated ("TSUSA"). NOTE THAT THE DEFINITION OF GALVANIZED CARBON STEEL SHEET INCLUDES SOME PRODUCTS CLASSIFIED AS "PLATE" IN THE TSUSA (ITEMS 608.0710 AND 608.11).* Hot- or cold-rolled carbon steel sheet which has been coated or plated with metal other than zinc is not included.

6. The term *"hot-rolled carbon steel bars"* covers hot-rolled carbon steel products of solid section which have cross sections in the shape of circles, segments of circles, ovals, triangles, rectangles, hexagons, or octagons, not cold-formed, and not coated or plates with metal, as currently provided for in items 606.8310, 606.8330, or 606.8350 of the *Tariff Schedules of the United States Annotated.*

7. The term *"hot-rolled alloy steel bars"* covers hot-rolled alloy steel products, other than those of stainless or tool steel, of solid section which have cross sections in the shape of circles, segments of circles, ovals, triangles, rectangles, hexagons, or octagons, not cold-formed, and not coated or plated with metal, as currently provided for in item 606.97 of the *Tariff Schedules of the United States.*

8. The term *"cold-formed carbon steel bars"* covers cold-formed carbon steel products of solid section which have cross sections in the shape of circles, segments of circles, ovals, triangles, rectangles, hexagons, or octagons, and not coated or plated with metal, currently provided for in items 606.8805 or 606.8815 of the *Tariff Schedules of the United States Annotated.*

9. The term *"cold-formed alloy steel bars"* covers cold-formed alloy steel products, other than those of stainless or tool steel, of solid section which have cross sections in the shape of circles, segments of circles, ovals, triangles, rectangles, hexagons, or octagons, and not coated or plated with metal, as currently provided for in item 606.99 of the *Tariff Schedules of the United States.*

[FR Doc. 82-3191 Filed 2-3-82; 11:56 am]

BILLING CODE 2510-25-M

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

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OFFICE OF
COMMISSION

APR 23 1982

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

Dear Chairman Alberger:

In accordance with section 303 of the Tariff Act of 1930, as amended ("the Act"), the Department of Commerce initiated an investigation on February 1, 1982, to determine whether the government of Spain bestows upon its manufacturers, producers, or exporters of certain steel products benefits that constitute bounties or grants. The Department also initiated an investigation on March 3, 1982, to determine whether the government of Spain bestows upon its manufacturers, producers, or exporters of certain stainless ~~steel~~ products benefits that constitute bounties or grants.

On April 14, 1982, USTR announced that Spain was a "country under the Agreement". Section 102(a)(1) of the Act governs the treatment of cases in which a country currently the subject of an investigation becomes a "country under the Agreement" before a preliminary determination. It states that where an initiation has been made under section 303, the case is to be treated as if it were initiated under section 702 of the Act as of the date Title VII first applied to the country. Therefore, we are terminating the investigations initiated on February 1, 1982, and on March 3, 1982, and are commencing countervailing duty investigations on these products as of April 14, 1982.

As required by section 702 of the Act, I am formally notifying you of the initiations of these investigations. I have enclosed copies of the Federal Register notices that we intend to publish to advise the public of the status of these cases.

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

Enclosure

Certain Steel Products From Spain; Initiation of Countervailing Duty Investigations

AGENCY: International Trade Administration, Commerce.

ACTION: Initiation of Countervailing duty investigations.

SUMMARY: We are terminating the countervailing duty investigations initiated under section 303 of the Tariff Act of 1930, as amended concerning certain steel products from Spain. These cases will be initiated under Title VII of the Act.

EFFECTIVE DATE: April 29, 1982.

FOR FURTHER INFORMATION CONTACT: Holly Kuga, Import Administration, International Trade Administration, Department of Commerce, Washington, D.C. 20230, (202) 377-0171.

SUPPLEMENTARY INFORMATION: On January 11, 1982, we received a petition in proper form from United States Steel Corporation filed on behalf of the U.S. Steel industry. U.S. Steel Corporation was joined in this petition by Republic Steel Corporation, Inland Steel Company, Jones and Laughlin Steel Incorporated, National Steel Corporation and Cyclops Corporation. The petitions allege that the government of Spain pays or bestows bounties or grants upon the manufacture, production, and exportation of certain steel products.

After reviewing the petition and finding that it was in proper form, we published a notice of initiation of countervailing duty investigations under section 303 of the Tariff Act of 1930, as amended, (the "Act") in the Federal Register of February 1, 1982 (47 FR 5753). We presented a questionnaire concerning the allegations to the government of Spain at its embassy in Washington, D.C. On March 18, 1982, we published in the Federal Register a notice postponing our preliminary determination from April 6, 1982 to June 10, 1982 because the cases were found to be "extraordinarily complicated" (47 FR 11738).

On April 14, 1982, the U.S. Trade Representative's office announced that Spain was a "country under the Agreement" as set out in Section 701(b) of the Act. As a result of this announcement, Title VII of the Act applies to all countervailing duty investigations concerning merchandise from Spain. According to section 102 of the Act, once Title VII becomes applicable, any pending investigation under section 303 must terminate. Where an initiation but not a preliminary determination has been made under section 303, the case is to be treated as if it were initiated under section 702 of the Act as of the date Title VII first applied to that country. Therefore, we are terminating the investigations initiated on February 1, 1982 and are initiating countervailing duty investigations as of April 14, 1982.

Scope of the Investigation

The products covered by these investigations are: Carbon steel structural shapes, hot-rolled carbon steel plate, hot-rolled carbon steel sheet, cold-rolled carbon steel sheet, galvanized carbon steel sheet, hot-rolled carbon steel bars, hot-rolled alloy steel bars, cold-formed carbon steel bars and cold-formed alloy steel bars. For a further description of these products, see the appendix to the original initiation notice (47 FR 5753).

In our present investigations we expect to cover the same programs as those cited in the original initiation notice.

Notification to ITC

Pursuant to section 702(d) of the Tariff Act, we are notifying the U.S. International Trade Commission (ITC) and making available to it information relating to the matter under investigation. We will make available to the ITC 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 the written consent of the Deputy Assistant Secretary for Import Administration.

The ITC has 45 days after it receives notice from us to determine whether or not there is a reasonable indication that imports of certain steel products from Spain materially injure or are likely to materially injure a U.S. industry. If the ITC's determination is negative, we will consider these investigations terminated upon publication of ITC's notice.

These investigations will proceed according to the statutory provisions of the Title VII of the Act.

Gary N. Horlick,

Deputy Assistant Secretary for Import Administration.

April 23, 1982.

[FR Doc. 82-11700 Filed 4-28-82; 8:45 am]

BILLING CODE 3510-25-M

APPENDIX B

U.S. INTERNATIONAL TRADE COMMISSION NOTICE OF INVESTIGATIONS AND LIST OF WITNESSES APPEARING AT THE COMMISSION'S CONFERENCE

[Investigations Nos. 701-TA-155 Through 163 (Preliminary)]

Certain Steel Products From Spain; Investigation and Scheduling of Conference

AGENCY: International Trade Commission.

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

EFFECTIVE DATE: April 26, 1982.

SUMMARY: On April 26, 1982, the U.S. Department of Commerce notified the United States International Trade Commission that, in accordance with section 702 of the Tariff Act of 1930 (19 U.S.C. 1671a), it was commencing investigations to determine whether producers, manufacturers, or exporters in Spain of certain steel products receive benefits that qualify as subsidies within the meaning of the Act. Accordingly, effective April 26, 1982, the Commission, pursuant to section 703(a) of the Act (19 U.S.C. 1671b(a)), instituted preliminary countervailing duty investigations Nos. 701-TA-155 through 163 (Preliminary) 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 Spain of the merchandise which is the subject of the investigations by the Department of Commerce. The products covered in these investigations are as follows: Hot-rolled carbon steel plate, provided for in items 607.6615, 607.9400, 608.0710, and 608.1100 of the Tariff Schedules of the United States Annotated (1982)(TSUSA); hot-rolled carbon steel sheet, provided for in TSUSA items 607.6610, 607.6700, 607.8320, 607.8342, and 607.9400; cold-rolled carbon steel sheet, provided for in TSUSA items 607.8320 and 607.8344; galvanized carbon steel sheet, provided for in TSUSA items 608.0730 and 608.1300; carbon steel angles, shapes, and sections, provided for in TSUSA items 609.8005, 609.8015, 609.8035, 609.8041, and 609.8045; hot-rolled carbon steel bar, provided for in TSUSA items 606.8310, 606.8330, and 606.8350; hot-rolled alloy steel bar, provided for in TSUSA items 606.9700; cold-formed carbon steel bar, provided for in TSUSA items 606.8805 and 606.8815; and cold-formed alloy steel bar, provided for in TSUSA item 606.9900.

FOR FURTHER INFORMATION CONTACT: Mr. Robert Eninger, Office of Investigations, International Trade Commission; telephone 202-523-0312.

SUPPLEMENTARY INFORMATION:

Background

On January 11, 1982, petitions were filed with the Department of Commerce by the United States Steel Corp. and by counsel for Republic Steel Corp., Inland Steel Co., Jones & Laughlin Steel, Inc., National Steel Corp., and Cyclops Corp. alleging that producers, manufacturers, or exporters in Spain of certain steel products receive bounties or grants within the meaning of section 303 of the Tariff Act of 1930, as amended (19 U.S.C. 1303). As Spain was not at that time a "country under the Agreement" within the meaning of section 701(b) of the Act (19 U.S.C. 1671(b)), there was no requirement for the petitions to be filed with the Commission pursuant to section 702(b)(2) and no requirement for the Commission to conduct preliminary injury investigations pursuant to section 703(a).

On April 14, 1982, however, the United States Trade Representative announced that Spain had become a "country under the Agreement" (47 FR 16697). Accordingly, Commerce terminated its investigations under section 303 and initiated investigations under section 702. The Commission must make its determinations in these investigations within 45 days after the date on which its received notification by the Department of Commerce of its action, or by June 10, 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 Part 207, 44 FR 76457), and particularly subpart B thereof.

Written submissions

Any person may submit to the Commission a written statement of information pertinent to the subject of these investigations. A signed original and fourteen (14) true copies of each submission must be filed at the Office of the Secretary, U.S. International Trade Commission Building, 701 E Street, NW., Washington, D.C. 20436, on or before May 28, 1982. All written submissions except for confidential business data will be available for public inspection.

Any business information for which confidential treatment is desired shall be submitted separately. The envelope and all pages of such submissions must be clearly labeled "Confidential Business Information." Confidential submissions and requests for confidential treatment must conform with the requirements of § 201.6 of the Commission's rules of practice and procedure (19 CFR Part 201.6).

Conference

The Director of Operations of the Commission has scheduled a conference in connection with these investigations for 10:00 a.m., e.d.t., on May 24, 1982, at the U.S. International Trade Commission Building, 701 E Street, NW., Washington, D.C. Parties wishing to particiate in the conference should contact the investigator for the investigations, Mr. Robert Eninger, telephone 202-523-0312, not later than May 17, 1982, to arrange for their appearance. It is anticipated that parties in support of the imposition of countervailing duties in the investigations and parties in opposition to the imposition of such duties will each be collectively allocated one hour within which to make an oral presentation at the conference.

Record

The records of Commission investigations Nos. 701-TA-86 through 144 (Preliminary), 701-TA-146 (Preliminary), 701-TA-147 (Preliminary), and 731-TA-53 through 86 (Preliminary), Certain Steel Products from Belgium, Brazil, France, Italy, Luxembourg, the Netherlands, Romania, the United Kingdom, and West Germany, will be incorporated in the records of investigations Nos. 701-TA-155 through 163 (Preliminary).

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. Eninger.

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

By order of the Commission.

Issued April 29, 1982.

Kenneth R. Mason,

Secretary.

[FR Doc. 82-12280 Filed 5-4-82; 8:45 am]

BILLING CODE 7020-02-M

CALENDAR OF PUBLIC CONFERENCE

Investigations Nos. 701-TA-155-163 (Preliminary)

CERTAIN STEEL PRODUCTS FROM SPAIN

Those listed below appeared as witnesses at the United States International Trade Commission conference held in connection with the subject investigations on May 24, 1982, in room 117 of the USITC Building, 701 E Street, NW., Washington, D.C.

In support of the imposition of countervailing duties

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

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

Alan J. Hruska--OF COUNSEL

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

Bethlehem Steel Corp.
Armco, Inc.

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

United States Steel Corp.
Pittsburgh, Pa.

L. Ranney, Attorney, United States Steel Corp.
P.L. Fidel, Special Services, Import and Domestic, United States Steel Corp.

In opposition to the imposition of countervailing duties

Baker and McKenzie--Counsel
Washington, D.C.
on behalf of

Jose Maria Aristrain-Madrid, S.A. (Spanish producer of carbon steel structural shapes)

Thomas P. Ondeck--OF COUNSEL

George V. Egge, Jr. P.C.--Counsel
Washington, D.C.
on behalf of

UNESID (Spanish Steel Producers Association)

George V. Egge--OF COUNSEL

APPENDIX C

PRODUCT LIST

PRODUCT LIST

The products identified in this appendix are those used by the Commission to collect pricing information in its questionnaires.

Hot-Rolled Carbon Steel Sheet and Strip

Product 1: Hot-rolled carbon steel sheets, in coils, commercial quality, 0.25 percent carbon maximum, not pickled, 0.1210 inch through 0.2509 inch in thickness, over 36 inches through 72 inches in width.

Product 2: Hot-rolled carbon steel sheets, in coils, commercial quality, 0.25 percent carbon maximum, not pickled, 0.0810 inch through 0.1209 inch in thickness, over 48 inches through 72 inches in width.

Product 3: Hot-rolled carbon steel bands, in coils, mill edge, commercial quality, 0.25 percent carbon maximum, not pickled, 0.1210 inch through 0.2509 inch in thickness, over 36 inches through 72 inches in width.

Cold-Rolled Carbon Steel Sheet and Strip

Product 4: Cold-rolled carbon steel sheets, in coils, commercial quality, class 1, 0.0280 inch to 0.0630 inch in thickness, 45 inches through 60 inches in width.

Product 5: Cold-rolled carbon steel sheets, in coils, commercial quality, class 2, 0.0280 inch to 0.0630 inch in thickness, 45 inches through 60 inches in width.

Galvanized Carbon Steel Sheet

Product 6: Galvanized carbon steel sheets, in coils, commercial or lockforming quality, G-90 coating, regular or minimum spangle, 0.0190 inch through 0.0209 inch in thickness, over 42 inches through 48 inches in width.

Product 7: Galvanized carbon steel sheets, in coils, commercial or lockforming quality, G-90 coating, regular or minimum spangle, 0.0350 inch through 0.0379 inch in thickness, 36 inches through 48 inches in width.

Product 8: Galvanized carbon steel sheets, in coils, commercial or lockforming quality, G-60 coating, regular or minimum spangle, 0.0130 inch through 0.0139 inch in thickness, 30 inches through 42 inches in width.