

# **CERTAIN FLAT-ROLLED CARBON STEEL PRODUCTS FROM BRAZIL**

**Determination of the Commission in  
Investigation No. 731-TA-123  
(Preliminary) Under the Tariff Act  
of 1930, Together With  
the Information Obtained  
in the Investigation**

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UNITED STATES INTERNATIONAL TRADE COMMISSION

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Note.--Information which would reveal the confidential operations of individual concerns may not be published and, therefore, has been deleted from this report.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



UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, D.C.

Investigation No. 731-TA-123 (Preliminary)

CERTAIN FLAT-ROLLED CARBON STEEL PRODUCTS FROM BRAZIL

Determination

On the basis of the record 1/ developed in the subject investigation, the Commission determines, pursuant to section 733(a) of the Tariff Act of 1930 (19 U.S.C. § 1673b(a)), that there is a reasonable indication that an industry in the United States is materially injured by reason of imports from Brazil of 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), and hot-rolled carbon steel products in coils, provided for in item 607.6610 of the TSUSA, which are alleged to be sold, or likely to be sold, in the United States at less than fair value (LTFV). 2/

Background

On January 31, 1983, a petition was filed with the Commission and the Department of Commerce by counsel on behalf of Bethlehem Steel Corp. alleging that imports of certain flat-rolled carbon steel products from Brazil are being, or are likely to be, sold in the United States at LTFV within the meaning of section 731 of the Tariff Act of 1930 (19 U.S.C. § 1673). Accordingly, effective January 31, 1983, the Commission instituted a preliminary antidumping investigation under section 733(a) of the Act (19 U.S.C. § 1673b(a)) to determine whether there is a reasonable indication that an industry in the United States is materially injured, or is threatened with

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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/ Commissioner Stern dissenting with respect to products provided for in item 607.6610 of the TSUSA.

material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports of such merchandise.

Notice of the institution of the Commission's investigation 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 on February 9, 1983 (48 F.R. 6042). The conference was held in Washington, D.C., on February 17, 1983, and all persons who requested the opportunity were permitted to appear in person or by counsel.



## VIEWS OF THE COMMISSION

On the basis of the record in this preliminary antidumping investigation, the Commission has determined that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of hot-rolled carbon steel plate from Brazil which are allegedly being sold in the United States at less than fair value. Chairman Eckes and Commissioner Haggart have also determined that there is a reasonable indication that an industry in the United States is materially injured by reason of imports from Brazil of certain coiled hot-rolled carbon steel products provided for in TSUS item 607.6610, which are also alleged to be sold at less than fair value. Commissioner Stern has determined that, with regard to imports of these coiled products, there is no reasonable indication that a domestic industry is materially injured or threatened with material injury, or that the establishment of an industry is being materially retarded.

Domestic industry

As a threshold matter, the Commission is required to identify the domestic industry to be examined for purposes of making its injury determination. Section 771(4)(A) of the Tariff Act of 1930 defines the term "industry" as "the domestic producers as a whole of a like product, or those producers whose collective output of the like product constitutes a major proportion of the total domestic production of that product." <sup>1/</sup> "Like product" is defined as a product which is like, or in the absence of like,

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<sup>1/</sup> 19 U.S.C. § 1677(4)(A).

most similar in characteristics and uses with, the article under investigation." 2/

The imports from Brazil that are subject to this investigation include both cut-to-length and coiled hot-rolled carbon steel products 0.1875 inch or more in thickness and over 8 inches in width. 3/ Fungible, competitive products are manufactured by producers in the United States. 4/

The parties appearing in support of the petition argue that the Commission should find that there is a single like product, namely hot-rolled carbon steel plate, and therefore a single domestic industry producing such plate. 5/ They claim that both cut-to-length and coiled products should be considered as a single product because they are of the same thicknesses and have the same end uses. 6/

In several previous steel investigations conducted by the Commission under the Trade Agreements Act, the Commission has determined that all of these products, except the coiled products provided for in item 607.6610 of the Tariff Schedules of the United States, should be considered hot-rolled

2/ 19 U.S.C. § 1677(10).

3/ TSUS items 607.6610, 607.6615, 607.9400, 608.0710, and 608.1100.

4/ Report at A-1.

5/ Transcript of public conference at 10-14; Bethlehem Steel Corp. post-conference brief at 2-8; U.S. Steel Corp. post-conference brief at 1-4.

6/ All the products covered by this investigation are defined by the TSUS as hot-rolled plate, meaning carbon steel products 0.1875 inch or more in thickness and over 8 inches in width (TSUS items 607.6610, 607.6615, 607.9400, 608.0710, and 608.1100). The American Iron and Steel Institute, however, treats certain of these articles, the coiled products provided for in TSUS item 607.6610, as hot-rolled carbon steel sheet because they are produced on hot-strip mills along with other sheet products. Report at A-2 to A-3.

carbon steel plate. 7/ The coiled products have been defined as hot-rolled carbon steel sheet.

For the purposes of this preliminary investigation, we adopt the like product and industry definitions that are consistent with recent Commission precedent. The basis for the Commission's previous conclusions on this issue appears to be that, while the coiled products share certain characteristics and end uses with plate, they are semi-finished materials that differ from plate in their coiled configuration and do not necessarily compete with plate until they are subjected to further processing. 8/ We will again examine this issue if this case is returned for a final investigation and request the parties to address the question further at that time.

Thus, for purposes of this preliminary investigation we determine that there are two like products in this investigation: (1) hot-rolled carbon steel plate and (2) hot-rolled carbon steel products in coils provided for in

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7/ Certain Steel Products from Belgium, Brazil, France, Italy, Luxembourg, the Netherlands, Romania, the United Kingdom, and West Germany, Inv. Nos. 701-TA-86 through 144, 701-TA-146 and 147 (Preliminary), and Inv. Nos. 731-TA-53 through 86 (Preliminary), USITC Pubs. 1221 and 1222, at 10-12 (1982); Certain Carbon Steel Products from the Republic of Korea, Inv. Nos. 701-TA-170, 171, and 173 (Final), USITC Pub. 1346 (1983); Certain Carbon Steel Products from Spain, Inv. Nos. 701-TA-155, 157-160, and 162 (Final), USITC Pub. 1331 (1982); Certain Hot-Rolled Carbon Steel Plate from Brazil, Inv. No. 701-TA-87 (Final), USITC Pub. 1356 (1983).

The exception to this analysis is Certain Steel Products from Belgium, the Federal Republic of Germany, France, Italy, Luxembourg, the Netherlands, and the United Kingdom, Inv. Nos. 731-TA-18 to 24 (Preliminary), USITC Pub. 1064 (1980). In those investigations the Commission found that there were five product lines, and the one covering plate products included the coiled products under TSUS item 607.6610.

8/ We note that a substantial price difference exists between plate products and the coiled products even after the further processing has been completed. The existence of this price difference between products which are alleged to be fungible requires further examination.

TSUS item 607.6610. 9/ The domestic production facilities producing these articles constitute the relevant domestic industries. 10/

#### HOT-ROLLED CARBON STEEL PLATE

The Commission recently completed a final countervailing duty investigation on hot-rolled carbon steel plate from Brazil, Inv. No. 701-TA-87 (Final), USITC Pub. 1356 (1983). The products investigated in that case are the same plate products that are within the scope of this preliminary investigation. 11/ The Commission reached a unanimous determination that an industry in the United States was materially injured by reason of imports from Brazil. Although some of the data derived as a result of that investigation differ from that in the present investigation, our analysis of the present record reveals that these differences do not warrant a different conclusion as to either the condition of the domestic industry or the question of material injury. Therefore, we adopt the reasoning stated in our views in that case as the basis for our affirmative determination in the present preliminary investigation and will not repeat it here. 12/

#### HOT-ROLLED CARBON STEEL PRODUCTS IN COILS

##### VIEWS OF CHAIRMAN ECKES AND COMMISSIONER HAGGART

#### Condition of the domestic industry

The domestic industry engaged in producing the coiled products covered by

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9/ Commissioner Stern has assessed the impact of the allegedly LTFV imports of coiled product against the domestic industry producing hot-rolled carbon steel sheet and plate in coils. See p. 8.

10/ See listing of firms in the Report at A-9.

11/ The products are those provided for in TSUS items 607.6615, 607.9400, 608.0710, and 608.1100.

12/ Commissioner Stern notes that at this preliminary stage there is no reliable information on LTFV margins that could differentiate the analysis in the current investigation from that of the recent countervailing duty case.

this investigation is currently experiencing difficulties. Production, although increasing from 1.2 million short tons in 1980 to 1.6 million short tons in 1981, fell sharply to 826,000 short tons in 1982, a decline of 45 percent from 1981 levels. 13/ Production capacity, however, increased from 2.3 million short tons in 1980 to 2.6 million short tons in 1981. 14/ As a result of this greatly decreased production and increased capacity, utilization of capacity fell in 1982 to 32.2 percent, compared to 1980 and 1981 levels of 50.7 percent and 64.9 percent, respectively. 15/ Domestic shipments followed the trend in production, increasing from 1980 to 1981, then dropping 45 percent in 1982. 16/ Inventories have remained small throughout the period covered by this investigation.

The data available in this investigation do not allow segregation of financial and employment information for these coiled products. In our recent final countervailing duty investigation on certain carbon steel products from the Republic of Korea, 17/ however, we examined these data for the products defined therein as hot-rolled carbon steel sheet, which included the coiled products subject to this investigation. 18/ Therefore, pursuant to section 771(4)(D), we incorporate that analysis for purposes of this preliminary investigation. That information shows that employment and profitability

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13/ Report at A-12 to A-13. All figures on production, capacity, and shipments are understated because not all domestic producers responded to the questionnaires.

14/ Id.

15/ Id.

16/ Id. at A-13 to A-14.

17/ Investigations Nos. 701-TA-170, 171, and 173 (Final), USITC Pub. 1346 (1983).

18/ The articles defined there as sheet were those provided for in TSUS items 607.6610, 607.6700, 607.8320, 607.8342, and 607.9400.

levels declined from 1979 to the first three quarters of 1982 for the entire sector of the industry producing sheet.

Reasonable indication of material injury

There is a reasonable indication that the industry, which is experiencing serious difficulties, is being materially injured by reason of allegedly less-than-fair-value imports from Brazil. Imports from Brazil dropped from 1,587 short tons in 1980 to 66 short tons in 1981, but then increased greatly to 17,980 short tons in 1982. 19/ The Brazilian import share of the U.S. market grew from less than .1 percent of consumption in 1980 and 1981 to 1.2 percent in 1982. 20/

The limited amount of information available indicates that the Brazilian products are underselling the domestic products. In three instances that have been confirmed, domestic producers either lost sales or were compelled to lower their prices considerably in order to obtain orders in the face of competition from lower-priced Brazilian imports. 21/

IEWS OF COMMISSIONER STERN

The coiled products under investigation in this case have been treated in other recent investigations as hot-rolled carbon steel sheet, and their producers have been included as part of the industry producing sheet. Although I concur with Chairman Eckes and Commissioner Haggart that these products ought to be considered as distinct from hot-rolled carbon steel plate for purposes of this preliminary investigation, I believe that in the absence

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19/ Report at A-29 to A-36.

20/ Id.

21/ Id. at A-52 to A-53.

of persuasive factors to the contrary it is most appropriate to continue recent Commission precedent in analyzing the question of injury as it pertains to the entire domestic sheet industry, rather than solely those facilities producing only these particular coiled products.

The most recent investigation in which the Commission examined the condition of the U.S. sheet industry was Certain Carbon Steel Products from the Republic of Korea, Inv. Nos. 701-TA-170, 171, and 173 (Final), USITC Pub. 1346 (1983). We found that production, domestic shipments, and capacity utilization had declined somewhat from 1979 to 1981, then dropped sharply in the first three quarters of 1982. In line with these trends, employment and profitability also fell. The industry posted overall losses in 1980, 1981, and the first three quarters of 1982.

In contrast to the determination in the Korean investigation, however, I find no reasonable indication that the injury suffered by the industry is by reason of allegedly LTFV imports from Brazil. Brazilian imports are at very low levels and have gained only a very small percentage of the U.S. market. Moreover, I have not cumulated the effects of these imports with those of imports from other countries which we have previously determined to have caused material injury to this industry, because our prior affirmative determinations were made in countervailing duty investigations. 22/

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22/ I do not consider it appropriate to cumulate imports found to be injurious in a countervailing duty investigation with imports involved in an antidumping investigation. The two statutes, as well as the potentially harmful activities, are quite distinct.





## INFORMATION OBTAINED IN THE INVESTIGATION

## Introduction

On January 31, 1983, petitions were filed with the United States International Trade Commission and the Department of Commerce by counsel on behalf of Bethlehem Steel Corp. (Bethlehem) alleging that imports of certain flat-rolled carbon steel products from Brazil are being sold in the United States at less than fair value (LTFV) and that an industry in the United States is materially injured or threatened with material injury by reason of imports of such merchandise. Accordingly, the Commission instituted this preliminary investigation under section 733 of the Tariff Act of 1930 to determine whether there is a reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports of such merchandise into the United States. The statute directs that the Commission make its determination within 45 days after its receipt of a petition, or in this case, by March 17, 1983.

Notice of the institution of the Commission's investigation 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 on February 9, 1983 (47 F.R. 6042). 1/ The conference was held in Washington, D.C., on February 17, 1983. 2/ The Commission voted on this case at its meeting on March 8, 1983.

## The Products

Description and uses

The imports from Brazil which are the subject of this investigation are cut-to-length and coiled hot-rolled carbon steel products, 0.1875 inch or more in thickness, whether known as plates or sheets. Substantially identical products are produced in the United States.

The Tariff Schedules of the United States Annotated (TSUSA) identifies all of the subject products as "plate" and defines them as flat-rolled products whether or not corrugated or crimped, in coils or cut to length, 0.1875 inch (3/16 inch or 4.76 millimeters) or more in thickness and, if not cold-rolled, over 8 inches in width, or, if cold-rolled, over 12 inches in width. Included are carbon steel plate in coils, as provided for in TSUSA item 607.6610, carbon steel plate not in coils (i.e., cut-to-length), as provided for in TSUSA item 607.6615, clad plate (TSUSA item 607.9400), 3/ and

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

2/ A list of witnesses appearing at the Commission's conference is presented in app. B.

3/ Clad plate is a composite plate product consisting of two metals which have been integrally bonded together. It was developed to combine the corrosion resistance of cladding metals--such as stainless steel, nickel and nickel alloys, and copper and copper alloys--with the strength of carbon or alloy steel backing materials, thereby reducing the usage of the more expensive cladding metals.

plate that has been coated or plated with metal (TSUSA items 608.0710 and 608.1100). 1/ Carbon steel slab which for tariff purposes is classified as hot-rolled plate is not included. 2/

However, the American Iron & Steel Institute (AISI) identifies the coiled products provided for in TSUSA item 607.6610 as hot-rolled carbon steel sheet, primarily because they are produced on the same hot-strip mills on which other sheet products are produced. In other recent investigations involving carbon steel products, the Commission has followed AISI practice in identifying such coiled products as sheet. In this investigation, however, the petition did not include coiled products less than 0.1875 inch in thickness--the bulk of the products identified as sheet by AISI (as well as the Commission in those other investigations). Therefore, this investigation covering "certain flat-rolled carbon steel products" is not intended to modify or affect the recent precedents established in other investigations as to product descriptions of hot-rolled carbon steel plate and hot-rolled carbon steel sheet.

From a usage standpoint, the coiled products provided for in TSUSA item 607.6610 are most clearly identified as plate (i.e., they are used in applications requiring products having plate thicknesses (0.1875 inch or more). Therefore, to facilitate the presentation of data, "plate" as used in this report will generally refer collectively to both coiled and cut-to-length products. "Coiled" will be used as a modifier specifically to identify products provided for in TSUSA item 607.6610.

### Production processes

Carbon steel plate is produced in various types of mills, including universal plate mills, sheared-plate mills, and hot-strip mills (in which almost all coiled plate is produced). Universal mills are characterized by vertical rolls preceding and following horizontal rolls. In these mills, only the length of the plate is increased, and the vertical rolls control the width. Consequently, only the ends of the plate need to be sheared. Sheared-plate mills, on the other hand, roll plate only between horizontal rolls, thereby increasing both the width and length of the product while reducing its thickness. Later, all the edges are trimmed. Sheared-plate mills are generally classified as either reversing, semicontinuous, or continuous. Hot-strip mills roll plate in the longitudinal direction of the slab. The slabs are roughed down in roughing stands and sent to finishing stands to attain the desired thickness. Hot-strip-mill plate is normally coiled and then either shipped in that configuration or cut to length on a separate production line.

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1/ Coated or plated plates are primarily those that have been coated with zinc (galvanized) for protection against corrosion.

2/ "Slab" is defined in the TSUSA as a semifinished product 2 to 6 inches in thickness, of rectangular cross section, having a width of at least four times the thickness. Imports of semifinished products rolled from ingots more than 6 inches in thickness are classified as plate under TSUSA item 607.6615.

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

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

Coiled plate from hot-strip mills must also be leveled and cut to length before it can be used. This is sometimes done by the producer, but it is more often done by independent firms known as processors. There are basically two types of processors--toll processors, which level the plate and cut it to specified lengths for a fee paid by a distributor or end-user customer; and steel service centers/distributors, which purchase the coiled plate and level and cut it themselves in their own facilities. The leveling equipment, for the most part, has a maximum leveling capacity of about 1/2 inch.

Coiled plate sells for approximately \$80 to \$100 per ton less than cut-to-length plate because production costs in hot-strip mills are lower than those in sheared-plate mills and because the costs of cutting and foregone. The leveling and cutting, when done by toll processors or service centers/distributors, adds a charge of approximately \$15 per ton to the product, thus

making the price of the cut products approximately \$65 to \$85 per ton less than cut-to-length plate from sheared-plate mills. Because of, among other factors, higher labor costs in the hot-strip mills, it costs these domestic producers more than processors to supply this service. Thus, coiled plate which has been cut to length by the producer (called strip-mill plate) is priced between the processors' plate and the sheared-mill plate.

In the U.S. market, sales of carbon steel plate by domestic producers and importers are made either directly to end users or to steel service centers and distributors, which, in turn, sell to end users. <sup>1/</sup> During 1979-81, approximately 23 percent of all domestically produced carbon steel plate <sup>2/</sup> went to service centers and distributors. The remaining 77 percent was shipped to end users. The largest end-user markets for carbon steel plate were the construction, machinery and industrial equipment, and shipbuilding and marine equipment industries, which accounted for 20, 16, and 14 percent, respectively, of total U.S. shipments in 1981 (table 1). Other major end-user markets included rail transportation (4 percent) and the oil and gas industry (4 percent). Carbon steel plate is primarily used in the construction of bridges, storage tanks, pressure vessels, railroad freight and passenger cars, ships, line pipe, industrial machinery, and a large variety of other products.

Table 1.--Hot-rolled carbon steel plate: <sup>1/</sup> U.S. producers' shipments, by major markets, 1979-81

Market	1979		1980		1981	
	Quantity: 1,000 tons	Percent of total	Quantity: 1,000 tons	Percent of total	Quantity: 1,000 tons	Percent of total
Steel service centers and distributors-----	1,599	23.5	1,418	22.7	1,370	23.7
Construction, including maintenance-----	1,459	21.4	1,314	21.1	1,168	20.2
Machinery, industrial equipment, and tools-----	1,189	17.5	940	15.1	933	16.2
Shipbuilding and marine equipment-----	614	9.0	835	13.4	781	13.5
Rail transportation-----	427	6.3	369	5.9	223	3.9
Oil and gas industry-----	164	2.4	236	3.8	238	4.1
All other-----	1,350	19.8	1,130	18.1	1,059	18.3
Total-----	6,802	100.0	6,242	100.0	5,773	100.0

<sup>1/</sup> Excluding coiled plate.

Source: American Iron & Steel Institute.

<sup>1/</sup> Large, integrated domestic producers (for example, United States Steel Corp. (U.S. Steel), Bethlehem, and Kaiser Steel Corp. (Kaiser)) also use part of their output of carbon steel plate in fabricating other products, such as bridges, ships, offshore oil-drilling rigs, and pressure vessels. A-4

<sup>2/</sup> Excluding coiled plate.

U.S. tariff treatment

As mentioned, the imported products subject to this investigation are classified for tariff purposes under items 607.6610, 607.6615, 607.9400, 608.0710, and 608.1100 of the TSUSA. The current column 1 (most-favored-nation) rates of duty, 1/ final concession rates granted under the Tokyo round of the Multilateral Trade Negotiations (MTN), 2/ rates of duty for least developed developing countries (LDDC's), 3/ and column 2 duty rates 4/ are shown in table 2. As indicated, such imports are currently dutiable at column 1 rates ranging from 7.0 to 10.2 percent ad valorem. Imports of the subject hot-rolled carbon steel products are not eligible for duty-free treatment under the GSP. 5/

In addition to the import duties shown in table 2, findings of dumping have been issued and antidumping duties are currently in effect with respect to imports of carbon steel plate 6/ from Japan and Taiwan, and countervailing duties are currently in effect with respect to imports from Brazil, the Republic of Korea (Korea), 7/ and Spain. U.S. imports of carbon steel mill

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1/ The col. 1 rates are applicable to imported products from all countries except those Communist countries and areas enumerated in general headnote 3(f) of the TSUSA. However, these rates would not apply to products of developing countries where such articles are eligible for preferential treatment provided under the Generalized System of Preferences (GSP) or under the "LDDC" rate of duty column.

2/ Final concession rates granted under the Tokyo round of the MTN are the result of staged duty reductions of col. 1 rates which began Jan. 1, 1980. The reductions will occur annually, with the final rates becoming effective Jan. 1, 1987.

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

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

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

6/ Excluding coiled plate.

7/ Coiled plate from Korea is also subject to countervailing duties as a result of an affirmative determination in investigation No. 701-TA-171 (Final), Hot-Rolled Carbon Steel Sheet From the Republic of Korea.

Table 2.--Hot-rolled carbon steel plate: U.S. rates of duty as of Jan. 1, 1980, Jan. 1, 1983, and Jan. 1, 1987

1977-79 TSUSA item No.	1980-82 TSUSA item No.	Article description (abridged)	Rate of duty					
			Col. 1		Col. 2		LDDC's	Col. 2
			Jan. 1, 1980	Jan. 1, 1983	Jan. 1, 1980	Jan. 1, 1987		
608.8410	607.6610	Carbon steel plate, in coils, not coated or plated with metal, not pickled and not cold rolled.	7.5% ad val.	7.0% ad val.	6.0% ad val.	6.0% ad val.	20% ad val.	
608.8415	607.6615	Carbon steel plate, not in coils, not coated or plated with metal, not pickled and not cold rolled.	7.5% ad val.	7.0% ad val.	6.0% ad val.	6.0% ad val.	20% ad val.	
608.8900	607.9400	Clad plate.....	12.0% ad val.	10.2% ad val.	6.5% ad val.	6.5% ad val.	30% ad val.	
608.9410	608.0710	Carbon steel plate, coated or plated with metal, valued not over 10 cents per pound.	9.0% ad val.	7.8% ad val.	5.5% ad val.	5.5% ad val.	0.2¢ per lb + 20% ad val.	
608.9510	608.1100	Carbon steel plate, coated or plated with metal, valued over 10 cents per pound.	0.1¢ per lb + 8% ad val.	7.6% ad val.	5.4% ad val.	5.4% ad val.	21.5% ad val.	

products such as plate are also subject to restraints imposed by administrative actions taken under provisions of the Buy American Act. 1/

#### Nature and Extent of Alleged Sales at LTFV

The petition alleges that imports from Brazil of cut-to-length and coiled hot-rolled carbon steel plate are being sold in the United States at LTFV. Specifically, it alleges that sales of such products in the United States are made at prices which are less than home-market prices and less than the full cost of production. Using cost-of-production estimates based on Trigger-Price base prices, and comparing those estimates with U.S. prices of Brazilian plate, the petition alleges that exports to the United States in July-September 1982 were made at prices which were, on average, 15.1 percent below the estimated cost of production in Brazil for cut-to-length plate, and 8.4 percent below the estimated cost of production in Brazil for coiled plate. Margins as high as 25.7 percent for cut-to-length plate and 20.5 percent for coiled plate are alleged for specified ports of entry.

#### U.S. Producers

About 15 firms produce coiled and/or cut-to-length hot-rolled carbon steel plate in the United States. The following tabulation, which was compiled from data obtained in response to the Commission's questionnaires, shows the principal producers and each firm's share of total U.S. producers' shipments of carbon steel plate (coiled and cut-to-length, as reported in response to the Commission's questionnaires) in 1982:

<u>Firm 1/</u>	<u>Market share</u> (percent)
Armco, Inc. (Armco)-----	***
Bethlehem-----	***
Gilmore Steel Corp. (Gilmore)-----	***
Inland Steel Co. (Inland)-----	***
National Steel Corp. (National)-----	***
Phoenix Steel Corp. (Phoenix)-----	***
Republic Steel Corp. (Republic)-----	***
U.S. Steel-----	***

1/ Kaiser and Lukens Steel Co. (Lukens) are also known to be significant producers of carbon steel plate. \* \* \*.

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1/ The Buy American Act, 41 U.S.C. 10a-10d (1978), is the primary congressionally mandated preference for U.S. goods. Under this act, U.S. Government agencies may purchase products of foreign origin for delivery in the United States only if the cost of the domestic product exceeds the cost of the foreign product, including duty, by 6 percent or more. This difference rises to 12 percent if the low domestic bidder is situated in a labor-surplus area, and to 50 percent if the purchase is made by the Department of Defense. The preferences may be waived in the public interest, however. For a more complete discussion of "Buy American" restrictions, see Certain Carbon Steel Products From Belgium, the Federal Republic of Germany, France, Italy, Luxembourg, the Netherlands, and the United Kingdom: Determinations of the Commission in Investigations Nos. 731-TA-18-24 (Preliminary) . . ., USITC Publication 1064, May 1980, p. A-17.

As indicated, domestic production of carbon steel plate (coiled and cut-to-length) is highly concentrated, with the four largest producers-- \* \* \*--together accounting for 76 percent of total producers' shipments in 1982. These four producers and Armco, \* \* \*, are fully integrated firms that produce a wide range of steel mill products. Lukens is a nonintegrated firm which primarily produces steel plate and plate products. Lukens and Phoenix are the only domestic steelmakers that produce significant quantities of clad plate.

In 1981, domestic producers operated approximately 40 establishments in which coiled and/or cut-to-length carbon steel plate were produced. These plants are scattered throughout the United States, but are concentrated in the Great Lakes area and in Pennsylvania. Coiled and cut-to-length carbon steel plate are rolled in a variety of sizes and in an assortment of rolling mills. Table 3 shows the principal producers, the locations of their various plants that produce carbon steel plate, the types of mills in use in each plant, and estimated annual plate-producing capacity.

The following facilities are among those which have been closed by domestic producers of hot-rolled carbon steel plate in recent years: Bethlehem's facilities in Johnstown, Pa. (plate and galvanized sheet), 1977; Jones & Laughlin's (J&L) Campbell Works (plate, hot-rolled and cold-rolled sheets) and Brier Hill Works (plate-finishing mill), both in Youngstown, Ohio, 1977, and Pittsburgh works (plate and hot-rolled sheets) in Pittsburgh, Pa., 1981; and U.S. Steel's plate mill in Fairfield, Ala., its plate and strip mill in Youngstown, Ohio, and its plate mill in Torrance, Calif., 1979. Bethlehem reported that its 110-inch plate mill at Chesterton, Ind., which had first opened in 1978, has been closed since April 1982, and its 56-inch hot-strip mill has been shut down since October 1981. U.S. Steel reported its plate-producing operations at South Works and Clairton Works have been suspended since May 1982 and June 1982, respectively.



Table 3.--Hot-rolled carbon steel plate (coiled and cut-to-length): Principal U.S. producers, locations of their establishments, types of mills, and annual capacity, 1982

Firm	Establishment location	Type of mill	Capacity <sup>1/</sup> in 1982 1,000 tons
Armco-----	Middletown, Ohio-----	86-inch hot strip.	***
	Ashland, Ky-----	80-inch continuous	
		plate, strip and sheet.	
	Houston, Tex-----	130-inch plate and	
		156-inch combination	
		slab/plate.	
Bethlehem-----	Sparrows Point, Md-----	160-inch sheared plate,	***
		universal plate,	
		56-inch hot strip and	
		70-inch hot strip.	
	Chesterton, Ind-----	110-inch sheared plate,	
		160-inch sheared plate	
		and 80-inch hot strip.	
	Seattle, Wash-----	22-inch combination bar,	
		structural, and	
		universal plate.	
Gilmore-----	Portland, Oreg-----	96-inch plate.	***
Inland-----	East Chicago, In-----	100-inch plate and	***
		76-inch hot strip.	
Interlake, Inc--	Riverdale, Ill-----	36-inch hot strip.	***
J&L <sup>2/</sup> -----	Cleveland, Ohio-----	80-inch hot strip	***
	East Chicago, Ind-----	84-inch hot strip.	
Kaiser-----	Fontana, Calif-----	148-inch plate,	<u>3/</u>
		86-inch hot strip.	
Laclede Steel--	Alton, Ill-----	22-inch hot strip.	<u>3/</u>
Lukens-----	Coatsville, Pa-----	120-inch, 140-inch, and	<u>3/</u>
		206-inch plate.	
	Conshohocken, Pa-----	110-inch plate.	
National-----	Ecorse, Mich--- -----	80-inch hot strip.	***
	Granite City, Ill-----	80-inch hot strip.	
Phoenix-----	Claymont, Del-----	160-inch plate.	***
Republic-----	Gadsden, Ala-----	134-inch plate and	***
		54-inch hot strip.	
	Cleveland, Ohio-----	84-inch hot strip.	
	Warren, Ohio-----	56-inch hot strip.	
Sharon Steel---	Sharon, Pa-----	60-inch hot strip.	<u>3/</u>
U.S. Steel <sup>4/</sup> --	Homestead, Pa-----	160-inch and 100-inch	***
		sheared plate.	
	Baytown, Tex-----	160-inch sheared plate.	
	Gary, Ind-----	160/210-inch sheared	
		plate, 84-inch hot	
		strip.	

See footnotes at end of table.

Table 3.--Hot-rolled carbon steel plate (coiled and cut-to-length): Principal U.S. producers, locations of their establishments, types of mills, and annual capacity, 1982--Continued

Firm	Establishment location	Type of mill	Capacity in 1982
			<u>1,000 tons</u>
U.S. Steel--	South Chicago, Ill-----	96-inch sheared plate.	
Continued	Geneva, Utah-----	combination plate/strip	
		132-inch and 33-inch	
		universal plate.	
	Fairless Hills, Pa- ----	80-inch hot strip.	
	Clairton, Pa-----	18-inch universal plate.	
	Fairfield, Ala-----	60-inch hot strip.	
	Dravosburg, Pa-----	80-inch hot strip.	
Wheeling-			
Pittsburgh---	Steubenville, Ohio-----	80-inch hot strip.	<u>3/</u>

1/ Total capacity of the firm to produce hot-rolled carbon steel plate, both coiled and cut-to-length, in all facilities.

2/ J&L closed its combination plate/strip mill in February 1981.

3/ Not available.

4/ U.S. Steel indefinitely closed its Fairfield works in June 1982.

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

## U.S. Importers

The net importer file maintained by the U.S. Customs Service identifies about 70 firms that imported hot-rolled carbon steel plate from Brazil during October 1980-July 1982. The six largest importers together accounted for two-thirds of the total quantity imported during that period. Most of the larger importers are trading companies that deal in a variety of steel products from a number of countries.

## Apparent U.S. Consumption

Apparent U.S. consumption of carbon steel plate (cut-to-length and in coils) increased from 8.6 million short tons in 1980 to 9.1 million short tons in 1981, or by 6 percent, but then declined sharply in 1982 to 5.1 million short tons, or by 44 percent (table 4). The consumption trend for cut-to-length plate followed a somewhat different pattern than consumption of coiled plate, declining steadily from 6.6 million short tons in 1980 to 6.5 million short tons in 1981 and 3.6 million short tons in 1982. This represents declines of 0.7 percent in 1981 and 44 percent in 1982. Apparent consumption of coiled plate increased from 2.0 million short tons in 1980 to 2.6 million short tons in 1981, or by 28 percent, and then fell to 1.5 million short tons in 1982, or by 41 percent.

Table 4.--Hot-rolled carbon steel plate: U.S. producers' domestic shipments, imports for consumption, and apparent U.S. consumption, by types, 1980-82

Item and Year	Domestic shipments <sup>1/</sup>	Imports	Apparent consumption	Ratio of imports to--	
				Domestic shipments	Consumption
	-----1,000 short tons-----			-----Percent-----	
Cut-to-length plate:					
1980-----	4,999	1,571	6,570	31.4	23.9
1981-----	4,681	1,841	6,522	39.3	28.2
1982-----	2,432	1,152	3,584	47.4	32.1
Coiled plate:					
1980-----	1,597	445	2,042	27.9	21.8
1981-----	2,094	512	2,606	24.5	19.6
1982-----	1,148	389	1,537	33.9	25.3
Total plate:					
1980-----	6,596	2,016	8,612	30.6	23.4
1981-----	6,775	2,353	9,128	34.7	25.8
1982-----	3,580	1,541	5,121	43.0	30.1

<sup>1/</sup> Understated to the extent that all U.S. producers did not respond to the Commission's questionnaires.

Source: Shipments, compiled from questionnaires of the U.S. International Trade Commission; imports, compiled from official statistics of the U.S. Department of Commerce.

The share of the market supplied by U.S. producers for both cut-to-length and coiled plate has been declining. The ratio of imports from all sources to apparent consumption increased steadily from 23.4 percent in 1980 to 25.8 percent in 1981 and 30.1 percent in 1982.

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

The information in this section of the report is compiled from questionnaire data. It is therefore understated to the extent that several domestic producers who are believed to produce the subject products did not respond to the Commission's questionnaires. Nevertheless, all of the major producers of the products have responded, and they are believed to account for more than 75 percent of total U.S. plate production.

#### U.S. production, capacity, and capacity utilization

Table 5 presents data on total U.S. production of hot-rolled carbon steel plate (cut-to-length and in coils) as well as production of cut-to-length and coiled plate separately. As indicated, total production increased slightly from 6.5 million short tons in 1980 to 6.7 million short tons in 1981, and then dropped by 49 percent to 3.4 million short tons in 1982. Total productive capacity increased steadily throughout the period from 11.0 million short tons in 1980 to 11.2 million short tons in 1982. Capacity utilization was relatively steady at 60 percent in 1980 and 1981, but plummeted to 30 percent in 1982.

Production of cut-to-length plate decreased steadily from 5.4 million short tons in 1980 to 2.6 million short tons in 1982, or by 52 percent. Capacity for this product remained steady throughout the period at 8.7 million short tons, and capacity utilization declined by more than half from 61.9 percent in 1980 to 29.9 percent in 1982.

Production of coiled plate followed a different trend, increasing from 1.2 million short tons in 1980 to 1.6 million short tons in 1981, and then declining by 45 percent to 826,000 short tons in 1982. The capacity to produce coiled plate increased steadily from 2.3 million short tons in 1980 to 2.6 million short tons in 1982. Capacity utilization increased by 14.2 percentage points from 32.2 percent in 1980 to 64.9 percent in 1981, and then declined sharply to 35.4 percent in 1982.

Table 5.--Hot-rolled carbon steel plate: U.S. production, 1/ practical capacity, 2/ and capacity utilization, by types, 1980-82

Item	1980	1981	1982
Cut-to-length plate:			
Production			
1,000 short tons--:	5,363	5,041	2,589
Capacity-----do----	8,663	8,666	8,666
Capacity utilization			
percent--:	61.9	58.2	29.9
Coiled plate:			
Production			
1,000 short tons--:	1,171	1,641	826
Capacity-----do----	2,311	2,528	2,566
Capacity utilization---			
percent--:	50.7	64.9	32.2
Total plate:			
Production			
1,000 short tons--:	6,534	6,682	3,415
Capacity-----do----	10,974	11,194	11,232
Capacity utilization			
percent--:	59.5	59.7	30.4

1/ Production and capacity figures are understated to the extent that not all producers responded to the questionnaires of the U.S. International Trade Commission.

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

Note: J&L did not report usable data on its production capacity; therefore, this table does not include production and capacity data for that firm. As mentioned earlier in this report, in 1981, J&L closed a plant in which plate was produced.

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

#### U.S. producers' domestic shipments

U.S. producers' domestic shipments of cut-to-length and coiled plate are presented in table 6. Total shipments of the two products increased slightly from 6.6 million short tons in 1980 to 6.8 million short tons in 1981, or by 3 percent. These shipments then declined by 47 percent to 3.6 million short tons in 1982.

Table 6.--Hot-rolled carbon steel plate: U.S. producers' domestic shipments, 1/ by types, 1980-82

Item	1980	1981	1982
Quantity (1,000 short tons)			
Cut-to-length plate-----	4,999	4,681	2,432
Coiled plate-----	1,597	2,094	1,148
Total-----	6,596	6,775	3,580
Value (million dollars)			
Cut-to-length plate-----	2,279	2,333	1,249
Coiled plate-----	402	645	299
Total-----	2,681	2,978	1,549
Unit value (per ton)			
Cut-to-length plate-----	\$455	\$498	\$514
Coiled plate-----	252	308	260
Average-----	406	440	433

1/ Understated to the extent that all U.S. producers did not respond to the Commission questionnaires.

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

Domestic shipments of cut-to-length plate declined steadily throughout the period, from 5.0 million short tons in 1980 to 2.5 million short tons in 1982, or by 50 percent. Domestic shipments of coiled plate increased from 1.6 million short tons in 1980 to 2.1 million short tons in 1981, then declined by 45 percent to 1.1 million short tons in 1982. As indicated in the table, the unit values of coiled plate are roughly 55 to 60 percent of the unit values of cut-to-length plate.

#### U.S. producers' exports

U.S. producers' exports of both cut-to-length and coiled carbon steel plate fell throughout the period, from 139,000 short tons in 1980 to 33,000 short tons in 1982, or by 76 percent over the 3 years (table 7).

Table 7.--Hot-rolled carbon steel plate: U.S. exports of domestically produced merchandise, 1/ by types, 1980-82

Item	1980	1981	1982
Quantity (1,000 short tons)			
Cut-to-length plate-----	90	61	23
Coiled plate-----	49	31	10
Total-----	139	92	33
Value (1,000 dollars)			
Cut-to-length plate-----	32,097	24,112	10,769
Coiled plate-----	13,993	7,343	3,340
Total-----	46,090	31,455	14,109
Unit value (per ton)			
Cut-to-length plate-----	356	389	468
Coiled plate-----	286	245	334
Average-----	332	342	428

1/ Understated to the extent that all U.S. producers did not respond to the Commissions' questionnaires.

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

#### U.S. producers' inventories

End users and distributors perform much of the inventory function in the domestic market for carbon steel plate. Producers generally keep minimum stocks of finished plate, preferring to inventory slab, which can be rolled into many steel mill products. End-of-period inventories of hot-rolled carbon steel plate, as reported by U.S. producers in response to the Commission's questionnaires, remained small during 1979-82, equal to about 5 to 10 percent of shipments in each of these periods. Reported end-of-period inventories are shown in the following tabulation (in thousands of short tons):

	<u>Cut-to-length plate</u>	<u>Coiled plate</u>	<u>Total</u>
As of Dec. 31--			
1979-----	288	115	403
1980-----	262	98	360
1981-----	220	142	362
1982-----	150	109	259

U.S. employment, wages, and productivity

In domestic establishments producing hot-rolled carbon steel plate (cut-to-length and/or in coils), the average employment of all persons declined steadily during 1980-82; the average number of production and related workers increased slightly from 1980 to 1981 and then declined by 46 percent in 1982. Hours worked by production and related workers producing all products increased by 1.4 percent from 1980 to 1981, and then dropped by 20.4 percent in 1982. Hours worked by production and related workers producing cut-to-length and coiled plate followed a similar trend, increasing by 1.2 percent from 1980 to 1981 and then dropping sharply, by 47.7 percent, in 1982 (table 8).

Wages and total compensation paid to production and related workers producing all products and those paid to production and related workers producing hot-rolled carbon steel plate (cut-to-length and coiled) are shown in table 9. The difference between total compensation and wages is an estimate of workers' benefits.

Data on labor productivity, hourly compensation, and unit labor costs in the production of hot-rolled carbon steel plate (cut-to-length and in coils) are presented in table 10. Labor productivity increased by 1.3 percent in 1981 and then declined by 2.6 percent in 1982. Hourly compensation increased continuously throughout the period from \$13.26 per hour in 1980 to \$15.35 per hour in 1982, and unit labor costs increased from \$75 per ton in 1980 to \$88 per ton in 1982.

As mentioned, in previous investigations, the Commission has included statistical information on coiled plate in data presented on hot-rolled carbon steel sheet. Employment data on hot-rolled carbon steel sheet, as presented in the Commission's report in investigations Nos. 701-TA-170, 171, and 173 (Final), Certain Carbon Steel Products from the Republic of Korea, 1/ are shown in tables 11 and 12.

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1/ USITC publication 1346, February 1983.



Table 8.--Average number of employees, total and production and related workers, in U.S. establishments producing hot-rolled carbon steel plate (cut-to-length and coiled), and hours paid 1/ for the latter, 1980-82

Item	1980	1981	1982
Average employment:			
All persons:			
Number-----	177,768	177,538	136,081
Percentage change-----	<u>2/</u>	<u>3/</u>	-23.4
Production and related workers producing hot-rolled carbon steel plate:			
Number-----	19,091	19,112	10,258
Percentage change-----	<u>2/</u>	0.1	-46.3
Hours paid by production and related workers producing--			
All products:			
Number-----thousands--	297,223	301,640	214,245
Percentage change-----	<u>2/</u>	1.4	-29.0
Hot-rolled carbon steel plate:			
Number-----thousands--	36,686	37,129	19,409
Percentage change-----	<u>2/</u>	1.2	-47.7

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

2/ Not available.

3/ Less than 0.05 percent.

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

Table 9.--Wages and total compensation 1/ paid to production and related workers in establishments producing hot-rolled carbon steel plate (cut-to-length and coiled), 1980-82

Item	1980	1981	1982
Wages paid to production and related workers producing--			
All products:			
Value-million dollars--:	4,176	4,621	3,563
Percentage change-----:	<u>2/</u>	10.7	-22.9
Hot-rolled carbon steel plate:			
Value-million dollars--:	487	533	298
Percentage change-----:	<u>2/</u>	9.4	-44.2
Total compensation paid to production and related workers producing--			
All products:			
Value-million dollars--:	5,446	6,051	4,968
Percentage change-----:	<u>2/</u>	11.1	-17.9
Hot-rolled carbon steel plate:			
Value-million dollars--:	626	688	407
Percentage change-----:	<u>2/</u>	9.9	40.8

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

2/ Not available.

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

Table 10.--Labor productivity, hourly compensation, and unit labor costs in the production of hot-rolled carbon steel plate (cut-to-length and coiled), 1980-82

Item	1980	1981	1982
Labor productivity:			
Quantity--tons per hour--:	0.1774	0.1798	0.1748
Percentage change-----:	<u>1/</u>	1.4	-2.8
Hourly compensation: 2/			
Value-----per hour--:	\$13.26	\$14.36	\$15.35
Percentage change-----:	<u>1/</u>	8.1	7.0
Unit labor costs:			
Value-----per ton--:	\$95.80	\$102.96	\$115.18
Percentage change-----:	<u>1/</u>	7.5	15.8

1/ Not available.

2/ Based on wages paid excluding fringe benefits.

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

Table 11.--Average number of employees, total and production and related workers, in U.S. establishments producing hot-rolled carbon steel sheet, 1/ hours paid 2/ for the latter, and labor productivity, 1979-81, January-September 1981, and January-September 1982.

Period	Employment			Hours paid for production and related workers producing--		Labor productivity
	All persons	Production and related workers producing--	Subject product	All products	Subject product	
		All products	Subject product	-----Thousands-----		Tons per hour
1978-----	204,012	175,323	23,103	359,685	47,440	0.2370
1979-----	222,786	189,715	25,400	385,182	51,596	.2356
1980-----	187,466	157,279	20,432	306,920	39,970	.2369
1981-----	192,471	163,161	22,404	320,041	44,338	.2480
Jan.-Sept.--						
1981-----	200,041	173,180	25,033	260,024	37,710	.2334
1982-----	141,755	118,404	18,567	170,480	27,293	.2126

1/ Includes operations in producing strip.

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

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

Table 12.--Wages and total compensation <sup>1/</sup> paid to production and related workers in U.S. establishments producing hot-rolled carbon steel sheet, <sup>2/</sup> unit labor costs in the production of such items, 1978-81, January-September 1981, and January-September 1982

Period	Wages paid to production and related workers producing--		Total compensation paid to production and related workers producing--		Hourly compensation	Unit labor cost
	All products	Subject product	All products	Subject product		
	-----Million dollars-----					Per ton
1978-----	3,980	542	5,046	685	\$14.45	\$60.98
1979-----	4,759	657	6,011	830	16.09	68.22
1980-----	4,254	573	5,557	747	18.68	78.83
1981-----	4,766	691	6,239	900	20.30	81.81
Jan.-Sept.--						
1981-----	4,579	574	5,965	742	19.68	84.33
1982-----	2,924	444	3,922	607	22.24	104.64

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

<sup>2/</sup> 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

Overall operations of the establishments within which cut-to-length and/or coiled hot-rolled carbon steel plate is produced.--Nine producers of cut-to-length and/or coiled hot-rolled carbon steel plate provided the Commission with usable income-and-loss data relative to the overall operations of the establishments within which such products were produced during 1980-82. Net sales for these establishments were \$15.9 billion in 1982, compared with \$23.3 billion in 1981 and \$20.1 billion in 1980 (table 13).

Cost of goods sold, as a share of net sales, declined from 101.8 percent in 1980 to 98.0 percent in 1981 and then rose to 110.6 percent in 1982. General, selling, and administrative expenses ranged from 2.6 percent of net sales in 1981 to 4.0 percent in 1982.

In the aggregate, the nine firms sustained an operating loss in each of the reporting periods during 1980-82, ranging from \$151 million, or 0.6 percent of net sales, in 1981 to \$2.3 billion, or 14.6 percent of net sales, in 1982. Five firms sustained operating losses in 1980, four, in 1981, and in 1982, all nine firms sustained such losses.

As a share of overall establishment net sales, net sales of cut-to-length and coiled hot-rolled carbon steel plate declined annually during 1980-82, from 13.9 percent to 10.0 percent.

Table 13.--Income-and-loss experience of 9 U.S. producers on the overall operations of their establishments within which cut-to-length and/or coiled hot-rolled carbon steel plate is produced, 1980-82

Item	1980	1981	1982
Net sales			
million dollars--	20,108	23,295	15,885
Cost of goods sold---do----	20,462	22,830	17,568
Gross income or (loss)			
do----	(354)	465	(1,683)
General, selling, and administrative expenses			
do----	550	616	635
Operating income or (loss)			
do----	(904)	(151)	(2,318)
Depreciation and amortization expenses----do----	485	499	425
Cash flow from operations			
do----	(419)	348	(1,893)
Ratio to net sales of--			
Gross income or (loss)			
percent--	(1.8)	2.0	(10.6)
Operating loss-----do----	4.5	.6	14.6
Cost of goods sold			
do----	101.8	98.0	110.6
General, selling, and administrative expenses:			
do----	2.7	2.6	4.0
Net sales of cut-to-length and/or coiled hot-rolled carbon steel plate-----do----	13.9	13.2	10.0
Number of firms reporting			
operating losses-----	5	4	9

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

Operations on cut-to-length and/or coiled hot-rolled carbon steel plate.--Net sales of cut-to-length and/or coiled hot-rolled carbon steel plate rose by 10 percent from 1980 to 1981, from \$2.8 billion to \$3.1 billion (table 14). Net sales then fell sharply to \$1.6 billion in 1982, or by 48 percent.

During 1980-82, the cost of goods sold ranged from 95.5 percent of net sales in 1981 to 108.8 percent in 1982, and general, selling, and administrative expenses ranged from 3.0 percent of net sales in both 1980 and 1981 to 4.8 percent in 1982.

In 1982, the nine firms sustained an aggregate operating loss of \$215 million, or 13.6 percent of net sales, compared with operating incomes of \$18 million, or 0.6 percent of net sales, and \$48 million, or 1.5 percent of net sales, respectively, in 1980 and 1981. Six of the nine firms sustained an operating loss in 1980, five firms sustained such a loss in 1981, and all nine firms did so in 1982.

In the aggregate, the nine firms experienced a negative cash flow of \$166 million in 1982, compared with positive cash flows of \$89 million and \$114 million in 1980 and 1981, respectively.

In previous investigations, the Commission has included income-and-loss information on coiled plate in data presented on hot-rolled carbon steel sheet. The income-and-loss data on hot-rolled carbon steel sheet, as presented in the Commission's report in investigations Nos. 701-TA-170, 171, and 173 (Final), Certain Carbon Steel Products from the Republic of Korea, 1/ are presented in table 15.

Table 14.--Income-and-loss experience of 9 U.S. producers on their cut-to-length and/or coiled hot-rolled carbon steel plate operations, 1980-82

Item	1980	1981	1982
Net sales			
million dollars--:	2,787	3,071	1,588
Cost of goods sold---do----	2,686	2,932	1,727
Gross income or (loss)			
do----	101	139	(139)
General, selling, and administrative expenses			
do----	83	91	76
Operating income or (loss)			
do----	18	48	(215)
Depreciation and amorti- zation expenses----do----	71	66	49
Cash flow from operations			
do----	89	114	(166)
Ratio to net sales of--			
Gross income or (loss)			
percent--:	3.6	4.5	(8.7)
Operating income or (loss)-----do----	.6	1.5	(13.5)
Cost of goods sold			
do----	96.4	95.5	108.7
General, selling, and administrative expenses:			
do----	3.0	3.0	4.8
Number of firms reporting			
operating losses-----:	6	5	9

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

Table 15.--Income-and-loss experience of U.S. producers on their operations producing hot-rolled carbon steel sheet, 1/ accounting years 1978-81, January-September 1981, and January-September 1982.

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
1978-----	3,346	3,102	244	82	162	4.8
1979-----	4,014	3,827	187	92	95	2.4
1980-----	3,083	3,228	(145)	87	(232)	(7.5)
1981-----	3,980	4,009	(29)	110	(139)	(3.5)
Jan.-Sept.--						
1981-----	3,135	3,127	8	87	(79)	(2.5)
1982-----	1,981	2,234	(253)	82	(335)	(16.9)

1/ Includes operations on strip.

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

Capital expenditures.--Six firms supplied data relative to their expenditures during 1980-82 for land, buildings, and machinery and equipment used in the manufacture of cut-to-length and/or coiled hot-rolled carbon steel plate. Such aggregate capital expenditures declined annually from \$56 million in 1980 to \$40 million in 1982, as shown in the following tabulation:

	<u>Capital expenditures</u> (1,000 dollars)
1980-----	56,295
1981-----	44,160
1982-----	39,951

Research and development expenditures.--Research and development expenses for the seven firms that responded to the Commission's questionnaire relative to their operations on cut-to-length and/or coiled hot-rolled carbon steel plate are presented in the following tabulation for 1980-82:

	<u>Research and development expenses</u> (1,000 dollars)
1980-----	5,523
1981-----	6,670
1982-----	5,829



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

In its examination of the question 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 in LTFV imports, the rate of increase in U.S. market penetration by such imports, the amounts of imports held in inventory in the United States, and the capacity of producers in the country subject to the investigation to generate exports (including the availability of export markets other than the United States). A discussion of the rates of increase in imports of cut-to-length and coiled hot-rolled carbon steel plate and of their U.S. market penetration is presented in the section of this report entitled "Consideration of the Causal Relationship Between Alleged Material Injury or the Threat Thereof and Allegedly LTFV Imports."

U.S. importers' inventories

End-of-period inventories of cut-to-length hot-rolled carbon steel plate from Brazil (importers reported no inventories of coiled plate), as reported by importers in response to the Commission's questionnaires, are shown in the following tabulation:

<u>Date</u>	<u>Quantity</u> (1,000 short tons)	<u>Ratio of inventories</u> <u>to reported imports</u> (Percent)
Dec. 31, 1978-----	***	***
Dec. 31, 1979-----	***	***
Dec. 31, 1980-----	10	7 0
June 30, 1981-----	10	4.5
Dec. 31, 1981-----	25	12 2
June 30, 1982-----	18	31.2

The Brazilian steel industry

The Brazilian steel industry produced 14.6 million tons of raw steel in 1981, ranking 13th among world steel-producing countries. This represented a 14-percent decrease from production in 1980, when it ranked 10th among world steel producers. However, Brazil's production in 1981 still exceeded its production in any year prior to 1979, as shown in the following tabulation:

<u>Quantity</u> (1,000 short tons)	
1972-----	7,185
1973-----	7,881
1974-----	8,284
1975-----	9,245
1976-----	10,200
1977-----	12,404
1978-----	13,454
1979-----	15,314
1980-----	16,875
1981-----	14,565

The Siderbras group of companies produced 10.4 million tons of raw steel in 1980, representing 61 percent of total Brazilian production. <sup>1/</sup> Its three largest producers--Usinas Siderurgicas de Minas Gerais (Usiminas), Companhia Siderurgica Paulista (Cosipa), and Companhia Siderurgica Nacional (CSN)--together accounted for over 90 percent of Siderbras' raw steel production and approximately 58 percent of total Brazilian raw steel production in 1980. These three firms, all fully integrated steel producers, are believed to account for virtually all of Brazil's production of hot-rolled carbon steel plate.

Usiminas was the largest producer within the Siderbras system in 1980, producing 3.6 million tons of raw steel. It makes plate, hot-rolled sheet, and cold-rolled sheet. Its shipments of rolled products in 1980 totaled 3.2 million tons, representing a 15-percent increase over shipments in 1979. Of total shipments, 3.0 million tons went to the domestic market, and 0.2 million tons was exported, principally to the United States. <sup>2/</sup>

Cosipa was the second largest producer within the Siderbras system, producing 3.3 million tons of raw steel in 1980. This represented a 16-percent increase over production in the previous year. Cosipa makes plate, hot-rolled sheet and strip, and cold-rolled sheet and strip. Its shipments in 1980 amounted to 2.8 million tons, representing an 11-percent increase over shipments in 1979. Of total shipments, 2.2 million tons went to the domestic market, primarily the State of Sao Paulo. Exports were principally of plate (82 percent of the total), and the United States was the principal export market. <sup>3/</sup>

CSN makes plate, hot- and cold-rolled sheet, galvanized sheet, structural shapes, rails, and round and square bars. CSN produced 2.8 million tons of raw steel in 1980, representing an 8.4-percent increase over production in the previous year. Shipments in 1980 amounted to 2.4 million tons, with 2.1 million tons going to the domestic market, and the remainder to export markets. <sup>4/</sup>

According to information received from the U.S. Department of State, Brazil produced 1.8 million tons of cut-to-length carbon steel plate in 1980, or 20 percent more than the 1.5 million tons produced in 1979. Production in January-August 1981 amounted to 1.1 million tons, equivalent to an annual rate of 1.7 million tons. As shown in table 16, about one-fifth of Brazil's production of cut-to-length carbon steel plate was exported in 1979, and almost one-third was exported in 1980. The United States took 55 percent of Brazil's aggregate exports of cut-to-length carbon steel plate in 1979 and 68 percent in 1980.

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<sup>1/</sup> Siderbras, a Government-controlled corporation in charge of Federally owned steel corporations, was established in 1973 to promote and stimulate new steel projects involving state participation. As of early 1982, it controlled seven operating Brazilian steel companies; two additional facilities were under construction.

<sup>2/</sup> Usiminas' annual report for 1980.

<sup>3/</sup> Cosipa's annual report for 1980.

<sup>4/</sup> CSN's annual report for 1980.

Table 16.--Cut-to-length carbon steel plate: Brazil's production and exports, 1979, 1980, and January-September 1981

(In thousands of short tons)

Item	1979	1980	January- September 1981
Production-----	1,500	1,800	<u>1/</u> 1,118
Exports to--			
United States <u>2/</u> -----	177	389	65
European Community-----	19	46	2
All other countries-----	128	140	53
Total-----	324	575	120

1/ January-August.

2/ Official U.S. import statistics show the following imports of cut-to-length hot-rolled carbon steel plate from Brazil (in thousands of short tons): 1979--206; 1980--323; and January-September 1981--228.

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

As previously indicated, Usiminas, Cosipa, and CSN account for virtually all of Brazil's production of hot-rolled carbon steel plate. 1/ Usiminas produces carbon steel plate in a plate mill with an annual reported capacity of 1.8 million tons. Cosipa is believed to produce carbon steel plate in a hot-strip mill (the annual capacity of this plant is about 1.5 million tons) and a 160-inch plate mill (this mill was installed in 1980/81) with an annual capacity of 900,000 tons. CSN reportedly produces plate in a hot-strip mill with an annual capacity of 1.45 million tons. 2/

Usiminas and Cosipa are the only known exporters in Brazil of cut-to-length carbon steel plate to the United States. The following tabulation shows data on production and exports of such plate by these two firms in 1980 and 1981 (in short tons): 3/

1/ A fourth firm, Companhia Aços Especiais Itabira (Acesita), may also produce such merchandise.

2/ The Department of State reported that the utilization of Brazil's capacity to produce carbon steel plate in 1981 ranged from 75 to 85 percent. All Department of State data are believed to reflect operations only on cut-to-length plate. Additional information on coiled plate operations is currently being sought.

3/ These data were obtained from Arter, Hadden & Hemmendinger, counsel for Cosipa and Usiminas. Comparable data for 1982 and for coiled plate are not available at this time.

<u>Item and firm</u>	<u>1980</u>	<u>1981</u>
Production:		
Usiminas-----	***	***
Cosipa-----	***	***
Exports to--		
United States:		
Usiminas-----	***	***
Cosipa-----	***	***
All other countries:		
Usiminas-----	***	***
Cosipa-----	***	***
Total exports:		
Usiminas-----	***	***
Cosipa-----	***	***

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

U.S. imports

Imports from all sources.--Imports of cut-to-length and coiled carbon steel plate from all sources increased from 2.0 million tons in 1980 to 2.4 million tons in 1981, and then declined by 34 percent to 1.5 million tons in 1982 (table 17).

Imports of coiled carbon steel plate from all sources rose from 445,000 tons in 1980 to 512,000 tons in 1981 and then declined to 389,000 tons in 1982 (table 18).

Imports of cut-to-length carbon steel plate from all sources rose from 1.6 million short tons in 1980 to 1.8 million short tons in 1981 and then dropped to 1.2 million short tons in 1982 (table 19).

Imports from Brazil.--Imports of cut-to-length and coiled carbon steel plate from Brazil fell by 5 percent from 324,000 short tons in 1980 to 309,000 short tons in 1981, and then dropped by 46 percent to 167,000 short tons in 1982 (table 17).

Imports of coiled carbon steel plate from Brazil fell from 1,587 short tons in 1980 to 66 short tons in 1981, and then rose to 17,980 short tons in 1982 (table 18).

Imports of cut-to-length carbon steel plate from Brazil fell from 323,000 short tons in 1980 to 309,000 short tons in 1981 and to 149,000 short tons in 1982 (table 19).

Table 17.--Cut-to-length and coiled hot-rolled carbon steel plate:  
U.S. imports for consumption, by principal sources, 1980-82

Source	1980	1981	1982
Quantity (1,000 short tons)			
Belgium/Luxembourg	290	<u>1/</u> 341	203
Italy	18	44	82
West Germany	235	197	182
Brazil	324	309	167
Republic of South Africa	82	74	134
Korea	223	133	130
Spain	110	100	76
Canada	272	259	164
Japan	148	120	93
Finland	24	63	85
All other	288	712	227
Total, all sources	2,016	2,353	1,542
Value (1,000 dollars)			
Belgium/Luxembourg	93,856	<u>1/</u> 123,858	69,036
Italy	4,420	13,409	22,537
West Germany	70,005	68,751	55,259
Brazil	102,232	112,897	52,440
Republic of South Africa	24,106	25,467	42,015
Korea	70,811	46,525	42,384
Spain	36,500	37,189	24,247
Canada	91,670	95,813	62,233
Japan	46,797	44,578	34,776
Finland	7,529	22,200	26,644
All other	90,305	244,130	72,960
Total, all sources	638,232	834,797	504,530

See footnote at end of table.

Table 17.--Cut-to-length and coiled hot-rolled carbon steel plate: U.S. imports for consumption, by principal sources, 1980-82--Continued

Source	1980	1981	1982
Unit value (per ton)			
Belgium/Luxembourg-----	\$323	\$364	\$340
Italy-----	243	302	276
West Germany-----	298	350	303
Brazil-----	315	365	314
Republic of South Africa-----	295	344	315
Korea-----	318	351	327
Spain-----	331	371	319
Canada-----	337	370	380
Japan-----	315	371	376
Finland-----	309	352	315
All other-----	313	343	321
Average, all sources-----	317	355	327

1/ Includes 13,600 tons of slab greater than 6 inches in thickness.

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

Note.--Because of rounding, figures may not add to the totals shown. Unit values were computed from unrounded data.

Table 18.--Coiled hot-rolled carbon steel plate: U.S. imports for consumption, by principal sources, 1980-82

Source	1980	1981	1982
Quantity (1,000 short tons)			
Belgium/Luxembourg	4	40	25
Italy	17	27	21
West Germany	133	100	131
Brazil	2	<u>1/</u>	18
Republic of South Africa	16	11	6
Korea	11	18	39
Spain	<u>1/</u>	1	<u>1/</u>
Canada	21	31	15
Japan	115	89	40
Finland	<u>1/</u>	15	12
All other	12	179	82
Total, all sources	445	512	389
Value (1,000 dollars)			
Belgium/Luxembourg	1,237	12,879	6,979
Italy	4,112	7,909	5,828
West Germany	35,611	31,251	38,182
Brazil	436	22	4,913
Republic of South Africa	4,075	3,039	1,715
Korea	2,924	5,266	11,154
Spain	195	199	35
Canada	6,113	9,962	4,767
Japan	34,951	28,573	12,577
Finland	41	4,375	3,479
All other	36,720	53,822	24,392
Total, all sources	126,415	157,299	114,019

See footnote at end of table.

Table 18.--Coiled hot-rolled carbon steel plate: U.S. imports for consumption, by principal sources, 1980-82--Continued

Source	1980	1981	1982
Unit value (per ton)			
Belgium/Luxembourg-----	\$313	\$324	\$278
Italy-----	240	293	274
West Germany-----	267	312	291
Brazil-----	275	338	273
Republic of South Africa-----	254	284	285
Korea-----	277	300	284
Spain-----	527	258	236
Canada-----	292	319	324
Japan-----	304	319	317
Finland-----	254	299	294
All other-----	292	298	298
Average, all sources-----	284	307	293

1/ Less than 500 short tons.

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

Note.--Because of rounding, figures may not add to the totals shown. Unit values were computed from unrounded data.



Table 19.--Cut-to-length hot-rolled carbon steel plate: U.S. imports for consumption, by principal sources, 1980-82

Source	1980	1981	1982
Quantity (1,000 short tons)			
Belgium/Luxembourg-----	286	<u>1/</u> 301	178
Italy-----	1	17	60
West Germany-----	102	96	51
Brazil-----	323	309	149
Republic of South Africa-----	66	63	128
Korea-----	212	115	90
Spain-----	110	99	76
Canada-----	251	228	149
Japan-----	33	31	53
Finland-----	24	49	73
All other-----	163	532	145
Total, all sources-----	1,571	1,841	1,152
Value (1,000 dollars)			
Belgium/Luxembourg-----	92,619	<u>1/</u> 110,978	62,057
Italy-----	308	5,501	16,710
West Germany-----	34,394	37,500	17,077
Brazil-----	101,796	112,855	47,528
Republic of South Africa-----	20,031	22,428	40,300
Korea-----	67,887	41,259	31,230
Spain-----	36,306	36,989	24,212
Canada-----	85,557	85,851	57,466
Japan-----	11,846	16,004	22,199
Finland-----	7,488	17,825	23,165
All other-----	53,585	190,308	48,567
Total, all sources-----	511,817	677,499	390,511

See footnotes at end of table.

Table 19.--Cut-to-length hot-rolled carbon steel plate: U.S. imports for consumption, by principal sources, 1980-82--Continued

Source	1980	1981	1982
Unit value (per ton)			
Belgium/Luxembourg-----:	\$323 :	<u>1/</u> \$369 :	\$349
Italy-----:	288 :	315 :	276
West Germany-----:	338 :	389 :	335
Brazil-----:	315 :	365 :	319
Republic of South Africa-----:	306 :	354 :	316
Korea-----:	320 :	359 :	345
Spain-----:	330 :	372 :	319
Canada-----:	341 :	377 :	385
Japan-----:	357 :	523 :	419
Finland-----:	309 :	367 :	318
All other-----:	329 :	358 :	335
Average, all sources-----:	326 :	368 :	339

1/ Includes 13,600 tons of slab greater than 6 inches in thickness.

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

Note.--Because of rounding, figures may not add to the totals shown. Unit values were computed from unrounded data.

U.S. market penetration

Imports from all sources.--Market penetration of imports of cut-to-length and coiled plate from all countries increased from 23.4 percent of U.S. consumption in 1980 to 25.8 percent in 1981 and 30.1 percent in 1982. Market penetration of cut-to-length plate from all countries increased steadily from 23.9 percent of consumption in 1980 to 31.4 percent in 1982, and imports of coiled plate declined slightly from 21.8 percent of consumption in 1980 to 19.7 percent in 1981, before increasing to 26.3 percent in 1982 (table 20).

Imports from Brazil.--Market penetration of imports of cut-to-length and coiled plate from Brazil decreased from 3.8 percent of consumption in 1980 to 3.3 percent of consumption in 1982. Imports of cut-to-length plate from Brazil also declined as a share of consumption, from 4.9 percent in 1980 to 4.1 percent in 1982. Imports of coiled plate were at very low levels, equaling less than 1 percent of consumption in 1980 and 1981 and 1.2 percent of consumption in 1982.

Table 20.--Cut-to-length and coiled hot-rolled carbon steel plate: Ratios of imports, total and from Brazil, to apparent U.S. consumption, by types, 1980-82

(In percent)				
Item	1980	1981	1982	
Ratio of imports to				
apparent U.S.				
consumption:				
From Brazil:				
Cut-to-length plate----	4.9	4.7	4.1	
Coiled plate-----	.1	1/	1.2	
Total-----	3.8	3.4	3.3	
From all countries:				
Cut-to-length plate---	23.9	28.2	32.1	
Coiled plate-----	21.8	19.6	25.3	
Average-----	23.4	25.8	30.1	

1/ Less than 0.05 percent.

Source: Consumption, calculated as the sum of U.S. producers' domestic shipments and imports for consumption. Shipments, compiled from questionnaires of the U.S. International Trade Commission; imports, compiled from official statistics of the U.S. Department of Commerce.

Note.--Because domestic producers' shipments (and therefore apparent U.S. consumption) are understated to the extent that questionnaire data were not received from all firms, market penetration by imports is somewhat overstated.

## 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 plate and its price 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 plate decreased in 1978-81 and fell sharply in 1982. As demand for plate falls, competition and discounting increase, and the price of plate 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 and January-June 1982. Public nonresidential and nonbuilding construction continued their downward trend during January-June 1982, declining by 11 and 13 percent, respectively, in real terms, from the levels of January-June 1981.

U.S. producers usually quote prices for carbon steel products at the time of shipment on an f.o.b. mill basis. 3/ Importers of such products from Brazil generally quote prices at the time of the order, either 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 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 seven announced base price increases for hot-rolled carbon steel plate during January 1979-June 1982, the most recent one occurring in April 1982.

U.S. producers maintain published list prices; however, according to industry sources, discounting from list prices has increased during recent months. Discounting can take several forms. Freight absorption is one method. Others are foregoing the cost of extras and pricing primary quality steel mill products as secondary quality. Also, discounts can be simply a reduction in base price.

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1/ These percentages are based on Bureau of Census data on the 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.

The Commission requested data on average net selling prices for specific products from domestic producers and importers. These prices are used to analyze trends in prices. In order to make direct comparisons of prices, the Commission also 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 centers/distributors and end users for six specified carbon steel plate products, by quarters, during January 1980-December 1982. 1/ Domestic producers' selling prices are weighted-average f.o.b. mill prices, net of all discounts and allowances (including freight allowances), and excluding inland freight charges. Importers' selling prices are 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 useful for comparing trends in these prices and should reflect any discounting that may have occurred.

The f.o.b. net selling prices reported by domestic producers and importers are presented as indexes in table 21. In 1980 and 1981, domestic producers' prices for the four plate products numbered 1-4 2/ generally increased--rising faster on sales to end users than on sales to service centers/distributors. The lone exception was in 1980 for product 4, when the domestic price to end users decreased, but the price to service centers/distributors increased. During January-December 1982, domestic producers' prices for these four plate products fell to levels sharply lower than those reached in October-December 1981. In each instance, this reversed the generally upward trend in domestic hot-rolled carbon steel plate prices established in 1980 and 1981.

Domestic producers' prices for the two plate products numbered 5 and 6 (both coiled products) generally increased from January 1980 to September 1981 but decreased thereafter.

Generally complete price data were reported for Brazilian plate products 2, 3, and 4 sold to service centers/distributors, and for plate products 2 and 4 sold to end users. Prices to service centers/distributors for plate imported from Brazil generally increased during 1980 and 1981, but trended downward in January-September 1982 to levels below peaks reached in 1981. The few reported prices to end users for products 2 and 4 fluctuated without any clear trends, although prices in 1982 remained unchanged for both products.

Comparisons between domestic and Brazilian price trends can be made for plate products 2, 3, and 4 sold to service centers/distributors, and plate products 2 and 4 sold to end users. For the sales to service centers/

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1/ As a basis for price trend analyses, the Commission selected six representative plate products covering the carbon steel plate subject to this investigation. These products (which are numbered from 1 through 6) and their specifications are listed in app. C.

2/ These products are cut-to-length carbon steel plate.

Table 21.--Indexes of weighted-average net f.o.b selling prices for sales of domestic and Brazilian hot-rolled carbon steel plate, by types of customers, by types of products, and by quarters, January 1980-September 1982

Product and period <u>1/</u>	(January-March 1980=100)			
	Prices paid by service centers/distributors		Prices paid by end users	
	Domestic	Brazil	Domestic	Brazil
Product 1:				
1980:				
January-March-----:	100	100	100	-
April-June-----:	104	-	104	-
July-September-----:	102	-	105	-
October-December-----:	104	-	106	-
1981:				
January-March-----:	104	113	108	-
April-June-----:	104	-	112	-
July-September-----:	106	-	113	-
October-December-----:	107	-	113	-
1982:				
January-March-----:	108	-	115	<u>2/</u>
April-June-----:	105	-	115	-
July-September-----:	103	-	109	-
October-December-----:	98	-	104	-
Product 2:				
1980:				
January-March-----:	100	100	100	100
April-June-----:	104	118	105	102
July-September-----:	103	104	105	99
October-December-----:	106	102	107	99
1981:				
January-March-----:	109	112	109	103
April-June-----:	113	116	115	108
July-September-----:	113	117	117	111
October-December-----:	113	118	119	112
1982:				
January-March-----:	110	112	115	107
April-June-----:	106	99	114	107
July-September-----:	101	92	108	-
October-December-----:	94	81	101	-
Product 3:				
1980:				
January-March-----:	100	100	100	-
April-June-----:	103	114	105	-
July-September-----:	102	-	106	-
October-December-----:	103	114	107	-
1981:				
January-March-----:	104	110	109	-
April-June-----:	105	117	114	-
July-September-----:	105	115	116	-
October-December-----:	107	119	119	-

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See footnotes at the end of table.

Table 21.--Indexes of weighted-average net f.o.b selling prices for sales of domestic and Brazilian hot-rolled carbon steel plate, by types of customers, by types of products, and by quarters, January 1980-September 1982--Continued

(January-March 1980=100)					
Product and period <u>1/</u>	: Prices paid by service :		: Prices paid by end users :		
	: centers/distributors :		: Domestic : Brazil :		
	: Domestic :	: Brazil :	: Domestic :	: Brazil :	
Product 3--Continued:	:	:	:	:	:
1982:	:	:	:	:	:
January-March-----:	106 :	116 :	116 :	-	
April-June-----:	105 :	101 :	113 :	-	
July-September-----:	103 :	86 :	106 :	-	
October-December-----:	99 :	- :	102 :	-	
Product 4:	:	:	:	:	:
1980:	:	:	:	:	:
January-March-----:	100 :	100 :	100 :	100	
April-June-----:	104 :	108 :	103 :	106	
July-September-----:	104 :	109 :	103 :	104	
October-December-----:	106 :	111 :	99 :	108	
1981:	:	:	:	:	:
January-March-----:	108 :	109 :	109 :	110	
April-June-----:	113 :	112 :	116 :	105	
July-September-----:	112 :	114 :	117 :	106	
October-December-----:	112 :	116 :	119 :	108	
1982:	:	:	:	:	:
January-March-----:	109 :	113 :	115 :	107	
April-June-----:	104 :	100 :	114 :	107	
July-September-----:	98 :	82 :	110 :	-	
October-December-----:	93 :	- :	104 :	-	
Product 5:	:	:	:	:	:
1980:	:	:	:	:	:
January-March-----:	100 :	- :	100 :	-	
April-June-----:	106 :	- :	105 :	-	
July-September-----:	98 :	- :	101 :	-	
October-December-----:	103 :	- :	100 :	-	
1981:	:	:	:	:	:
January-March-----:	108 :	- :	108 :	-	
April-June-----:	112 :	- :	110 :	-	
July-September-----:	115 :	- :	115 :	-	
October-December-----:	112 :	- :	112 :	-	
1982:	:	:	:	:	:
January-March-----:	108 :	- :	112 :	-	
April-June-----:	115 :	- :	108 :	-	
July-September-----:	107 :	- :	108 :	-	
October-December-----:	97 :	- :	99 :	-	

See footnotes at the end of table.

Table 21.--Indexes of weighted-average net f.o.b selling prices for sales of domestic and Brazilian hot-rolled carbon steel plate, by types of customers, by types of products, and by quarters, January 1980-September 1982--Continued

(January-March 1980=100)					
Product and period <u>1/</u>	: Prices paid by service : : centers/distributors :		: Prices paid by end users		
	: Domestic :	: Brazil :	: Domestic :	: Brazil	
	:	:	:	:	:
Product 6:	:	:	:	:	:
1980:	:	:	:	:	:
January-March-----:	100 :	- :	100 :	-	-
April-June-----:	106 :	- :	105 :	-	-
July-September-----:	96 :	- :	100 :	-	-
October-December-----:	100 :	- :	98 :	-	-
1981:	:	:	:	:	:
January-March-----:	109 :	- :	107 :	-	-
April-June-----:	111 :	- :	111 :	-	-
July-September-----:	114 :	- :	116 :	-	-
October-December-----:	111 :	- :	113 :	-	-
1982:	:	:	:	:	:
January-March-----:	106 :	- :	115 :	-	-
April-June-----:	113 :	- :	109 :	-	-
July-September-----:	110 :	- :	107 :	-	-
October-December-----:	104 :	- :	101 :	-	-
:	:	:	:	:	:

1/ See product list in app. C for specifications.

2/ Comparable data base for indexing was not available.

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



distributors, the Brazilian prices generally changed more than the domestic prices. Hence, the generally larger Brazilian price increases in 1980 and 1981 most likely are the basis for the larger Brazilian price declines in 1982. Decreases in the indexes of Brazilian prices in January-September 1982 ranged from 17.9 to 27.4 percent; in contrast, comparable domestic price indexes fell less precipitously, from 2.8 to 10.1 percent. For product 2, full year 1982 trend comparisons show the Brazilian prices falling 27.7 percent and the domestic prices falling only 14.5 percent. Comparisons of domestic and Brazilian price trends for the plate products sold to end users do not clearly indicate any significant relationships.

Purchase prices. 1/--The Commission asked purchasers to furnish the delivered prices they paid for eight representative imported and domestically produced cut-to-length carbon steel plate products, by quarters, during January 1981-September 1982. 2/ Purchasers were asked for prices, including delivery charges, paid in specific transactions. To insure that these prices would be comparable, 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. The information obtained was used to compare the levels of importers' and domestic producers' prices.

Fifty-eight purchasers responding to this questionnaire provided usable price data, most of which were for purchases of domestically produced products. Purchase prices were reported on all steel mill products produced domestically, but not necessarily for each quarter, from January-March 1981 through July-September 1982, each metropolitan area, or each type of customer. Fewer prices were reported for hot-rolled plate imported from Brazil, and, in many instances, these could not be matched with corresponding purchases of domestically produced products because of differences in periods, metropolitan areas, or types of purchasers for which such prices were reported. Nevertheless, purchasers reported data that provided 61 comparisons of domestic and Brazilian hot-rolled carbon steel plate delivered prices; the data covered all of the six geographic areas and seven of the eight plate products.

Tables 22 and 23 present average margins by which imports of Brazilian hot-rolled carbon steel plate undersold the domestic material. Table 22 shows data based on purchases by service centers/distributors, and table 23 shows data based on purchases by end users. Of the 61 average margins presented in these tables, 48 show underselling by Brazilian plate, ranging from 2 to 31 percent, and 13 show overselling, ranging from 1 to 10 percent.

Table 22 presents the 44 average margins based on purchases reported by service centers/distributors. These price comparisons show 32 average margins of underselling (ranging from 2 to 26 percent) and 12 average margins of overselling (ranging from 1 to 10 percent). Of the five geographic areas

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1/ This section presents purchase price data that were obtained in the final countervailing duty investigation on carbon steel plate from Brazil (inv. No. 701-TA-87 (Final)). Coiled carbon steel plate was not subject to that investigation and thus purchase prices for coiled products are not available.

2/ Product numbers and specifications are shown in app. C.

Table 22.--Average margins by which imports of Brazilian hot-rolled carbon steel plate undersold <sup>1/</sup> U.S.-produced plate, based on average net delivered purchase prices for the largest purchases of selected representative products by service center/distributor customers, by specified geographic areas and by quarters, January 1981-September 1982

Product and period <sup>2/</sup>	Atlanta area		Detroit area		Houston area		Los Angeles area		Philadelphia area	
	Dollars: per ton:	Percent: age	Dollars: per ton:	Percent: age	Dollars: per ton:	Percent: age	Dollars: per ton:	Percent: age	Dollars: per ton:	Percent: age
Product 8:	:	:	:	:	:	:	:	:	:	:
1981:	:	:	:	:	:	:	:	:	:	:
Jan.-Mar---	***	5	-	-	-	-	-	-	-	-
July-Sept--	***	12	-	-	-	-	-	-	-	-
1982:	:	:	:	:	:	:	:	:	:	:
Apr.-June--	-	-	-	-	-***	-5	***	11	-	-
Product 9:	:	:	:	:	:	:	:	:	:	:
1981:	:	:	:	:	:	:	:	:	:	:
Apr.-June--	-	-	-	-	-	-	-***	-10	-	-
July-Sept--	-	-	-	-	-	-	-	-	***	14
1982:	:	:	:	:	:	:	:	:	:	:
Jan.-Mar---	-	-	-	-	-	-	-	-	***	13
Product 10:	:	:	:	:	:	:	:	:	:	:
1981:	:	:	:	:	:	:	:	:	:	:
Jan.-Mar---	-	-	-	-	-	-	-	-	***	6
Apr.-June--	-	-	-	-	***	15	-***	-7	-	-
July-Sept--	-	-	-	-	-	-	-	-	***	11
1982:	:	:	:	:	:	:	:	:	:	:
Jan.-Mar---	-	-	-	-	-	-	***	4	-	-
Apr.-June--	-	-	***	26	-	-	-***	-1	***	23
Product 11:	:	:	:	:	:	:	:	:	:	:
1981:	:	:	:	:	:	:	:	:	:	:
Jan.-Mar---	-	-	-	-	***	11	-	-	***	5
Apr.-June--	-	-	-	-	***	11	-***	-6	-	-
July-Sept--	-	-	-	-	***	7	-	-	-	-
Oct.-Dec---	-	-	-	-	-	-	-***	-3	***	12
1982:	:	:	:	:	:	:	:	:	:	:
Jan.-Mar---	-	-	-	-	***	2	-***	-2	***	16
Apr.-June--	-	-	-	-	-	-	-***	-5	***	20
Product 12:	:	:	:	:	:	:	:	:	:	:
1982:	:	:	:	:	:	:	:	:	:	:
Jan.-Mar---	-	-	-	-	-	-	-***	-6	-	-
Product 13:	:	:	:	:	:	:	:	:	:	:
1981:	:	:	:	:	:	:	:	:	:	:
Jan.-Mar---	-	-	-	-	***	7	-	-	***	5
Apr.-June--	-	-	-	-	***	7	-	-	-	-
Jul.-Sept--	-	-	***	12	-	-	-	-	***	12
Oct.-Dec---	-	-	-	-	-***	-2	-	-	-	-
1982:	:	:	:	:	:	:	:	:	:	:
Jan.-Mar---	-	-	-	-	***	15	-	-	***	14
Product 14:	:	:	:	:	:	:	:	:	:	:
1981:	:	:	:	:	:	:	:	:	:	:
Jan.-Mar---	-	-	***	9	-***	-3	-	-	-***	-1
Apr.-June--	-	-	***	13	***	7	***	13	-	-
1982:	:	:	:	:	:	:	:	:	:	:
Jan.-Mar---	-	-	-	-	-	-	-	-	***	11
Apr.-June--	-	-	-	-	-	-	-	-	***	25

<sup>1/</sup> Overselling is shown with a negative (-) sign.

<sup>2/</sup> See product list in app. C for specifications.

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

Table 23.--Average margins by which imports of Brazilian hot-rolled carbon steel plate undersold 1/ U.S.-produced plate based on average net delivered purchase prices for the largest purchases of selected representative products by end-user customers, by geographic areas and by quarters, January 1981-September 1982

Product and period <u>2</u>	Atlanta area		Chicago area	
	margin		margin	
	Value per ton	Percentage	Value per ton	Percentage
Product 9:	:	:	:	:
1981:	:	:	:	:
April-June-----	***	-5	-	-
Product 11:	:	:	:	:
1981:	:	:	:	:
January-March-----	-	-	***	22
April-June-----	-	-	***	22
July-September-----	-	-	***	20
1982:	:	:	:	:
January-March-----	-	-	***	31
April-June-----	-	-	***	31
Product 13:	:	:	:	:
1981:	:	:	:	:
January-March-----	-	-	***	17
April-June-----	-	-	***	14
October-December-----	-	-	***	19
1982:	:	:	:	:
January-March-----	-	-	***	30
April-June-----	-	-	***	30
Product 14:	:	:	:	:
1981:	:	:	:	:
January-March-----	-	-	***	15
April-June-----	-	-	***	14
July-September-----	-	-	***	18
October-December-----	-	-	***	18
1982:	:	:	:	:
January-March-----	-	-	***	19
April-June-----	-	-	***	18

1/ Overselling is shown with a negative (-) sign.

2/ See product list in app. C for specifications.

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

covered by these 44 price comparisons, the Philadelphia, Houston, and Los Angeles areas together accounted for 38 comparisons, with Detroit (4 comparisons) and Atlanta (2 comparisons) accounting for the remaining 6 comparisons.

In the Philadelphia area, 14 of the 15 price comparisons show average margins of underselling ranging from 5 to 25 percent. For three of the five products covered in this area (products 10, 11, and 13), underselling increased from 1981 to 1982 for the quarters shown. For product 9, underselling in January-March 1982 was about the same as that in July-September 1981. For product 14, overselling of 1 percent in January-March 1981 changed to underselling of 11 percent in January-March 1982 and increased to underselling of 25 percent in April-June.

In the Houston area, 9 of the 12 price comparisons show average margins of underselling ranging from 2 to 15 percent. The price data reported for this area covered plate products 8, 10, 11, 13, and 14. For products 8 and 10, only single-quarter price comparisons were reported. They showed overselling of 5 percent in April-June 1982 and underselling of 15 percent in April-June 1981, respectively. For product 11, average margins of underselling generally declined for the quarters shown, from 11 percent in January-March 1981 to 2 percent in January-March 1982. For product 13, underselling of 7 percent in January-March and April-June 1981 changed to overselling of 2 percent in October-December 1981, but then reverted to underselling of 15 percent in January-March 1982. For product 14, overselling in January-March 1981 reversed to underselling of 7 percent in April-June 1981.

In the Los Angeles area, only 3 of the 11 price comparisons show average margins of underselling, ranging from 4 to 13 percent. The price data reported for this area covered plate products 8, 9, 10, 11, 12, and 14. For products 8, 9, 12, and 14, only single-quarter price comparisons were reported, showing underselling of 11 and 13 percent for products 8 and 14, respectively, and overselling of 10 and 6 percent for products 9 and 12, respectively. For product 10, average margins fluctuated, from overselling of 7 percent in April-June 1981 to underselling of 4 percent in January-March 1982 and then back to overselling of 1 percent in April-June 1982. For product 11, overselling of 6 percent in April-June 1981 fell to overselling of 2 percent by January-March 1982, but then rose to overselling of 5 percent in April-June.

In the Detroit area, all four price comparisons show average margins of underselling, ranging from 9 to 26 percent. For two of the three products covered in this area (products 10 and 13), only single-quarter price comparisons were reported, showing underselling of 26 and 12 percent, respectively. For product 14, average margins of underselling increased in 1981, from 9 percent in January-March to 13 percent in April-June.

In the Atlanta area, both comparisons show underselling (only product 8 was covered), increasing from 5 percent in January-March 1981 to 12 percent in April-June.

Table 23 presents the 17 available price comparisons based on purchases by end users. Sixteen of these comparisons show average margins of

underselling in the Chicago area (ranging from 14 to 31 percent), and the one remaining average margin shows overselling in the Atlanta area (5 percent). For each of the three plate products covered in the Chicago area (products 11, 13, and 14), margins of underselling generally increased from January-March 1981 to April-June 1982.

### Lost sales

The following section presents the information on alleged lost sales that was obtained during the Commission's preliminary and final countervailing duty investigations concerning imports of hot-rolled carbon steel plate from Brazil, as well as the alleged lost sales information that was obtained during this investigation.

Preliminary countervailing duty investigation.--Domestic producers submitted a total of 34 specific allegations of lost sales of hot-rolled carbon steel plate in 1980 and 1981 to imports of such merchandise from Brazil. Of the six allegations checked by the Commission's staff, four were reported to have been made chiefly because of the lower price of the imported merchandise. Purchasers in two of these four instances stated that they buy foreign plate almost exclusively.

Final countervailing duty investigation.--Domestic producers submitted 18 additional specific allegations of lost sales of hot-rolled carbon steel plate in 1982 to imports of plate from Brazil. The allegations involved a total of about 6,000 tons of hot-rolled plate. The Commission's staff checked 14 of these additional allegations, which are discussed below. \* \* \*.

The first of these instances involved \* \* \* as an alleged purchaser of \* \* \* tons of Brazilian plate in \* \* \* 1982. \* \* \*, buyer for the firm, stated that over 90 percent of \* \* \*'s plate was purchased from U.S. producers. The subject purchase of Brazilian plate was made from a broker. \* \* \* stated that the price, which was about \$150 per ton lower than the competing domestic price, was the deciding consideration in his purchasing decision, and noted that it was necessary "to meet specific price competition in their market." 1/ The product met \* \* \*'s standards but was heavily rusted. This was a one-time-only buy, \* \* \* explained, adding that domestic mills since then have "sharpened their pencils," and that, as a company policy, \* \* \* favors domestic products.

\* \* \* was named as the alleged purchaser of \* \* \* tons of Brazilian plate during \* \* \* 1982. The firm's purchasing manager, \* \* \*, stated that \* \* \* had "no alternative" to increasing its purchases of imported plate. 2/ He acknowledged that not only Brazil, but also \* \* \* and \* \* \*, were competing against \* \* \* and \* \* \* for the firm's business. \* \* \* buys imported plate from \* \* \* and \* \* \*. In the instance cited, \* \* \* also purchased plate from

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1/ Telephone conversation of Jan. 14, 1983, between the Commission's staff and \* \* \*.

2/ Telephone conversation of Feb. 2, 1983, between the Commission's staff and \* \* \*.

the \* \* \* at the same prices quoted for the Brazilian product. The imported plate (A-36), regardless of source, was priced \$80 to \$100 below discounted domestic prices, or some \$250 below list prices. According to \* \* \*, plate prices have dropped from \$25 per hundredweight to a current level of \$13 per hundredweight. \* \* \* indicated that price is the only reason for buying imported plate. Although there are problems with the imported product's surface, its quality meets \* \* \*'s standards.

Another allegation involved \* \* \*. \* \* \* allegedly purchased \* \* \* tons of Brazilian plate during \* \* \* 1982. \* \* \*, buyer for the firm, agreed that the alleged imported tonnage was accurate, but \* \* \* was uncertain as to the source. \* \* \* buys imports through a warehouse, \* \* \*, that purchases from various foreign mills. After checking with \* \* \*, \* \* \* reported that the imported plate purchased during that period came from three countries--Brazil, \* \* \*, and \* \* \*--at prices \$3 to \$4 per hundredweight below domestic prices. \* \* \* bought the lower priced imported product "in order to be competitive in international markets" with their construction equipment. 1/

\* \* \* was cited as an alleged purchaser of \* \* \* tons of Brazilian plate in \* \* \*. \* \* \*, purchasing agent, stated that the firm buys no imported plate. \* \* \*. \* \* \* said that he went to service centers for plate during recent months to save inventory costs, thus reducing his inventory level by \* \* \*. Moreover, he bought domestic plate from service centers delivered at f.o.b. mill prices.

A fifth allegation involved \* \* \* as a purchaser of \* \* \* tons of Brazilian plate in \* \* \* 1982. \* \* \*, buyer, acknowledged buying some imported plate, but stated that the alleged quantity seemed a bit high for the level of business in 1982. \* \* \* buys mostly domestic plate, but does purchase some lower priced imported plate through brokers importing Brazilian, \* \* \*, and \* \* \* products. \* \* \* stated that it is very likely that some of \* \* \*'s imported plate purchases were from Brazil, but added that it would take an exhaustive records search to be more specific.

The sixth alleged lost sale cited \* \* \* as the purchaser of \* \* \* tons of Brazilian plate in \* \* \* 1982. \* \* \*, purchasing manager, identified the instance cited as a bid competition for plate to be used for \* \* \*. \* \* \* did not win that \* \* \* contract, but the bid was won by \* \* \*. \* \* \*'s request for quotes on plate went only to domestic and \* \* \* plate mills. \* \* \* used Brazilian plate for the \* \* \* contract, but \* \* \* did not know the price of the Brazilian plate or the margin by which \* \* \* lost the bid.

\* \* \* was named as an alleged purchaser of \* \* \* tons of Brazilian plate in \* \* \* 1982. \* \* \*, purchasing manager of \* \* \*, confirmed buying imported plate on a spot-purchase basis in 5- and 10-ton quantities from brokers such as \* \* \*. He noted that domestic producers are not directly quoting in advance, but are responding to inquiries that involve a negotiated price. Import prices are at least 10 percent less than domestic product prices. Consequently, \* \* \* is not buying much domestic plate. The imported plate

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1/ Telephone conversation of Feb. 1, 1983, between the Commission's staff and \* \* \*.

purchased by the firm during recent months has not been from Brazil, but rather from \* \* \* and \* \* \*. \* \* \* said that the imported and domestic products meet identical quality specifications, but the quality of the imported plate is superior in some cases.

The eighth lost sale allegation involved \* \* \* as a purchaser of \* \* \* tons of Brazilian plate in \* \* \* 1982. \* \* \*, purchasing agent, acknowledged buying Brazilian plate through a broker, \* \* \*, but noted that the \* \* \* purchase involved only about \* \* \* tons. His firm currently has no orders on the books for Brazilian plate, but it purchased plate imported from Brazil earlier in 1982 at prices \$100 per ton less than discounted domestic prices. This margin has recently narrowed appreciably to about \$20 per ton, because domestic mills discounted more sharply. Because of its lower price, \* \* \*'s purchases of Brazilian plate have increased as a share of the firm's total plate purchases. \* \* \* added that, lately, the quality of plate from Brazil was better than that of domestic plate, and the Brazilian plate had good customer acceptance.

\* \* \* was an alleged purchaser of \* \* \* tons of Brazilian plate during \* \* \* 1982. \* \* \*, buyer for \* \* \*, labeled the tonnage too high, explaining that his firm had purchased about \* \* \* tons of A-36 plate during the last half of 1982, sourcing imports from \* \* \* and Brazil but also purchasing domestic plate from \* \* \*. \* \* \* indicated that domestic mills are trying to compete on the basis of price, but imported Brazilian and \* \* \* plate was priced in 1982 about \$4 per hundredweight (\$80 per ton) lower than the domestic product. Consequently, the share of \* \* \*'s total plate purchases sourced from Brazil has increased slightly. As to quality, \* \* \* rated Brazilian plate as a "no problem product."

\* \* \* allegation checked by the Commission's staff involved \* \* \* which was alleged to have purchased \* \* \* tons of Brazilian plate in \* \* \* 1982. \* \* \*, vice president of the firm, acknowledged that \* \* \* had purchased \* \* \* tons of Brazilian plate in \* \* \* from \* \* \*. The product was presold by \* \* \*. \* \* \* insisted that \* \* \* did not consider a domestic source in competition for this purchase involving the \* \* \* offer. Competition with domestic plate occurred at the next purchase level, \* \* \* believes. Price is the main consideration in such "\* \* \*" sales, \* \* \* emphasized. In contrast, \* \* \* has increased its purchases of domestic plate for its warehouse sales. It has turned to more domestic purchases from \* \* \* and \* \* \* in order to avoid carrying large inventories and to avoid buying imports that are not price competitive when they arrive (because of the keen price competition among importers). \* \* \* paid \* \* \* per hundredweight for the \* \* \*-ton order in question, compared with domestic prices of \* \* \* per hundredweight at that time.

\* \* \*'s allegations of lost sales of plate to competing imports from Brazil involved a total of \* \* \* tons. One instance identified \* \* \* as a purchaser of \* \* \* tons of Brazilian plate. 1/ \* \* \*, buyer, acknowledged the purchase of \* \* \* tons of Brazilian plate and stated that it was priced at least \$7 per hundredweight (\$140 per ton) below the price of the domestic

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1/ \* \* \*.

product. \* \* \* added that the quality of the Brazilian plate is "just fine." In the past 2 years, \* \* \* has also purchased plate imported from \* \* \*.

Another \* \* \* allegation named \* \* \* as a purchaser of \* \* \* tons of Brazilian plate in \* \* \* 1981 and \* \* \* 1982. \* \* \*, buyer, affirmed purchasing Brazilian plate, stating that the imported plate was priced \$80 to \$100 below the domestic product at that time and was comparable in quality. Recently, he added, domestic mills are more competitive; \* \* \* is now only \$40 per ton higher. \* \* \* believed that the domestic mills can't reduce prices any further, because they are already losing money. He emphasized that, especially now, \* \* \* has to buy imports in order to be competitive.

A third allegation by \* \* \* cited \* \* \* as the purchaser of \* \* \* tons of Brazilian plate. \* \* \*, purchasing agent, affirmed that \* \* \* had bought an increasing amount of Brazilian plate. He estimated that in 1982, he had purchased about \* \* \* tons of Brazilian plate, \* \* \* tons of \* \* \* plate, and about \* \* \* tons of domestic plate. \* \* \* plate was priced \$3 per hundredweight below domestic plate, and Brazilian plate was priced \$6 to \$7 lower than the \* \* \* product. In terms of quality, \* \* \* rated Brazilian plate as "good enough for today's market at that price."

The fourth \* \* \* allegation cited \* \* \* as a purchaser of \* \* \* tons of Brazilian plate. (\* \* \* also listed this firm as an alleged purchaser of \* \* \* tons of plate from Brazil). The telephone of the firm had been disconnected.

Preliminary antidumping investigation.--Domestic producers submitted a total of nine new allegations of lost sales of carbon steel plate to imports from Brazil during 1982 and 1983 in connection with this investigation. The allegations involved an unknown total tonnage of plate, because some respondents did not specify quantities. The Commission staff investigated seven of these allegations, five of which together amounted to approximately 4,285 tons of Brazilian plate that purchasers stated they had purchased. <sup>1/</sup> The first two investigated allegations, discussed below, were made by \* \* \*, the next three were made by \* \* \*, and the remaining two were made by \* \* \* and \* \* \*, respectively.

In the first of these instances, \* \* \* was the alleged buyer of \* \* \* tons of Brazilian \* \* \* plate purchased during an unspecified period of time. \* \* \*, buyer for the firm, stated that \* \* \* had bought an unspecified tonnage of the Brazilian steel late in 1982. \* \* \* further stated that much of this Brazilian plate involved specialized specifications and was purchased instead of the domestic product because the required quality was not available from domestic producers. However, \* \* \* indicated that whenever standard steel plate is required, the firm buys from domestic mills. He estimated that about \* \* \* percent of the firm's annual plate requirements are sourced from domestic mills. Finally, \* \* \* emphasized that \* \* \* is continually working with domestic mills to develop them as alternate suppliers of the higher quality plate.

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<sup>1/</sup> In the remaining two allegations, one purchaser stated he did not buy the Brazilian material, and the other could not provide information on tonnage. A-48



\*\*\*, a steel \*\*\*, was the alleged buyer of \*\*\* tons of Brazilian steel plate purchased during \*\*\* of 1982. \*\*\* confirmed this allegation, stating that it was the firm's first purchase of Brazilian plate. He further stated that this Brazilian plate was purchased instead of the domestic product mainly because of the favorable price (approximately \$140 per ton less than the domestic price). A secondary consideration was the Brazilian supplier's better payment terms (net 60 days versus net 30 days offered by domestic producers). Quality of the domestic and Brazilian plate was comparable. \*\*\* further stated that \*\*\* offered the domestic firms a chance to meet the Brazilian price, but they were not able to come close enough. He indicated that, in some instances, the firm will buy the domestic product as long as it is within \$20 per ton of the importer's price.

\*\*\* was also cited as the purchaser of Brazilian steel plate in \*\*\* of the \*\*\* allegations reported by \*\*\*. \*\*\* confirmed the quantities and prices alleged in both allegations. Both of these purchases were made in \*\*\* of 1983--one for \*\*\* tons of Brazilian strip-mill plate at \*\*\* per ton and the other for \*\*\* tons of Brazilian sheared-mill plate at \*\*\* per ton. \*\*\* stated that in both instances the Brazilian plate was purchased instead of the domestic product mainly because of the favorable price (ranging from \$125 to \$145 per ton less than domestic prices). A secondary consideration was the Brazilian supplier's better payment terms (in both instances, net 90 days versus net 30 days offered by domestic producers). Quality of the domestic and Brazilian steel plate was comparable. \*\*\* further stated that, in both instances, \*\*\* offered the domestic firms a chance to meet the Brazilian price, but they were not able to come close enough.

\*\*\* was also cited by \*\*\* as a purchaser of Brazilian plate. \*\*\*, buyer for \*\*\*, confirmed this allegation which amounted to \*\*\* tons of Brazilian coiled plate, bought at \*\*\* per ton for delivery in \*\*\* 1983. \*\*\* stated that the Brazilian plate was purchased instead of the domestic product solely because of the favorable price (approximately \$40 per ton less than the domestic price). \*\*\* further stated that the firm buys on the basis of best price, and as a result, buys only foreign coil plate. He termed domestic producers' prices as "outrageously high."

\*\*\* was an alleged purchaser of \*\*\* tons of Brazilian A-36 steel plate in \*\*\* 1982. \*\*\* denied buying this plate and stated that the firm had not purchased any Brazilian plate for at least the last 6 months. \*\*\* would not discuss this allegation any further over the telephone, but he indicated he was willing to provide additional information either by letter or by personal interview.

\*\*\* was cited by \*\*\* as allegedly purchasing \*\*\* tons of Brazilian plate at \*\*\* per ton in \*\*\* 1983. \*\*\*, product manager in the firms' central purchasing office, denied the allegation but confirmed buying approximately \*\*\* tons of the Brazilian steel plate at \*\*\* per ton for delivery in \*\*\* 1983. He further stated that this Brazilian steel plate was purchased instead of the domestic product mainly because of the favorable price (\*\* per ton versus \*\*\* per ton for domestic plate). A secondary consideration was the Brazilian supplier's better payment terms (net 120 days versus net 30 days offered by domestic producers). Quality of the domestic

and Brazilian plate was comparable. \* \* \* cited the price of Brazilian plate as leading the downward spiral of plate prices since January 1981, but stated that domestic producers still supplied approximately 80 percent of the firm's plate requirements in 1982. Although domestic plate producers were not as price competitive as the suppliers of Brazilian plate, they performed better on nonprice factors of competition, including service, product availability, and delivery. Finally, it was explained that sellers of Brazilian plate offer the product at one price, and if they get enough interest, negotiate with the Brazilian mill to make the purchase. However, \* \* \* stated that these suppliers are not always able to buy the Brazilian plate at the desired price, and must raise their initial offer prices. For this reason, he doubts the validity of some of the low prices being offered for Brazilian steel plate.

### Lost revenue

The following section presents the information on alleged lost revenue that was obtained during the Commission's final countervailing duty investigation concerning hot-rolled carbon steel plate from Brazil, as well as the information that was obtaining during this investigation.

Final countervailing duty investigation.--\* \* \* provided two instances involving sales of plate that allegedly required reductions in price as a result of competition from hot-rolled plate imported from Brazil. One instance cited \* \* \* as a purchaser of \* \* \* tons of plate from \* \* \* in \* \* \*. After rejecting an initial offer price of \* \* \* per ton, \* \* \* allegedly accepted a discounted price of \* \* \* per ton, compared with a competing price of \* \* \* per ton for Brazilian plate. \* \* \*, in an earlier inquiry by the Commission's staff, had acknowledged purchasing domestic plate after receiving discounts from domestic mills facing competition from plate imported from \* \* \* and Brazil. The lost revenue involved \* \* \* per ton, or about \* \* \* on that order.

A second allegation of lost revenue named \* \* \* as a purchaser of \* \* \* tons of plate from \* \* \* after an initial price of \* \* \* was discounted to \* \* \*. \* \* \*, buyer, affirmed that this purchase was made for a \* \* \*. \* \* \* won the project contract and awarded the contract for plate on the basis of competitive bidding. \* \* \* did not have immediate access to information regarding the initial and accepted quotes for the plate requirements.

Preliminary antidumping investigation.--\* \* \* submitted two additional allegations of lost revenues because purchasers allegedly were quoted prices of Brazilian coiled plate that were \* \* \* per ton below \* \* \*'s already-discounted prices. In the first instance, \* \* \* alleged that \* \* \* was offered approximately \* \* \* tons of Brazilian coiled plate at \* \* \* per ton for delivery in \* \* \* 1982 and \* \* \* 1983. \* \* \*, the buyer for \* \* \*, confirmed this offer and indicated that a domestic producer obtained this order after discounting its price considerably in competition with the Brazilian material. He estimated that the domestic producer lost approximately \* \* \* on this \* \* \*-ton order as a result of competition with Brazilian steel plate. \* \* \* further stated that although the accepted domestic price was still above the Brazilian price, the firm bought the domestic product because it prefers to support domestic mills. \* \* \*

indicated that \* \* \* buys approximately 80 percent of its steel plate requirements from domestic mills.

In the second instance, \* \* \* alleged that \* \* \* had been offered \* \* \* tons of Brazilian coiled plate in \* \* \* of 1983 for \* \* \* per ton. \* \* \*, buyer for the firm, stated that \* \* \* had been verbally offered about \* \* \* tons of this Brazilian plate at approximately the alleged price of \* \* \* per ton. He did not buy the Brazilian plate, but instead, awarded an order to a domestic producer that had discounted its price to within \$20 of the Brazilian price. \* \* \* cited four reasons for not buying the Brazilian plate. First, \* \* \* had sufficient inventory at that time and has been following a policy of keeping inventories low by spot ordering required tonnage. The Brazilian offer was one of large tonnage for future delivery, which was not consistent with \* \* \*'s purchase strategy. Second, domestic producers were price competitive and responded with quicker delivery than the suppliers of the Brazilian plate. \* \* \* further stated that, depending on the U.S. mill, \* \* \* will purchase the higher priced domestic steel plate if it is within \$20 to \$30 per ton of the import price. He ranked \* \* \* and \* \* \* as the better U.S. mills, who consistently offer attractive price, quality, and delivery. Third, \* \* \* was not willing to place such a large first-time order for Brazilian plate, because it was not familiar with the quality. Fourth, domestic mills quote prices of strip-mill plate (coiled) on a minimum-theoretical-weight basis, whereas importers of Brazilian plate quote such prices on an actual-weight basis. The theoretical-weight basis is believed to generally underestimate the actual weight and results in a pricing advantage for domestic producers. \* \* \* finally remarked that approximately 50 percent of \* \* \*'s plate requirements are sourced from domestic producers, and the remainder, from suppliers of foreign material (from countries other than Brazil).



APPENDIX A

FEDERAL REGISTER NOTICE OF THE COMMISSION'S INVESTIGATION

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 Brazil of hot-rolled carbon steel products, whether known as sheets or plates, 0.1875 inch or more in thickness and over 8 inches in width, provided for in items 607.6610, 607.6615, 607.9400, 608.0710, and 608.1100 of the Tariff Schedules of the United States Annotated, which are alleged to be sold in the United States at less than fair value.

**EFFECTIVE DATE:** January 31, 1983.

**FOR FURTHER INFORMATION CONTACT:** Ms. Judith Zeck, Office of Investigations, U.S. International Trade Commission, 701 E St. NW., Washington, D.C. 20436, telephone 202-523-0339.

**SUPPLEMENTARY INFORMATION:**

*Background.*—This investigation is being instituted in response to a petition filed on January 31, 1983, on behalf of Bethlehem Steel Corp., Bethlehem, Pa., a domestic producer of the subject merchandise. The Commission must make its determination in the investigation within 45 days after the date of the filing of the petition, or by March 17, 1983 (19 CFR 207.17).

*Participation.*—Persons wishing to participate in this investigation as parties must file an entry of appearance with the Secretary to the Commission as provided for in § 201.11 of the Commission's Rules of Practice and Procedure (19 CFR 201.11, as amended by 47 F.R. 6189, Feb. 10, 1982), not later than seven (7) days after the publication of this notice in the **Federal Register**. Any entry of appearance filed after this date will be referred to the Chairman, who shall determine whether to accept the late entry for good cause shown by the person desiring to file the notice.

*Service of documents.*—The Secretary will compile a service list from the entries of appearance filed in the investigation. Any party submitting a document in connection with the investigation shall, in addition to complying with § 201.8 of the Commission's rules (19 CFR § 201.8, as amended by 47 FR 6188, Feb. 10, 1982, and 47 FR 13791, Apr. 1, 1982), serve a copy of each such document on all other parties to the investigation. Such service shall conform with the requirements set forth in § 201.16(b) of the rules (19 CFR 201.16(b), as amended by 47 FR 33682, Aug. 4, 1982).

In addition to the foregoing, each document filed with the Commission in the course of this investigation must include a certificate of service setting

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[Investigation No. 731-TA-123  
(Preliminary)]

**Antidumping Investigations; Certain Flat-Rolled Carbon Steel Products From Brazil**

**AGENCY:** International Trade Commission.

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

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**SUMMARY:** The United States International Trade Commission hereby gives notice of the institution of a preliminary antidumping investigation under section 733(a) of the Tariff Act of 1930 (19 U.S.C. 1673b(a)) to determine whether there is a reasonable indication

forth the manner and date of such service. This certificate will be deemed proof of service of the document. Documents not accompanied by a certificate of service will not be accepted by the Secretary.

*Written submissions.*—Any person may submit to the Commission on or before February 23, 1983, a written statement of information pertinent to the subject matter of this investigation (19 CFR 207.15, as amended by 47 FR 6190, Feb. 10, 1982). A signed original and fourteen (14) copies of such statements must be submitted (19 CFR 201.8, as amended by 47 FR 6188, Feb. 10, 1982, and 47 FR 13791, Apr. 1, 1982).

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

*Conference.*—The Director of Operations of the Commission has scheduled a conference in connection with this investigation for 9:30 a.m., on February 17, 1983, at the U.S. International Trade Commission Building, 701 E Street, NW., Washington, D.C. Parties wishing to participate in the conference should contact the staff investigator, Ms. Judith Zeck (202-523-0339), not later than February 14, 1983, to arrange for their appearance. Parties in support of the imposition of antidumping duties in the investigation 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.

*Public inspection.*—A copy of the petition and all written submissions, except for confidential business data, will be available for public inspection during regular business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 701 E Street, NW., Washington, D.C.

For further information concerning the conduct of this investigation and rules of general applications, consult the Commission's Rules of Practice and Procedure, Part 207, Subparts A and B (19 CFR Part 207, as amended by 44 FR 6182, Feb. 10, 1982, and 47 FR 33682, Aug. 4, 1982), and Part 201, subparts A through E (19 CFR Part 201, as amended 47 FR 6182, Feb. 10, 1982, 47 FR 13791, Apr. 1, 1982, and 47 FR 33682, Aug. 4, 1982). Further information concerning

the conduct of the conference will be provided by Ms. Zeck.

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

Issued: February 3, 1983.

**Kenneth R. Mason,**  
Secretary.

[FR Doc. 83-3945 Filed 2-8-83; 8:45 am]  
BILLING CODE 7020-02-M





**APPENDIX B**

**LIST OF WITNESSES APPEARING AT THE COMMISSION'S CONFERENCE**

CALENDAR OF PUBLIC CONFERENCE

Investigations Nos. 731-TA-123 (Preliminary)

CERTAIN FLAT-ROLLED CARBON STEEL PRODUCTS FROM BRAZIL

Those listed below appeared as witnesses at the United States International Trade Commission's conference held in connection with the subject investigation at 9:30 a.m. on Thursday, February 17, 1983, in the Hearing Room of the USITC Building, 701 E Street, NW., Washington, D.C.

In support of the petition

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

Bethlehem Steel Corp.

Laird D. Patterson, General Attorney, Bethlehem Steel Corp.  
R.G. Robertson Assistant District Manager, Sales, Bethlehem Steel Corp.  
L.M. Mosser, Market Research Analyst, Bethlehem Steel Corp.

Eugene L. Stewart--OF COUNSEL

United States Steel Corp.  
Pittsburgh, Pa.

Leslie Ranney, Attorney, United States Steel Corp.  
Paul Fidel, Manager, Special Services, Import and Domestic,  
United States Steel Corp.

Kaiser Steel Corp.

John Fiest--OF COUNSEL

Gilmore Steel Corp.

John Cutler--OF COUNSEL

In opposition to the petition

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

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

Walter J. Spak--OF COUNSEL

**APPENDIX C**  
**PRODUCT LIST**

The products identified below are those used by the Commission to collect pricing information from producers and importers of the hot-rolled carbon steel plate subject to this investigation:

Product 1: Hot-rolled carbon steel plate, A-36 or equivalent, sheared or mill edge, not heat treated, not cleaned or oiled, 0.1875 inch through 0.2499 inch in thickness, over 36 inches through 72 inches in width, 96 inches through 720 inches in length, item order of 10 tons and over.

Product 2: Hot-rolled carbon steel plate, A-36 or equivalent, sheared edge, not heat treated, not cleaned or oiled, 0.3750 inch through 0.4999 inch in thickness, over 90 inches through 100 inches in width, 96 inches through 720 inches in length, item order of 10 tons and over.

Product 3: Hot-rolled carbon steel plate, A-36 or equivalent, sheared edge, not heat treated, not cleaned or oiled, 1/4 inch to under 5/16 inch in thickness, over 60 inches through 72 inches in width, 96 inches through 720 inches in length, item order of 10 tons and over.

Product 4: Hot-rolled carbon steel plate, A-36 or equivalent, sheared edge, not heat treated, not cleaned or oiled, 1-1/2 inches through 3 inches in thickness, over 90 inches through 100 inches in width, 96 inches through 720 inches in length, item order of 10 tons and over.

Product 5: Hot-rolled carbon steel bands, in coils, mill edge, commercial quality, 0.25 percent carbon maximum, not pickled, 0.1875 inch through 0.2509 inch in thickness, over 36 inches through 72 inches in width.

Product 6: Hot-rolled carbon steel bands, in coils, mill edge, commercial quality, 0.25 percent carbon maximum, not pickled, over 0.2509 inch through 0.5000 inch in thickness, over 36 inches through 72 inches in width.

The products identified below are those used by the Commission to collect pricing information from purchasers of the hot-rolled carbon steel plate subject to this investigation:

Product 7: Hot-rolled carbon steel plate, 0.33 percent carbon maximum, (ASTM A36, or equivalent), sheared or mill edge, not heat treated, not cleaned or oiled, in cut lengths, 3/16 inch to under 1/4 inch in thickness, over 90 inches through 100 inches in width.

Product 8: Hot-rolled carbon steel plate (hot-rolled bands, cut to length), ASTM A36 or similar, sheared or mill edge, not heat treated, not cleaned or oiled, 5/16 inch through 3/4 inch in thickness, 48 inches through 72 inches in width, 96 inches through 240 inches in length.

Product 9: Hot-rolled carbon steel plate, ASTM A36 or similar, sheared edge, not heat treated, not cleaned or oiled, in cut lengths, 1/4 inch to under 5/16 inch in thickness, over 60 inches through 72 inches in width.

Product 10: Hot-rolled carbon steel plate, ASTM A36 or similar, sheared edge, not heat treated, not cleaned or oiled, in cut lengths, 1/4 inch to under 5/16 inch in thickness, over 90 inches through 100 inches in width. A-60

Product 11: Hot-rolled carbon steel plate, ASTM A36 or similar, sheared edge, not heat treated, not cleaned or oiled, in cut lengths, 3/8 inch to under 1/2 inch in thickness, over 90 inches through 100 inches in width.

Product 12: Hot-rolled carbon steel plate, ASTM A36 or similar, sheared edge, not heat treated, not cleaned or oiled, in cut lengths, 1 inch through 1 3/16 inches in thickness, over 36 inches through 48 inches in width.

Product 13: Hot-rolled carbon steel plate, ASTM A36 or similar, sheared edge, not heat treated, not cleaned or oiled, in cut lengths, 1 inch through 1 3/16 inches in thickness, over 90 inches through 100 inches in width.

Product 14: Hot-rolled carbon steel plate, ASTM A36 or similar, sheared edge, not heat treated, not cleaned or oiled, in cut lengths, over 1 1/2 inches through 3 inches in thickness, over 90 inches through 100 inches in width.



