Certain Structural Steel Beams from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan

Investigations Nos. 731-TA-935-942 (Preliminary)

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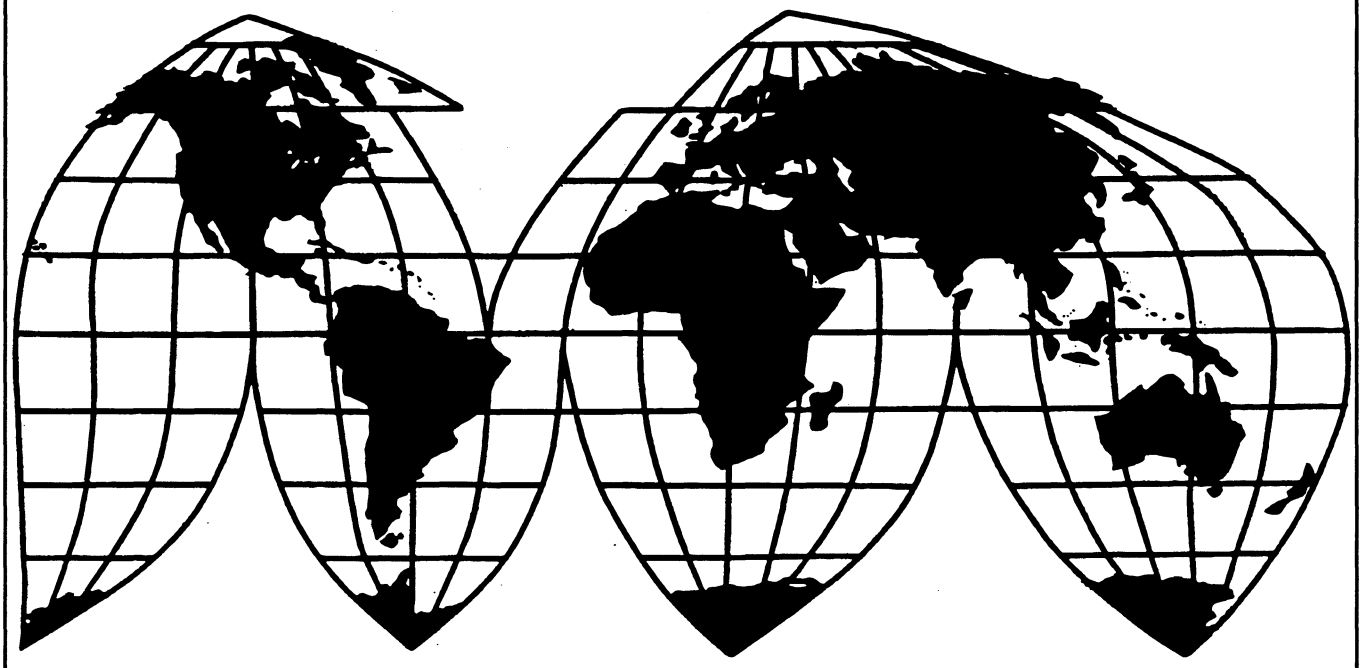
U.S. International Trade Commission



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U.S. International Trade Commission

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Appendixes

Note.–**Information that would reveal confidential operations of individual concerns may not be published and therefore has been deleted from this report.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

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UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigations Nos. 731-TA-935-942 (Preliminary)

CERTAIN STRUCTURAL STEEL BEAMS FROM CHINA, GERMANY, ITALY, LUXEMBOURG, RUSSIA, SOUTH AFRICA, SPAIN, AND TAIWAN

DETERMINATIONS

On the basis of the record[1] developed in the subject investigations, the United States International Trade Commission determines, pursuant to section 733(a) of the Tariff Act of 1930 (19 U.S.C. § 1673b(a)) (the Act), that there is a reasonable indication that an industry in the United States is materially injured by reason of imports from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan of certain structural steel beams, provided for in subheadings 7216.32.00, 7216.33.00, 7216.50.00, 7216.61.00, 7216.69.00, 7216.91.00, 7216.99.00, 7228.70.30, and 7228.70.60 of the Harmonized Tariff Schedule of the United States, that are alleged to be sold in the United States at less than fair value (LTFV).

COMMENCEMENT OF FINAL PHASE INVESTIGATIONS

Pursuant to section 207.18 of the Commission's rules, the Commission also gives notice of the commencement of the final phase of its investigations. The Commission will issue a final phase notice of scheduling, which will be published in the *Federal Register* as provided in section 207.21 of the Commission's rules, upon notice from the Department of Commerce of affirmative preliminary determinations in the investigations under section 733(b) of the Act, or, if the preliminary determinations are negative, upon notice of affirmative final determinations in these investigations under section 735(a) of the Act. Parties that filed entries of appearance in the preliminary phase of the investigations need not enter a separate appearance for the final phase of the investigations. Industrial users, and, if the merchandise under investigation is sold at the retail level, representative consumer organizations have the right to appear as parties in Commission antidumping and countervailing duty investigations. The Secretary will prepare a public service list containing the names and addresses of all persons, or their representatives, who are parties to the investigations.

BACKGROUND

On May 23, 2001, a petition was filed with the Commission and Commerce by counsel on behalf of Northwestern Steel & Wire Co., Sterling, IL; Nucor Corp., Charlotte, NC; Nucor-Yamato Steel Co., Blytheville, AR; and TXI-Chaparral Steel Co., Midlothian, TX, alleging that an industry in the United States is materially injured and threatened with material injury by reason of LTFV imports of structural steel beams from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan. Accordingly, effective May 23, 2001, the Commission instituted antidumping duty investigations Nos. 731-TA-935-942 (Preliminary).

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

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

International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* of June 4, 2001 (66 FR 29989). The conference was held in Washington, DC, on June 13, 2001, and all persons who requested the opportunity were permitted to appear in person or by counsel.

VIEWS OF THE COMMISSION

Based on the record in these investigations, we find that there is a reasonable indication that an industry in the United States producing certain structural steel beams is materially injured by reason of imports from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan that are allegedly sold in the United States at less than fair value.

I. THE LEGAL STANDARD FOR PRELIMINARY DETERMINATIONS

The legal standard in preliminary antidumping investigations requires the Commission to find, based upon the information available at the time of the preliminary determinations, whether there is a reasonable indication that a domestic industry is materially injured, threatened with material injury, or whether the establishment of an industry is materially retarded, by reason of the allegedly unfairly traded imports.[1] In applying this standard, the Commission weighs the evidence before it and determines whether "(1) the record as a whole contains clear and convincing evidence that there is no material injury or threat of such injury; and (2) no likelihood exists that contrary evidence will arise in a final investigation."[2]

II. DOMESTIC LIKE PRODUCT AND INDUSTRY

A. In General

In determining whether there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of imports of the subject merchandise, the Commission first defines the "domestic like product" and the "industry."[3] Section 771(4)(A) of the Tariff Act of 1930, as amended ("the Act"), defines the relevant domestic industry as the "producers as a [w]hole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."[4] In turn, the Act defines "domestic like product" as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation."[5]

The decision regarding the appropriate domestic like product(s) in investigations is a factual determination, and the Commission has applied the statutory standard of "like" or "most similar in characteristics and uses" on a case-by-case basis.[6] No single factor is dispositive, and the Commission

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[1] 19 U.S.C. § 1673b(a); see also American Lamb Co. v. United States, 785 F.2d 994, 1001-04 (Fed. Cir. 1986); Ranchers-Cattlemen Action Legal Foundation v. United States, 74 F. Supp.2d 1353, 1368-69 (Ct. Int'l Trade 1999).

[2] American Lamb, 785 F.2d at 1001; see also Texas Crushed Stone Co. v. United States, 35 F.3d 1535, 1543 (Fed. Cir. 1994).

[3] 19 U.S.C. § 1677(4)(A).

[4] 19 U.S.C. § 1677(4)(A).

[5] 19 U.S.C. § 1677(10).

[6] See, e.g., NEC Corp. v. Department of Commerce, 36 F. Supp.2d 380, 383 (Ct. Int'l Trade 1998); Nippon Steel Corp. v. United States, 19 CIT 450, 455 (1995); Torrington Co. v. United States, 747 F. Supp. 744, 749 n.3 (Ct. Int'l Trade 1990), aff'd, 938 F.2d 1278 (Fed. Cir. 1991) ("every like product determination 'must be made on the particular record at issue' and the 'unique facts of each case' "). The Commission generally considers a number of factors including: (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution;

(continued...)

may consider other factors it deems relevant based on the facts of a particular investigation.[7] The Commission looks for clear dividing lines among possible like products and disregards minor variations.[8] Although the Commission must accept the determination of the Department of Commerce ("Commerce") as to the scope of the imported merchandise allegedly subsidized or sold at less than fair value, the Commission determines what domestic product is like the imported articles Commerce has identified.[9] The Commission must base its domestic like product determination on the record in these investigations, and it is not bound by prior determinations pertaining even as to the same imported products.[10] In recent investigations of structural steel beams, the Commission found a single domestic like product consisting of all structural steel beams.[11]

B. Domestic Like Product

Commerce's notice of initiation defines the imported merchandise within the scope of these investigations as follows:

> doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These products ("structural steel beams") include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes.

Commerce also explained that

> All products that meet the physical and metallurgical descriptions provided above are within the scope of these investigations unless otherwise excluded. The

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[6] (...continued)
(4) customer and producer perceptions of the products; (5) common manufacturing facilities, production processes and production employees; and, where appropriate, (6) price. See Nippon, 19 CIT at 455 n.4; Timken Co. v. United States, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996).

[7] See, e.g., S. Rep. No. 96-249 at 90-91 (1979).

[8] Nippon, 19 CIT at 455; Torrington, 747 F. Supp. at 748-49; see also S. Rep. No. 96-249 at 90-91 (1979) (Congress has indicated that the like product standard should not be interpreted in "such a narrow fashion as to permit minor differences in physical characteristics or uses to lead to the conclusion that the product and article are not 'like' each other, nor should the definition of 'like product' be interpreted in such a fashion as to prevent consideration of an industry adversely affected by the imports under consideration.")

[9] Hosiden Corp. v. Advanced Display Mfrs., 85 F.3d 1561, 1568 (Fed. Cir. 1996) (Commission may find single domestic like product corresponding to several different classes or kinds defined by Commerce); Torrington, 747 F. Supp. at 748-52 (affirming Commission determination of six domestic like products in investigations where Commerce found five classes or kinds).

[10] Nippon, 19 CIT at 455; Asociacion Colombiana de Exportadores de Flores v. United States, 693 F. Supp. 1165, 1169 n.5 (Ct. Int'l Trade 1988) (particularly addressing like product determination); Citrosuco Paulista, S.A. v. United States, 704 F. Supp. 1075, 1087-88 (Ct. Int'l Trade 1988).

[11] Certain Structural Steel Beams from Korea, Invs. Nos. 701-TA-401 (Final) and 731-TA-854 (Final), USITC Pub. 3326, at 3 (Aug. 2000); Certain Structural Steel Beams from Japan, Inv. No. 731-TA-853 (Final), USITC Pub. 3308, at 3-5 (June 2000); Structural Steel Beams from Germany, Japan, Korea, and Spain, Invs. Nos. 701-TA-401 (Prelim.) and 731-TA-852 to 855 (Prelim.), USITC Pub. 3225, at 3-7 (Sept. 1999).

following products are outside and/or specifically excluded from the scope of these investigations: structural steel beams greater than 400 pounds per linear foot or with a web or section height (also known as depth) over 40 inches.[12]

Petitioners argued that the Commission should find that structural steel beams constitute a single domestic like product coextensive with the scope of these investigations because there have been no significant changes in any of the factors considered by the Commission in its domestic like product analysis since the last investigations.[13] Most of the respondents have not opposed the domestic like product proposed by petitioners.[14] One German producer, Hohenlimburg GmbH ("Hoesch"), however, argued in its postconference brief that structural steel beams for use in forklift trucks ("forklift mast profiles") are a separate domestic like product than other structural steel beams.

According to ***, the ***.[15] *** reported ***. Despite some differences in physical characteristics between forklift mast profiles and structural steel beams inasmuch as forklift mast profiles are smaller and more compact and to the extent that there are differences due to material grade and custom-design, forklift mast profiles and structural steel beams have the same basic shape. For example, Hoesch's postconference brief indicates that both are produced in "W" and "S" shapes, but not necessarily in the same physical dimensions. The record indicates that structural steel beams are generally used in construction, but it also reflects that some structural steel beams are used in forklift masts.[16] To the extent that forklift mast profiles are specially designed to a customer-specific standard, there might be some limitation on their interchangeability with structural steel beams, and consumers and producers might perceive them as different products.[17]

While there appear to be some differences in uses and customer and producer perceptions between forklift mast profiles and structural steel beams that may affect their interchangeability with structural steel beams, the record indicates some similarities in terms of physical characteristics, production processes, equipment, and workers, and channels of distribution. In addition, it is not clear whether forklift mast profiles are among a spectrum of products that are properly considered a single domestic like product, some of which are tailored to a particular end use. Based on these considerations and the limited information regarding this issue on the record, we define the domestic like product coextensively with the scope of these investigations as all structural steel beams for purposes of the preliminary phase of these investigations.

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[12] Structural Steel Beams from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan, 66 Fed. Reg. 33048 (June 20, 2001). Commerce identified the subject merchandise as classified in the Harmonized Tariff Schedule of the United States ("HTSUS") at subheadings and statistical reporting numbers 7216.32.0000, 7216.33.0030, 7216.33.0060, 7216.33.0090, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7228.70.3040, 7228.70.6000, noting that the HTSUS statistical reporting numbers were provided for convenience and Customs purposes and that the written description of the merchandise under investigation is dispositive.

[13] Petitions at 6; see generally Petitioners' Postconference Brief at Exhibit 1 at 14.

[14] Transcript of the Commission's June 13, 2001 conference ("Conference Tr.") at 122.

[15] It is not known how many U.S. firms produce or are capable of producing forklift mast profiles with their current equipment. Hoesch's information regarding practices in Germany is not relevant to the Commission's definition of the U.S.-produced product. See, e.g., Stainless Steel Butt-Weld Pipe Fittings from Germany, Italy, Malaysia, and the Philippines, Invs. Nos. 731-TA-864 to 867, USITC Pub. 3281 at 6 & n.13 (Feb. 2000).

[16] It is not clear whether forklift mast profiles are used in construction and other structural applications.

[17] See, e.g., Hoesch's Postconference Brief; Mem. INV-Y-129 (July 6, 2001); Confidential Report in these investigations (Mem. INV-Y-124, July 2, 2001) ("CR") at I-3 to I-4; Public Report ("PR") at I-2 to I-3; ***.

C. Domestic Industry and Related Parties

In defining the domestic industry, the Commission's general practice has been to include all of the domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.[18] Based on our definition of the domestic like product, we define one domestic industry consisting of all domestic producers of certain structural steel beams.[19]

III. CUMULATION

A. In General

For purposes of evaluating the volume and price effects for a determination of material injury by reason of the subject imports, section 771(7)(G)(i) of the Act requires the Commission to assess cumulatively the volume and effect of imports of the subject merchandise from all countries as to which petitions were filed and/or investigations self-initiated by Commerce on the same day, if such imports compete with each other and with the domestic like product in the U.S. market.[20] In assessing whether subject imports compete with each other and with the domestic like product,[21] the Commission has generally considered four factors, including:

(1) the degree of fungibility between the subject imports from different countries and between imports and the domestic like product, including consideration of specific customer requirements and other quality related questions;

(2) the presence of sales or offers to sell in the same geographic markets of subject imports from different countries and the domestic like product;

(3) the existence of common or similar channels of distribution for subject imports from different countries and the domestic like product; and

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[18] See United States Steel Group v. United States, 873 F. Supp. 673, 681-84 (Ct. Int'l Trade 1994), aff'd, 96 F.3d 1352 (Fed. Cir. 1996).

[19] We must further determine whether any producer of the domestic like products should be excluded from the domestic industries pursuant to section 771(4)(B) of the Act. That provision of the statute allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise or which are themselves importers. 19 U.S.C. § 1677(4)(B). Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each case. See, e.g., Sandvik AB v. United States, 721 F. Supp. 1322, 1331-32 (Ct. Int'l Trade 1989), aff'd mem., 904 F.2d 46 (Fed. Cir. 1990). Petitioners identified domestic producer *** as a potential related party, but no party argued that appropriate circumstances exist to exclude any producer from the domestic industry. See, e.g., Petitioners' Postconference Brief at Exhibit 1 at 2-3. ***'s parent company *** has another subsidiary, ***, that imported subject structural steel beams during the period of investigation, but there is no other information regarding their relationship or any other information on which to base a decision to exclude *** as a related party from the domestic industry. Accordingly, we do not exclude *** from the domestic industry as a related party.

[20] 19 U.S.C. § 1677(7)(G)(i).

[21] The SAA at 848 expressly states that "the new section will not affect current Commission practice under which the statutory requirement is satisfied if there is a reasonable overlap of competition," citing Fundicao Tupy, S.A. v. United States, 678 F. Supp. 898, 902 (Ct. Int'l Trade 1988), aff'd, 859 F.2d 915 (Fed. Cir. 1988).

(4) whether the subject imports are simultaneously present in the market.[22]

While no single factor is necessarily determinative, and the list of factors is not exclusive, these factors are intended to provide the Commission with a framework for determining whether the subject imports compete with each other and with the domestic like product.[23] Only a "reasonable overlap" of competition is required.[24]

B. Analysis

We have determined to cumulate the subject imports from all eight subject countries. The petitions were filed on the same day, so the first statutory criterion for cumulation is satisfied. In addition, none of the four statutory exceptions to the general cumulation rule applies for purposes of these determinations.[25] We also find that there is a reasonable overlap of competition among imports from each of the subject countries and between subject imports and the domestic like product, so the second statutory criterion for cumulation also is satisfied.[26] The record indicates that the subject imports from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan are highly fungible with each other and with the domestic like product.[27] In this regard, structural steel beams sold in the U.S. market – whether subject or domestic – meet the standards maintained by the American Society of Testing and Materials ("ASTM"). Although certain subject or domestic producers may supply a few products in limited quantities that differ from those supplied by other subject or domestic producers, the record indicates a substantial overlap in the types of products being supplied from all subject countries and by the domestic producers.[28] Structural steel beams from all subject countries are commingled in inventory with one another and the domestic like product, except to the extent that some of the domestically produced structural steel beams are kept separate for use in Buy American provision jobs.[29] Questionnaire responses indicate that the imports from the subject countries are viewed as

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[22] See Certain Cast-Iron Pipe Fittings from Brazil, the Republic of Korea, and Taiwan, Invs. Nos. 731-TA-278 to 280 (Final), USITC Pub. 1845 (May 1986), aff'd, Fundicao Tupy, S.A. v. United States, 678 F. Supp. 898 (Ct. Int'l Trade), aff'd, 859 F.2d 915 (Fed. Cir. 1988).

[23] See, e.g., Wieland Werke, AG v. United States, 718 F. Supp. 50 (Ct. Int'l Trade 1989).

[24] See Goss Graphic System, Inc. v. United States, 33 F. Supp.2d 1082, 1087 (Ct. Int'l Trade 1998) ("cumulation does not require two products to be highly fungible"); Mukand Ltd. v. United States, 937 F. Supp. 910, 916 (Ct. Int'l Trade 1996); Wieland Werke, 718 F. Supp. at 52 ("Completely overlapping markets are not required.").

[25] These exceptions concern imports from Israel, countries as to which investigations have been terminated, countries as to which Commerce has made preliminary negative determinations, and countries designated as beneficiaries under the Caribbean Basin Economic Recovery Act. 19 U.S.C. § 1677(7)(G)(ii).

[26] None of the parties argued that the Commission should not cumulate subject imports for purposes of any present material injury determination. See, e.g., Conference Tr. at 123-25; Petitions at 9-12, Exhibits I-9; Petitioners' Postconference Brief at 13, and Exhibits 1-F, 1-H, 1-I, 1-K, 1-L.

[27] See, e.g., CR at II-4 to II-6; PR at II-3 to II-5; CR/PR at Tables II-1; II-2; Conference Tr. at 29, 78; Petitioners' Postconference Brief at Exhibit 1 at 7-10.

[28] See, e.g., Petitioners' Postconference Brief at Exhibit 1 at 7-10, Exhibit 22; Highveld Steel and Vanadium Corporation, Ltd. ("Highveld's") Postconference Brief at Exhibit 9; Aceralia Productos Largos S.A. ("Aceralia's") Postconference Brief at Exhibit 5; Salzgitter AG Stahl und Technologie ("Salzgitter's") Postconference Brief at Exhibit M; ARBED's Postconference Brief at Exhibit 8.

[29] See, e.g., Conference Tr. at 133-34.

interchangeable with the domestic like product and with each other.[30] The record demonstrates that appreciable quantities of subject imports from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan and the domestic like product were present throughout the period of investigation in the same geographic markets.[31] The record also demonstrates that subject imports and the domestic like product are generally sold through the same channels of distribution – specifically, distributors.[32]

IV. REASONABLE INDICATION OF MATERIAL INJURY BY REASON OF CUMULATED SUBJECT IMPORTS THAT ARE ALLEGEDLY SOLD AT LESS THAN FAIR VALUE

In the preliminary phase of an antidumping duty investigation, the Commission determines whether there is a reasonable indication that an industry in the United States is materially injured by reason of the imports under investigation.[33] In making this determination, the Commission must consider the volume of subject imports, their effect on prices for the domestic like product, and their impact on domestic producers of the domestic like product, but only in the context of U.S. production operations.[34] The statute defines "material injury" as "harm which is not inconsequential, immaterial, or unimportant."[35] In assessing whether there is a reasonable indication that the domestic industry is materially injured by reason of subject imports, we consider all relevant economic factors that bear on the state of the industry in the United States.[36] No single factor is dispositive, and all relevant factors are

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[30] All responding domestic producers reported that subject imports are "always" interchangeable with the domestic like product, and the majority of responding importers indicated that subject imports are "always" or "frequently" interchangeable with the domestic like product. Several domestic producers noted that Buy American restrictions affect a small percentage of products and one domestic producer and one importer reported that ProfilARBED produces some products not produced in the United States. All responding domestic producers reported that factors other than price are "sometimes" or "never" important in sales of structural steel beams in the U.S. market; responding importers were fairly evenly divided on this question, with a majority reporting that factors other than price are "frequently" or "sometimes" important in sales of structural steel beams in the U.S. market. CR at II-4, II-5; PR at II-3; CR/PR at Tables II-1, II-2.

[31] See, e.g., Petitions at Exhibit I-9; Conference Tr. at 48-50; Petitioners' Postconference Brief at Exhibit 1 at 5, Exhibit 21.

[32] Fifty-eight percent of domestic producers' sales were to distributors in 2000, and the remainder were direct sales to fabricators. Sales to distributors accounted for the following percentages of total sales from each of the subject countries: China *** percent; Germany *** percent; Italy *** percent; Luxembourg *** percent; Russia *** percent; South Africa *** percent; Spain *** percent; and Taiwan *** percent; the remainder were direct sales to fabricators. See, e.g., Conference Tr. at 87, 105-06; CR at I-6 to I-7; PR at I-5; Mem. INV-Y-131 (July 6, 2001); Importers' Questionnaire Responses.

[33] 19 U.S.C. §§ 1671b(a) and 1673b(a).

[34] 19 U.S.C. § 1677(7)(B)(i). The Commission "may consider such other economic factors as are relevant to the determination" but shall "identify each [such] factor . . . [a]nd explain in full its relevance to the determination." 19 U.S.C. § 1677(7)(B); see also Angus Chemical Co. v. United States, 140 F.3d 1478 (Fed. Cir. 1998).

[35] 19 U.S.C. § 1677(7)(A).

[36] 19 U.S.C. § 1677(7)(C)(iii).

considered "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[37]

For the reasons discussed below, we find that there is a reasonable indication that the domestic industry producing structural steel beams is materially injured by reason of cumulated subject imports.

A. Conditions of Competition

A number of conditions of competition are relevant to our analysis in these investigations.

Structural steel beams are used as load-bearing support in a range of applications, principally including buildings, bridges, towers, pre-manufactured houses, railroad rolling stock, ships, and original equipment manufacturing applications. The majority of responding domestic producers and importers estimated that structural steel beams account for between 2.0 percent and 15.0 percent of the total cost of the end-use applications.[38] Although they are available in a range of overlapping sizes, unit weights, and cross-sectional profiles, structural steel beams generally are sold in one of four standard profile shapes indicated by letter designations ("W" shapes; "HP" shapes; "S" shapes; and "M" shapes). Structural steel beams are mainly used in steel structure construction, and are sold either as-is or in various degrees of partial fabrication.[39] While nearly one-half of the questionnaire responses of domestic producers and importers reported that there are no practical substitutes for structural steel beams in construction applications, some reported that concrete may be substituted at the design phase.[40] The parties agreed that structural steel beams were used in about 48 percent of construction projects during the period of investigation.[41]

Apparent domestic consumption of structural steel beams fluctuated but generally increased over the period of investigation, declining from 5.9 million short tons in 1998 to 4.8 million short tons in 1999, before increasing to 6.2 million short tons in 2000; apparent domestic consumption in interim 2001 was 1.2 million short tons compared to 1.5 million short tons in interim 2000.[42]

The composition of the suppliers to the U.S. market changed during the period of investigation. Foreign producers that supplied the U.S. market with structural steel beams in the early part of the period of investigation became subject to an antidumping duty order in June 2000 (Japan) and antidumping and countervailing duty orders in August 2000 (Korea).[43] Although nonsubject imports were present in the

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[37] 19 U.S.C. § 1677(7)(C)(iii).

[38] CR at II-4; PR at II-3.

[39] CR at I-4; PR at I-3.

[40] In addition to the relative prices and availability of the two basic materials, the choice also depends on the requirements of the project and the skills, experience, and preference of the developers, architects, and engineers participating in the project, as well as upon other costs and the required speed of completion.

[41] See, e.g., CR at II-3; PR at II-2 to II-3; Conference Tr. at 10-11, 103; Duferdofin, L.p.A. ("Italian Respondent's") Postconference Brief at 7-8; Petitioners' Postconference Brief at 8.

[42] CR/PR at Tables IV-3, C-1. From 1998 to 2000, apparent domestic consumption increased in value 5.1 percent. It decreased from $2.26 billion in 1998 to $1.58 billion in 1999 before increasing to $2.37 billion in 2000. Apparent domestic consumption, by value, was $422 million in interim 2001 compared to $582 million in interim 2000. CR/PR at Tables IV-3, C-1.

[43] See, e.g., 65 Fed. Reg. 37960 (June 19, 2000) (Japanese antidumping duty order); 65 Fed. Reg. 49542 (Aug. 14, 2000) (Korean countervailing duty order); 65 Fed. Reg. 50502 (Aug. 18, 2000) (Korean antidumping duty order).

U.S. market throughout the period of investigation, their volume declined progressively.[44] Nonsubject imports' share of apparent domestic consumption also decreased throughout the period of investigation.[45] Thus, shipments from domestic producers as well as subject imports from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan supplied the overwhelming majority of the U.S. market during the latter portion of the period of investigation.[46]

Two domestic producers, Nucor and TXI-Chapparal, started new production facilities during the period of investigation, but the new facilities were not fully operational when the antidumping duty order on imports from Japan and the antidumping and countervailing duty orders on imports from Korea went into effect. In addition, domestic producer Northwestern permanently closed in May 2001. Overall, the domestic industry's capacity increased during the period of investigation.[47] Notwithstanding petitioners' arguments to the contrary,[48] the record indicates instances of tight supply in the U.S. market in recent years, including in late 1999 and early 2000, when domestic producers were not able to supply sufficient structural steel beams to meet apparent domestic consumption.[49] In any final phase of these investigations, we intend to explore the length and the magnitude of these supply conditions including the extent to which the volume of subject imports met or exceeded the shortfall.

With respect to sales practices in the U.S. market, domestically produced and imported structural steel beams are sold to both distributors (primarily steel service centers) and end users (primarily fabricators) via spot sales rather than contracts. Builders purchase structural steel beams from steel fabricators that process the beams for each project. Fabricators do not generally carry significant inventories, preferring to order structural steel beams for each job directly from domestic mills and to turn to service centers when a specific product is not available from the mill; service centers primarily purchase for inventory.[50] Domestic producers typically sell structural steel beams at published prices and seldom negotiate specific transactions; their products are sold at the same price to both fabricators and service centers. Fifty-eight percent of domestic producers' shipments of structural steel beams were to

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[44] The volume of nonsubject imports declined from 1.5 million short tons in 1998 to 0.6 million short tons in 1999, and decreased again to 0.4 million short tons in 2000; the volume of nonsubject imports was 27,290 short tons in interim 2001 compared to 117,065 short tons in interim 2000. CR/PR at Tables IV-1, C-1. By value, nonsubject imports decreased from $514.2 million in 1998 to $167.7 million in 1999 to $147.1 million in 2000, and they were $9.9 million in interim 2001 compared to $39.5 million in interim 2000. CR/PR at Tables IV-1, C-1.

[45] Nonsubject imports' market share declined from 25.8 percent in 1998 to 6.4 percent in 2000 and from 7.6 percent in interim 2000 to 2.3 percent in interim 2001. CR/PR at Tables IV-3, C-1.

[46] CR/PR at Table IV-3.

[47] The domestic industry's capacity increased from 4.6 million short tons in 1998 to 6.3 million short tons in 2000; the domestic industry's capacity in interim 2001 was 1.56 million short tons compared to 1.57 million short tons in interim 2000. CR/PR at Table III-2, C-1.

[48] See, e.g., Conference Tr. at 51-60.

[49] Evidence of the late 1999/early 2000 supply limitations includes domestic producers' controlled order entry practices; quarterly AISC Business Barometer reports; the American Institute of Imported Steel's Steel Import Market Survey for February/March 2000; letters to customers from Nucor-Yamato; various newspaper articles; and testimony of petitioners' witnesses about extended lead times and the unavailability of particular sizes. Conference Tr. at 87-89, 97-98, 134-38; ARBED's Postconference Brief at 4-9, 11; Aceralia's Postconference Brief at 1; Highveld's Postconference Brief at 2-3; Tung Ho Steel Enterprise Corporation's ("Tung Ho") Postconference Brief at 2-3, 7, Exhibit E; Salzgitter's Postconference Brief at 2-3, 7, Exhibit E; Italian Respondent's Postconference Brief at 9-11.

[50] See, e.g., CR at I-6 to I-7, II-1, V-6; PR at I-5, II-1, V-6; Conference Tr. at 89-90; Italian Respondent's Brief at 4-5.

distributors compared to 88 percent of subject imports.[51] Long delivery lead times generally make the subject producers' products impractical for direct sale to fabricators.[52] Fabricators obtain cut-to-length sizes of structural steel beams directly from domestic producers whereas the products they obtain from service centers must be purchased in set lengths, which is less economical due to the "drop" or wasted portion.[53]

1. Volume of Cumulated Subject Imports

Section 771(7)(C)(i) of the Act provides that the "Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant."[54]

Apparent domestic consumption increased overall during the period of investigation.[55] Cumulated subject imports captured a growing share of this growing market during the period of investigation. The volume and value of cumulated subject imports of structural steel beams rose over the period of investigation, as did their market share.[56] Although the volume of subject imports, by quantity, decreased between 1998 and 1999, it increased in 2000.[57] Likewise, although the market share for subject imports, by quantity, decreased between 1998 and 1999, it increased in 2000.[58] Moreover, while the absolute level of subject import shipments in interim (January to March) 2001 was lower than the level in interim 2000, subject imports' market share in interim 2001 was higher than the level in interim 2000.[59]

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[51] See, e.g., Mem. INV-Y-131; CR at I-6 to I-7; PR at I-5; Petitions at 10-11, Exhibits I-11 to I-12; Conference Tr. at 63, 74-75, 87; Petitioners' Postconference Brief at 8-9.

[52] See, e.g., Conference Tr. at 89, 98, 114; Tung Ho's Postconference Brief at 2; Salzgitter's Postconference Brief at 2. Sales of subject imports take place before the structural steel beams are shipped to the United States, and the lead time for delivery of subject imports reportedly is 90 to 150 days.

[53] In the past, the Commission has found that these and other non-price factors, such as delivery, reliability, transportation, bundling, and marketing, result in the domestic like product selling for a price premium over subject imports. See Certain Structural Steel Beams from Japan, Inv. No. 731-TA-853 (Final), USITC Pub. 3308 at 9 (June 2000); see also, e.g., Conference Tr. at 87, 91-94, 103; ARBED's Postconference Brief at 2-4; Aceralia's Postconference Brief at 1; Italian Respondent's Postconference Brief at 4-5. In any final phase of these investigations, we will examine the extent to which timing and delivery factors are important to purchasers and the extent to which these and other factors affect prices.

[54] 19 U.S.C. § 1677(7)(C)(i).

[55] CR/PR at Tables IV-3, C-1.

[56] CR/PR at Tables IV-1, IV-3, C-1.

[57] The volume of subject imports, by quantity, decreased from 616,928 short tons in 1998 to 356,436 short tons in 1999, it increased to 884,555 short tons in 2000. CR/PR at Tables IV-1, C-1. The value of cumulated subject imports followed similar trends, decreasing from $226.2 million in 1998 to $108.3 million in 1999 but increasing to $322.5 million in 2000; the value of cumulated subject imports in interim 2001 was $47.2 million compared to $58.3 million in interim 2000. CR/PR at Tables IV-1, C-1.

[58] Subject imports' market share, by quantity, decreased from 10.5 percent in 1998 to 7.4 percent in 1999, but it increased to 14.4 percent in 2000. CR/PR at Tables IV-3, C-1.

[59] Subject imports in interim 2001 were 134,496 short tons compared to 163,326 short tons in interim 2000, and subject imports' market share in interim 2001 (11.3 percent) was higher than the level in interim 2000 (10.6 percent). CR/PR at Tables IV-1, IV-3, C-1. By value, import market share for subject structural steel beams

(continued...)

During the period of investigation, domestic producers' U.S. shipments of structural steel beams increased each year between 1998 and 2000, but the level of domestic producers' U.S. shipments in interim 2001 was lower than in interim 2000.[60] In contrast, domestic producers' market share, by quantity, increased between 1998 and 1999, but remained essentially level in 2000; their market share in interim 2001 was higher than in interim 2000.[61] The volume of nonsubject imports declined both absolutely and as a share of apparent domestic consumption during the period of investigation.

Thus, the record shows an increase in subject imports over the period of investigation, including a 148.2 percent increase in the absolute level of subject imports between 1999 and 2000, and a corresponding increase (nearly doubling) of subject import market share during that period, as well as a higher level of market share attributable to subject imports in interim 2001 compared to interim 2000. These increases coincided with the near exodus of nonsubject imports from the market; thus, domestic producers' market share remained level. For purposes of these preliminary determinations, we find the increase in the volume of subject imports to be significant in absolute terms and relative to apparent consumption in the United States. In any final phase of these investigations, we intend to explore the extent to which subject imports captured market share from nonsubject imports and responded to demand that domestic producers were unable to supply.

2. Price Effects of Cumulated Subject Imports

Section 771(7)(C)(ii) of the Act provides that, in evaluating the price effects of the subject imports, the Commission shall consider whether –

> (I) there has been significant price underselling by the imported merchandise as compared with the price of domestic like products of the United States, and
>
> (II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.[62]

The record reflects a high degree of substitutability between domestic structural steel beams and subject imports from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan, all

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[59] (...continued)
followed similar trends, decreasing from 10.0 percent in 1998 to 6.8 percent in 1999 but increasing to 13.6 percent in 2000; in interim 2001, it was 11.2 percent compared to 10.0 percent in interim 2000. CR/PR at Tables IV-3, C-1.

[60] Domestic producers' U.S. shipments increased from 3.7 million short tons in 1998 to 3.9 million short tons in 1999 and 4.9 million tons in 2000, and in interim 2001 were 1.0 million short tons compared to 1.3 million short tons in interim 2000. CR/PR at Tables III-2, C-1. By value, domestic producers' U.S. shipments decreased from $1.5 billion in 1998 to $1.3 billion in 1999 before increasing to $1.9 billion in 2000; domestic producers' U.S. shipments in interim 2001 were $365 million compared to $484 million in interim 2000. CR/PR at Tables III-2, C-1.

[61] Domestic producers' market share increased from 63.7 percent in 1998 to 80.4 percent in 1999, but their market share remained essentially level at 79.3 percent in 2000; in interim 2001, domestic producers' market share, by quantity, was 86.4 percent compared to 81.7 percent in interim 2000. CR/PR at Tables IV-3, C-1. Market share of domestic producers, by value, increased from 67.2 percent in 1998 to 82.6 percent in 1999, then declined slightly to 80.2 percent in 2000. In interim 2001, their share was 86.5 percent compared to 83.2 percent in interim 2000. CR/PR at Tables IV-3, C-1.

[62] 19 U.S.C. § 1677(7)(C)(ii).

of which are produced to ASTM standards. Questionnaire responses indicate that, in general, domestic producers believe that differences in price between structural steel beam products from various supplying countries are more important than differences in other sales factors in the U.S. market, but importers' questionnaire responses were more mixed.[63] For purposes of these preliminary determinations, we find price to be an important factor in purchasing decisions, but we will examine in any final phase of these investigations the extent to which non-price factors such as timing, delivery, and U.S. inland transportation costs affect competition between subject imports and the domestic like product in the U.S. market.

To evaluate the price effects of subject imports, the Commission requested domestic producers and importers to provide quarterly quantity and value data for sales in the U.S. market between January 1998 and March 2001 for four structural steel beam products identified in the petitions. Eight domestic producers and 12 importers provided usable pricing data for sales of the requested products in the U.S. market.[64] With respect to sales of the domestic like product and subject imports, these data generally showed price declines in 1998 and 1999, price increases beginning in late 1999/early 2000, then price declines toward the latter part of 2000 and first quarter 2001.[65] In most instances, the prices at the end of the period of investigation were lower than at the beginning of the period of investigation, but during the earlier portions of 2000, pricing levels did sometimes return to the pricing levels at the beginning of the period of investigation.[66] Subject imports oversold the domestic like product in 97 quarters and undersold the domestic like product in 74 quarters.[67]

Petitioners argued that prices in the U.S. market during the period of investigation experienced downward pressure from subject imports both contemporaneously and with a lagged effect due to a build-up of subject imports in inventory.[68] Respondents contended that there is no causal link between subject imports and structural steel beam prices in the U.S. market, alleging that: (1) subject imports simply filled a supply gap in early- to mid-2000 and did so at relatively high prices, (2) the majority of inventory accumulation was domestically produced structural steel beams, and (3) domestic capacity increased at a point when structural steel beam demand was beginning to soften, thus putting short-term downward pressure on structural steel beam prices until supply and demand regained equilibrium.[69]

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[63] CR at II-4 to II-6; PR at II-3 to II-5.

[64] CR at V-6; PR at V-6. The pricing data accounted for approximately 62.0 percent of the 2000 value of domestic producers' commercial shipments of structural steel beams, as well as *** percent of the 2000 landed, duty-paid value of subject imports from China, *** percent of subject imports from Germany, *** percent of subject imports from Luxembourg, *** percent of subject imports from Russia, *** percent of subject imports from South Africa, and *** subject imports from Italy, Spain, and Taiwan. CR at V-6 to V-7; PR at V-6. We relied on the pricing data that included ***'s reported information. Staff confirmed that these data did not include extraneous grades, ***. See, e.g., CR at V-7 n.2; PR at V-7 n.2. We acknowledge that if ***'s data were excluded from our analysis, the relative incidence of underselling would be ***.

[65] CR/PR at Tables V-1 to V-4.

[66] CR/PR at Tables V-1 to V-4.

[67] CR/PR at Tables V-1 to V-5.

[68] See, e.g., Petitions at 14-15, Exhibit I-11; Conference Tr. at 12-17, 22, 24-25, 27, 29, 30, 32-46, 93-94; Petitioners' Postconference Brief at 9-10, 14-25, Exhibits 1, 3, 11A, 11B and 17.

[69] See, e.g., Conference Tr. at 87-89, 97-98, 134-38, ARBED's Postconference Brief at 4-9, 11, 26-28; Aceralia's Postconference Brief at 1; Highveld's Postconference Brief at 2-3, 6; Tung Ho's Postconference Brief at 2-3, 7, Exhibit E, Salzgitter's Postconference Brief at 2-3, 7, Exhibit E; Italian Respondent's Postconference Brief at 1-2, 9-21; CR at V-7; PR at V-7.

While prices did decline in 2000 as imports from several of the subject countries reduced their presence in the U.S. market during the latter part of 2000 and in interim 2001, several domestic producers have recently announced price increases or reduction of price incentive programs.[70] Further, we are mindful of the anecdotal evidence on the record attributing negative price effects to subject imports, including domestic producers' letters to customers announcing price decreases and purchasing incentive programs, affidavits from domestic producers and ***, as well as conference testimony by representatives of domestic producers, steel service centers and fabricators.[71] In any final phase of these investigations, we intend to seek more complete pricing information and to examine closely the relationship between pricing trends and imports from the subject countries. We also intend to explore the extent to which increasing domestic capacity and competition among the domestic producers and falling demand affected prices during the period of investigation.[72]

3. Impact of Cumulated Subject Imports[73] [74]

In examining the impact of the subject imports on the domestic industry, we consider all relevant economic factors that bear on the state of the industry in the United States.[75] These factors include output, sales, inventories, capacity utilization, market share, employment, wages, productivity, profits, cash flow, return on investment, ability to raise capital, and research and development. No single factor is dispositive and all relevant factors are considered "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[76]

Overall, the period of investigation was marked by a number of changes as imports from Japan and Korea largely left the market, domestic producers began ramping up production at new facilities ***,

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[70] CR at V-8; PR at V-7.

[71] See, e.g., Petitions at 14-15, Exhibit I-11; Conference Tr. at 12-17, 22, 24-25, 27, 29, 30, 32-46, 93-94; Petitioners' Postconference Brief at 9-10, 14-25, Exhibits 1, 3, 11A, 11B and 17.

[72] Commissioner Bragg finds that the limited information on the record indicates significant negative price effects by the subject imports on prices for the domestic like product. She notes that there is very limited coverage of subject imports from Russia in the pricing data. CR at V-7 & n.1; PR at V-6 & n.1. Also, some of the data regarding subject imports from *** consist of estimated quantities and prices, resulting in identical quarterly pricing within a given year. CR/PR at Tables V-1 to V-4.

[73] The statute instructs the Commission to consider the "magnitude of the dumping margin" in an antidumping proceeding as part of its consideration of the impact of imports. 19 U.S.C. § 1677(7)(C)(iii) (V). In its notice of initiation, Commerce recalculated the alleged dumping margins as follows: 98.77 percent for the People's Republic of China; 61.09 to 94.73 percent for Germany; 83.80 percent for Italy; 38.45 to 44.43 percent for Luxembourg; 133.12 percent for Russia; 73.54 to 81.06 percent for South Africa; 81.67 to 94.93 percent for Spain; and 45.72 to 73.64 percent for Taiwan. 66 Fed. Reg. 33048 (June 20, 2001).

[74] Commissioner Bragg notes that she does not ordinarily consider the magnitude of dumping to be of particular significance in evaluating the effects of subject imports on the domestic products. See Separate and Dissenting Views of Commissioner Lynn M. Bragg in Bicycles from China, Inv. No. 731-TA-731 (Final), USITC Pub. 2968 (June 1996); Anhydrous Sodium Sulfate from Canada, Inv. No. 731-TA-884 (Preliminary), USITC Pub. 3345 (Sept. 2000) at 11 n.63.

[75] 19 U.S.C. § 1677(7)(C)(iii); see also SAA at 851, 885 ("In material injury determinations, the Commission considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they also may demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports." Id. at 885).

[76] 19 U.S.C. § 1677(7)(C)(iii); see also SAA at 851, 885; Live Cattle from Canada and Mexico, Invs. Nos. 701-TA-386, 731-TA-812-813 (Preliminary), USITC Pub. 3155 (Feb. 1999) at 25 n.148.

and Northwestern permanently closed its operations. The record in the preliminary phase of these investigations shows that some domestic industry performance indicators were improving or unchanged during the period of investigation. More importantly, however, other important performance indicators declined, particularly during the latter part of the period of investigation as prices in the U.S. market fell and domestic producers experienced lower unit values and declining capacity utilization due to declining production volumes.

Ten domestic producers accounting for all known domestic production of structural steel beams in 2000 provided data on their operations.[77] Domestic production of structural steel beams steadily increased between 1998 and 2000, but was lower in interim 2001 than interim 2000.[78] The domestic industry's capacity increased each year between 1998 and 2000; capacity in interim 2001 was approximately the same as in interim 2000.[79] The new capacity added to the domestic industry during the period of investigation[80] ***.[81]

The domestic industry's capacity utilization fell between 1998 and 1999, but then increased between 1999 and 2000; capacity utilization in interim 2001, however, was lower than in interim 2000.[82] Petitioners attributed the interim 2001 decline in capacity utilization to subject imports, but the record indicates that at least a portion of the declines may be attributable to the ramping up of production at new facilities and declining demand.[83]

Other indicators of the condition of the domestic industry showed either a steady increase from 1998 to 2000 (production workers, hourly wages, U.S. shipments, and net sales),[84] or followed the same

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[77] CR at VI-1; PR at VI-1.

[78] Domestic production increased from 3.9 million short tons in 1998 to 4.0 million short tons in 1999 and to 5.1 million short tons in 2000; domestic production of structural steel beams was 1.1 million short tons in interim 2001 compared to 1.3 million short tons in interim 2000. CR/PR at Tables III-2, C-1.

[79] Capacity increased from 4.6 million short tons in 1998 to 5.4 million short tons in 1999 to 6.3 million short tons in 2000; capacity in interim 2001 was slightly lower than in interim 2000. CR/PR at Tables III-2, C-1.

[80] Domestic industry capacity increases were due to the addition of new capacity as well as the modernization of existing facilities. Steel of West Virginia ***. CR at III-2 to III-3; PR at III-3. ***. CR at III-3; PR at III-2. Nucor added *** short tons of capacity during December 1998 with its new Berkeley plant in South Carolina that became fully operational by fourth quarter 1999 and that now has an annual capacity of *** short tons. CR at III-3; PR at III-2. Finally, TXI Chapparal opened a new facility in Petersburg, Virginia, with an overall capacity of *** short tons. CR at III-3; PR at III-2 to III-3.

[81] CR at III-3; PR at III-3.

[82] Capacity utilization declined from 84.4 percent in 1998 to 73.8 percent in 1999 but then increased to 81.0 percent in 2000; capacity utilization was 70.9 percent in interim 2001 compared to 82.9 percent in interim 2000. CR/PR at Tables III-2, C-1.

[83] For example, company officials indicated that TXI-Chapparal's Petersburg facility was operating ***, but the record also reflects that the Petersburg facility has experienced a number of internal problems coming on-line, and this is consistent with ***. CR at III-3, III-4; PR at III-2 to III-3. Domestic producer Northwestern reported that its May 2001 permanent closure was *** to subject imports. The record indicates that it filed for Chapter 11 bankruptcy in December 2000. Respondents argued that Northwestern closed because it was inefficient and was experiencing a critical shortfall in raw material supplies to maintain its electric furnace operations. CR at III-3; PR at III-3.

[84] Production workers in the domestic industry increased from 2,194 in 1998 to 2,643 in 1999 and to 3,055 in 2000. CR/PR at Tables III-2, C-1. Hourly wages increased from $25.33 in 1998 to $25.85 in 1999 and to $27.44 in 2000. CR/PR at Tables III-2, C-1. Domestic producers' U.S. shipments increased from 3.7 million short tons in 1998 to 3.9 million short tons in 1999 and 4.9 million tons in 2000. CR/PR at Tables III-2, C-1. By value, domestic

(continued...)

trends as apparent domestic consumption,[85] declining from 1998 to 1999, then increasing in 2000 (productivity, unit cost of goods sold).[86] [87] The industry recorded substantial operating income in 2000.[88] Overall, industry performance in 2000 was robust.[89]

Most indicators declined in interim 2001 compared to interim 2000. The number of production related workers, hourly wages, U.S. shipments by quantity and value, productivity, net sales by quantity and value, and unit cost of goods sold were all less favorable in interim 2001 than in interim 2000.[90]

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[84] (...continued)
producers' U.S. shipments decreased from $1.5 billion in 1998 to $1.3 billion in 1999 before increasing to $1.9 billion in 2000. CR/PR at Tables III-2, C-1.

[85] Apparent domestic consumption declined from 5.9 million short tons in 1998 to 4.8 million short tons in 1999 before increasing to 6.2 million tons in 2000. CR/PR at Tables IV-3, C-1. From 1998 to 2000, apparent domestic consumption increased in value by 5.1 percent. It decreased from $2.26 billion in 1998 to $1.58 billion in 1999 before increasing to $2.37 billion in 2000. CR/PR at Tables IV-3, C-1.

[86] Productivity fell from 0.84 short tons per hour in 1998 to 0.68 short tons per hour in 1999 and increased to 0.75 short tons per hour in 2000. CR/PR at Tables III-2, C-1. Domestic producers' net sales increased from 3.8 million short tons in 1998 to 4.0 million short tons in 1999 and to 4.9 million short tons in 2000. CR/PR at Tables VI-1, C-1. By value, the domestic industry's net sales decreased from $1.5 billion in 1998 to $1.4 billion in 1999 then increased to $1.9 billion in 2000. CR/PR at Tables VI-1, C-1. Unit cost of goods sold declined from $313.74 in 1998 to $290.28 in 1999 then increased to $314.12 in 2000. CR at VI-3; PR at VI-1; CR/PR at Table C-1.

[87] Capital expenditures fell each year between 1998 and 2000, but were higher in interim 2001 than in interim 2000. Capital expenditures fell from *** in 1998 to *** in 1999 and to $59.0 million in 2000, but were higher in interim 2001 ($9.6 million) than in interim 2000 ($7.7 million). CR/PR at Table VI-4. Domestic producers' market share increased from 63.7 percent in 1998 to 80.4 percent in 1999, but their market share remained essentially level at 79.3 percent in 2000. CR/PR at Tables IV-3, C-1. Market share of domestic producers, by value, increased from 67.2 percent in 1998 to 82.6 percent in 1999, then declined slightly to 80.2 percent in 2000. CR/PR at Tables IV-3, C-1. Domestic producers' end-of-period inventories decreased from 373,211 short tons in 1998 to 366,861 short tons in 1999 but increased to 486,016 short tons in 2000. CR/PR at Tables III-2, C-1.

[88] Domestic producers' operating income decreased between 1998 and 1999 before increasing between 1999 and 2000 to a level that was higher than in 1998. Operating income decreased from $292.2 million in 1998 to $124.8 million in 1999 before increasing to $296.4 million in 2000. CR/PR at Tables VI-1, C-1. Operating income margins were positive throughout the period of investigation, but followed the same trends as operating income. CR/PR at Tables VI-1, C-1. The ratio of the domestic industry's operating income to its sales decreased from 19.0 percent in 1998 to 9.2 percent in 1999 then increased to 15.4 percent in 2000. CR/PR at Tables VI-1, C-1.

[89] The petitioner argues that the industry's performance began to deteriorate in the latter part of 2000. The record does not contain data limited to the second half or fourth quarter of 2000. A comparison of data for first quarter 2000 with full year 2000 does not appear to bear out petitioner's claim.

[90] The level of production workers in the domestic industry was 2,698 in interim 2001 compared to 3,034 in interim 2000. CR/PR at Tables III-2, C-1. The record also indicates that ***. ***. Nucor and Nucor-Yamato have operated on a ***, and TXI-Chapparal reported ***. CR at III-3 to III-4; PR at III-3. Hourly wages in interim 2001 were $27.97 compared to $28.28 in interim 2000. CR/PR at Tables III-2, C-1. Domestic producers' U.S. shipments in interim 2001 were lower (1.0 million short tons) than in interim 2000 (1.3 million short tons). CR/PR at Tables III-2, C-1. By value, domestic producers' U.S. shipments in interim 2001 were $365 million compared to $484 million in interim 2000. CR/PR at Tables III-2, C-1. Productivity in interim 2001 was 0.75 short tons per hour compared to 0.80 short tons per hour in interim 2000. CR/PR at Tables III-2, C-1. Domestic producers' end-of-period inventories in interim 2001 (546,239 short tons) were higher than end-of-period inventories in interim 2000 (404,041 short tons). CR/PR at Tables III-2, C-1. Domestic producers' net sales of structural steel beams were 1.0 million short tons in interim 2001 compared to 1.3 million short tons in interim 2000. CR/PR at Tables VI-1, C-
(continued...)

Operating income fell significantly between interim periods, as did the ratio of operating income to net sales.[91] The deterioration in financial results in interim 2001 compared to interim 2000 resulted both from a lower volume of sales and a lower unit value of sales. While the industry as a whole showed profitability throughout the period of investigation, we note that by interim 2001 *** of ten domestic producers were reporting operating losses.[92]

This preliminary record therefore indicates that although some domestic industry performance indicators improved over the period of investigation, other important indicators declined, particularly toward the end of the investigation period. Therefore, for purposes of these preliminary determinations, and evaluating the industry as a whole, we conclude that subject imports have had a significant adverse impact on the domestic structural steel beams industry.[93]

CONCLUSION

For the foregoing reasons, we determine that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of structural steel beams from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan that are allegedly sold in the U.S. market at less than fair value.

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[90] (...continued)
1. The domestic industry's net sales value was $370.0 million in interim 2001 compared to $491.0 million in 2000. CR/PR at Tables VI-1, C-1. Unit cost of goods sold in interim 2001 ($317.66) was higher than in interim 2000 ($311.69). CR at VI-3; PR at VI-1; CR/PR at Table C-1.

[91] Domestic producers' operating income was lower in interim 2001 ($24.3 million) than in interim 2000 ($76.6 million). CR/PR at Tables VI-1, C-1. The ratio of the domestic industry's operating income to its sales was 6.6 percent in interim 2001 compared to 15.6 percent in interim 2000. CR/PR at Tables VI-1, C-1.

[92] CR/PR at Table VI-1.

[93] Commissioner Bragg also refers to her footnote 72, supra.

PART I: INTRODUCTION

BACKGROUND

These investigations result from petitions filed by counsel on behalf of the Committee for Fair Beam Imports and its individual members Northwestern Steel & Wire Co. (Northwestern), Sterling, IL; Nucor Corp. (Nucor), Charlotte, NC; Nucor-Yamato Steel Co. (Nucor-Yamato), Blytheville, AR; and TXI-Chaparral Steel Co. (TXI), Midlothian, TX, on May 23, 2001, alleging that an industry in the United States is materially injured and threatened with further material injury by reason of less-than-fair-value (LTFV) imports of certain structural steel beams[1] from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan. Information relating to the background of the investigations is provided below.[2]

Date	*Action*
May 23, 2001	Petitions filed with Commerce and the Commission;[3] institution of Commission investigations (66 FR 29989, June 4, 2001)
June 13, 2001	Commission's conference[4]
June 20, 2001	Commerce's notice of initiation (66 FR 33048)
July 9, 2001	Date of the Commission's vote
July 9, 2001	Commission's determinations sent to Commerce

[1] For purposes of these investigations, the petition identified the subject merchandise as identical to the scope of the recent investigations concerning certain structural steel beams from Japan and Korea completed in June 2000 and August 2000, respectively. *Certain Structural Steel Beams from Japan*, Inv. No. 731-TA-853 (Final), USITC Pub. 3308, June 2000, and *Certain Structural Steel Beams from Korea*, Invs. Nos. 701-TA-401 (Final) and 731-TA-854 (Final), USITC Pub. 3326, August 2000 (Japan and Korea investigations). Commerce defined the subject merchandise in those investigations and in the current investigations as "doubly-symmetric shapes, whether hot- or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These products ("structural steel beams") include, but are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes."

"All products that meet the physical and metallurgical descriptions provided above are within the scope of these investigations unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of these investigations: structural steel beams greater than 400 pounds per linear foot or with a web or section height (also known as depth) over 40 inches." The subject products are imported under the following HTS subheadings with the following 2001 normal trade relations *ad valorem* tariff rates, applicable to imports from all sources subject to these investigations: 7216.32.00, 0.3 percent; 7216.33.00, 0.3 percent; 7216.50.00, 0.3 percent; 7216.61.00, 1.5 percent; 7216.69.00, 1.5 percent; 7216.91.00, 1.3 percent; 7216.99.00, 1.3 percent; 7228.70.30, 0.6 percent; and 7228.70.60, 1.6 percent. **In this report, the terms "certain structural steel beams" and "structural steel beams" are used interchangeably.**

[2] *Federal Register* notices cited in the tabulation are presented in app. A.

[3] The petitions alleged LTFV margins, as adjusted by Commerce, as follows: 98.77 percent for China, 61.09-94.73 percent for Germany, 83.80 percent for Italy, 38.45-44.43 percent for Luxembourg, 81.67-94.93 percent for Spain, 73.54-81.06 percent for South Africa, 133.12 percent for Russia, and 45.72-73.64 percent for Taiwan.

[4] A list of witnesses who appeared at the conference is presented in app. B.

SUMMARY DATA

A summary of data collected in the investigations is presented in appendix C, table C-1. Except as noted, U.S. industry data are based on questionnaire responses of 10 firms that accounted for all known U.S. production of structural steel beams during 2000. U.S. imports are based on official Commerce statistics, except for imports from Italy, which are based on responses to a Commission questionnaire.[5] Responding importers accounted for 89 percent of subject imports during 2000 and 54 percent of imports from nonsubject sources in 2000.[6] The quantity of imports and shipments of imports reported by questionnaire respondents are included in table C-2, appendix C.

THE PRODUCT

The imported products subject to these investigations are structural steel beams, principally load-bearing components in structures and in certain other applications. The subject steel beams are doubly-symmetric shapes, having at least one dimension of 80 mm (3.2 inches) or more,[7] whether hot- or cold-rolled, drawn, extruded, formed, or finished; whether of carbon or alloy (but not stainless) steel; and whether or not drilled, punched, notched, painted, coated, or clad. These products include, but are not limited to, wide-flange shapes (W shapes), bearing or H-piles (HP shapes), standard beams (S or I shapes), and M-sections (M shapes).[8] Specifically excluded are structural steel beams of stainless steel and structural steel beams with weights greater than 400 pounds per linear foot (595 kg per linear meter) or with a cross-section height (web depth) over 40 inches (1,016 mm). In the Japan and Korea investigations, petitioners and respondents agreed that structural steel beams coextensive with the defined scope of the investigations constitute one domestic like product, and the Commission concurred in its domestic like product determination.[9]

In these investigations, all parties except for counsel for Hoesch Hohenlimburg GmbH (Hoesch), a German producer of structural steel beams, agree with the Commission's domestic like product determination in the Japan and Korea investigations. Counsel for Hoesch argues that forklift mast

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[5] Counsel for the Italian foreign producer, Duferdofin, S.p.A., and its importer, Duferco Steel, testified that official statistics for imports from Italy contain erroneous entries of Polish material. Accordingly, Duferco Steel's questionnaire response was used to report the volume of imports from Italy. Counsel for Duferco gave permission to publish its imports reported in its questionnaire. Conference transcript, p. 100, and White & Case brief, pp. 17 and 33, and exhibit 5.

[6] U.S. imports based on Commerce statistics correspond to HTS subheadings 7216.32.00 and 7216.33.00, which are the primary HTS classifications containing the majority of imports of the subject merchandise. Other HTS categories included in the scope of these investigations are "basket" categories containing substantial quantities of nonsubject merchandise.

[7] Steel structural shapes, including beams, with cross-sectional dimensions equal to or exceeding 3.2 inches (80 mm) are described as "heavy structural shapes" or "structural-size shapes," whereas those with cross-sectional dimensions less than 3.2 inches (80 mm) are described as "light shapes" or "bar-size shapes." Bar-size shapes are generally produced by different mills than those that produce heavy shapes, and are consumed in different end-use applications.

[8] The letter designations refer to specific classifications rather than to the literal cross-sectional shape. These four classifications are described further under "Physical Characteristics and Uses."

[9] *Certain Structural Steel Beams from Japan*, op. cit., pp. 4-5. The Commission's determination regarding the appropriate domestic products that are "like" the subject imported products is based on a number of factors including (1) physical characteristics and uses; (2) common manufacturing facilities and production employees; (3) interchangeability; (4) customer and producer perceptions; (5) channels of distribution; and where appropriate, (6) price.

profiles are designed exclusively for use in forklift trucks and are not suitable for construction applications. As such, counsel argues that forklift mast profiles represent a niche product that should be excluded from the scope of these investigations, or, alternatively, be treated as a separate domestic like product.[10] According to counsel for Hoesch, there is little or no U.S. production of forklift mast profiles; there are significant physical differences between these products and structural steel beams; and forklift mast profiles cannot be produced in the same manufacturing facilities as structural steel beams. Counsel also argues that there are differences in customer perceptions, channels of distribution, and price.[11]

Physical Characteristics and Uses

Structural steel beams are designed specifically to be load-bearing support members in a wide range of applications. Principal end uses are buildings, bridges, towers, pre-manufactured homes, railroad rolling stock, ships, and original equipment manufacturing applications. Structural steel beams are available in a range of overlapping sizes and cross-sectional profiles. Four standard categories for structural steel beams, with profile shape indicated by a letter designation, are included in the subject merchandise:

- "W" shapes–wide-flange shapes with straight flanges, where the flange thickness differs from that of the adjoining web, with specifications for nominal web depths ranging from 4 to 44 inches (American Society for Testing and Materials (ASTM) Designation A6) or from 100 to 1,100 mm (ASTM Designation A6M);

- "HP" shapes–bearing or H-piles with straight flanges, where the flange thickness is the same as that of the adjoining web, with specifications for nominal web depths ranging from 8 to 14 inches (ASTM Designation A6) or from 200 to 360 mm (ASTM Designation A6M);

- "S" shapes–standard beams or I-beams, characterized by flanges with sloping inner surfaces but straight outer surfaces, with specifications for nominal web depths ranging from 3 to 24 inches (ASTM Designation A6) or from 75 to 610 mm (ASTM Designation A6M); and

- "M" shapes–miscellaneous shapes or M-sections, which are any flanged structural shapes that are not classified as W, S, or HP shapes, and with specifications for nominal web depths ranging from 4 to 12 inches (ASTM Designation A6) or from 100 to 310 mm (ASTM Designation A6M).[12]

Structural steel beams are dedicated almost exclusively for steel structure construction, and are sold either as-is or in various degrees of partial fabrication. Assembly of structural steel beams into partial or complete structural units is by relatively straightforward operations such as joining by welding or bolting to assemble the structure.

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[10] In the Japan and Korea investigations, petitioners requested that "steel beams specifically manufactured for use in forklift truck masts" be excluded from the product scope, deKieffer & Horgan brief, p. 3.

[11] deKieffer & Horgan brief, pp. 2-6.

[12] "ASTM Designation A6/A6M-94a, Standard Specification for General Requirements for Rolled Structural Steel Bars, Plates, Shapes, and Sheet Piling," *2000 Annual Book of ASTM Standards, Section 1, Iron and Steel Products, Vol. 01.04, Steel-Structural, Reinforcing, Pressure Vessel, Railway* (West Conshohocken, PA: ASTM, 2000). According to the ASTM, "...The values stated in inch-pound units are independent of the values stated in SI (sic; i.e., metric units), and the values from the two systems are not to be combined in any way." Id., p. 54.

Manufacturing Process

The manufacturing process for structural steel beams consists of the three stages of (1) melting or refining raw steel, (2) casting raw steel into semifinished forms, and (3) hot rolling semifinished forms into structural steel beams.

Melting

In the United States, steel for structural steel beams is produced by mini-mills that melt steel scrap in electric arc furnaces. Foreign producers also utilize the mini-mill process, although some may also rely on basic oxygen furnaces to convert metallic iron into steel. Once molten steel is produced through either process, it is poured from the furnace into a refractory-lined ladle, where its composition can be refined by addition of any necessary alloys to effect the required chemical and physical properties.

Casting

Molten steel must be cast into a semifinished form of the size and shape suitable for the rolling process. In continuous (strand) casting, molten steel is poured from the ladle into a tundish (reservoir dam), which controls the rate of flow into the molds of the continuous caster. A solid "skin" forms around the molten steel at the top openings of the molds, and as the columns of partially solidified steel descend through the caster, water sprays rapidly cool the cast steel (which helps minimize compositional segregation) to the point that strands are completely solidified when extruded at the bottom of the caster. Lengths of continually extruded semifinished steel are flame cut at intervals, after which they may either be sent directly for further processing or be cooled on a cooling bed and subsequently stored for later use. Semifinished forms can also be produced by the traditional, multi-step, ingot-teeming method. Most structural shape producers now continuously cast steel into beam blanks, rather than the traditional square or rectangular cross-sectioned blooms or billets. A beam blank's cross section approximates the final shape of the beam, and is sometimes referred to as a "dogbone." A further advancement is near-net-shape casting, pioneered by Chaparral Steel, that produces blanks with a thinner web than those of conventional beam blanks.

Hot Rolling

Prior to rolling, the semifinished steel is sent through a reheat furnace to increase its malleability and to reduce wear on the rolling mill. In the rolling mill, the steel form is reduced to the desired cross-sectional profile and dimensions of the final structural steel beam by sequential passes through roughing, intermediate, and finishing stands. Mill configuration varies among individual producers, with the steel passed several times between the rolls of each stand of a reversing mill, or continuously through successive stands of an in-line mill. Mills for rolling the wide flanges of structural steel shapes are distinguished by both horizontally and vertically mounted rolls that lack grooves, in contrast to mills for rolling angles, channels, and standard I-beams, which consist of horizontally mounted, grooved rolls. Because structural steel beams have similar cross-sectional shapes, different types can be produced on the same equipment by substituting rolls and making other necessary changes to the configuration of the production process. Likewise, a limited size range of the same cross-sectional shape can be produced by spreading or narrowing the spacing between the rolls. After rolling, structural steel beams are allowed to cool on a cooling bed, then straightened on a rotary straightener. Finally, they are cut to specified lengths, inspected for imperfections, tested for specified metallurgical properties, and prepared for inventorying or shipment.

Channels of Distribution

All configurations and compositions of structural steel beams are sold by U.S. producers to distributors (service centers), fabricators, and end users (builders and original equipment manufacturers). Distributors accounted for 58 percent of the volume of U.S. producers' shipments of structural steel beams in 2000, and 88 percent of shipments of subject imported beams. Imports sold to distributors by subject country accounted for the following shares of 2000 shipments of imports: ***.

Builders purchase structural steel beams from steel fabricators who process the beams to order for each project. Fabricators, not normally carrying significant inventory volumes, prefer to order structural steel beams for each job directly from domestic mills, and turn to the service centers as a second choice when a specific product is not available from the mill. As domestic mills sell to the fabricators and the steel service centers at the same price, fabricators must pay more in the form of a "middleman's" mark-up when purchasing from service centers. Further, structural steel beams can be purchased cut-to-size directly from the mill, whereas products from service centers must be purchased in set lengths, which is less economical due to the "drop" or wasted portion beyond the desired length.

Customer and Producer Perceptions, Interchangeability, and Price

Information received from U.S. producers and importers of structural steel beams on factors such as interchangeability are reported in Part II of this report. Pricing information on four specific categories of structural steel beams are reported in Part V.

PART II: CONDITIONS OF COMPETITION IN THE U.S. MARKET

CHANNELS OF DISTRIBUTION

In the U.S. market, U.S.-produced and imported structural steel beams are sold to both distributors (primarily steel service centers) and end users (primarily fabricators). Historically, U.S.-produced structural steel beams were sold primarily to fabricators, and imported structural steel beams were sold primarily to steel service centers. Available information for 2000 indicates that the majority of both U.S.-produced and subject imported beams were sold to distributors, at 58.0 and 88.0 percent, respectively.

SUPPLY AND DEMAND CONSIDERATIONS

U.S. Supply

Domestic Production

As with the Commission's previous investigations on structural steel beams from Japan and Korea, a sharp disagreement exists over the adequacy of U.S. capacity to produce structural steel beams during the period of these investigations, particularly in late 1999 and early 2000. Petitioners contend that, although the market was tight during this time frame, U.S. capacity to meet demand was adequate and no supply shortages existed.[1] In contrast, respondents state that U.S. supply shortages were a real, and very serious, issue. Respondents state that many customers were put on allocation by U.S. producers during this period of high demand, and as a result these purchasers turned to imported structural steel beams to meet domestic requirements.[2]

Based on available information, U.S. producers of structural steel beams have the ability to respond to changes in prices with moderate changes in the quantity of shipments of U.S.-produced structural steel beams. The main factors contributing to this degree of responsiveness are somewhat limited excess capacity and inventories. The degree of supply responsiveness may also be restrained by the lack of alternate markets.[3] These factors are detailed next.

Industry capacity

Data reported by U.S. producers indicate that there is unused capacity with which to expand production in the event of price changes. U.S. producers' capacity utilization increased from 73.8 percent in 1999 to 81.0 percent in 2000. However, interim data reveal that capacity utilization decreased from 82.9 percent in the first quarter of 2000 to 70.9 percent in the first quarter of 2001.

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[1] Marilee Robertson, former General Sales Manager for Wide Flange Products, TXI-Chaparral Steel Co., conference transcript, p. 56.

[2] White & Case brief, p. 17.

[3] U.S. producers' responsiveness to supply may also be somewhat limited by the inability to produce structural steel beams to the specifications required for some applications.

II-1

Inventory levels

U.S. producers' inventories of structural steel beams, as a ratio to production, remained relatively stable from 1998 through 2000. However, interim data reveal an increase from 7.8 percent in 2000 to 12.4 percent in 2001.

Alternate markets

Exports to markets outside the United States accounted for a small share of all shipments by U.S. producers, increasing from 1.5 percent in 1998 to 2.7 percent in 1999, then decreasing to 1.4 percent in 2000. Interim data reveal that exports represented 1.4 and 1.3 percent, respectively, of all shipments by U.S. producers in the first quarter of 2000 and the first quarter of 2001.

Production alternatives

Most U.S. producers of structural steel beams can manufacture non-beam products, such as angles, flats, channels, rail ties, and sheet piling, using the same equipment and machinery.

U.S. Demand

Based on available information, the overall near-term demand for structural steel beams is unlikely to change significantly in response to changes in price. The main factor contributing to the low degree of price sensitivity is the lack of practical substitute products.[4]

Demand Characteristics

The primary end uses of structural steel beams are various construction applications. As such, structural steel beam demand is derived from the demand for such construction projects, and tends to track the general strength of the U.S. economy.

Available information indicates that strong economic growth and a resulting increase in construction spending increased U.S. demand for structural steel beams during the period of investigation, with demand beginning to soften in the second half of 2000. For 2001, the American Institute for Steel Construction projects that demand will be off its peak, but will still be high by historical standards.[5]

Substitute Products

Questionnaire responses from U.S. producers and importers reveal that nearly half of the responding firms believe there are no practical substitutes for structural steel beams.[6] While cement was the most frequently cited substitute for structural steel beams, several firms also mentioned structural

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[4] In the longer term, users may be able to shift away from structural steel beams in favor of alternative products, namely cement. However, such decisions must be made during the design phase, and thus are unlikely to affect shorter-term consumption choices (Wiley, Rein & Fielding brief, p. 8).

[5] ***.

[6] Six of 10 responding U.S. producers and 3 of 10 importers stated that there are no practical substitutes for structural steel beams.

II-2

tubing and wood as possible substitutes; however, substitution decisions are typically made during the design phase of a project, and thus do not affect near-term demand.

Respondents contend that without the existence of subject imports in the U.S. market during periods of tight supply, many domestic users of structural steel beams would have switched to cement, thereby reducing the absolute size of the U.S. structural steel beam market. Since building design typically precedes construction and material purchases by months or even years, the perception of a shortage of structural steel beams could depress long-term demand.[7]

Cost Share

According to the majority of responding U.S. producers and importers, the structural steel beams that they sell in the U.S. market account for a small to moderate percentage of total end-use cost. The majority of responding firms estimated the percentage of total end-use cost accounted for by structural steel beams to be in the range 2.0 to 15.0 percent.

SUBSTITUTABILITY ISSUES

The degree of substitution between domestic and imported structural steel beams depends upon such factors as relative prices, quality, and conditions of sale. Based on available data, staff believes that there is a high degree of substitution between domestic structural steel beams and subject imports from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan.

Factors Affecting Sales

Questionnaire responses reveal that, in general, U.S. producers believe that differences in price between structural steel beam products from various supplying countries are a more important factor in sales of structural steel beams in the U.S. market as compared with differences in other factors. Importers' responses reveal less uniform views (tables II-1).[8]

[7] O'Melveny & Myers brief, p. 2.

[8] Table II-1 only reveals information on comparisons between U.S.-produced structural steel beams and imported structural steel beams. Available information indicates that, similar to the data in table II-1, all responding U.S. producers believe that factors other than price are "sometimes" or "never" important in sales of structural steel beams in the U.S. market regarding structural steel beams from different subject countries, as well as between subject structural steel beams and nonsubject structural steel beams. In contrast, similar to the data in table II-1, responding importers were fairly evenly divided on this question with respect to different subject and nonsubject country combinations, with most answers revealing that factors other than price are "frequently" or "sometimes" important in sales of structural steel beams in the U.S. market.

Several importers noted that availability and lead time are important factors in purchase decisions. Additionally, in its brief, *** listed several factors other than price which affect the U.S. market for structural steel beams. See *** brief, pp. 26-27.

II-3

Table II-1
Structural steel beams: Perceived importance of differences in factors other than price between structural steel beams produced in the United States and in other countries in sales of structural steel beams in the U.S. market

Country pair	Number of U.S. producers reporting					Number of U.S. importers reporting				
	A	F	S	N	O	A	F	S	N	O
U.S. vs. China	0	0	0	9	1	2	4	2	2	1
U.S. vs. Germany	0	0	0	9	1	2	2	2	2	2
U.S. vs. Italy	0	0	0	9	1	1	2	3	2	2
U.S. vs. Luxembourg	0	0	0	9	1	2	2	2	2	2
U.S. vs. Russia	0	0	0	9	1	1	2	4	2	2
U.S. vs. South Africa	0	0	0	9	1	1	2	2	2	3
U.S. vs. Spain	0	0	0	9	1	2	3	2	2	1
U.S. vs. Taiwan	0	0	0	9	1	2	2	2	2	2
U.S. vs. nonsubject	0	0	1	7	2	1	2	2	1	4

Note. -- A = Always, F = Frequently, S = Sometimes, N = Never, O = No familiarity.

Source: Compiled from data submitted in response to Commission questionnaires.

Comparison of Domestic Product, Subject Imports, and Nonsubject Imports

U.S. producers and importers have fairly similar views regarding the issue of interchangeability between U.S.-produced and subject structural steel beams. In general, U.S. producers were more unified in their responses, answering in virtually all cases that structural steel beams from different countries are "always" interchangeable with the U.S. product. Importers' responses were more diverse, but reveal that for almost all country combinations the majority of importers believe that structural steel beams are either "always" or "frequently" interchangeable with the U.S. product (table II-2).[9]

[9] Table II-2 only reveals information on comparisons between U.S.-produced structural steel beams and imported structural steel beams. Available information indicates that, similar to the data in table II-2, the majority of responding U.S. producers and importers believe that structural steel beams from different subject countries, as well as subject structural steel beams and nonsubject structural steel beams, are "always" or "frequently" interchangeable. In certain cases where various country combinations were not perceived as "always" interchangeable, several U.S. producers noted that Buy American restrictions affect a small percentage of projects. Additionally, one U.S. producer and one importer noted that Luxembourg produces some products which are not produced in the United States.

II-4

Table II-2
Structural steel beams: Perceived degree of interchangeability of structural steel beams produced in the United States and in other countries

Country pair	Number of U.S. producers reporting					Number of U.S. importers reporting				
	A	F	S	N	O	A	F	S	N	O
U.S. vs. China	9	0	0	0	1	8	2	0	0	1
U.S. vs. Germany	9	0	0	0	1	7	2	0	0	2
U.S. vs. Italy	9	0	0	0	1	7	2	0	0	2
U.S. vs. Luxembourg	8	1	0	0	1	7	1	0	1	3
U.S. vs. Russia	9	0	0	0	1	7	2	1	0	2
U.S. vs. South Africa	9	0	0	0	1	7	1	0	0	3
U.S. vs. Spain	9	0	0	0	1	8	2	0	0	1
U.S. vs. Taiwan	9	0	0	0	1	7	2	0	0	2
U.S. vs. nonsubject	8	1	0	0	1	6	1	0	0	3

Note. – A = Always, F = Frequently, S = Sometimes, N = Never, O = No familiarity.

Source: Compiled from data submitted in response to Commission questionnaires.

II-5

PART III: U.S. PRODUCERS' PRODUCTION, SHIPMENTS, AND EMPLOYMENT

The Commission analyzes a number of factors in making injury determinations (see 19 U.S.C. §§ 1677(7)(B) and 1677(7)(C)). Information on the alleged margins of dumping was presented earlier in this report, and information on the volume and pricing of imports of the subject merchandise is presented in Parts IV and V. Information on the other factors specified is presented in this section and/or Part VI and (except as noted) is based on the questionnaire responses of 10 firms that accounted for all known U.S. production of structural steel beams during 2000.

The names and plant locations of domestic producers are shown in table III-1. In addition, their shares of U.S. production in 2000 and positions on the petition are listed. Nucor-Yamato, the largest producer, is 49-percent owned by Yamato Kogyo in Japan. Nucor, Nucor-Yamato, and TXI together account for over *** percent of 2000 production of structural steel beams.

Table III-1
Structural steel beams: U.S. producers and their plant locations, shares of production in 2000, and positions on the petition

Firm	Plant locations	Share of U.S. production (*percent*)	Position on the petition
Bayou Steel	La Place, LA	***	***
Birmingham Steel	Cartersville, GA	***	***
J&L Structural	Aliquippa, PA	***	***
North Star Steel Kentucky	Calvert City, KY	***	***
Northwestern Steel & Wire	Sterling, IL	***	Petitioner
Nucor	Mt. Pleasant, SC; Jewett, TX	***	***
Nucor-Yamato	Blytheville, AR	***	Petitioner
SMI Steel	Birmingham, AL	***	***
Steel of West Virginia	Huntington, WV	***	***
TXI-Chaparral Steel	Midlothian, TX; Petersburg, VA	***	Petitioner

Source: Compiled from data submitted in response to Commission questionnaires.

Information on capacity, production, capacity utilization, shipments, and employment indicators is presented in table III-2.

III-1

Table III-2
Structural steel beams: U.S. production capacity, production, capacity utilization, shipments, and employment-related indicators, 1998-2000, January-March 2000, and January-March 2001

Item	Calendar year			January-March	
	1998	1999	2000	2000	2001
Capacity (*1,000 short tons*)	4,643	5,433	6,256	1,572	1,560
Production (*1,000 short tons*)	3,920	4,008	5,064	1,302	1,105
Capacity utilization (*percent*)	84.4	73.8	81.0	82.9	70.9
U.S. shipments:					
Quantity (*1,000 short tons*)	3,743	3,898	4,881	1,254	1,032
Value (*1,000 dollars*)	1,517,610	1,307,414	1,903,039	484,064	365,016
Unit value (*dollars per short ton*)	405	335	390	386	354
Export shipments:					
Quantity (*1,000 short tons*)	59	114	68	17	16
Value (*1,000 dollars*)	23,813	36,838	26,870	6,715	4,667
Unit value (*dollars per short ton*)	403	325	398	401	296
End-of-period inventories (*1,000 short tons*)	373	367	486	404	546
Ratio to production (*percent*)	9.5	9.2	9.6	7.8	12.4
Production and related workers (PRWs)	2,194	2,643	3,055	3,034	2,698
Hours worked by PRWs (*1,000 hours*)	4,692	5,901	6,776	1,637	1,479
Wages paid to PRWs (*1,000 dollars*)	118,846	152,560	185,914	46,294	41,374
Hourly wages (*dollars per hour*)	25.33	25.85	27.44	28.28	27.97
Productivity (*short tons per hour*)	.84	.70	.75	.80	.75
Unit labor costs (*dollars per short ton*)	30.32	38.07	36.71	35.55	37.44

Note.--Employment data for 2000 and 2001 for *** were estimated by Commission staff based on data supplied for those years for other factors and from prior years' data.

Source: Compiled from data submitted in response to Commission questionnaires.

During the period of investigation, some of the firms engaged in capacity expansion and modernization. Steel of West Virginia ***.[1] ***. Nucor added *** short tons of capacity during December 1998 with its new Berkeley plant in South Carolina, which became fully operational by the fourth quarter of 1999.[2] In August 1999, TXI opened a new facility in Petersburg, VA, with an overall capacity of *** short tons. Company officials have indicated that the Petersburg facility has been operating at ***. Respondents claim that TXI's Petersburg facility has had internal production

[1] ***.

[2] Nucor now estimates the capacity of this mill at *** tons per year.

problems.[3] In addition, Steel Dynamics, Inc. ("SDI") announced in February 1998 that it was building a new structural steel mill with a capacity of 700,000 to one million short tons. The construction was delayed due to environmental permitting issues, but SDI received its clearances on April 23, 2001, and will begin construction immediately. Currently, production start-up for the mill is not expected to occur until late 2002 at the earliest and there is no indication of which steel products it will produce.[4]

The expansion trend early in the investigation period was mitigated later in the period by some evidence of cutbacks and shutdowns. In May 2001, Northwestern closed its *** capacity operations (after filing for Chapter 11 bankruptcy in December 2000). According to Northwestern, ***.[5] According to respondents, Northwestern closed because it was inefficient and was experiencing a critical shortfall in raw material supplies to maintain its electric furnace operations.[6] ***. ***. Nucor and Nucor-Yamato have operated on a ***. TXI ***.

Captive consumption of structural steel beams was minimal during the period of investigation. At its highest level in 2000, internal consumption accounted for *** percent of U.S. production during that year. The primary export markets for domestically-produced beams are Canada and Mexico. No U.S. producers imported the subject merchandise. One U.S. producer, SMI, is related to a U.S. importer of subject merchandise, Commercial Metals Corp., which did not supply an importers' questionnaire in these investigations due to time constraints.

Nucor-Yamato purchased imported structural steel beams in 1998 only from Japan to ***. These purchases (***) constituted approximately *** percent of its 1998 production and were discontinued when company officials ***.[7] TXI purchased *** short tons of structural steel beams imported from *** and the *** in ***. The decision to purchase imports was made in order to ***. Purchases totaled *** percent of *** production.

Table III-3 presents quarterly 2000 data on the U.S. industry's production and U.S. shipments of structural steel beams.

Table III-3
Structural steel beams: U.S. production and shipments, 2000, by quarter

Item	Calendar year 2000			
	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.
Production (*1,000 short tons*)	1,105	1,333	1,257	1,174
U.S. shipments:				
Quantity (*1,000 short tons*)	1,253	1,317	1,237	1,077
Value (*1,000 dollars*)	483,483	518,242	489,639	411,200

Note.--The sums of the quarterly data in this table may not equal the respective data for 2000 in table III-2 because of reporting anomalies.

Source: Compiled from data submitted in response to Commission questionnaires.

[3] Dorsey & Whitney brief, pp. 4-5, and White & Case brief, p. 31.

[4] Conference transcript, p. 79, and White & Case brief, exhibit 5.

[5] ***.

[6] Dorsey & Whitney brief, p. 5 and exhibit 8, and O'Melveny & Myers brief, p. 12, and exhibit 10.

[7] *** questionnaire response.

PART IV: U.S. IMPORTS, APPARENT CONSUMPTION, AND MARKET SHARES

The Commission sent questionnaires to 45 firms believed to be importers of structural steel beams from all sources. Questionnaire responses were received from 18 firms importing the subject product and 9 firms that reported they do not import subject merchandise. U.S. importers of structural steel beams are primarily located in New York, New Jersey, California, Illinois, and Texas. Other locations include Connecticut, Georgia, and Michigan.[1] Four importers, ***, accounted for over 81 percent of reported subject imports in 2000. *** is the largest importer, with *** percent of subject imports in 2000. ***.[2] Of the four largest importers, three imported from multiple subject sources and only one, ***, imported from a single subject source (***).[3] Two firms, ***, accounted for *** percent of reported imports from nonsubject sources in 2000.

U.S. imports are based on official statistics of the Department of Commerce, except for Italy.[4] Responding importers' data accounted for approximately *** percent of imports from China, *** percent of imports from Germany, *** percent of imports from Italy,[5] *** percent of imports from Luxembourg, *** percent of imports from Russia, *** percent of imports from South Africa, *** percent of imports from Spain, *** percent of imports from Taiwan, and 54 percent of imports from nonsubject sources in 2000. *** of the U.S. producers reported direct imports of structural steel beams.

Table IV-1 shows the quantity of U.S. imports of structural steel beams. Table IV-2 shows quarterly 2000 data. Data on U.S. consumption and market shares of structural steel beams are presented in table IV-3.

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[1] One of the importers, ***, is based in Canada.

[2] Wiley, Rein & Fielding brief, p. 36 and exhibit 14.

[3] ***.

[4] U.S. imports based on Commerce statistics correspond to HTS subheadings 7216.32.00 and 7216.33.00, which are the primary HTS classifications containing the majority of imports of the subject merchandise. For purposes of calculating imports, official import statistics do not include HTS subheadings and statistical reporting numbers 7216.50.00, 7216.61.00, 7216.69.00, 7216.91.00, 7216.99.00, 7228.70.3040, and 7228.70.60, which, according to industry participants, are "basket" categories not typically used to classify the subject merchandise.

[5] Counsel for the Italian foreign producer, Duferdofin, S.p.A., and its importer, Duferco Steel, testified that official statistics for imports from Italy contain erroneous entries of Polish material. Accordingly, Duferco Steel's questionnaire response was used to report the volume of imports from Italy. Counsel for Duferco gave permission to publish its imports reported in its questionnaire. Conference transcript, p. 100, and White & Case brief, pp. 17 and 33, and exhibit 5. The total amount of misreported structural steel beams was 12,529 short tons in 2000.

Table IV-1
Structural steel beams: U.S. imports, by sources, 1998-2000, January-March 2000, and January-March 2001

Source	Calendar year			January-March	
	1998	1999	2000	2000	2001
Quantity (*1,000 short tons*)					
China	(1)	(1)	82	8	25
Germany	95	57	183	27	9
Italy	74	10	92	17	14
Luxembourg	101	62	108	27	24
Russia	61	29	43	(1)	20
South Africa	83	62	114	27	14
Spain	203	137	197	56	21
Taiwan	(1)	0	67	0	7
Subtotal	617	356	885	163	134
Other sources	1,517	594	391	117	27
Total	2,134	951	1,276	280	162
Value (*1,000 dollars*)[2]					
China	96	131	27,066	2,391	8,224
Germany	33,289	15,689	67,471	9,612	2,832
Italy	25,395	3,402	29,448	6,168	4,663
Luxembourg	43,536	28,635	50,737	13,004	11,893
Russia	21,041	6,827	13,773	165	6,160
South Africa	26,232	15,263	36,875	7,975	4,540
Spain	76,609	38,390	73,870	18,942	6,613
Taiwan	19	0	23,254	0	2,301
Subtotal	226,217	108,338	322,494	58,257	47,227
Other sources	514,166	167,745	147,080	39,537	9,906
Total	740,383	276,083	469,574	97,794	57,133

IV-2

Source	Calendar year			January-March	
	1998	1999	2000	2000	2001
Unit value *(dollars per ton)*[2]					
China	909	905	332	310	332
Germany	350	277	368	354	312
Italy	344	350	322	355	322
Luxembourg	430	462	469	474	495
Russia	344	233	324	348	305
South Africa	317	247	324	296	335
Spain	378	281	376	337	315
Taiwan	2,272	([3])	345	([3])	314
Average	367	304	365	357	351
Other sources	339	282	376	338	363
Average	347	290	368	349	353
Share of quantity (*percent*)					
China	([4])	([4])	6.4	2.7	15.3
Germany	4.5	6.0	14.4	9.7	5.6
Italy	3.5	1.0	7.2	6.2	9.0
Luxembourg	4.7	6.5	8.5	9.8	14.9
Russia	2.9	3.1	3.3	0.2	12.5
South Africa	3.9	6.5	8.9	9.6	8.4
Spain	9.5	14.4	15.4	20.1	13.0
Taiwan	([4])	0	5.3	0	4.5
Subtotal	28.9	37.5	69.3	58.2	83.1
Other sources	71.1	62.5	30.7	41.8	16.9
Total	100.0	100.0	100.0	100.0	100.0

IV-3

Source	Calendar year			January-March	
	1998	1999	2000	2000	2001
Share of value (*percent*)					
China	([4])	([4])	5.8	2.4	14.4
Germany	4.5	5.7	14.4	9.8	5.0
Italy	3.4	1.2	6.3	6.3	8.2
Luxembourg	5.9	10.4	10.8	13.3	20.8
Russia	2.8	2.5	2.9	0.2	10.8
South Africa	3.5	5.5	7.9	8.2	7.9
Spain	10.3	13.9	15.7	19.4	11.6
Taiwan	([4])	0	5.0	0	4.0
Subtotal	30.6	39.2	68.7	59.6	82.7
Other sources	69.4	60.8	31.3	40.4	17.3
Total	100.0	100.0	100.0	100.0	100.0

[1] Less than 500 short tons.
[2] Landed, duty-paid.
[3] Not applicable.
[4] Less than 0.05 percent.

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

Source: Compiled from data submitted in response to Commission questionnaires (Italy) and from official Commerce statistics (for any other sources).

Table IV-2
Structural steel beams: U.S. imports by sources, 2000, by quarter

Item	Calendar year 2000			
	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.
Quantity (*1,000 short tons*)				
China	8	21	21	31
Germany	27	56	60	40
Italy	(1)	23	59	19
Luxembourg	27	27	34	19
Russia	1	22	15	5
South Africa	27	17	42	28
Spain	56	35	66	39
Taiwan	0	10	34	23
Subtotal	146	212	333	204
Other sources	117	113	87	74
Total	263	325	420	278

IV-4

Item	Calendar year 2000			
	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.
Value (*1,000 dollars*)				
China	2,391	6,561	7,455	10,658
Germany	9,612	20,971	22,566	14,323
Italy	4	7,930	21,975	6,461
Luxembourg	13,004	12,368	16,589	8,777
Russia	165	7,164	5,035	1,408
South Africa	7,975	5,407	14,095	9,398
Spain	18,942	16,103	25,141	13,685
Taiwan	0	3,474	11,378	8,401
Subtotal	52,093	79,977	124,235	73,110
Other sources	39,537	45,816	34,613	27,113
Total	91,631	125,793	158,848	100,223
Unit value (*dollars per ton*)				
China	310	313	349	339
Germany	354	372	374	362
Italy	398	342	370	337
Luxembourg	474	460	482	453
Russia	348	325	326	310
South Africa	296	321	338	334
Spain	337	456	378	355
Taiwan	(2)	345	335	360
Average	357	378	373	358
Other sources	338	404	400	365
Average	348	387	378	360

[1] Less than 500 short tons.
[2] Not applicable.

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

IV-5

Table IV-3
Structural steel beams: Apparent U.S. consumption and market shares, 1998-2000, January-March 2000, and January-March 2001

Item	Calendar year			January-March	
	1998	1999	2000	2000	2001
Quantity (*1,000 short tons*)					
U.S. consumption	5,878	4,849	6,157	1,535	1,194
Value (*1,000 dollars*)					
U.S. consumption	2,257,993	1,583,497	2,372,613	581,858	422,149
Share of quantity (*percent*)					
U.S. producers' U.S. shipments	63.7	80.4	79.3	81.7	86.4
U.S. imports from--					
China	(1)	(1)	1.3	0.5	2.1
Germany	1.6	1.2	3.0	1.8	0.8
Italy	1.3	0.2	1.5	1.1	1.2
Luxembourg	1.7	1.3	1.8	1.8	2.0
Russia	1.0	0.6	0.7	(1)	1.7
South Africa	1.4	1.3	1.8	1.8	1.1
Spain	3.4	2.8	3.2	3.7	1.8
Taiwan	(1)	0.0	1.1	0.0	0.6
All subject countries	10.5	7.4	14.4	10.6	11.3
Nonsubject countries	25.8	12.3	6.4	7.6	2.3
All countries	36.3	19.6	20.7	18.3	13.6
Share of value (*percent*)					
U.S. producers' U.S. shipments	67.2	82.6	80.2	83.2	86.5
U.S. imports from--					
China	(1)	(1)	1.1	0.4	1.9
Germany	1.5	1.0	2.8	1.7	0.7
Italy	1.1	0.2	1.2	1.1	1.1
Luxembourg	1.9	1.8	2.1	2.2	2.8
Russia	0.9	0.4	0.6	(1)	1.5
South Africa	1.2	1.0	1.6	1.4	1.1
Spain	3.4	2.4	3.1	3.3	1.6
Taiwan	(1)	0.0	1.0	0.0	0.5
All subject countries	10.0	6.8	13.6	10.0	11.2
Nonsubject countries	22.8	10.6	6.2	6.8	2.3
All countries	32.8	17.4	19.8	16.8	13.5

[1] Less than 0.05 percent.

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

Source: Compiled from data submitted in response to Commission questionnaires and from official Commerce statistics.

IV-6

PART V: PRICING AND RELATED INFORMATION

FACTORS AFFECTING PRICES

Raw Material Costs

Structural steel beams are generally produced from steel scrap, which accounts for the greatest share of cost to domestic producers. Overall, raw material costs accounted for approximately 48.0 percent of the total 2000 cost of goods sold for structural steel beam production.

U.S. Inland Transportation Costs

Transportation costs of structural steel beams for delivery within the United States vary from firm to firm but tend to account for a moderate percentage of the total cost of the product. For the 10 U.S. producers who responded to this question, these costs accounted for between 2.5 and 15.0 percent of the total cost of structural steel beams, with an average of 9.9 percent. For the 10 importers who provided usable responses to this question, these costs accounted for between 1.5 and 18.0 percent of the total cost of the product, with an average of 9.0 percent.

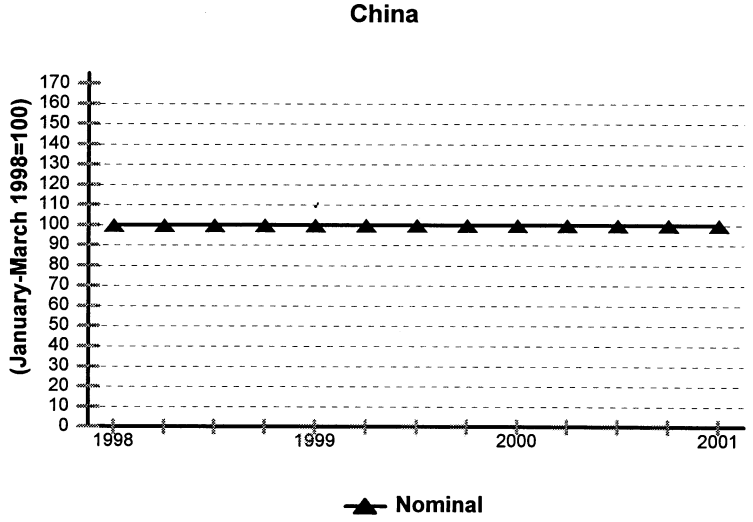
Producers and importers were requested to provide estimates of the percentages of their shipments that were made within specified distance ranges. Among the 10 U.S. producers that provided usable responses to this question, an average of 17.8 percent of shipments occurred within 100 miles, 62.2 percent occurred within 101 to 1,000 miles, and 20.0 percent occurred at distances over 1,000 miles. Among the 13 importers that provided usable responses to this question, an average of 60.8 percent of shipments occurred within 100 miles, 39.2 percent occurred within 101 to 1,000 miles, and 0.1 percent occurred at distances over 1,000 miles.

Exchange Rates

Quarterly exchange rate data for the eight subject countries are shown in figures V-1 through V-8. Real exchange rates cannot be calculated for China and Russia due to the unavailability of producer price information for these countries.

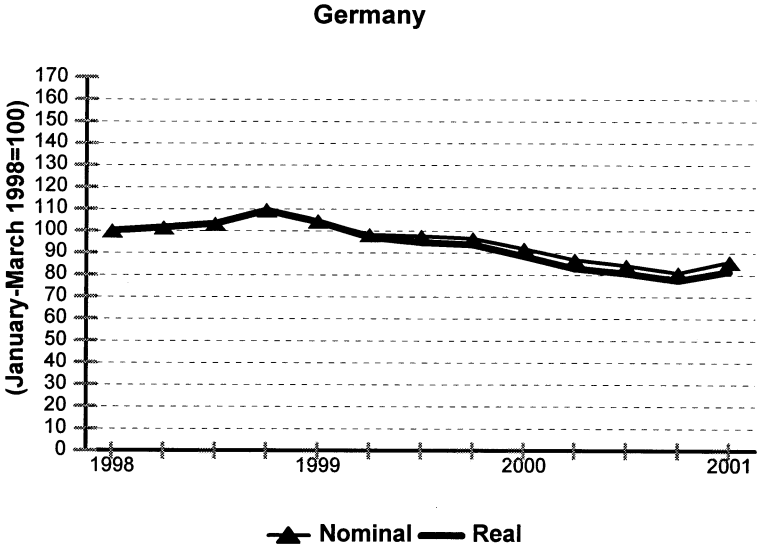
V-1

Figure V-1
Exchange rates: Index of the nominal value of the Chinese yuan relative to the U.S. dollar, by quarters, January 1998-March 2001



Source: International Monetary Fund, *International Financial Statistics*, June 2001.

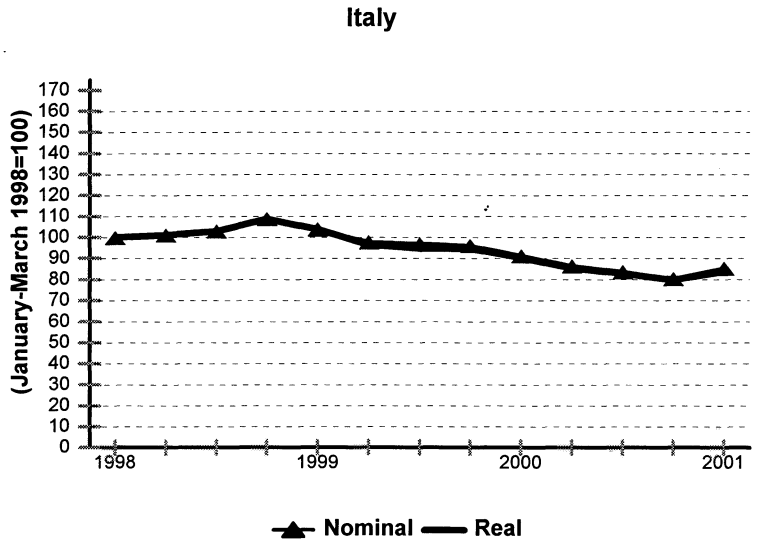
Figure V-2
Exchange rates: Indices of the nominal and real values of the German mark relative to the U.S. dollar, by quarters, January 1998-March 2001



Source: International Monetary Fund, *International Financial Statistics*, June 2001.

V-2

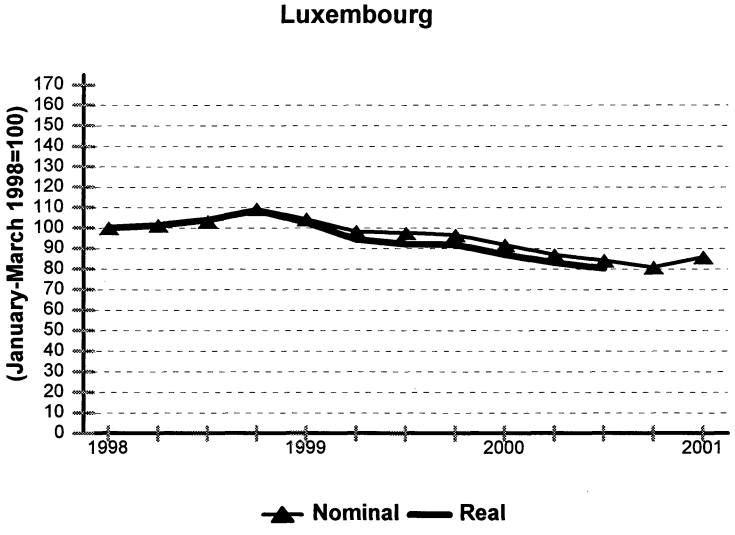
Figure V-3
Exchange rates: Indices of the nominal and real values of the Italian lira relative to the U.S. dollar, by quarters, January 1998-March 2001



Note: The nominal exchange rate index is virtually identical to the real exchange rate index.

Source: International Monetary Fund, *International Financial Statistics*, June 2001.

Figure V-4
Exchange rates: Indices of the nominal and real values of the Luxembourg franc relative to the U.S. dollar, by quarters, January 1998-March 2001



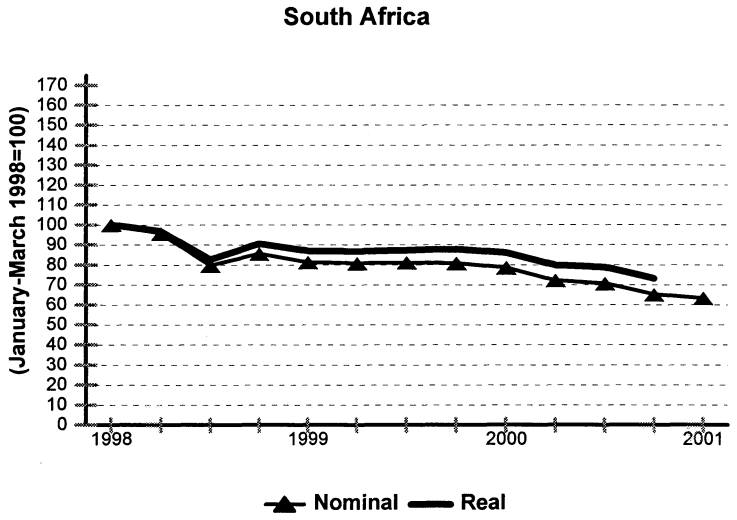
Source: International Monetary Fund, *International Financial Statistics*, June 2001.

V-3

Figure V-5
Exchange rates: Index of the nominal value of the Russian ruble relative to the U.S. dollar, by quarters, January 1998-March 2001

Source: International Monetary Fund, *International Financial Statistics*, June 2001.

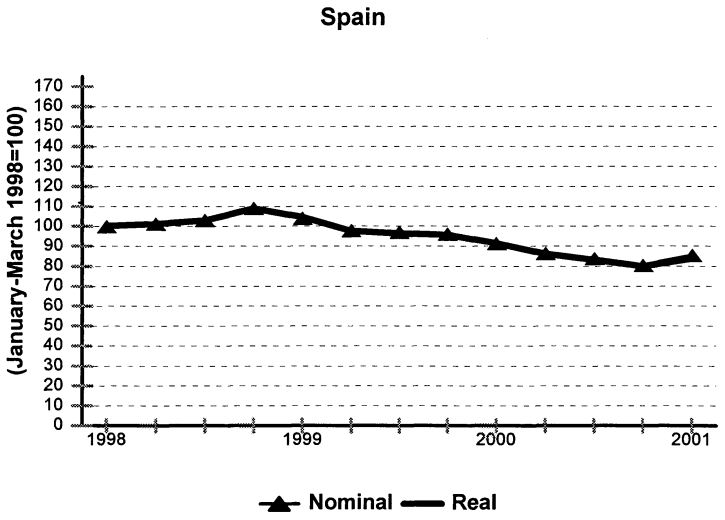
Figure V-6
Exchange rates: Indices of the nominal and real values of the South African rand relative to the U.S. dollar, by quarters, January 1998-March 2001



Source: International Monetary Fund, *International Financial Statistics*, June 2001.

V-4

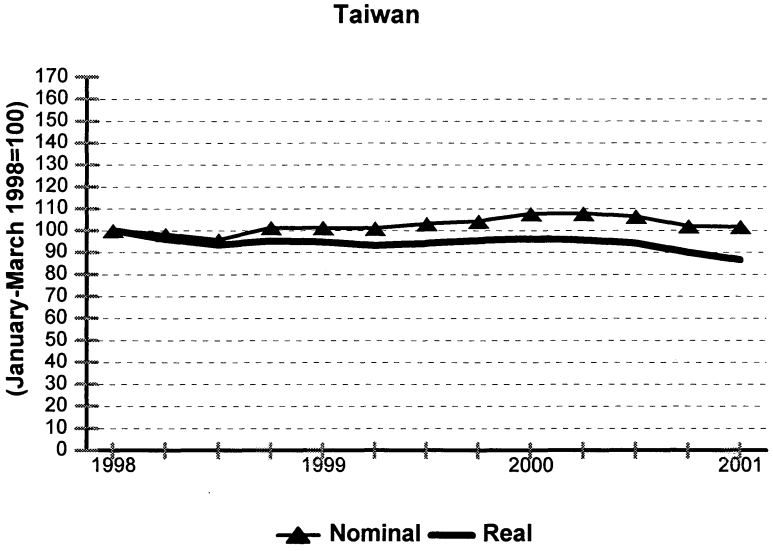
Figure V-7
Exchange rates: Indices of the nominal and real values of the Spanish peseta relative to the U.S. dollar, by quarters, January 1998-March 2001



Note: The nominal exchange rate index is virtually identical to the real exchange rate index.

Source: International Monetary Fund, *International Financial Statistics*, June 2001.

Figure V-8
Exchange rates: Indices of the nominal and real values of the Taiwanese dollar relative to the U.S. dollar, by quarters, January 1998-March 2001



Source: Central Bank of China, International Monetary Fund Financial Statistics, *http://www.cbc.gov.tw,* June 2001.

V-5

PRICING PRACTICES

Pricing Methods

Questionnaire responses reveal that most domestic sales of U.S.-produced structural steel beams involve price lists, while sales of subject imports typically occur on a transaction-by-transaction basis, with prices quoted based on current market conditions. Available information indicates that the majority of U.S. producers' and importers' sales are on a spot basis.

Sales Terms and Discounts

The majority of U.S. producers and importers of structural steel beams reported having no formal discount policies. However, some firms reported that volume-based discounting may occur during negotiations with individual customers. Nearly all responding firms reported that payment is required within 30 days.

PRICE DATA

The Commission requested U.S. producers and importers to provide quarterly data for the total quantity and value of their domestic sales of four structural steel beam products. These data were used to determine a weighted-average price in each quarter. Data were requested for the period January 1998 through March 2001. The products for which pricing data were requested are as follows:

Product 1. **– Wide-flange beams - 8 to 14 inches (from 15 pounds/foot up to 82 pounds/foot) (ASTM A-36, A-572-50, or A-992, or equivalents)**

Product 2. **– Wide-flange beams - 16 to 24 inches (up to 103 pounds/foot) (ASTM A-36, A-572-50, or A-992, or equivalents)**

Product 3. **– Wide-flange beams - 27 to 36 inches (up to 397 pounds/foot) (ASTM A-36, A-572-50, or A-992, or equivalents)**

Product 4. **– I-beams - 8 to 12 inches (up to 31.8 pounds/foot) (ASTM A-36, A-529, A-572-50, or A-992, or equivalents, excluding special sections).**

Eight U.S. producers and 12 importers provided usable pricing data for sales of the requested products in the U.S. market. Pricing data reported by U.S. producers and importers accounted for approximately 62.0 percent of the 2000 value of U.S. producers' commercial shipments of structural steel beams, as well as *** percent of the 2000 landed, duty-paid value of subject imports from China, *** percent of subject imports from Germany, *** percent of subject imports from Luxembourg, *** percent of subject imports from Russia,[1] *** percent of subject imports from South Africa, and *** subject imports from Italy, Spain, and Taiwan.

[1] ***.

V-6

Price Comparisons

Data on f.o.b. selling prices and quantities of products 1 through 4 sold by U.S. producers and importers of subject structural steel beams are shown in tables V-1 through V-4 and figures V-9 through V-14. Tables V-5 and V-6 summarize quarterly underselling/overselling by country and by product. Appendix D shows comparisons of products 1 through 4 with the exclusion of TradeARBED's reported price and quantity information.[2]

Despite allegations of continued strong demand for structural steel beams, albeit somewhat weaker demand as compared with late 1999 and early 2000, structural steel beam prices declined in the second half of 2000 and into 2001. According to petitioners, U.S. prices experienced downward pressure both contemporaneously and with a lag due to a build-up of inventories of unfairly priced subject imports in the distribution channels.[3] Respondents state that there is no causal link between subject imports and U.S. structural steel beam prices. Respondents assert that the high U.S. market share of domestic producers in 2000 suggests that the majority of inventory accumulation is U.S.-produced structural steel beams as opposed to subject imports.[4] Further, respondents assert that domestic capacity increased at a point when U.S. structural steel beam demand was beginning to soften, thus putting short-term downward pressure on structural steel beam prices until supply and demand regain equilibrium.[5]

Effective June 20, 2001, price increases for certain structural steel beams were announced by several U.S. producers of structural steel beams. According to TXI-Chaparral, prices were increased on a limited range of wide-flange sizes due to the withdrawal of TradeARBED and others from the U.S. market as a result of these investigations. TXI-Chaparral announced price increases of $15.00 per ton for certain wide-flange sizes, and stated that its prior pricing levels had been depressed due to the unfair pricing of subject imports. Additionally, effective July 1, 2001, TXI-Chaparral's Customer Appreciation Program (CAP) has been scaled back from 7.0 percent to 3.0 percent, thus allowing customers to obtain free steel in a quantity equal to 3.0 percent of steel purchases in the prior quarter.[6]

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[2] ***.

[3] Wiley, Rein & Fielding brief, pp. 15-16.

[4] O'Melveny & Myers brief, pp. 20-21.

[5] White & Case brief, pp. 28-29.

[6] *http://www.chaparralsteel.com/structural*, June 25, 2001.

V-7

Table V-1
Product 1 - Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers, and margins of underselling/(overselling), by quarters, January 1998-March 2001

Period	United States		China			Germany			Italy			Luxembourg		
	Price	Qty	Price	Qty	Margin	Price	Qty	Margin	Price	Qty	Margin	Price	Qty	Margin
	Per ton	*1,000 tons*	*Per ton*	*1,000 tons*	*Pct*	*Per ton*	*1,000 tons*	*Pct*	*Per ton*	*1,000 tons*	*Pct*	*Per ton*	*1,000 tons*	*Pct*
1998:														
January-March	$412.17	248.0	---	---	---	$***	***	***	$***	***	***	$***	***	***
April-June	411.03	223.8	---	---	---	***	***	***	***	***	***	***	***	***
July-September	406.17	189.0	---	---	---	***	***	***	***	***	***	***	***	***
October-December	358.23	195.3	---	---	---	***	***	***	***	***	***	***	***	***
1999:														
January-March	298.41	190.3	---	---	---	***	***	***	***	***	***	***	***	***
April-June	293.79	239.0	---	---	---	***	***	***	---	---	---	---	---	---
July-September	294.07	294.3	---	---	---	***	***	***	---	---	---	***	***	***
October-December	341.57	350.5	---	---	---	***	***	***	---	---	---	***	***	***
2000:														
January-March	376.98	374.6	---	---	---	***	***	***	---	---	---	***	***	***
April-June	391.50	363.4	$***	***	***	***	***	***	***	***	***	***	***	***
July-September	361.61	299.4	375.06	8.0	(3.7)	***	***	***	***	***	***	***	***	***
October-December	354.87	264.2	341.04	11.0	3.9	***	***	***	***	***	***	***	***	***
2001:														
January-March	308.30	287.0	304.77	4.3	1.1	***	***	***	***	***	***	***	***	***

Continued on next page.

V-8

Table V-1 - Continued
Product 1 - Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers, and margins of underselling/(overselling), by quarters, January 1998-March 2001

Period	Russia			South Africa			Spain			Taiwan		
	Price	Qty	Margin	Price	Qty	Margin	Price	Qty	Margin	Price	Qty	Margin
	Per ton	*1,000 tons*	*Pct*	*Per ton*	*1,000 tons*	*Pct*	*Per ton*	*1,000 tons*	*Pct*	*Per ton*	*1,000 tons*	*Pct*
1998:												
January-March	$***	***	***	$***	***	***	$***	***	***	---	---	---
April-June	***	***	***	***	***	***	***	***	***	---	---	---
July-September	---	---	---	***	***	***	***	***	***	---	---	---
October-December	---	---	---	***	***	***	359.26	14.6	(0.3)	---	---	---
1999:												
January-March	---	---	---	***	***	***	***	***	***	---	---	---
April-June	---	---	---	***	***	***	***	***	***	---	---	---
July-September	***	***	***	***	***	***	***	***	***	---	---	---
October-December	---	---	---	***	***	***	312.37	3.7	8.5	---	---	---
2000:												
January-March	---	---	---	***	***	***	***	***	***	---	---	---
April-June	---	---	---	***	***	***	***	***	***	$***	***	***
July-September	---	---	---	***	***	***	***	***	***	391.60	13.2	(8.3)
October-December	---	---	---	***	***	***	***	***	***	***	***	***
2001:												
January - March	---	---	---	***	***	***	***	***	***	***	***	***

Product 1 – Wide-flange beams - 8 to 14 inches (from 15 pounds/foot up to 82 pounds/foot) (ASTM A-36, A-572-50, or A-992, or equivalents).

Source: Compiled from data submitted in response to Commission questionnaires.

Table V-2
Product 2 - Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers, and margins of underselling/(overselling), by quarters, January 1998-March 2001

Period	United States		China			Germany			Italy			Luxembourg		
	Price	Qty	Price	Qty	Margin	Price	Qty	Margin	Price	Qty	Margin	Price	Qty	Margin
	Per ton	*1,000 tons*	*Per ton*	*1,000 tons*	*Pct*	*Per ton*	*1,000 tons*	*Pct*	*Per ton*	*1,000 tons*	*Pct*	*Per ton*	*1,000 tons*	*Pct*
1998:														
January-March	$***	***	---	---	---	$***	***	***	---	---	---	$***	***	***
April-June	***	***	---	---	---	***	***	***	---	---	---	---	---	---
July-September	***	***	---	---	---	***	***	***	---	---	---	***	***	***
October-December	***	***	---	---	---	***	***	***	---	---	---	---	---	---
1999:														
January-March	***	***	---	---	---	***	***	***	---	---	---	***	***	***
April-June	***	***	---	---	---	***	***	***	---	---	---	---	---	---
July-September	***	***	---	---	---	***	***	***	---	---	---	***	***	***
October-December	***	***	---	---	---	***	***	***	---	---	---	***	***	***
2000:														
January-March	***	***	---	---	---	***	***	***	---	---	---	***	***	***
April-June	***	***	$***	***	***	***	***	***	$***	***	***	***	***	***
July-September	***	***	369.60	8.8	***	***	***	***	***	***	***	***	***	***
October-December	***	***	340.74	15.2	***	***	***	***	***	***	***	***	***	***
2001:														
January-March	***	***	***	***	***	***	***	***	***	***	***	***	***	***

Continued on next page.

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Table V-2 - Continued
Product 2 - Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers, and margins of underselling/(overselling), by quarters, January 1998-March 2001

Period	Russia			South Africa			Spain			Taiwan		
	Price	Qty	Margin	Price	Qty	Margin	Price	Qty	Margin	Price	Qty	Margin
	Per ton	*1,000 tons*	*Pct*	*Per ton*	*1,000 tons*	*Pct*	*Per ton*	*1,000 tons*	*Pct*	*Per ton*	*1,000 tons*	*Pct*
1998:												
January-March	$***	***	***	$***	***	***	$***	***	***	---	---	---
April-June	***	***	***	***	***	***	438.03	12.0	***	---	---	---
July-September	---	---	---	***	***	***	***	***	***	---	---	---
October-December	---	---	---	***	***	***	***	***	***	---	---	---
1999:												
January-March	---	---	---	***	***	***	***	***	***	---	---	---
April-June	---	---	---	***	***	***	***	***	***	---	---	---
July-September	---	---	---	***	***	***	***	***	***	---	---	---
October-December	---	---	---	***	***	***	325.99	2.1	***	---	---	---
2000:												
January-March	---	---	---	***	***	***	***	***	***	---	---	---
April-June	---	---	---	***	***	***	***	***	***	$***	***	***
July-September	---	---	---	***	***	***	***	***	***	***	***	***
October-December	---	---	---	***	***	***	***	***	***	***	***	***
2001:												
January - March	---	---	---	***	***	***	***	***	***	---	---	---

Product 2 – Wide-flange beams - 16 to 24 inches (up to 103 pounds/foot) (ASTM A-36, A-572-50, or A-992, or equivalents).

Source: Compiled from data submitted in response to Commission questionnaires.

V-11

Table V-3
Product 3 - Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers, and margins of underselling/(overselling), by quarters, January 1998-March 2001

* * * * * * *

Table V-4
Product 4 - Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers, and margins of underselling/(overselling), by quarters, January 1998-March 2001

* * * * * * *

Table V-5
Products 1 and 2 - Number of quarters of under/overselling and average margins, by country

Country	Product 1				Product 2			
	Underselling		Overselling		Underselling		Overselling	
	No. of quarters	Avg. margin *(percent)*	No. of quarters	Avg. margin *(percent)*	No. of quarters	Avg. margin *(percent)*	No. of quarters	Avg. margin *(percent)*
China	3	4.7	1	***	4	***	---	---
Germany	5	3.4	8	14.8	3	3.0	10	11.7
Italy	6	5.5	3	2.8	4	8.6	---	---
Luxembourg	1	***	11	19.3	---	---	10	18.2
Russia	3	12.6	---	---	2	14.1	---	---
South Africa	6	5.0	7	7.4	10	5.8	3	2.3
Spain	3	3.2	10	9.7	1	***	12	5.9
Taiwan	1	***	3	10.8	1	***	2	3.5
TOTAL	28		43		25		37	

Source: Compiled from data submitted in response to Commission questionnaires.

V-12

Table V-6
Products 3 and 4 - Number of quarters of under/overselling and average margins, by country

Country	Product 3				Product 4			
	Underselling		Overselling		Underselling		Overselling	
	No. of quarters	Avg. margin *(percent)*	No. of quarters	Avg. margin *(percent)*	No. of quarters	Avg. margin *(percent)*	No. of quarters	Avg. margin *(percent)*
China	---	---	---	---	---	---	---	---
Germany	5	7.7	---	---	---	---	---	---
Italy	---	---	---	---	5	12.7	1	***
Luxembourg	1	***	12	7.4	---	---	---	---
Russia	---	---	---	---	---	---	---	---
South Africa	---	---	---	---	---	---	---	---
Spain	---	---	---	---	9	7.5	4	16.5
Taiwan	1	***	---	---	---	---	---	---
TOTAL	7		12		14		5	

Source: Compiled from data submitted in response to Commission questionnaires.

Figure V-9
Weighted-average f.o.b. prices for product 1, as reported by U.S. producers and importers (China, Germany, Italy, Luxembourg), by quarters, January 1998-March 2001

* * * * * * *

Figure V-10
Weighted-average f.o.b. prices for product 1, as reported by U.S. producers and importers (Russia, South Africa, Spain, Taiwan), by quarters, January 1998-March 2001

* * * * * * *

Figure V-11
Weighted-average f.o.b. prices for product 2, as reported by U.S. producers and importers (China, Germany, Italy, Luxembourg), by quarters, January 1998-March 2001

* * * * * * *

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Figure V-12
Weighted-average f.o.b. prices for product 2, as reported by U.S. producers and importers (Russia, South Africa, Spain, Taiwan), by quarters, January 1998-March 2001

* * * * * * *

Figure V-13
Weighted-average f.o.b. prices for product 3, as reported by U.S. producers and importers, by quarters, January 1998-March 2001

* * * * * * *

Figure V-14
Weighted-average f.o.b. prices for product 4, as reported by U.S. producers and importers, by quarters, January 1998-March 2001

* * * * * * *

LOST SALES AND LOST REVENUES

During these preliminary investigations, petitioners submitted 30 lost sales and 3 lost revenues allegations, which totaled $34.5 million. Commission staff were able to confirm or partially confirm 20 lost sales allegations, involving *** short tons valued at $*** million. Lost sales allegations for which responses were received are presented in table V-7. Additional information provided by purchasers follows.

* * * * * * *[7]

Table V-7
Structural steel beams: Lost sales allegations investigated

* * * * * * *

[7] ***.

V-14

PART VI: FINANCIAL EXPERIENCE AND CONDITION OF U.S. PRODUCERS

BACKGROUND

Ten U.S. producers[1] provided financial data on their operations on structural steel beams. These data accounted for all known U.S. production of structural steel beams in 2000.

OPERATIONS ON STRUCTURAL STEEL BEAMS

Results of the U.S. producers on their structural steel beams operations are presented in table VI-1; data on a per-short-ton[2] basis are shown in table VI-2.

The quantity of net sales for the combined companies increased in 1999 compared to 1998 and in 2000 compared to 1999. However, the net sales value decreased in 1999, caused primarily by a lower per-short-ton sales value resulting in the lowest operating income margin in the three-year period. The net sales value per short ton decreased by $68 in 1999 compared to 1998 while the cost of goods sold decreased by $24 per short ton. The net sales value (absolutely and per short ton) increased substantially in 2000, exceeding the increase in the cost of goods sold in that year. Operating income also increased substantially in 2000, and was the highest level of operating income in the periods for which data were obtained. The net sales quantity, net sales value, and operating income decreased in interim 2001 compared to interim 2000. Cost of goods sold increased by $6 per short ton in interim 2001 while the net sales value per short ton decreased by $33, resulting in a much lower operating income margin.

All responding firms except *** provided data on raw materials, direct labor, and other factory costs, as shown in the following tabulation. The increase in per-short-ton other factory costs in 2000 was caused, in part, by ***. The decrease in per-short-ton raw material costs in interim 2001 compared to interim 2000 was more than offset by the per-short-ton increase in other factory costs. The per-short-ton increase in other factory costs in interim 2001 was caused, in part, by fixed costs being absorbed by fewer short tons sold.[3]

Per short ton

Item	Fiscal year			January-March	
	1998	1999	2000	2000	2001
Raw materials	$169	$136	$149	$154	$137
Direct labor	23	23	23	25	25
Other factory costs	120	129	139	130	152
Total cost of goods sold	313	288	312	308	315

[1] U.S. producers and their fiscal year ends are ***. *** provided its interim data for the periods of November 1999-January 2000 and November 2000-January 2001.

[2] Product mix within a company and between companies may affect any analysis on a short-ton basis.

[3] ***.

VI-1

Table VI-1
Results of operations of U.S. producers in the production of structural steel beams, fiscal years 1998-2000, January-March 2000, and January-March 2001

Item	Fiscal year			January-March	
	1998	1999	2000	2000	2001
	Quantity (*1,000 short tons*)				
Net sales	3,809	4,039	4,946	1,270	1,047
	Value (*$1,000*)				
Net sales	1,539,544	1,358,450	1,928,101	490,656	369,601
Cost of goods sold	1,195,119	1,172,426	1,553,753	395,833	332,509
Gross profit	344,425	186,024	374,348	94,823	37,092
SG&A expenses	52,213	61,204	77,905	18,248	12,779
Operating income or (loss)	292,212	124,820	296,443	76,575	24,313
Interest expense[1]	***	***	***	***	***
Other expense[2]	***	***	***	***	***
Other income items	***	***	***	***	***
Net income or (loss)	261,902	103,244	254,859	66,106	13,308
Depreciation/amortization[3]	72,656	96,905	110,701	27,580	24,418
Cash flow	334,558	200,149	365,560	93,686	37,726
	Ratio to net sales (*percent*)				
Cost of goods sold	77.6	86.3	80.6	80.7	90.0
Gross profit	22.4	13.7	19.4	19.3	10.0
SG&A expenses	3.4	4.5	4.0	3.7	3.5
Operating income or (loss)[4]	19.0	9.2	15.4	15.6	6.6
	Number of firms reporting				
Operating losses	1	4	3	2	***
Data	9	9	10	10	10

[1] Interest expense increased in 1999 and 2000 primarily because ***.
[2] ***.
[3] *** did not provide depreciation expense.
[4] ***.

Source: Compiled from data submitted in response to Commission questionnaires.

VI-2

Table VI-2
Results of operations (per short ton) of U.S. producers in the production of structural steel beams, fiscal years 1998-2000, January-March 2000, and January-March 2001

Item	Fiscal year			January-March	
	1998	1999	2000	2000	2001
	Value (*per short ton*)				
Net sales	$404	$336	$390	$386	$353
Cost of goods sold	314	290	314	311	317
Gross profit	90	46	76	75	35
SG&A expenses	14	15	16	14	12
Operating income or (loss)	77	31	60	60	23
Source: Compiled from data submitted in response to Commission questionnaires.					

Selected financial data, by firm, are presented in table VI-3. The data indicate that ***.

Table VI-3
Results of operations of U.S. producers in the production of structural steel beams, by firm, fiscal years 1998-2000, January-March 2000, and January-March 2001

* * * * * * *

INVESTMENT IN PRODUCTIVE FACILITIES, CAPITAL EXPENDITURES, AND RESEARCH AND DEVELOPMENT EXPENSES

The responding firms' aggregate data on capital expenditures, research and development expenses, and the value of their property, plant, and equipment are shown in table VI-4 and capital expenditures, by firm, are presented in table VI-5. Capital expenditures decreased in 1999 compared to 1998 and also decreased in 2000 compared to 1999.

VI-3

Table VI-4
Value of assets, capital expenditures, and research and development expenses of U.S. producers of structural steel beams, fiscal years 1998-2000, January-March 2000, and January-March 2001

Item	Fiscal year			January-March	
	1998	1999	2000	2000	2001
	Value (*$1,000*)				
Capital expenditures[1]	***	***	58,984	7,687	9,610
R&D expenses[2]	***	***	***	***	***
Fixed assets:[3]					
Original cost	1,889,672	2,163,509	2,224,760	2,191,486	2,239,277
Book value	1,119,885	1,308,719	1,260,841	1,307,776	1,244,349

[1] Usable data for capital expenditures were provided by all companies except ***.
[2] R&D expenses were provided by ***.
[3] All companies provided usable data for fixed assets, except ***.

Source: Compiled from data submitted in response to Commission questionnaires.

Table VI-5
Capital expenditures of U.S. producers relating to the production of structural steel beams, by firm, fiscal years 1998-2000, January-March 2000, and January-March 2001

* * * * * * *

CAPITAL AND INVESTMENT

The Commission requested U.S. producers to describe any actual or potential negative effects of imports of structural steel beams from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and/or Taiwan on their firms' growth, investment, and ability to raise capital or development and production efforts (including efforts to develop a derivative or more advanced version of the product). Their responses are shown in appendix E.

VI-4

PART VII: THREAT CONSIDERATIONS

The Commission analyzes a number of factors in making threat determinations (see 19 U.S.C. § 1677(7)(F)(i)). Information on the volume and pricing of imports of the subject merchandise is presented in Parts IV and V and information on the effects of imports of the subject merchandise on U.S. producers' existing development and production efforts is presented in Part VI. There were no reports of dumping in third-country markets. Information on inventories of the subject merchandise; foreign producers' operations, including the potential for "product-shifting;" and any other threat indicators, if applicable, follows.

THE SUBJECT FOREIGN INDUSTRIES

Table VII-1 presents aggregate data for production and shipments of structural steel beams for all subject countries except China.[1] The Commission received questionnaire responses from 12 foreign firms producing structural steel beams, covering almost all exports of the subject product to the United States in 2000 (except for exports from China).

THE INDUSTRY IN CHINA

The petition identified 11 firms producing the subject merchandise in China. Foreign producer questionnaires were faxed to all 11 firms, and no responses were received. China began exporting structural steel beams to the United States in significant quantities only beginning in 2000. According to petitioners, a Chinese producer, Angang New Steel, is currently planning to construct a new 750,000-ton beam mill soon.[2]

[1] No foreign producer questionnaires were received from firms in China.

[2] Wiley, Rein & Fielding brief, p. 37.

VII-1

Table VII-1
Structural steel beams: Aggregate reported data for subject countries (except for China), 1998-2000, January-March 2000-01, and projected 2001-02

Item	Calendar year			January-March		Projected	
	1998	1999	2000	2000	2001	2001	2002
	Quantity (*1,000 short tons*)						
Capacity	7,411	7,584	8,649	2,281	2,117	8,006	8,181
Production	6,642	6,875	8,169	2,135	1,953	7,282	7,680
End-of-period inventories	466	477	601	549	673	619	638
Shipments:							
Internal consumption	110	114	120	28	25	123	130
Home market	3,525	3,799	4,037	1,111	923	3,781	4,161
Exports to--							
The United States	515	302	774	191	58	281	425
All other markets	2,355	2,649	3,109	733	880	3,067	2,951
Total exports	2,871	2,951	3,883	923	937	3,348	3,376
Total shipments	6,505	6,864	8,040	2,062	1,885	7,252	7,667
	Ratios and shares (*percent*)						
Capacity utilization	89.6	90.7	94.5	93.6	92.3	91.0	93.9
Inventories/production	7.0	6.9	7.4	6.4	8.6	8.5	8.3
Inventories/total shipments	7.2	6.9	7.5	6.7	8.9	8.5	8.3
Share of total quantity of shipments:							
Internal consumption	1.7	1.7	1.5	1.3	1.3	1.7	1.7
Home market	54.2	55.3	50.2	53.9	49.0	52.1	54.3
Exports to--							
The United States	7.9	4.4	9.6	9.2	3.1	3.9	5.5
All other markets	36.2	38.6	38.7	35.5	46.7	42.3	38.5
All export markets	44.1	43.0	48.3	44.8	49.7	46.2	44.0

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

Source: Compiled from data submitted in response to Commission questionnaires.

VII-2

THE INDUSTRY IN GERMANY

There were 6 firms identified in the petition as producing the subject product in Germany. Five firms, ***, supplied data in response to Commission questionnaires, which are presented in table VII-2. One responding firm, ***, did not export structural steel beams to the United States but produces the subject product.

Table VII-2
Structural steel beams: German producers' production capacity, production, shipments, and inventories, 1998-2000, January-March 2000-01, and projected 2001-02

Item	Calendar year			January-March		Projected	
	1998	1999	2000	2000	2001	2001	2002
	Quantity (*1,000 short tons*)						
Capacity	2,298	2,411	2,473	635	630	2,477	2,396
Production	2,141	2,259	2,459	627	590	2,311	2,276
End-of-period inventories	110	90	100	76	80	98	97
Shipments:							
Internal consumption	60	53	60	15	9	61	61
Home market	913	1,005	936	253	219	1,025	1,138
Exports to--							
The United States	95	43	186	51	7	52	94
All other markets	1,055	1,177	1,268	321	373	1,175	984
Total exports	1,150	1,220	1,454	373	380	1,228	1,078
Total shipments	2,123	2,278	2,450	641	608	2,313	2,276

VII-3

	Ratios and shares (*percent*)						
Capacity utilization	93.2	93.7	99.4	98.8	93.6	93.3	95.0
Inventories/production	5.1	4.0	4.1	3.0	3.4	4.2	4.3
Inventories/total shipments	5.2	4.0	4.1	3.0	3.3	4.2	4.3
Share of total quantity of shipments:							
Internal consumption	2.8	2.3	2.4	2.3	1.5	2.6	2.7
Home market	43.0	44.1	38.2	39.5	36.0	44.3	50.0
Exports to--							
The United States	4.5	1.9	7.6	8.0	1.2	2.3	4.1
All other markets	49.7	51.7	51.7	50.1	61.3	50.8	43.2
All export markets	54.2	53.5	59.3	58.1	62.5	53.1	47.3
Note.–Because of rounding, figures may not add to the totals shown.							
Source: Compiled from data submitted in response to Commission questionnaires.							

THE INDUSTRY IN ITALY

There is only one producer of structural steel beams in Italy, Duferdofin, S.p.A., and its data supplied in response to the Commission's questionnaire are presented in table VII-3.

Table VII-3
Structural steel beams: The Italian producer's reported production capacity, production, shipments, and inventories, 1998-2000, January-March 2000-01, and projected 2001-02

* * * * * * *

THE INDUSTRY IN LUXEMBOURG

Two firms were identified in the petition as producing the subject merchandise in Luxembourg. One firm, ProfilARBED SA, accounting for the *** exports to the United States, provided data in response to the Commission's questionnaire, which are presented in table VII-4. ProfilARBED is considering a merger with the French-based USINOR and Arbed's Spanish subsidiary Aceralia, which, if approved, would result in building a new mill in Luxembourg and shutting down some existing capacity as it is replaced.[3] According to petitioners, the firm created from such a merger, Newco, has publically stated its intention to direct much of its enhanced capacity to the U.S. market.[4]

[3] O'Melveny & Myers brief, p. 32.

[4] Wiley, Rein & Fielding brief, pp. 39-40, and exhibit 13-J.

VII-4

Table VII-4
Structural steel beams: One Luxembourg producer's reported production capacity, production, shipments, and inventories, 1998-2000, January-March 2000-01, and projected 2001-02

* * * * * * *

THE INDUSTRY IN RUSSIA

Three Russian firms were identified in the petition as producing structural steel beams in Russia. One firm, ***, supplied data in response to Commission questionnaires, which are presented in table VII-5. Since February 1999, Russian beam producers have been covered under the Agreement Concerning Trade in Certain Steel Products from the Russian Federation, which provides for 68,839 metric tons of exports of structural steel beams in 2001 (approximately *** tons more than was reported to be exported to the United States in 2000). Petitioners allege that the Russian government is attempting to renegotiate the agreement or have it terminated.[5]

Table VII-5
Structural steel beams: One Russian producer's reported production capacity, production, shipments, and inventories, 1998-2000, January-March 2000-01, and projected 2001-02

* * * * * * *

THE INDUSTRY IN SOUTH AFRICA

There are two producers of structural steel beams in South Africa, ISCOR-Newcastle and Highveld Steel & Vanadium Corp., Ltd.[6] Data from *** supplied in response to the Commission's questionnaire are provided in table VII-6.

Table VII-6
Structural steel beams: One South African producer's reported production capacity, production, shipments, and inventories, 1998-2000, and January-March-2000-01

* * * * * * *

THE INDUSTRY IN SPAIN

Of the three firms identified in the petition as producing structural steel beams in Spain, two provided data in response to Commission questionnaires. Data for *** are presented in table VII-7. *** is the sole exporter of structural steel beams to the United States.[7]

Table VII-7
Structural steel beams: Spanish producers' reported production capacity, production, shipments, and inventories, 1998-2000, January-March 2000-01, and projected 2001-02

* * * * * * *

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[5] Petition, volume 1, p. 18, and Wiley, Rein & Fielding brief, p. 42.

[6] Dorsey & Whitney brief, p. 6.

[7] O'Melveny & Myers brief (Aceralia), pp. 1-4.

THE INDUSTRY IN TAIWAN

The petition identified three firms producing structural steel beams in Taiwan. Only *** supplied data in response to Commission questionnaires, which are presented in table VII-8. Counsel for respondents reported that a devastating earthquake in Taiwan in September 1999 created an immediate and sustained need for structural steel beams in the Taiwan market, as concrete structural supports cannot be used in construction in areas prone to earthquakes.[8]

Table VII-8
Structural steel beams: Taiwan producers' reported production capacity, production, shipments, and inventories, 1998-2000, January-March 2000-01, and projected 2001-02

* * * * * * *

U.S. IMPORTERS' INVENTORIES OF PRODUCT FROM SUBJECT COUNTRIES

Reported inventories held by U.S. importers of merchandise from China, Italy, Russia, South Africa, and Spain are shown in table VII-9. Reporting importers of structural steel beams from Germany, Luxembourg, and Taiwan did not have any inventory holdings. In particular, *** does not keep any inventories.[9] There appears to have been substantial inventory buildup as a ratio to imports and shipments of imports during January-March 2001.

Table VII-9
Structural steel beams: U.S. importers' end-of-period inventories of imports, 1998-2000, January-March 2000, and January-March 2001

* * * * * * *

U.S. IMPORTERS' EXPECTED DELIVERIES

The Commission requested that importers list any expected deliveries of structural steel beams from subject countries after March 31, 2001. The following quantities (in *short tons*) were reported on order: *** tons from China, *** tons from Germany, *** tons from Luxembourg, *** tons from Russia, *** tons from South Africa, *** tons from Spain, and *** tons from Taiwan. At the staff conference, respondents noted that there was "no significant volume" in the pipeline in terms of future orders from the subject countries.[10]

---

[8] White & Case brief, pp. 12-13.

[9] ***.

[10] Fernand Lamesch, President, ARBED Americans, Inc., and Peggy A. Clarke, counsel, conference transcript, pp. 90 and 121.

APPENDIX A

FEDERAL REGISTER NOTICES

A-1

A-2

INTERNATIONAL TRADE COMMISSION

[Investigations Nos. 731–TA–935–942 (Preliminary)]

Certain Structural Steel Beams From China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan

AGENCY: United States International Trade Commission.

ACTION: Institution of antidumping investigations and scheduling of preliminary phase investigations.

SUMMARY: The Commission hereby gives notice of the institution of investigations and commencement of preliminary phase antidumping investigations Nos. 731–TA–935–942 (Preliminary) under section 733(a) of the Tariff Act of 1930 (19 U.S.C. 1673b(a)) (the Act) to determine whether there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan of certain structural steel beams, provided for in subheadings 7216.32.00, 7216.33.00, 7216.50.00, 7216.61.00, 7216.69.00, 7216.91.00, 7216.99.00, 7228.70.30, and 7228.70.60 of the Harmonized Tariff Schedule of the United States, that are alleged to be sold in the United States at less than fair value. Unless the Department of Commerce extends the time for initiation pursuant to section 732(c)(1)(B) of the Act (19 U.S.C. 1673a(c)(1)(B)), the Commission must reach preliminary determinations in these antidumping investigations in 45 days, or in these cases by July 9, 2001. The Commission's views are due at Commerce within five business days thereafter, or by July 16, 2001.

For further information concerning the conduct of these investigations and rules of general application, consult the Commission's rules of practice and procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A and B (19 CFR part 207).

EFFECTIVE DATE: May 23, 2001.

FOR FURTHER INFORMATION CONTACT: Olympia DeRosa Hand (202–205–3182), Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202–205–1810. Persons with mobility impairments who will need special

assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its internet server (http://www.usitc.gov). The public record for these investigations may be viewed on the Commission's electronic docket (EDIS-ON-LINE) at http://dockets.usitc.gov/eol/public.

SUPPLEMENTARY INFORMATION:

Background.—These investigations are being instituted in response to a petition filed on May 23, 2001, by counsel on behalf of Northwestern Steel & Wire Co., Sterling, IL; Nucor Corp., Charlotte, NC; Nucor-Yamato Steel Co., Blytheville, AR; and TXI-Chaparral Steel Co., Midlothian, TX.

Participation in the investigations and public service list.—Persons (other than petitioners) wishing to participate in the investigations as parties must file an entry of appearance with the Secretary to the Commission, as provided in §§ 201.11 and 207.10 of the Commission's rules, not later than seven days after publication of this notice in the **Federal Register**. Industrial users and (if the merchandise under investigation is sold at the retail level) representative consumer organizations have the right to appear as parties in Commission antidumping investigations. The Secretary will prepare a public service list containing the names and addresses of all persons, or their representatives, who are parties to these investigations upon the expiration of the period for filing entries of appearance.

Limited disclosure of business proprietary information (BPI) under an administrative protective order (APO) and BPI service list.—Pursuant to § 207.7(a) of the Commission's rules, the Secretary will make BPI gathered in these investigations available to authorized applicants representing interested parties (as defined in 19 U.S.C. 1677(9)) who are parties to the investigations under the APO issued in the investigations, provided that the application is made not later than seven days after the publication of this notice in the **Federal Register**. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

Conference.—The Commission's Director of Operations has scheduled a conference in connection with these investigations for 9:30 a.m. on June 13, 2001, at the U.S. International Trade Commission Building, 500 E Street SW., Washington, DC. Parties wishing to participate in the conference should contact Olympia Hand (202–205–3182) not later than June 6, 2001, to arrange for their appearance. Parties in support of the imposition of antidumping duties in these investigations and parties in opposition to the imposition of such duties will each be collectively allocated one hour within which to make an oral presentation at the conference. A nonparty who has testimony that may aid the Commission's deliberations may request permission to present a short statement at the conference.

Written submissions.—As provided in §§ 201.8 and 207.15 of the Commission's rules, any person may submit to the Commission on or before June 18, 2001, a written brief containing information and arguments pertinent to the subject matter of the investigations. Parties may file written testimony in connection with their presentation at the conference no later than three days before the conference. If briefs or written testimony contain BPI, they must conform with the requirements of §§ 201.6, 207.3, and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means.

In accordance with §§ 201.16(c) and 207.3 of the rules, each document filed by a party to the investigations must be served on all other parties to the investigations (as identified by either the public or BPI service list), and a certificate of service must be timely filed. The Secretary will not accept a document for filing without a certificate of service.

Authority: These investigations are being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to § 207.12 of the Commission's rules.

Issued: May 24, 2001.

By order of the Commission.

Donna R. Koehnke,

Secretary.

[FR Doc. 01–13852 Filed 6–1–01; 8:45 am]

BILLING CODE 7020–02–P

Notices

Federal Register
Vol. 66, No. 119
Wednesday, June 20, 2001

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–869, A–428–831, A–475–831, A–423–810, A–821–814, A–791–811, A–469–811, A–583–838]

Initiation of Antidumping Duty Investigations: Structural Steel Beams From the People's Republic of China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

EFFECTIVE DATE: June 20, 2001.

FOR FURTHER INFORMATION CONTACT: Thomas Schauer (Germany, Italy, Luxembourg) at (202) 482–0410; Davina Hashmi (Spain, South Africa, Taiwan) at (202) 482–5760; Rebecca Trainor (The People's Republic of China) at (202) 482–4007; or Dinah McDougall (Russia) at (202) 482–3773, Import Administration-Room 1870, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Initiation of Investigations

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 ("the Act") by the Uruguay Round Agreements Act ("URAA"). In addition, unless otherwise indicated, all citations to the Department of Commerce's ("the Department's") regulations are to the regulations codified at 19 CFR Part 351 (2001).

The Petition

On May 23, 2001, the Department received a petition filed in proper form by the Committee for Fair Beam Imports and its individual members, Northwestern Steel and Wire Company, Nucor Corporation, Nucor-Yamato Steel Company, and TXI-Chaparral Steel Company ("the petitioners").

In accordance with section 732(b) of the Act, the petitioners allege that imports of structural steel beams from the People's Republic of China (the PRC), Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act and that such imports are materially injuring, or threatening material injury to, an industry in the United States.

The Department finds that the petitioners filed the petition on behalf of the domestic industry because they are interested parties as defined in section 771(9)(C) and (D) of the Act and they have demonstrated sufficient industry support with respect to the antidumping duty investigations they are requesting the Department to initiate (*see* "Determination of Industry Support for the Petitions," below).

Scope of Investigations

For purposes of these investigations, the products covered are doubly-symmetric shapes, whether hot-or cold-rolled, drawn, extruded, formed or finished, having at least one dimension of at least 80 mm (3.2 inches or more), whether of carbon or alloy (other than stainless) steel, and whether or not drilled, punched, notched, painted, coated, or clad. These products ("structural steel beams") include, but

are not limited to, wide-flange beams ("W" shapes), bearing piles ("HP" shapes), standard beams ("S" or "I" shapes), and M-shapes.

All products that meet the physical and metallurgical descriptions provided above are within the scope of these investigations unless otherwise excluded. The following products are outside and/or specifically excluded from the scope of these investigations:

- Structural steel beams greater than 400 pounds per linear foot or with a web or section height (also known as depth) over 40 inches.

The merchandise subject to these investigations is classified in the Harmonized Tariff Schedule of the United States ("HTSUS") at subheadings 7216.32.0000, 7216.33.0030, 7216.33.0060, 7216.33.0090, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7228.70.3040, and 7228.70.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

During our review of the petition, we discussed with the petitioners whether the proposed scope was an accurate reflection of the product for which the domestic industry is seeking relief. The petitioners indicated that the scope in the petition accurately reflected the product for which they are seeking relief. Consistent with the preamble to its regulations (*see Antidumping Duties; Countervailing Duties,* 62 FR 27296, 27323 (May 19, 1997)), the Department is setting aside a period for parties to raise issues regarding product coverage. The Department encourages all parties to submit such comments by 20 days after the publication of this notice. Comments should be addressed to Import Administration's Central Records Unit at Room 1870, U.S. Department of Commerce, Pennsylvania Avenue and 14th Street, N.W., Washington, D.C. 20230. This period of scope consultation is intended to provide the Department with ample opportunity to consider all comments and to consult with parties prior to the issuance of the preliminary determinations.

Determination of Industry Support for the Petitions

Section 732(b)(1) of the Act requires that a petition be filed on behalf of a domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (1) at least 25 percent of the total production of the domestic like product; and (2) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition.

Section 771(4)(A) of the Act defines the "industry" as the producers of a domestic like product. Thus, to determine whether the petition has the requisite industry support, the statute directs the Department to look to producers and workers who account for production of the domestic like product. The International Trade Commission ("ITC"), which is responsible for determining whether the domestic industry has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC are required to apply the same statutory provision regarding the domestic like product (section 771(10) of the Act), they do so for different purposes and pursuant to separate and distinct authority. In addition, the Department's determination is subject to limitations of time and information. Although this may result in different definitions of the domestic like product, such differences do not render the decision of either agency contrary to law.[1]

Section 771(10) of the Act defines domestic like product as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title." Thus, the reference point from which the domestic like product analysis begins is "the article subject to an investigation," *i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition. The domestic like product referred to in the petition is the single domestic like product defined in the "Scope of Investigation" section, above. We consulted with the ITC, the U.S. Customs Service, and the petitioners and have, as a result of these discussions, adopted the definition of domestic like product definition set forth in the petition. We have not received comments from interested parties challenging the petitioners' definition of domestic like product.

The petitioners identified the total shipments of steel beams (including some merchandise that is not the domestic like product) from data gathered by the American Iron and Steel Institute (AISI). By comparing their own production with the total shipment of steel beams, the petitioners established that they accounted for well over 50 percent of production of the domestic like product in the United States. Furthermore, we find the petitioners' estimation of industry support to be conservative because the denominator in the calculation (the total shipment of steel beams) includes merchandise that is not the domestic like product, while the numerator (the petitioners' production) is comprised solely of production of the domestic like product.

The petitioners established industry support representing over 50 percent of the total production of the domestic like product. Therefore, the domestic producers or workers who support the petition account for at least 25 percent of the total production of the domestic like product and, therefore, the requirements of section 732(c)(4)(A)(i) of the Act are met. Furthermore, because the Department received no opposition to the petitions, the domestic producers or workers who support the petitions account for 100 percent of the production of the domestic like product produced by that portion of the industry expressing support for or opposition to the petitions. Therefore, the requirements of section 732(c)(4)(A)(ii) of the Act are met. Accordingly, the Department determines that the petitions were filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

Export Price and Constructed Export Price

The following are descriptions of the allegations of sales at less than fair value upon which we have based our decisions to initiate these investigations. Should the need arise to use any of this information in our preliminary or final determinations for purposes of facts available under section 776 of the Act, we may re-examine the information and revise the margin calculations, if appropriate.

With respect to sales to the U.S. market, the petitioners used a constructed export price (CEP) analysis in the Germany, Italy, Luxembourg and Spain petitions based on sales of the merchandise in the United States by a U.S. affiliate of the foreign producer. The petitioners used an export price (EP) analysis in the PRC and Russia petitions based on sales of the merchandise directly to unaffiliated customers in the United States by one of the foreign producers. The petitioners

[1] *See Algoma Steel Corp., Ltd.* v. *United States,* 688 F. Supp. 639, 642–44 (CIT 1988); *High Information Content Flat Panel Displays and Display glass Therefor from Japan: Final Determination; Rescission of Investigation and Partial Dismissal of Petition,* 56 FR 32376, 32380–81 (July 16, 1991).

also used an export price (EP) analysis in the Germany, South Africa, and Taiwan petitions based on sales of the merchandise through unaffiliated distributors in the United States by one of the foreign producers. The petitioners based CEP and EP on affidavits supported by price quotes and offers. The petitioners calculated CEP in the German petition by subtracting ocean freight, U.S. Customs duties, and a distributor margin representing the U.S. selling expenses and profit. The petitioners calculated CEP in the Italy petition by subtracting ocean freight, U.S. port charges, U.S. Customs duties, and a distributor margin representing the U.S. selling expenses and profit. The petitioners calculated CEP in the Luxembourg petition by subtracting ocean freight, U.S. Customs duties, and a distributor margin representing the U.S. selling expenses and profit. The petitioners calculated CEP in the Spain petition by subtracting domestic inland freight, foreign port charges, ocean freight, U.S. Customs duties, and the distributor margin. The petitioners calculated EP in the Germany petition by subtracting ocean freight, U.S. port charges, U.S. Customs duties, and the distributor margin to account for the fact that the prices are quoted from an unaffiliated U.S. distributor. The petitioners calculated EP in the PRC petition by subtracting domestic inland freight, export charges, domestic wharfage, ocean freight, insurance, U.S. port charges, and U.S. duties. The petitioners calculated EP in the Russia petition by subtracting domestic inland freight, foreign port charges, ocean freight, insurance, U.S. port charges, and U.S. duties. The petitioners calculated EP in the South Africa petition by subtracting domestic inland freight, ocean freight, U.S. port charges, and the distributor margin. The petitioners calculated EP in the Taiwan petition by subtracting domestic inland freight, foreign port charges, ocean freight, U.S. port charges, U.S. Customs duties, and the distributor margin. The petitioners also calculated imputed credit expenses applicable to EP sales in the Taiwan petition and added the expense to NV. The data for these adjustments was based on U.S. Customs statistics, the Port of Houston Authority Tariff No. 8, affidavits, and the 2001 import duty rates. The petitioners did not deduct domestic inland freight, export port charges, or imputed credit expenses from CEP or EP in the Germany, Italy, or Luxembourg petitions because they were not able to obtain such data. No other adjustments to EP or CEP were necessary due to the terms of the sales. We restated some of the constructed export prices and export prices in the Germany, Italy, Luxembourg, Spain, and Taiwan petitions. See Memoranda to File titled Recalculation of Antidumping Margins for Germany, Italy, Luxembourg, Spain, and Taiwan dated June 11, 2001, for a complete discussion of the changes we made.

Home-Market and Third-Country Prices

The petitioners used home-market prices based on affidavits supported by price quotes and offers except in the PRC, Luxembourg, and Russia petitions. The petitioners used third-country prices based on affidavits supported by price quotes and offers in the Luxembourg petition because they were unable to obtain price information for sales in the home market. The petitioners selected Germany as the third-country market. The petitioners presented evidence that Germany is the largest third-country market for steel beams produced in Luxembourg. After examining this evidence, we found the petitioners' selection of Germany as the comparison market to be reasonable. Because the PRC and Russia are considered non-market economy countries, the petitioners did not obtain home-market or third-country prices. See the "Normal Value" section below.

The petitioners adjusted the home-market and third-country prices for CEP comparisons in the Germany, Italy, and Luxembourg petitions by deducting a distributor margin to represent a reseller's selling expenses. The petitioners adjusted the home-market prices for EP comparisons in the South Africa petition by deducting credit expense, discounts, and a distributor margin to represent a reseller's selling expenses. The petitioners adjusted the home-market prices for EP comparisons in the Taiwan petition by deducting inland freight and a distributor margin to represent a reseller's selling expenses.

The petitioners did not deduct inland freight in the Germany, Luxembourg, Spain, or Taiwan petitions because of the terms of sale. The petitioners did not deduct inland freight in the Italy or South Africa petitions because they were unable to calculate such expenses. With regard to the South Africa petition, the petitioners were able to make an adjustment so that the home-market prices would not be overstated. Because of the proprietary nature of this adjustment, please see the proprietary version of the Initiation Checklist dated June 12, 2001, for a description. With regard to the Italy petition, as described in the *Normal Value* section below, we found that each of the unadjusted home-market prices in the Italy petition was below the cost of production. Thus, even if the petitioners had been able to calculate inland freight expenses incurred on the home-market sales, we would continue to find that the home-market prices were below the cost of production. As a result, we used constructed value as the basis for normal value (NV) for the Italy petition. Because the constructed values that the petitioners calculated do not include freight expenses, we find the petitioners' approach to be reasonable.

The petitioners did not deduct credit expense from home-market or third-country prices in the Italy, Luxembourg, Spain, or Taiwan petitions and for one of the companies in the Germany petition because of the terms of sale. The petitioners did not deduct credit expense from home-market prices for the other company in the Germany petition because they had no information regarding the foreign producers' credit terms. However, the petitioners also did not adjust normal value for the credit expense incurred on EP sales for this company. Because the petitioners did not have information on the credit terms for home-market sales, we find the petitioners' approach to be a reasonable methodology given the information available to them.

The data for the adjustments the petitioners made to home-market and third-country prices were based on affidavits. No other adjustments to home-market or third-country prices were necessary due to the terms of the sales.

Normal Value

The petitioners based NV for the South Africa petition on home-market prices, which it calculated as described above. As discussed in the "Initiation of Cost Investigations" section below, the petitioners established that the comparison-market prices in the Germany, Italy, Luxembourg, Spain, and Taiwan petitions were below the cost of production. Because the comparison-market prices were below the cost of production, pursuant to sections 773(a)(4) and 773(e) of the Act, the petitioners also based NV for the Germany, Italy, Luxembourg, Spain, and Taiwan petitions on constructed value (CV). CV consists of the cost of manufacture (COM), selling, general and administrative expenses (SG&A), and profit (there is no packing cost for the subject merchandise). The petitioners based their calculations for COM, SG&A, and profit on costs obtained by affidavits from the petitioning companies' officials and foreign industry data compiled by the

petitioners. We restated some of the costs in the Germany, Italy, Luxembourg, and Spain petitions. *See* Memoranda to File titled Recalculation of Antidumping Margins for Germany, Italy, Luxembourg, and Spain dated June 11, 2001, for a complete discussion of the changes we made.

Because Russia is considered a non-market-economy (NME) country under section 771(18) of the Act, the petitioners based NV on the factors of production valued in a surrogate country, in accordance with section 773(c)(3) of the Act. For purposes of the petition, the petitioners selected Thailand as the surrogate market economy. The petitioners calculated NV using publicly available Thai prices to value all unit costs associated with the factors of production. The petitioners established estimates for per-unit consumption based on the production experience of a U.S. producer of structural steel beams adjusted for known differences in the Russian production process according to information reasonably available to the petitioners.

The petitioners valued steel scrap using Thai prices obtained from publicly available information. The petitioners valued labor using the Department's regression-based wage rate for Russia, in accordance with 19 CFR 351.408(c)(3). The petitioners obtained the value for electricity from a report issued by Thailand's National Energy Policy Office. The petitioners valued natural gas using data based on a quote published in the Bangkok Post. To determine factory overhead, SG&A, and profit, the petitioners relied on data from a Thai producer of steel products.

Because the PRC is considered a NME country under section 771(18) of the Act, the petitioners based NV on the factors of production valued in a surrogate country, in accordance with section 773(c)(3) of the Act. For purposes of the petition, the petitioners selected India as the most appropriate surrogate market economy. The petitioners calculated NV using publicly available Indian prices to value all unit costs associated with the factors of production. The petitioners established estimates for per-unit consumption based on the production experience of a U.S. producer of structural steel beams adjusted for known differences in the PRC production process according to information reasonably available to the petitioners.

The petitioners valued steel scrap using Indian prices obtained from publicly available information published in *Metal Bulletin*, and adjusted using the wholesale price index (WPI) published in the *International Financial Statistics*. The petitioners valued labor using the Department's regression-based wage rate for the PRC, in accordance with 19 CFR 351.408(c)(3). The petitioners obtained the value for electricity from a publication of the International Energy Agency containing the prices applicable to India, and adjusted using the WPI published in the *International Financial Statistics*. The petitioners valued natural gas using data based on the quarterly report of a major Indian supplier, and adjusted using the WPI published in the *International Financial Statistics*. To determine factory overhead, SG&A, and profit, the petitioners relied on data from an Indian producer of steel products.

Based on comparisons of EP to NV, the petitioners estimate margins of 73.54 to 81.06 percent for South Africa. Based on our revisions to the petitioners' methodology, we calculated the estimated margins to be 61.09 to 94.73 percent for Germany, 83.80 percent for Italy, 38.45 to 44.43 percent for Luxembourg, 81.67 to 94.93 percent for Spain, 98.77 for the PRC, 133.12 percent for Russia, and 45.72 to 73.64 percent for Taiwan. Should the need arise to use any of this information in our preliminary or final determinations, we will re-examine the information and revise the margin calculations, if appropriate.

Initiation of Cost Investigations

Pursuant to section 773(b) of the Act, the petitioners alleged that sales in the home market of structural steel beams produced in Germany, Italy, Spain, and Taiwan were made at prices below the cost of production (COP) and, accordingly, requested that the Department conduct country-wide sales-below-COP investigations in these countries. Furthermore, the petitioners alleged that sales in the third country (Germany) of structural steel beams produced in Luxembourg were made at prices below the COP and, accordingly, requested that the Department conduct a country-wide sales-below-COP investigation in this country. The Statement of Administrative Action ("SAA"), submitted to Congress in connection with the Uruguay Round Agreements Act, states that an allegation of sales below COP need not be specific to individual exporters or producers. SAA, H.R. Doc. No. 316, 103d Cong., 2d Sess., at 833 (1994). The SAA states at 833 that "Commerce will consider allegations of below-cost sales in the aggregate for a foreign country, just as Commerce currently considers allegations of sales at less than fair value on a country-wide basis for purposes of initiating an antidumping investigation."

The statute at section 773(b) of the Act states that the Department must have "reasonable grounds to believe or suspect" that below-cost sales have occurred before initiating such an investigation. "Reasonable grounds" exist when an interested party provides specific factual information on costs and prices, observed or constructed, indicating that sales in the foreign market in question are at below-cost prices. See section 773(b)(2)(A) of the Act. Based upon the comparison of the adjusted prices from the petition of the foreign like product in Germany, Italy, Luxembourg, Spain, and Taiwan to the COP calculated in the petition (and adjusted in the Germany, Italy, Luxembourg, and Spain cases as described in Memoranda to File titled Recalculation of Antidumping Margins for Germany, Italy, Luxembourg, and Spain dated June 11, 2001), we find "reasonable grounds to believe or suspect" that sales of these foreign like products were made below their respective COPs within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating the requested country-wide cost investigations for Germany, Italy, Spain, and Taiwan. With regard to Luxembourg, the Department is initiating a country-wide cost investigation with respect to sales in Germany. In the event that we determine that Germany is the appropriate market upon which to base normal value, we will conduct a COP investigation.

Fair Value Comparisons

Based on the data provided by the petitioners, there is reason to believe that imports of structural steel beams from the PRC, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan are being, or are likely to be, sold at less than fair value.

Allegations and Evidence of Material Injury and Causation

The petition alleges that the U.S. industry producing the domestic like product is being materially injured, and is threatened with material injury, by reason of the individual and cumulated imports of the subject merchandise sold at less than NV. The allegations of injury and causation are supported by relevant evidence including business proprietary data from the petitioning firms and U.S. Customs import data. The Department assessed the allegations and supporting evidence regarding material injury and causation and

determined that these allegations are sufficiently supported by accurate and adequate evidence and meet the statutory requirements for initiation.

Initiation of Antidumping Investigations

We have examined the petition on structural steel beams and have found that it meets the requirements of section 732 of the Act. Therefore, we are initiating antidumping duty investigations to determine whether imports of structural steel beams from the PRC, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan are being, or are likely to be, sold in the United States at less than fair value. Unless the deadline is extended pursuant to section 733(b)(1)(A) of the Act, we will make our preliminary determinations for the antidumping duty investigations no later than October 30, 2001, which is 140 days after the date of initiation.

Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A) of the Act, a copy of the public version of each petition has been provided to the representatives of the governments of the PRC, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan. We will attempt to provide a copy of the public version of each petition to each exporter named in the petition, as provided for under 19 CFR 351.203(c)(2).

International Trade Commission Notification

We have notified the ITC of our initiations, as required by section 732(d) of the Act.

Preliminary Determinations by the ITC

The ITC will determine by July 7, 2001, whether there is a reasonable indication that imports of structural steel beams from the PRC, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan are causing material injury, or threatening to cause material injury, to a U.S. industry. Negative ITC determinations will result in the particular investigations being terminated; otherwise, the investigations will proceed according to statutory and regulatory time limits.

Dated: June 12, 2001.

Bernard T. Carreau,

Acting Assistant Secretary for Import Administration.

[FR Doc. 01–15545 Filed 6–19–01; 8:45 am]

BILLING CODE 3510–DS–P

APPENDIX B

LIST OF WITNESSES WHO APPEARED AT THE COMMISSION'S CONFERENCE

B-1

CALENDAR OF PUBLIC CONFERENCE

Those listed below appeared as witnesses at the United States International Trade Commission's conference:

Subject:	Certain Structural Steel Beams from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and Taiwan
Invs. Nos.:	731-TA-935-942 (Preliminary)
Date and Time:	June 13, 2001 - 9:30 a.m.

The conference in connection with these investigations was held in the Main Hearing Room, 500 E Street, SW, Washington, DC.

In Support of the Imposition of Antidumping Duties:

Wiley, Rein & Fielding
Washington, DC
on behalf of

Northwestern Steel & Wire Co., Sterling, IL; Nucor Corp., Charlotte, NC; Nucor-Yamato Steel Co., Blytheville, AR; and TXI-Chaparral Steel Co., Midlothian, TX.

Joe Stratman, Vice President Nucor; General Manager Nucor-Yamato
Marilee Robertson, former General Sales Manager for Wide Flange Products, TXI-Chaparral
Richard Singer, President and Chief Operating Officer, Metals USA, Inc.
Gilles Leroux, Chairman and CEO Leroux Steel; President Federal Pipe and Steel Corp.
Paul Athens, President, Alpha Steel Corp.
Joseph Gnazzo, President, J. Allan Steel Co.
Eugene Grossi, Sr., President, Samuel Grossi & Sons

Seth T. Kaplan, Vice President, Charles River Associates, Inc.

Jerry A. Hausman, MacDonald Professor of Economics, Massachusetts Institute of Technology

Charles Owen Verrill, Jr.)
Alan H. Price)--OF COUNSEL
John R. Shane)

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In Opposition to the Imposition of Antidumping Duties:

O'Melveny & Myers, LLP
Washington, DC
on behalf of

TradeARBED, Inc.; Stahlwerk Thuringen GmbH; ProfilARBED SA; and Aceralia Productos Largos S.A.

Fernand Lamesch, President, ARBED Americas, Inc.
Donald Goss, Sales Manager, ADF Steel Corp.
William O'Brien, Helmark Steel
Juan Mana, Director for Strategy and Commercial Development, Aceralia
Jacques Braun, Sales Manager, ARBED (Luxembourg)

John Reilly, Nathan Associates

Peggy A. Clarke--OF COUNSEL

deKieffer & Horgan
Washington, DC
on behalf of

Salzgitter AG Stahl und Technologie and Tung Ho Steel Enterprise Corp.

John Reilly, Nathan Associates

J. Kevin Horgan--OF COUNSEL

White & Case
Washington, DC
on behalf of

Duferdofin, S.p.A.

Evan Ross, Long Products Manager, Duferco Steel, Inc.

Lyle B. Vander Schaaf)
Adams C. Lee) --OF COUNSEL

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APPENDIX C

SUMMARY DATA

C-1

Table C-1
Structural steel beams: Summary data concerning the U.S. market, 1998-2000, January-March 2000, and January-March 2001

(Quantity= short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

	Reported data					Period changes			
				January-March					Jan.-Mar.
Item	1998	1999	2000	2000	2001	1998-2000	1998-1999	1999-2000	2000-2001
U.S. consumption quantity:									
Amount	5,877,542	4,848,863	6,156,819	1,534,858	1,193,669	4.8	-17.5	27.0	-22.2
Producers' share (1)	63.7	80.4	79.3	81.7	86.4	15.6	16.7	-1.1	4.7
Importers' share (1):									
China	0.0	0.0	1.3	0.5	2.1	1.3	0.0	1.3	1.6
Germany	1.6	1.2	3.0	1.8	0.8	1.4	-0.4	1.8	-1.0
Italy	1.3	0.2	1.5	1.1	1.2	0.2	-1.1	1.3	0.1
Luxembourg	1.7	1.3	1.8	1.8	2.0	0.0	-0.4	0.5	0.2
Russia	1.0	0.6	0.7	0.0	1.7	-0.4	-0.4	0.1	1.7
South Africa	1.4	1.3	1.8	1.8	1.1	0.4	-0.1	0.6	-0.6
Spain	3.4	2.8	3.2	3.7	1.8	-0.3	-0.6	0.4	-1.9
Taiwan	0.0	0.0	1.1	0.0	0.6	1.1	-0.0	1.1	0.6
Subtotal	10.5	7.4	14.4	10.6	11.3	3.9	-3.1	7.0	0.6
Other sources	25.8	12.3	6.4	7.6	2.3	-19.5	-13.6	-5.9	-5.3
Total imports	36.3	19.6	20.7	18.3	13.6	-15.6	-16.7	1.1	-4.7
U.S. consumption value:									
Amount	2,257,993	1,583,497	2,372,613	581,858	422,149	5.1	-29.9	49.8	-27.4
Producers' share (1)	67.2	82.6	80.2	83.2	86.5	13.0	15.4	-2.4	3.3
Importers' share (1):									
China	0.0	0.0	1.1	0.4	1.9	1.1	0.0	1.1	1.5
Germany	1.5	1.0	2.8	1.7	0.7	1.4	-0.5	1.9	-1.0
Italy	1.1	0.2	1.2	1.1	1.1	0.1	-0.9	1.0	0.0
Luxembourg	1.9	1.8	2.1	2.2	2.8	0.2	-0.1	0.3	0.6
Russia	0.9	0.4	0.6	0.0	1.5	-0.4	-0.5	0.1	1.4
South Africa	1.2	1.0	1.6	1.4	1.1	0.4	-0.2	0.6	-0.3
Spain	3.4	2.4	3.1	3.3	1.6	-0.3	-1.0	0.7	-1.7
Taiwan	0.0	0.0	1.0	0.0	0.5	1.0	-0.0	1.0	0.5
Subtotal	10.0	6.8	13.6	10.0	11.2	3.6	-3.2	6.8	1.2
Other sources	22.8	10.6	6.2	6.8	2.3	-16.6	-12.2	-4.4	-4.4
Total imports	32.8	17.4	19.8	16.8	13.5	-13.0	-15.4	2.4	-3.3
U.S. imports from:									
China:									
Quantity	105	145	81,501	7,701	24,769	77418.0	37.6	56256.0	221.6
Value	96	131	27,066	2,391	8,224	28229.9	36.9	20588.7	244.0
Unit value	$908.68	$904.61	$332.09	$310.49	$332.05	-63.5	-0.4	-63.3	6.9
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Germany:									
Quantity	95,179	56,740	183,364	27,123	9,083	92.7	-40.4	223.2	-66.5
Value	33,289	15,689	67,471	9,612	2,832	102.7	-52.9	330.0	-70.5
Unit value	$349.75	$276.51	$367.96	$354.36	$311.76	5.2	-20.9	33.1	-12.0
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Italy:									
Quantity	73,907	9,713	91,533	17,395	14,496	23.8	-86.9	842.4	-16.7
Value	25,395	3,402	29,448	6,168	4,663	16.0	-86.6	765.6	-24.4
Unit value	$343.61	$350.25	$321.72	$354.58	$321.67	-6.4	1.9	-8.1	-9.3
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Luxembourg:									
Quantity	101,221	61,928	108,128	27,445	24,030	6.8	-38.8	74.6	-12.4
Value	43,536	28,635	50,737	13,004	11,893	16.5	-34.2	77.2	-8.5
Unit value	$430.11	$462.40	$469.24	$473.82	$494.93	9.1	7.5	1.5	4.5
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Russia:									
Quantity	61,247	29,348	42,526	475	20,215	-30.6	-52.1	44.9	4155.7
Value	21,041	6,827	13,773	165	6,160	-34.5	-67.6	101.7	3629.5
Unit value	$343.54	$232.63	$323.87	$347.69	$304.70	-5.7	-32.3	39.2	-12.4
Ending inventory quantity	***	***	***	***	***	***	***	***	***
South Africa:									
Quantity	82,632	61,727	113,643	26,937	13,565	37.5	-25.3	84.1	-49.6
Value	26,232	15,263	36,875	7,975	4,540	40.6	-41.8	141.6	-43.1
Unit value	$317.45	$247.28	$324.48	$296.07	$334.72	2.2	-22.1	31.2	13.1
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Spain:									
Quantity	202,629	136,836	196,518	56,250	21,010	-3.0	-32.5	43.6	-62.6
Value	76,609	38,390	73,870	18,942	6,613	-3.6	-49.9	92.4	-65.1
Unit value	$378.07	$280.55	$375.90	$336.75	$314.77	-0.6	-25.8	34.0	-6.5
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Taiwan:									
Quantity	9	0	67,343	0	7,328	787685.7	-100.0	ERR	ERR
Value	19	0	23,254	0	2,301	119635.3	-100.0	ERR	ERR
Unit value	$2,271.90	ERR	$345.31	ERR	$314.04	-84.8	ERR	ERR	ERR
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Subtotal:									
Quantity	616,928	356,436	884,555	163,326	134,496	43.4	-42.2	148.2	-17.7
Value	226,217	108,338	322,494	58,257	47,227	42.6	-52.1	197.7	-18.9
Unit value	$366.68	$303.95	$364.58	$356.69	$351.14	-0.6	-17.1	19.9	-1.6
Ending inventory quantity	***	***	***	***	***	***	***	***	***

Table continued on next page.

Table C-1--Continued
Structural steel beams: Summary data concerning the U.S. market, 1998-2000, January-March 2000, and January-March 2001

(Quantity= short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

	Reported data					Period changes			
				January-March					Jan.-Mar.
Item	1998	1999	2000	2000	2001	1998-2000	1998-1999	1999-2000	2000-2001
U.S. imports from:									
Other sources:									
Quantity	1,517,316	594,071	391,263	117,065	27,290	-74.2	-60.8	-34.1	-76.7
Value	514,166	167,745	147,080	39,537	9,906	-71.4	-67.4	-12.3	-74.9
Unit value	$338.87	$282.36	$375.91	$337.74	$362.99	10.9	-16.7	33.1	7.5
Ending inventory quantity	***	***	***	***	***	***	***	***	***
All sources:									
Quantity	2,134,245	950,507	1,275,819	280,391	161,786	-40.2	-55.5	34.2	-42.3
Value	740,383	276,083	469,574	97,794	57,133	-36.6	-62.7	70.1	-41.6
Unit value	$346.91	$290.46	$368.06	$348.78	$353.14	6.1	-16.3	26.7	1.3
Ending inventory quantity	***	***	***	***	***	***	***	***	***
U.S. producers':									
Average capacity quantity	4,643,000	5,432,667	6,256,000	1,571,750	1,559,674	34.7	17.0	15.2	-0.8
Production quantity	3,919,624	4,007,625	5,064,436	1,302,359	1,105,117	29.2	2.2	26.4	-15.1
Capacity utilization (1)	84.4	73.8	81.0	82.9	70.9	-3.5	-10.7	7.2	-12.0
U.S. shipments:									
Quantity	3,743,297	3,898,356	4,881,000	1,254,467	1,031,883	30.4	4.1	25.2	-17.7
Value	1,517,610	1,307,414	1,903,039	484,064	365,016	25.4	-13.9	45.6	-24.6
Unit value	$405.42	$335.38	$389.89	$385.87	$353.74	-3.8	-17.3	16.3	-8.3
Export shipments:									
Quantity	59,159	113,512	67,553	16,760	15,751	14.2	91.9	-40.5	-6.0
Value	23,813	36,838	26,870	6,715	4,667	12.8	54.7	-27.1	-30.5
Unit value	$402.53	$324.53	$397.76	$400.66	$296.30	-1.2	-19.4	22.6	-26.0
Ending inventory quantity	373,211	366,861	486,016	404,041	546,239	30.2	-1.7	32.5	35.2
Inventories/total shipments (1)	9.8	9.1	9.8	7.9	13.0	0.0	-0.7	0.7	5.1
Production workers	2,194	2,643	3,055	3,034	2,698	39.2	20.5	15.6	-11.1
Hours worked (1,000s)	4,692	5,901	6,776	1,637	1,479	44.4	25.8	14.8	-9.7
Wages paid ($1,000s)	118,846	152,560	185,914	46,294	41,374	56.4	28.4	21.9	-10.6
Hourly wages	$25.33	$25.85	$27.44	$28.28	$27.97	8.3	2.1	6.1	-1.1
Productivity (short tons per hour)	0.84	0.68	0.75	0.80	0.75	-10.5	-18.7	10.1	-6.1
Unit labor costs	$30.32	$38.07	$36.71	$35.55	$37.44	21.1	25.5	-3.6	5.3
Net sales:									
Quantity	3,809,238	4,038,923	4,946,443	1,269,952	1,046,733	29.9	6.0	22.5	-17.6
Value	1,539,544	1,358,450	1,928,101	490,656	369,601	25.2	-11.8	41.9	-24.7
Unit value	$404.16	$336.34	$389.80	$386.36	$353.10	-3.6	-16.8	15.9	-8.6
Cost of goods sold (COGS)	1,195,119	1,172,426	1,553,753	395,833	332,509	30.0	-1.9	32.5	-16.0
Gross profit or (loss)	344,425	186,024	374,348	94,823	37,092	8.7	-46.0	101.2	-60.9
SG&A expenses	52,213	61,204	77,905	18,248	12,779	49.2	17.2	27.3	-30.0
Operating income or (loss)	292,212	124,820	296,443	76,575	24,313	1.4	-57.3	137.5	-68.2
Capital expenditures	***	***	58,984	7,687	9,610	-87.7	-38.0	-80.1	25.0
Unit COGS	$313.74	$290.28	$314.12	$311.69	$317.66	0.1	-7.5	8.2	1.9
Unit SG&A expenses	$13.71	$15.15	$15.75	$14.37	$12.21	14.9	10.6	3.9	-15.0
Unit operating income or (loss)	$76.71	$30.90	$59.93	$60.30	$23.23	-21.9	-59.7	93.9	-61.5
COGS/sales (1)	77.6	86.3	80.6	80.7	90.0	3.0	8.7	-5.7	9.3
Operating income or (loss)/ sales (1)	19.0	9.2	15.4	15.6	6.6	-3.6	-9.8	6.2	-9.0

(1) "Reported data" are in percent and "period changes" are in percentage points.

Note.--Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis. Because of rounding, figures may not add to the totals shown. Unit values and shares are calculated from the unrounded figures.

Source: Compiled from data submitted in response to Commission questionnaires.

C-4

Table C-2
Structural steel beams: U.S. imports and U.S. shipments of imports, by sources, 1998-2000, January-March 2000, and January-March 2001, as reported in responses to Commission questionnaires

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C-5

APPENDIX D

PRICE DATA EXCLUDING TRADEARBED DATA

D-1

Table D-1
Product 1 without TradeARBED data - Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers, and margins of underselling/(overselling), by quarters, January 1998-March 2001

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Table D-2
Product 2 without TradeARBED data - Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers, and margins of underselling/(overselling), by quarters, January 1998-March 2001

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Table D-3
Product 3 without TradeARBED data - Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers, and margins of underselling/(overselling), by quarters, January 1998-March 2001

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Table D-4
Product 4 without TradeARBED data - Weighted-average f.o.b. prices and quantities as reported by U.S. producers and importers, and margins of underselling/(overselling), by quarters, January 1998-March 2001

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Table D-5
Products 1 and 2 without TradeARBED data - Number of quarters of under/overselling and average margins, by country

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Table D-6
Products 3 and 4 without TradeARBED data - Number of quarters of under/overselling and average margins, by country

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D-3

APPENDIX E

EFFECTS OF IMPORTS ON PRODUCERS' EXISTING DEVELOPMENT AND PRODUCTION EFFORTS, GROWTH, INVESTMENT, AND ABILITY TO RAISE CAPITAL

E-1

Responses of U.S. producers to the following questions:

1. Since January 1, 1998, has your firm experienced any actual negative effects on its return on investment or its growth, investment, ability to raise capital, existing development and production efforts (including efforts to develop a derivative or more advanced version of the product), or the scale of capital investments as a result of imports of structural steel beams from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and/or Taiwan?

Responses of the producers are:

* * * * * * *

2. Does your firm anticipate any negative impact of imports of structural steel beams from China, Germany, Italy, Luxembourg, Russia, South Africa, Spain, and/or Taiwan?

Responses of the producers are:

* * * * * * *