

STEEL WIRE STRAND FOR PRESTRESSED CONCRETE FROM INDIA

**Determination of No Injury
in Investigation No. AA1921-182
Under the Antidumping Act,
1921, as Amended, Together With
the Information Obtained
in the Investigation**

USITC PUBLICATION 906

AUGUST 1978

UNITED STATES INTERNATIONAL TRADE COMMISSION

COMMISSIONERS

Joseph O. Parker, Chairman
Bill Alberger, Vice Chairman
George M. Moore
Catherine Bedell
Italo H. Ablondi
Daniel Minchew

Kenneth R. Mason, Secretary to the Commission

This report was prepared by

Vera A. Libeau, Investigator
Office of Operations

E. William Fry, Supervisory Investigator
Office of Operations

Address all communications to
Office of the Secretary
United States International Trade Commission
Washington, D.C. 20436



NEWS

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(202) 523-0161

FOR RELEASE
August 25, 1978

CONTACT: Kenneth R. Mason
(202) 523-0161

USITC 78-099

USITC REPORTS NO INJURY TO U.S. INDUSTRY BY LTFV IMPORTS OF STEEL WIRE STRAND FOR PRESTRESSED CONCRETE FROM INDIA

The United States International Trade Commission today reported to the Secretary of the Treasury its determination, by a 5-to-0 vote, that there is no injury or likelihood of injury to an industry in the United States as a result of sales of steel wire strand for prestressed concrete from India at less than fair value (LTFV) within the meaning of the Antidumping Act, 1921, as amended.

Concurring in the determination were Chairman Joseph O. Parker, Vice Chairman Bill Alberger, and Commissioners George M. Moore, Catherine Bedell, and Italo H. Ablondi. Commissioner Daniel Minchew did not participate.

The Commission's investigation began June 2, 1978, after receipt of a determination of sales at less than fair value by the Treasury Department. A public hearing in connection with the investigation was held on July 18, 1978, in Washington, D.C.

Steel wire strand includes all steel wire strand, other than alloy steel, which has been stress-relieved and is suitable for use in prestressing concrete. Prestressed concrete is widely used

more

USITC REPORTS NO INJURY TO U.S. INDUSTRY BY LTFV IMPORTS OF STEEL WIRE STRAND
FOR PRESTRESSED CONCRETE FROM INDIA

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in the construction of bridge girders, beams, pilings, railroad ties, and a variety of building products such as columns, roofs, and floors.

From January 1, 1974 to March 31, 1978, three integrated and two independent steel companies produced steel wire strand for prestressed concrete: American Spring Wire Corp., Bedford Heights, Ohio; Armco Steel Corp., Kansas City, Mo.; Bethlehem Steel Corp., Sparrows Point, Md.; CF & I Steel Corp., Pueblo, Colo.; and Florida Wire and Cable Co., Jacksonville, Fla.

Imports of steel wire strand for prestressed concrete accounted for the bulk of U.S. consumption, ranging from 65 to 77 percent of U.S. consumption during 1974-77. Japan has been the principal source of these imports, accounting for approximately 90 percent of the aggregate quantity of imports during 1974-77. India has been the fourth largest supplier for the last 4 years except in 1976 when it was the second largest. Imports from India increased from 420,000 pounds in 1974 to 4.1 million pounds in 1976 when they accounted for 1.8 percent of apparent U.S. consumption. In 1977, imports from India fell to 2.4 million pounds and accounted for 0.8 percent of apparent U.S. consumption.

The Commission's report, Steel Wire Strand for Prestressed Concrete From India (USITC Publication 906), contains the views of the Commissioners and information developed during the investigation (No. AA1921-182). Copies may be obtained by calling (202) 523-5178 or from the Office of the Secretary, 701 E Street NW., Washington, D.C. 20436.

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Note.--Information which would disclose confidential operations of individual concerns may not be published and therefore has been deleted from this report. Deletions are indicated by asterisks.

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

[AA1921-182]

August 25, 1978

STEEL WIRE STRAND FOR PRESTRESSED CONCRETE FROM INDIA

Determination of No Injury

On May 25, 1978, the United States International Trade Commission received advice from the Department of the Treasury that steel wire strand for prestressed concrete from India is being, or is likely to be, sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)). Accordingly, on June 2, 1978, the Commission instituted investigation No. AA1921-182 under section 201(a) of said act to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States.

Notice of the institution of the investigation and of the public hearing held in connection therewith was published in the Federal Register of June 8, 1978 (43 F.R. 24915). On July 18, 1978, a hearing was held in Washington, D.C., at which all persons who requested the opportunity were permitted to appear in person or by counsel.

On the basis of its investigation, the Commission has unanimously determined (Commissioner Minchew not participating) that an industry in the United States is not being and is not likely to be injured, and is not prevented from being established, by reason of the importation of steel wire strand for prestressed concrete from India that is being, or is likely to be, sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended.

In arriving at its determination, the Commission gave due consideration to written submissions from interested parties and information adduced at the hearing as well as information obtained by the Commission's staff from questionnaires, personal interviews, and other sources.

STATEMENT OF REASONS OF VICE CHAIRMAN BILL ALBERGER AND
COMMISSIONERS GEORGE M. MOORE AND CATHERINE BEDELL 1/

In order for the United States International Trade Commission to find in the affirmative in an investigation under the Antidumping Act, 1921, as amended, (19 U.S.C. 160(a)), it is necessary to find that an industry in the United States is being or is likely to be injured, or is prevented from being established 2/ and the injury or likelihood thereof must be by reason of imports at less than fair value (LTFV).

Determination

On the basis of the information obtained in the investigation, we determine that an industry in the United States is not being and is not likely to be injured by reason of the importation of steel wire strand for prestressed concrete from India, which the Department of the Treasury (Treasury) has determined is being, or is likely to be, sold at LTFV.

The imported article and the domestic industry

Steel wire strand for prestressed concrete includes all steel wire strand, other than alloy steel, which has been stress-relieved and is suitable for use in prestressing concrete. Prestressed concrete is widely used in the construction of bridge girders, beams, pilings, railroad ties, and a variety of building products such as columns, roofs, and floors. In this determination, we considered the relevant domestic industry to consist of the facilities in the United States devoted to the production of steel wire strand for prestressed concrete. Six U.S. firms currently produce steel wire strand for prestressed concrete.

1/ Commissioner Italo H. Ablondi concurs in the result.

2/ Prevention of establishment of an industry is not an issue in this investigation and will not be discussed further.

No injury or likelihood of injury by reason of LTFV sales
from India

After examining the annual import quantities, market penetration data, and relevant pricing practices, we find no causal connection between LTFV imports of steel wire strand from India and injury--present or threatened--to the domestic steel wire strand industry. In our opinion, it is unnecessary to determine whether or not the domestic industry is, in fact, being injured; for even if injury does exist, subject imports from India cannot be the cause of such injury. The question of injury may be considered in, AA1921-188, Steel Wire Strand for Prestressed Concrete from Japan 1/--a pending case in which larger import quantities, more significant market penetration, and relevant pricing practices appear to warrant a closer look at injury. The Commission was advised by Treasury on August 22, 1978, of Treasury's final determination of LTFV sales of steel wire strand for prestressed concrete from Japan. 2/

Imports of steel wire strand from India have been insignificant. Imports from India increased from 420,000 pounds in 1974, to 4.1 million pounds in 1976, then fell to 2.4 million pounds in 1977, and fell further to only 46,000 pounds in January-March 1978. During this period imports of steel wire strand from India accounted for less than 1 percent of apparent consumption in every year except 1976--accounting for 0.1 percent in 1974, 0.4 percent in

1/ Vice Chairman Bill Alberger states that in his opinion if the Japanese and Indian cases had been before the Commission concurrently, he would not, in the event he were finding against Japan, cumulate with respect to India. He believes cumulation would be inappropriate since imports from India are not a contributing cause of any injury which might be found to exist. He adds, however, that this does not imply that he will find against imports from Japan. That case will be judged on its own merits.

2/ Commissioner George M. Moore states that in his opinion under section 201(a) of the Antidumping Act, the International Trade Commission is at the mercy of the Department of the Treasury in the sense that it cannot consider the cumulative effect of less than fair value imports from two countries in two pending cases received from the Department on different dates unless both cases can be given full consideration and finally disposed of by the Commission before the earlier of the two statutory deadlines.

1975, 0.8 percent in 1977, and 0.04 percent during the first quarter of 1978. In 1976 (the peak year for imports of steel wire strand from India) Indian strand still accounted for only 1.8 percent of apparent consumption.

This is not to argue, however, that small import quantities and low rates of market penetration are necessarily sufficient criteria, in and of themselves, for finding no causal connection between imports and injury. Equally important in this case is a consideration of the pricing activity associated with Indian strand.

Pricing information developed during the Commission's investigation indicates that the price of wire strand from India declined sharply during 1975 and the first 6 months of 1976 to as much as 20 percent below the price of U.S. produced strand. The principal importer was apparently testing the market with a new product of less than standard length (12 thousand foot lengths) from a new supplier. About one-half of the domestic customers for this wire strand from India were one time trial order purchasers, and that importer testified that he has received no new orders since mid-1977. The pricing practices thus constituted a temporary aberration in the market, and the impact was clearly not of a magnitude sufficient to cause injury to the domestic industry. 1/

During the Commission's investigation, the specific instances of domestic purchases of wire strand from India alleged by petitioners to be lost sales were examined. It was not established, however, that these sales were lost by domestic producers. Sales of imports from India largely displaced imports

1/ Vice Chairman Alberger additionally points out that Indian steel wire strand is not a price leader among LTFV imports. He cites testimony showing that a rise in the price of Japanese imports would probably have precipitated a corresponding rise in Indian prices. (See the transcript of the public hearing at page 79, line 12 and particularly page 83, line 7 for discussion of the absence of Indian price leadership.)

from other countries, principally Japan, and did not result in lost sales to the domestic industry. U.S. producers' shipments actually increased (from 74.1 million pounds in 1975 to 81.3 million pounds in 1976) during the same period in which subject imports from India rose to their peak level.

Furthermore, there is no likelihood of injury to the domestic industry producing steel wire strand for prestressed concrete by reason of LTFV imports from India. India's capacity to serve the U.S. market appears to be so limited as to preclude any threat of injury to domestic producers. During the peak year for Indian strand imports, India's share of the domestic market was only 1.8 percent.

Conclusion

On the basis of the information obtained in the Commission's investigation, we conclude that an industry in the United States is not being and is not likely to be injured by reason of the importation of steel wire strand for prestressed concrete from India sold at LTFV within the meaning of the Anti-dumping Act of 1921, as amended.

Statement of Reasons of Chairman Joseph O. Parker

On May 25, 1978, the United States International Trade Commission received advice from the Department of the Treasury that steel wire strand from India, other than alloy steel, stress-relieved and suitable for use in prestressed concrete, is being, or is likely to be, sold in the United States at less than fair value (LTFV) within the meaning of the Antidumping Act, 1921, as amended. Accordingly, on June 2, 1978, the Commission instituted investigation No. AA1921-182 under section 201(a) of the Antidumping Act to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States.

Determination

On the basis of the information obtained in the investigation, I determine that an industry in the United States is not being and is not likely to be injured, and is not prevented from being established, by reason of the importation of steel wire strand from India, which the Department of the Treasury has determined is being, or is likely to be, sold at LTFV within the meaning of the Antidumping Act.

The product

Steel wire strand includes all steel wire strand, other than alloy steel, which has been stress-relieved and is suitable for use in prestressed concrete. Steel wire strand consists of one center wire and

six helically placed outerwires. The strand is available in two grades, 250 and 270, the latter being the strongest.

Steel wire strand is used to compress concrete to provide resistance to loads. Prestressed concrete is used to build engineered stresses into architectural and structural concrete units which will more than offset the stresses that occur when the unit is subjected to loads. Prestressed concrete is now widely used in the construction of bridge girders, beams, pilings, railroad ties, and a variety of building products such as columns, roofs, and floors. Six U.S. firms currently produce steel wire strand for prestressed concrete.

No injury or likelihood of injury by reason of imports from India

During the period from 1974 to the present, wire strand from India has accounted for a minor share of U.S. consumption and imports. From 1974 to 1977, imports from India accounted for less than 1 percent of apparent U.S. consumption in every year except 1976. In that year, imports from India represented 1.8 percent of apparent consumption. The share of the domestic market accounted for by imports from India fell to 0.8 percent in 1977 and further declined to 0.04 percent during January-March 1978. During each year of the period 1974-77, total imports from all countries accounted for approximately 65 percent or more of apparent domestic consumption.

Pricing information developed during the Commission's investigation indicates that the prices of U.S.-made and imported wire strand declined

during 1975 and January-June 1976. However, testimony received at the Commission's public hearing indicates that the price of wire strand from India was reduced by the principal importer as a means of introducing this product and attempting to gain entry into the U.S. market. At that time, the major exporter of wire strand from India did not produce wire strand in standard U.S. 12,000-foot lengths. Testimony received by the Commission indicates that approximately one-half of the domestic customers for the wire strand from India were one-time trial-order purchasers, and that the principal importer of wire strand from India has received no new orders since mid-1977.

During the Commission's investigation, the specific instances of domestic purchases of wire strand from India alleged by petitioners to be lost sales were examined. It was not established, however, that these sales were lost by domestic producers. Each of the purchasers also purchased large quantities of the wire product from other sources. The evidence indicates that imports from India may have had more impact on imports from other countries by displacing their market share. U.S. producers' shipments of wire strand increased in 1976, when imports from India were greatest, while imports from sources other than India declined.

There is no indication of likelihood of injury to the domestic industry by reason of sales of wire strand from India at less than fair value. India's capacity to supply the U.S. market is limited and does not appear to pose any threat of injury to the U.S. industry. Imports of wire strand from India declined during 1977; in January-March 1978,

they accounted for only 0.04 percent of domestic consumption.

Conclusion

On the basis of the information obtained in the Commission's investigation, I determine that an industry in the United States is not being and is not likely to be injured by reason of the importation of steel wire strand for prestressed concrete from India which the Department of Treasury has determined is being, or is likely to be, sold at LTFV within the meaning of the Antidumping Act, 1921, as amended.

SUMMARY

The U.S. International Trade Commission instituted investigation No. AA1921-182 on June 2, 1978, following notification from the Department of the Treasury on May 25, 1978, that steel wire strand from India is being, or is likely to be, sold in the United States at less than fair value (LTFV) within the meaning of the Antidumping Act, 1921, as amended. The petition which led to Treasury's determination of LTFV sales was filed on behalf of five domestic producers of steel wire strand for prestressed concrete. The Commission held a public hearing in connection with its investigation on July 18, 1978, in Washington, D.C.

Steel wire strand includes all steel wire strand, other than alloy steel, which has been stress-relieved and is suitable for use in prestressed concrete. Prestressed concrete is widely used in the construction of bridge girders, beams, pilings, railroad ties, and a variety of building products such as columns, roofs, and floors.

From January 1, 1974, to March 31, 1978 (the period covered by this report), five steel companies--three integrated and two independents--produced steel wire strand for prestressed concrete. U.S. shipments of such strand amounted to 99.8 million pounds in 1974, fell to 74.1 million pounds in 1975, and then increased to 81.3 million pounds in 1976 and to 91.6 million pounds in 1977. Shipments during January-March 1978 were 67 percent higher than in the corresponding period of 1977. The domestic industry's rate of capacity utilization dropped from 91 percent in 1974 to 44 percent in 1976, but recovered slightly to 51 percent in 1977.

The number of production workers producing prestressed concrete strand declined from 269 in 1974 to 238 in 1975 and then increased to 278 in 1977. Yearend inventories held by U.S. producers doubled between 1974 and 1975 (increasing from 3.6 million to 7.8 million pounds), dropped sharply in the following year, and then increased slightly in 1977 to 5 million pounds.

The ratio of net operating profit or loss to net sales for the prestressed concrete strand operations of the five domestic producers dropped sharply from a profit of 19 percent in 1975 to a loss of 3 percent in 1976 and declined even further to a loss of 7 percent in 1977. * * *

Imports of steel wire strand for prestressed concrete accounted for the bulk of U.S. consumption during 1974-77, ranging from 65 to 77 percent of consumption. Japan was the principal source of these imports, accounting for approximately 90 percent of the aggregate quantity of imports during 1974-77. India was the fourth largest supplier in that period except in 1976, when it was the second largest. Imports from India increased from 420,000 thousand pounds in 1974 to 4.1 million pounds in 1976, when they accounted for 1.8 percent of apparent U.S. consumption. In 1977, imports from India fell to 2.4 million pounds and accounted for 0.8 percent of apparent consumption.

Treasury made price comparisons on 90 percent of the imports from India during the period of its investigation (January 1 through June 30, 1977) and found margins on 100 percent of the sales compared. The weighted average LTFV margin was 35 percent. The price of imported strand from India dropped to 80 percent of the price of domestically produced strand in April-June 1976 and stayed at this level until mid-1977. Three domestic producers of prestressed concrete strand cited five occasions when sales were lost to imports from India. These customers confirmed that they purchased strand from India in 1976 and early 1977 but stated that they had also purchased large quantities of strand from domestic companies and countries other than India, principally Japan.

INFORMATION OBTAINED IN THE INVESTIGATION

Introduction

On May 25, 1978, the United States International Trade Commission received advice from the Department of the Treasury that steel wire strand from India is being, or is likely to be, sold in the United States at less than fair value (LTFV) within the meaning of the Antidumping Act, 1921, as amended. 1/ Accordingly, on June 2, 1978, the Commission instituted investigation No. AA1921-182 under section 201(a) of said act to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States. For the purpose of Treasury's determination, the term "steel wire strand" was defined as steel wire strand, other than alloy steel, stress-relieved and suitable for use in prestressed concrete, provided for in item 642.1120 of the Tariff Schedules of the United States Annotated. By statute, the Commission must make its determination within 3 months of its receipt of advice from Treasury or, in this case, by August 25, 1978.

Notice of the institution of the Commission's investigation and the time and place of the public hearing was published in the Federal Register of June 8, 1978 (43 F.R. 24915). 2/ The public hearing was held on July 18, 1978, in Washington, D.C.

The complaint which led to Treasury's determination of sales at LTFV was filed by counsel representing five domestic producers of steel wire strand for prestressed concrete. The five domestic producers and their headquarters are American Spring Wire Corp., Bedford Heights, Ohio; Armco Steel Corp., Middletown, Ohio; Bethlehem Steel Corp., Bethlehem, Pa.; CF & I Steel Corp., Pueblo, Colo.; and Florida Wire & Cable Co., Jacksonville, Fla. Treasury's notice of investigation was published in the Federal Register of November 23, 1977 (42 F.R. 60034). A notice amending the antidumping proceeding notice to correct the product description and TSUS-reference was published in the Federal Register of December 8, 1977 (42 F.R. 62113). Notice of Treasury's determination of sales at LTFV and withholding of appraisement was published in the Federal Register of May 31, 1978 (43 F.R. 23672). 3/

Description and Uses

The term steel wire strand as used in this report includes all steel wire strand, other than alloy steel, which has been stress-relieved and is suitable for use in prestressed concrete. Steel wire strand consists of one center wire and six helically placed outer wires with a uniform pitch of not less than 12 nor more than 16 times the nominal strand diameter. Steel wire strand for prestressed concrete is available in two grades, 250 and 270, with minimum ultimate strengths of 250,000 pounds per square inch (psi) and 270,000 psi,

1/ A copy of Treasury's letter to the Commission concerning LTFV sales from India is presented in app. A.

2/ A copy of the Commission's notice is presented in app. B.

3/ Copies of Treasury's Federal Register notices on steel wire strand for prestressed concrete from India are presented in app. C.

respectively, based on nominal area of the strand. According to the American Concrete Institute, prestressed concrete strand conforming to ASTM specification A-416-74, "Uncoated seven-wire stress-relieved strand for prestressed concrete", is generally available in the following sizes (grade 270 is not available in diameters or 1/4 or 5/16 inch):

Nominal diameter

1/4 in (0.250 in, 6.35 mm)
 5/16 in (0.313 in, 7.9 mm)
 3/8 in (0.375 in, 9.5 mm)
 7/16 in (0.438 in, 11.1 mm)
 1/2 in (0.500 in, 12.7 mm)
 3/5 in (0.600 in, 15.2 mm)

Steel wire strand for prestressed concrete is produced from uncoated round high-carbon steel wire which has been cold-drawn from wire rods to suitable round wire sizes and then fabricated into the required strand sizes by a stranding machine. After fabrication, the strand is stress relieved by continuous heat treatment to relax the stresses which have built up in the individual wires and in the strand as a result of the drawing and stranding processes.

Steel wire strand is tensioned to its elastic limit and used to compress concrete to provide resistance to loads. The concept of prestressing concrete is to build engineered stresses into architectural and structural concrete units which will more than offset the stresses that occur when the unit is subjected to loads. Prestressed concrete is now widely used in the construction of bridge girders, beams, pilings, railroad ties, and a variety of building products such as columns, roofs, and floors.

Pretensioning and posttensioning are the methods used to prestress concrete. In pretensioning, steel wire strands are stretched between two abutments to a predetermined stress; concrete is then poured into forms which encase the steel wire strands and is allowed to harden and bond to the tensioned steel. After the concrete has reached a predetermined strength, the strands are cut off at the ends of the concrete unit. This prestresses the concrete, putting it under compression and creating a built-in resistance to loads which produce tensile stresses. The force created arches the concrete unit upward; this camber is straightened when a load is applied. In post-tensioning, concrete is poured and allowed to reach a specified strength. The steel wire strand in the concrete unit is then stretched to a predetermined tension with hydraulic jacks and attached to anchorages on the ends of the concrete unit. Stress is transferred to the concrete by the permanent end anchorages. In general, posttensioned prestressed concrete is stronger because it uses four to five times more strand than pretensioning. This, combined with the greater ease of shipping steel wire strand as compared with concrete with strand inside, has resulted in a greater use of posttensioning for beams, bridges, and other large units, while pretensioned concrete is used more extensively in the construction of building decks, floors, and walls, which can be mass-produced readily in a plant and transported.

U.S. Tariff Treatment

Imported steel wire strand for prestressed concrete is classified for tariff purposes under item 642.11 of the Tariff Schedules of the United States (TSUS). 1/ The column 1 (most-favored-nation) rate of duty, 7.5 percent ad valorem, has been in effect since January 1, 1972, when the final stage of the concessions granted in the Kennedy round of negotiations under the General Agreement on Tariffs and Trade became effective. The statutory rate of duty for TSUS item 642.11 is 35 percent ad valorem. Imports under this item from designated beneficiary countries are not eligible for preferential treatment under the Generalized System of Preferences.

Nature and extent of LTFV sales 2/

Treasury's investigation on U.S. imports of steel wire strand for prestressed concrete from India covered the 6-month period January 1 through June 30, 1977. The investigation was limited to sales by Special Steels Ltd., Bombay, India, which exported to the United States through its exclusive agent, New India Exports. The petition filed by five U.S. producers had cited an additional Indian producer, Usha Martin Black (Wire Ropes) Ltd., of Calcutta, but Treasury determined that Usha Martin Black had not exported any steel wire strand for prestressed concrete to the United States during the period of its investigation.

1/ TSUS item 642.11 was established effective Mar. 1, 1977; prior to that date, imports of steel wire strand for prestressed concrete entered under TSUS item 642.10. Executive Order 11974 of Feb. 25, 1977, deleted TSUS item 642.10 and added new items 642.09 and 642.11 in lieu thereof.

2/ The five domestic producers of prestressed concrete strand also filed a dumping complaint regarding imports from Japan on Oct. 17, 1977, the same day that they filed the dumping complaint regarding Indian imports. On May 31, 1978, Treasury announced the withholding of appraisement for imports of steel wire strand for prestressed concrete from Japan and a tentative determination of LTFV sales. Treasury's investigation was limited to sales by five Japanese manufacturers that accounted for 92 percent of U.S. imports of prestressed concrete strand from Japan. On August 22, 1978, the Commission received a letter from Treasury advising of the final determination of LTFV sales from Japan. This determination excluded sales by Kawatetsu Wire Products Co., Ltd.; the remaining producers and their weighted average dumping margins are as follows:

<u>Company</u>	<u>Weighted average dumping margin (percent)</u>
Sumitomo Electric Industries, Ltd.	15.8
Shinko Wire Co., Ltd.	13.3
Suzuki Metal Industry Co., Ltd.	6.9
Tokyo Rope Manufacturing Co., Ltd.	4.5

For purposes of Treasury's determination, the home-market price was calculated on the basis of a weighted average price to unrelated purchasers in India. No adjustments were made to the home-market price. Comparisons between the purchase price and the home-market price were made on 90 percent of the steel wire strand for prestressed concrete which was sold to the United States during the representative period. Treasury found margins ranging from approximately 31 to 43 percent on 100 percent of the sales compared. The weighted average LTFV margin of those sales on which comparisons were made amounted to about 35 percent.

U.S. Market

The first practical application of the concept of prestressing concrete is credited to Eugene Freyssinet of France about 1928. Prestressed concrete began to be widely used in bridge construction in Europe shortly after World War II; the first major prestressed concrete bridge in the United States was built in 1950. Demand for prestressed concrete (and consequently for steel wire strand for prestressed concrete) has increased steadily since that time as prestressed concrete has replaced structural steel as a building material in many applications because of its lower cost and greater strength.

Both domestic producers and importers sell steel wire strand for prestressed concrete directly to approximately 300 prestressed concrete contractors, which either produce the concrete unit containing strand at a factory and then transport and install it at the building site (pretensioning) or transport the strand to the building site, where it is installed and tensioned within the concrete unit which has been poured on site (posttensioning).

Imports account for the major share of the U.S. prestressed concrete strand market. There was a strand shortage in 1973 and 1974, which was a peak period for heavy construction in the United States. In response to the chaotic market conditions which existed at that time--higher prices, longer delivery times, and no certainty regarding sources of supply--strand production capacity was expanded both in the United States and in other countries. This expansion was followed by the 1975 recession, which had a particularly severe impact on major construction projects and, consequently, depressed demand for prestressed concrete strand. This type of construction--i.e., multi-residential buildings and major public works projects such as bridges, railroad improvements, and so forth--lagged behind single-family residential construction and other sectors of the economy in recovering from the recession. Noticeable improvement in the level of heavy construction and demand for prestressed concrete strand did not occur until 1977.

Consideration of Injury or Likelihood Thereof

U.S. producers

There are six U.S. firms currently producing steel wire strand for prestressed concrete. These companies and the locations of their plants in which prestressed concrete strand is produced are as follows:

American Spring Wire Corp-----	Bedford Heights, Ohio
Armco Steel Corp-----	Kansas City, Mo.
Bethlehem Steel Corp-----	Sparrows Point, Md.
CF & I Steel Corp-----	Pueblo, Colo.
Florida Wire & Cable Co-----	Jacksonville, Fla.
Washburn Wire Products Co-----	New York, N.Y.

Three of these companies (Armco, Bethlehem, and CF & I) are integrated steel producers manufacturing a wide range of steel products including wire rod, the raw material used to produce strand. The remaining three producers (American Spring Wire, Florida Wire & Cable, and Washburn Wire Products) are independent producers which purchase wire rod for use in fabricating strand and other wire products.

U.S. Steel Corp., which had been an integrated producer of prestressed concrete strand, discontinued production of this material in 1973. American Spring Wire Corp. started production in 1975, and Washburn Wire Products Co. started production in June 1978. 1/

U.S. producers' capacity, production, and capacity utilization

U.S. producers' capacity 2/ to produce steel wire strand for prestressed concrete increased each year during 1974-77, rising from 108.6 million pounds in 1974 to 180.8 million pounds in 1977, or by 66.5 percent (table 1). * * *.

* * * * * * *

1/ Throughout this report, the data presented on U.S. producers' capacity, production, shipments, exports, employment, inventories, and profit-and-loss experience exclude Washburn Wire Products Co. since that firm did not manufacture this product during the period for which data are presented.

2/ Practical capacity to produce steel wire strand for prestressed concrete is defined as the greatest level of output that can be achieved within the framework of a realistic work pattern, assuming a normal product mix, operating facilities for three shifts a day, 7 days a week, and considering only the machinery and equipment in place and ready to operate.

Table 1.—Steel wire strand for prestressed concrete: U.S. producers' capacity, production, and capacity utilization, by companies, 1974-77

Company and period	Capacity ^{2/}	Production	Capacity utilization
	<u>1,000</u>	<u>1,000</u>	<u>Percent</u>
	<u>pounds</u>	<u>pounds</u>	
American Spring Wire:			
1974-----	<u>1/</u>	<u>1/</u>	<u>1/</u>
1975-----	***	***	***
1976-----	***	***	***
1977-----	***	***	***
1978 (January-March)-----	***	***	***
Armco:			
1974-----	***	***	***
1975-----	***	***	***
1976-----	***	***	***
1977-----	***	***	***
1978 (January-March)-----	***	***	***
Bethlehem:			
1974-----	***	***	***
1975-----	***	***	***
1976-----	***	***	***
1977-----	***	***	***
1978 (January-March)-----	***	***	***
CF & I:			
1974-----	***	***	***
1975-----	***	***	***
1976-----	***	***	***
1977-----	***	***	***
1978 (January-March)-----	***	***	***
Florida Wire and Cable:			
1974-----	***	***	***
1975-----	***	***	***
1976-----	***	***	***
1977-----	***	***	***
1978 (January-March)-----	***	***	***
Total:			
1974-----	108,600	98,316	90.5
1975-----	129,600	77,418	59.7
1976-----	176,600	78,112	44.2
1977-----	180,800	92,020	50.9
1978 (January-March)-----	48,450	36,121	74.6

^{1/} American Spring Wire did not begin production until 1975.

^{2/} * * *.

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

Counsel for the petitioning firms advised that they plan to expand capacity if the profitability of the product improves. The basic constraining factor on the speed with which the following expansion plans could occur would be the delivery times for new equipment, * * *. The capacity expansion plans of the five domestic producers are shown in the following tabulation, which is based on the posthearing brief submitted on behalf of these producers:

U.S. producer	Capacity		
	Current	Expansion plans	Total
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
American Spring Wire Corp-----	***	***	***
Armco Steel Corp-----	***	***	***
Bethlehem Steel Corp-----	***	***	***
CF & I Steel Corp-----	***	***	***
Florida Wire & Cable Co-----	***	***	***
Subtotal-----	198,600	78,000	276,600
Washburn-----	***	***	***
Total-----	***	***	***

U.S. production of steel wire strand for prestressed concrete fell from 98.3 million pounds in 1974 to 77.4 million pounds in 1975, or by 21 percent, despite the entry of American Spring Wire into the industry in June 1975. * * *. By the end of 1977, the industry's strand production had made a strong recovery to 92 million pounds, only 6 percent less than in the peak year of 1974. * * *.

The capacity utilization rate for facilities producing prestressed concrete strand in the United States fell by nearly one-half between 1974 and 1976 and improved only marginally in 1977 (table 1). However, the rate for the industry increased substantially in the first quarter of 1978 to 75 percent.

* * *.

U.S. producers' shipments and exports

U.S. producers' shipments of steel wire strand for prestressed concrete fell from 99.8 million pounds in peak year 1974 to 74.1 million pounds in 1975, or by 26 percent. There was a steady gain in the volume of domestic producers' shipments in 1976 and 1977; however, shipments in 1977 were about 8 million pounds lower than in 1974. Responses to Commission questionnaires indicate that this upward trend in shipments is accelerating in 1978, as shown in the following tabulation:

	<u>Quantity</u> (1,000 pounds)
1974-----	99,819
1975-----	74,103
1976-----	81,253
1977-----	91,599
January-March--	
1977-----	21,704
1978-----	36,272

The U.S. Department of Commerce has collected statistics on exports of steel wire strand for prestressed concrete as a separate item only since January 1978. According to these official statistics, 614,000 pounds of prestressed concrete strand, valued at \$364,000, was exported during January-March 1978, principally to Guatemala and Mexico. Data on U.S. exports of prestressed concrete strand submitted to the Commission by five domestic producers are as follows:

	<u>Quantity</u> (1,000 pounds)
1974-----	3,344
1975-----	1,523
1976-----	801
1977-----	862
January-March--	
1977-----	64
1978-----	195

U.S. imports

U.S. imports of steel wire strand for prestressed concrete dropped sharply between 1974 and 1975, from 316 million pounds to 182 million pounds (table 2). Imports declined further in 1976 but increased to 200 million pounds in 1977 and continued to rise in January-March 1978. Japan accounts for the bulk of the prestressed concrete strand imports; its share of total imports ranged from 93 percent in 1974 to 88 percent in 1977.

India was the fourth largest supplier of prestressed concrete strand to the U.S. market between 1974 and 1977, except in 1976, when it was the second largest. Imports from India rose from 420,000 pounds in 1974 to a peak of 4.1 million pounds in 1976 and then declined to 2.4 million pounds in 1977. Imports from India as a share of the total quantity of all U.S. imports increased from 0.1 percent in 1974 to 2.7 percent in 1976 and fell to 1.1 percent in 1977.

Imports of steel wire strand for prestressed concrete enter the United States through ports in various parts of the country (table 3). There appears to be no strong regional pattern for these imports with significant entries at gulf coast, west coast, east coast, and Great Lakes ports in 1977. Neither do imports from India exhibit a discernible regional pattern, with major entries occurring at ports in every part of the United States over the past 4 years (table 4).

Table 2.--Steel wire strand for prestressed concrete: U.S. imports for consumption, by principal sources, 1974-77, January-March 1977, and January-March 1978

Source	1974	1975	1976	1977	January-March--	
					1977	1978
Quantity (1,000 pounds)						
Japan-----	295,304	166,750	139,096	176,452	40,900	59,376
Mexico-----	0	1,457	2,312	10,545	1,877	1,081
South Africa-----	28	0	156	5,249	353	1,554
India-----	420	1,065	4,130	2,370	643	46
United Kingdom-----	1,115	336	233	2,259	318	1,164
West Germany-----	9,022	3,626	1,260	2,087	441	1,556
All other-----	10,155	9,175	1,565	801	183	<u>1/</u> 2,844
Total-----	316,044	182,409	148,753	199,763	44,715	67,620
Value (1,000 dollars)						
Japan-----	67,589	52,973	28,662	34,372	7,991	12,097
Mexico-----	-	464	471	2,036	345	218
South Africa-----	7	-	22	962	68	294
India-----	102	237	613	411	101	7
United Kingdom-----	220	103	48	470	67	236
West Germany-----	2,497	1,247	276	389	84	311
All other-----	3,050	3,541	460	207	38	610
Total-----	73,465	58,565	30,553	38,846	8,694	13,773
Unit value (cents per pound)						
Japan-----	22.9	31.8	20.6	19.5	19.5	20.4
Mexico-----	-	31.8	20.4	19.3	18.4	20.2
South Africa-----	24.8	-	14.3	18.3	19.2	18.9
India-----	24.4	22.2	14.9	17.3	15.7	16.3
United Kingdom-----	19.8	30.7	20.5	20.8	21.0	20.3
West Germany-----	27.7	34.4	21.9	18.6	19.0	20.0
All other-----	30.0	38.6	29.4	25.8	20.9	21.4
Average-----	23.2	32.1	20.5	19.4	19.4	20.4

1/ Includes 1,717 thousand pounds, valued at 321 thousand dollars, imported from Brazil.

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

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

Table 3.--Steel wire strand for prestressed concrete: U.S. imports for consumption, by specified sources and by customs districts, 1977 ^{1/}

Customs district	Japan	Mexico	South Africa	India	United Kingdom	West Germany	Total
Quantity (1,000 pounds)							
Houston, Tex-----	41,752	0	2,808	89	885	64	45,598
New Orleans, La-----	26,844	0	77	0	0	0	26,921
Los Angeles, Calif-----	17,688	0	1	0	19	0	17,884
San Francisco, Calif-----	13,358	0	0	107	0	0	13,465
Baltimore, Md-----	11,256	0	0	0	0	1,058	12,360
Chicago, Ill-----	9,141	0	604	854	531	0	11,130
Laredo, Tex-----	0	10,545	0	0	0	0	10,545
Philadelphia, Pa-----	8,175	0	0	83	0	0	8,258
Tampa, Fla-----	7,940	0	0	0	0	0	7,940
Miami, Fla-----	5,276	0	0	0	0	922	6,198
All other-----	35,021	0	1,759	1,236	824	43	39,462
Total-----	176,451	10,545	5,249	2,369	2,259	2,087	199,761
Value (1,000 dollars)							
Houston, Tex-----	7,639	-	525	15	163	12	8,354
New Orleans, La-----	5,549	-	13	-	-	-	5,562
Los Angeles, Calif-----	3,642	-	^{2/}	-	5	-	3,681
San Francisco, Calif-----	2,855	-	-	26	-	-	2,881
Baltimore, Md-----	2,249	-	-	-	-	190	2,447
Chicago, Ill-----	1,650	-	106	142	109	-	2,007
Laredo, Tex-----	-	2,036	-	-	-	-	2,036
Philadelphia, Pa-----	1,705	-	-	13	-	-	1,718
Tampa, Fla-----	1,427	-	-	-	-	-	1,427
Miami, Fla-----	951	-	-	-	-	179	1,130
All other-----	6,706	-	317	215	193	8	7,604
Total-----	34,373	2,036	961	411	470	389	38,847
Unit value (cents per pound)							
Houston, Tex-----	18.3	-	18.7	17.4	18.4	18.8	18.3
New Orleans, La-----	20.7	-	17.3	-	-	-	20.7
Los Angeles, Calif-----	20.6	-	-	-	26.6	-	20.6
San Francisco, Calif-----	21.4	-	-	24.1	-	-	21.4
Baltimore, Md-----	20.0	-	-	-	-	18.0	19.8
Chicago, Ill-----	18.0	-	17.5	16.6	20.6	-	18.0
Laredo, Tex-----	-	19.3	-	-	-	-	19.3
Philadelphia, Pa-----	20.9	-	-	15.0	-	-	20.8
Tampa, Fla-----	18.0	-	-	-	-	-	18.0
Miami, Fla-----	18.0	-	-	-	-	19.4	18.2
All other-----	19.1	-	18.0	17.4	23.4	18.7	19.3
Average-----	19.5	19.3	18.3	17.3	20.8	18.6	19.4

^{1/} Official import statistics by customs district for 1977 have not been released yet; the data in this table may differ from the official import statistics for 1977 cited elsewhere in this report.

^{2/} Less than \$500.

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

Table 4.--Steel wire strand for prestressed concrete: U.S. imports for consumption from India, by customs districts, 1974-77 and January-March 1978

(In thousands of pounds)

Customs district	1974	1975	1976	1977 1/	Jan.-Mar. 1978
Chicago, Ill-----	0	0	135	854	0
Seattle, Wash-----	270	0	324	791	46
New York, N.Y-----	0	0	0	219	0
Portland, Oreg-----	35	0	269	136	0
San Francisco, Calif-----	0	361	655	107	0
Houston, Tex-----	0	346	1,030	89	0
Philadelphia, Pa-----	0	0	45	83	0
Savannah, Ga-----	115	0	0	45	0
Honolulu, Hawaii-----	0	0	405	45	0
Baltimore, Md-----	0	314	865	0	0
Los Angeles, Calif-----	0	0	279	0	0
New Orleans, La-----	0	44	79	0	0
Charleston, S.C-----	0	0	44	0	0
Total-----	420	1,065	4,130	2,369	46

1/ Official import statistics by customs district for 1977 have not been released yet; the data in this table may differ from the official import statistics for 1977 cited elsewhere in the report.

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

Employment

The average number of production and related workers engaged in the production of steel wire strand for prestressed concrete declined in 1975 but then increased steadily through 1977, when it was higher than in the peak production year of 1974, as shown in the following tabulation:

	<u>Number of production and related workers</u>	<u>Hours worked (1,000 hours)</u>
1974-----	269	597
1975-----	238	461
1976-----	270	581
1977-----	278	584
January-March--		
1977-----	288	146
1978-----	330	174

In January-March 1978, employment increased to 330, 15 percent more than in the corresponding period of 1977. The same general trend also occurred with respect to the number of hours worked. Hours worked in 1977 amounted to 584,000 or about 13,000 less than during the peak year of 1974, as shown in the tabulation above.

Inventories

Yearend inventories of steel wire strand for prestressed concrete held by U.S. producers more than doubled from 1974 to 1975, dropped sharply in the following year, and then increased slightly in 1977, as shown in the following tabulation (in thousands of pounds):

	<u>U.S. producers'</u> <u>inventories</u>	<u>Importers'</u> <u>inventories</u>
Dec. 31, 1974-----	3,608	8,117
Dec. 31, 1975-----	7,806	13,549
Dec. 31, 1976 -----	4,608	11,179
Dec. 31, 1977 -----	5,029	12,029
Mar. 31, 1977 -----	6,852	13,586
Mar. 31, 1978 -----	4,878	14,847

Inventories of prestressed concrete strand held by importers followed a similar pattern; however, importers' inventories increased slightly between March 31, 1977, and March 31, 1978, while the level of inventories held by the domestic producers declined. The ratio of producers' inventories to shipments indicates improvement in the domestic industry; by March 31, 1978 inventories would cover only 1 week of shipments of strand compared with 2 weeks in 1974. The high 1975 inventory level would have been sufficient for 5 weeks of shipments.

Profit-and-loss experience

The ratio of net operating profit or loss to net sales for the prestressed concrete strand operations of five domestic producers dropped sharply from a profit of 19 percent in 1975 to a loss of 3 percent in 1976. The ratio of net operating loss to net sales declined even further in 1977 to 7 percent, as shown in the following tabulation based on responses to Commission questionnaires:

	<u>1974</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>
Net sales-----1,000 dollars--	28,063	24,636	20,906	24,848
Net profit or (loss) before taxes-----1,000 dollars--	5,980	4,663	(810)	(2,116)
Ratio of net operating profit or (loss) to net sales--percent--	21.6	19.4	(2.9)	(6.9)

* * *. While the ratio of net operating profit to net sales for prestressed concrete strand operations was much higher than the ratios for all fabricated metal products or for all manufacturing in 1974 and 1975, the losses on prestressed concrete strand operations in 1976 ran counter to the improvement in profitability which occurred in these larger sectors of the economy in that year. In 1977, the profit ratios for fabricated metal products and all manufacturing declined and the losses on prestressed concrete strand operations worsened. * * * the financial position of the producers of prestressed concrete strand improved in the first quarter of 1978 (table 5).

Table 5.—Ratios of net operating profit or (loss) to net sales for domestic producers on their operations producing steel wire strand for prestressed concrete, for producers of fabricated metal products, and for all manufacturing corporations, 1974-77 and January-March 1978

Industry and company	1974	1975	1976	1977	January-March 1978
Steel wire strand for prestressed concrete:					
American Spring Wire-----	1/	***	***	***	***
Armco-----	***	***	***	***	***
Bethlehem-----	***	***	***	***	***
CF & I-----	***	***	***	***	***
Florida Wire & Cable-----	***	***	***	***	***
Total-----	21.6	19.4	(2.9)	(6.9)	.8
Fabricated metal products---	7.9	7.4	8.3	7.7	6.4
All manufacturing-----	8.7	7.5	8.7	7.8	6.9

1/ American Spring Wire did not produce steel wire strand for prestressed concrete until 1975.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission and from the Federal Trade Commission, Quarterly Financial Report for Manufacturing, Mining and Trade Corporations.

The prestressed concrete strand industry is capital intensive; even with the losses in 1976 and 1977, the industry maintained significant investment rates. The ratio of machinery and equipment expenditures to net sales was as follows (in percent):

1974-----	5.0
1975-----	10.9
1976-----	6.5
1977-----	6.4

The value of the domestic producers' total capital expenditures and research and development expenses connected with steel wire strand for prestressed concrete peaked in 1975 and declined significantly in 1976 and 1977 as net losses occurred in the industry (table 6).

Table 6.—Steel wire strand for prestressed concrete: Capital expenditures and research and development expenses incurred by U.S. producers, 1974-77, and January-March 1978

(In thousands of dollars)					
Item	1974	1975	1976	1977	Jan.-Mar. 1978
Capital expenditures:					
Land, building, and improvements-----	216	1,004	1,044	86	0
Machinery, equipment, and fixtures-----	1,407	2,705	1,361	1,597	155
Total-----	1,623	3,709	2,405	1,683	155
Research and development expenses-----	488	476	472	407	76

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

The ratio of net operating profit to investment in production facilities--in both original cost and book value--also dropped dramatically for the producers of steel wire strand for prestressed concrete, and losses occurred in 1976 and 1977 (table 7).

Table 7.—Steel wire strand for prestressed concrete: Investment in productive facilities and net operating profit or (loss), 1974-77

Item	1974	1975	1976	1977
Investment in productive facilities:				
Original cost-----1,000 dollars----	6,869	10,610	12,981	14,658
Book value-----do-----	4,174	7,307	8,778	9,850
Replacement cost-----do-----	12,875	19,371	22,786	25,465
Net operating profit or (loss)--do----	6,062	4,788	(612)	(1,727)
Ratio of net operating profit or (loss) to investment in productive facilities:				
Original cost-----percent----	88.2	45.1	(4.7)	(11.7)
Book value-----do-----	145.2	65.5	(6.9)	(17.5)
Replacement cost-----do-----	47.0	24.7	(2.6)	(6.7)

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

Consideration of the Causal Relationship Between LTFV Imports
From India and the Alleged Injury

Market penetration of LTFV imports from India

Imports of steel wire strand for prestressed concrete from India increased from 0.1 percent of apparent domestic consumption in 1974 to 1.8 percent in 1976 and then dropped to 0.8 percent in 1977 (table 8). The market penetration of imports from India was less than 0.05 percent during January-March 1978.

Table 8.--Steel wire strand for prestressed concrete: U.S. producers' shipments, exports, imports, and apparent consumption, 1974-77, January-March 1977, and January-March 1978

Period	Pro- ducers' ship- ments 1/	Exports 1/	Imports	Imports from India	Apparent con- sumption	Ratio of imports to con- sumption	Ratio of imports from India to consumption
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	Percent	Percent
1974-----	99,819	3,344	316,044	420	412,519	76.6	0.1
1975-----	74,103	1,523	182,409	1,065	254,989	71.5	.4
1976-----	81,253	801	148,753	4,130	229,205	64.8	1.8
1977-----	91,599	862	199,763	2,370	290,500	68.7	.8
Jan. Mar--							
1977----	21,704	64	44,715	643	66,355	67.3	.9
1978----	36,272	195	67,620	46	103,697	65.2	<u>2/</u>

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

2/ Less than 0.05 percent.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted.

During the period of Treasury's investigation, January-June 1977, all imports from India were sold at LTFV. The weighted average dumping margin was 35 percent. According to testimony at the public hearing on this case, the principal importer of the Indian strand advised that he had received no new orders for strand since May 1977. 1/ The domestic industry filed the dumping complaint regarding imports from India on October 17, 1977.

The same official also testified that the capacity of Special Steels Ltd. to serve the U.S. market is limited to 1 or at most 2 percent of the total U.S. market since this Indian company has a small but growing domestic market and also exports to other countries. 2/ Counsel for five domestic producers testified at the hearing that Usha Martin Black, (Wire Ropes) Ltd., the other Indian manufacturer of steel wire strand for prestressed concrete, has a capacity of at least 50 million pounds, the total amount of a contract it was

1/ Transcript of the hearing, p. 112.

2/ Ibid., p. 126.

negotiating with a French firm, and that this production could be shifted to exports to the United States in the long run. 1/

All imports as a share of apparent U.S. consumption fell from about 77 percent in 1974 to 65 percent in 1976. This market penetration rate rose in 1977 to approximately 69 percent; however, another decline occurred in January-March 1978.

Lost sales

The five domestic producers of steel wire strand for prestressed concrete were requested to supply evidence of sales lost to LTFV imports from India. Two of the producers--* * *--did not report any lost sales to imports from India. * * * cited five customers--* * * to which they had reportedly lost sales to imports from India.

* * * * *

All the cited customers also purchased large quantities of strand from domestic companies and countries other than India, principally Japan, during the period of the investigation.

Prices

The Commission requested pricing data on the most popular size and grade of steel wire strand for prestressed concrete (Grade 270k, 1/2", 7-wire strand). The weighted average lowest net selling prices received by U.S. producers and by importers of Indian, Japanese, South African, and United Kingdom strand are shown in table 9. During January 1975-May 1978, prices of both U.S.-made and Japanese strand were at their highest level (\$198 and \$208 per 1,000 lineal feet, respectively) in January-March 1975. Prices began to drop in April-June 1975 as Indian imports entered the market at * * * and continued to drop until mid-1977. It was acknowledged by the principal importer of prestressed concrete strand from India that Indian strand had been offered to 60 or 70 of the approximately 300 prestressed concrete contractors and that actual sales had been made to 23 contractors. 2/ One-half of these customers were one-time trial-order purchasers, accounting for 18 percent of this importer's total sales. 3/

The price of imported strand from India fell by 36 percent from * * * per 1,000 lineal feet in 1975 to * * * in April-June 1976, when its selling price was about 20 percent below that of domestically produced strand. According to testimony at the public hearing, the Indian strand was introduced to the U.S. market at lower prices to adjust for the extra costs incurred by U.S. customers in using the less-than-standard length, experimental, Indian product. 4/ These low prices continued until mid-1977, when the principal importer of

1/ Transcript of the hearing, pp. 36-37.

2/ Ibid., p. 155.

3/ Ibid., p. 115, and letter dated July 21, 1978, from William N. Scott, President, Transmark Corp.

4/ Ibid., p. 116.

Table 9.--Steel wire strand for prestressed concrete (Grade 270k, 1/2", 7-wire strand): Average lowest net selling prices received by U.S. producers and importers, by quarters, 1975-77, and January-May 1978

Period	Average lowest net selling prices of--					Ratio of average price of imported strand to U.S.-made			
	U.S.-made strand	Imports from--				India	Japan	South Africa	United Kingdom
	Per 1,000 lineal feet					Percent			
1975:									
Jan.-Mar-----	\$198	-	\$208	-	-	-	105	-	-
Apr.-June-----	190	***	189	-	-	***	99	-	-
July-Sept-----	176	***	178	-	-	***	101	-	-
Oct.-Dec-----	165	***	158	-	-	***	95	-	-
1976:									
Jan. Mar-----	156	***	142	***	-	***	91	***	-
Apr.-June-----	134	***	122	***	-	***	91	***	-
July-Sept-----	133	***	124	***	-	***	93	***	-
Oct.-Dec-----	132	***	122	***	-	***	92	***	-
1977:									
Jan.-Mar-----	131	***	123	***	-	***	93	***	-
Apr.-June-----	133	***	125	***	-	***	93	***	-
July-Sept-----	137	-	122	***	***	-	89	***	***
Oct.-Dec-----	137	-	123	***	***	-	89	***	***
1978:									
Jan.-Mar-----	148	-	123	***	***	-	83	***	***
Apr.-May-----	148	-	134	***	***	-	90	***	***

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

Indian strand ceased soliciting orders. Prices of both U.S.-made and imported strand remained depressed at approximately the level in April-June 1976 until the beginning of 1978. Although prices began to climb again in 1978, the prices of both U.S.-made and Japanese strand in April-May of 1978 were lower than in January-April 1976.

These price declines occurred while demand for prestressed concrete strand was recovering from the effects of the 1974-75 recession and while other steel product prices were increasing rapidly. Between January 1974 and March 1978, the price of all steel mill products increased by 80 percent; that of carbon steel wire rods, by 86 percent; and that of carbon steel drawn wire, by 74 percent, according to the wholesale price index. Data obtained from responses to Commission questionnaires corroborates this increase in price for carbon steel wire rods, the basic raw material for steel wire strand for prestressed concrete.

APPENDIX A

TREASURY DEPARTMENT LETTER TO THE COMMISSION ADVISING
OF ITS DETERMINATION OF LTFV IMPORTS FROM INDIA



THE GENERAL COUNSEL OF THE TREASURY

WASHINGTON, D.C. 20220

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Office of the Secretary
Intl. Trade Commission

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CHAIRMAN'S OFFICE
U.S.I.T.C.

OFFICE OF THE SECRETARY
U.S. INTL. TRADE COMMISSION
Dear Mr. Chairman:

In accordance with Section 201(a) of the Antidumping Act, 1921, as amended, you are hereby advised that steel wire strand from India is being, or is likely to be, sold at less than fair value within the meaning of the Act.

For purposes of this investigation, the term "steel wire strand" means steel wire strand, other than alloy steel, stress-relieved and suitable for use in prestressed concrete, provided for in item number 642.1120 of the Tariff Schedules of the United States, Annotated (TSUSA).

The U.S. Customs Service is making the files relative to this determination available to the International Trade Commission under separate cover. These files are for the Commission's use in connection with its investigation as to whether an industry in the United States is being, or is likely to be, injured, by reason of the importation of this merchandise into the United States. Since some of the data in these files is regarded by the Treasury to be of a confidential nature, it is requested that the Commission consider all information therein contained for the use of the Commission only, and not to be disclosed to others without prior clearance with the Treasury Department.

I also wish to advise the Commission that the Department is presently conducting an antidumping investigation relative to steel wire strand from Japan, which involves a much larger volume of trade. It is our intent to make a final determination in that case before the Commission is required to act on the Indian case.

Sincerely yours,

Robert H. Mundheim
Robert H. Mundheim

The Honorable
Daniel Minchew
Chairman, U.S. International
Trade Commission
Washington, D. C. 20436

NEW SECTION

APPENDIX B

U.S. INTERNATIONAL TRADE COMMISSION
NOTICE OF INVESTIGATION AND HEARING

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

[AA1921-182]

STEEL WIRE STRAND FOR PRESTRESSED CONCRETE FROM INDIA

Notice of Investigation and Hearing

Having received advice from the Department of the Treasury on May 25, 1978, that steel wire strand from India is being, or is likely to be, sold at less than fair value, the United States International Trade Commission on June 2, 1978, instituted investigation No. AA1921-182 under section 201(a) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)), to determine whether an industry in the United States is being, or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States. For purposes of Treasury's determination, the term "steel wire strand" was defined as steel wire strand, other than alloy steel, stress-relieved and suitable for use in prestressed concrete, provided for in item number 642.1120 of the Tariff Schedules of the United States Annotated (TSUSA).

Hearing. A public hearing in connection with the investigation will be held on Tuesday, July 18, 1978, in the Commission's Hearing Room, United States International Trade Commission Building, 701 E Street, NW., Washington, D.C. 20436, beginning at 9:30 a.m., e.d.t. All persons shall have the right to appear in person or by counsel, to present evidence and to be heard. Requests to appear at the public hearing, or to intervene under the provisions of section 201(d) of the Antidumping Act, 1921, shall be filed with the Secretary of the Commission, in writing, not later than noon, Thursday, July 13, 1978.

By order of the Commission.

Kenneth R. Mason
Kenneth R. Mason
Secretary

APPENDIX C

TREASURY DEPARTMENT NOTICES ON STEEL WIRE STRAND FOR PRESTRESSED
CONCRETE FROM INDIA AS PUBLISHED IN THE FEDERAL REGISTER

Federal Register, November 23, 1977
(42 F.R. 60034)

[4810-25]

DEPARTMENT OF THE TREASURY

Office of the Secretary

STEEL WIRE STRAND FOR PRESTRESSED
CONCRETE FROM INDIA

Antidumping Proceeding

AGENCY: United States Treasury Department.

ACTION: Initiation of Antidumping Investigation.

SUMMARY: This notice is to advise the public that an antidumping investigation has been started for the purpose of determining whether or not steel wire strand for prestressed concrete from India is being sold, or is likely to be sold, to the United States at less than fair value. (Sales at less than fair value usually means that the price of the merchandise sold for exportation to the United States is less than the price of the merchandise sold in the home market.)

EFFECTIVE DATE: November 23, 1977.

FOR FURTHER INFORMATION CONTACT:

Michael Ready, Operations Officer, Duty Assessment Division, U.S. Customs Service, 1301 Constitution Avenue NW., Washington, D.C. 20229, telephone 202-566-5492.

SUPPLEMENTARY INFORMATION: On October 17, 1977, information was received in proper form pursuant to §§ 153.26 and 153.27, Customs Regulations (19 CFR 153.26, 153.27), on behalf of five domestic producers of steel wire strand for prestressed concrete, indicating a possibility that steel wire strand for prestressed concrete is being, or is likely to be, sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160 et seq.). The five domestic producers are American Spring Wire Corp., Bedford Heights, Ohio; Armco Steel Corp., Middletown, Ohio; Bethlehem Steel Corp., Bethlehem, Pa.; CF & I Steel Corp., Pueblo, Colo.; and Florida Wire & Cable Co., Jacksonville, Fla.

For purposes of this investigation, the term steel wire strand for prestressed concrete means wire strand of carbon steel for prestressing concrete provided for in item number 642.1020, Tariff Schedules of the United States Annotated (TSUSA).

Price data submitted by petitioners indicate the imports of steel wire strand for prestressed concrete from India may be sold at less than fair value by margins ranging from 8 to 48 percent.

There is evidence on record concerning injury to, or likelihood of injury to, or prevention of establishment of an industry in the United States. This evidence indicates that although imports of steel wire strand for prestressed concrete from India accounted for less than two percent of domestic consumption during 1976, those imports have increased greatly in recent years, in both actual and relative terms. Furthermore, the available data reveals that imports of this product from India are substantially underselling the comparable domestic product and that those margins of underselling are accounted for either in whole or in part by the alleged margins of sales at less than fair value. As a result, in part, of the alleged sales at less than fair value, the domestic industry has reported declines in sales, capacity utilization and employment, in addition to increasing financial losses.

Having conducted a summary investigation as required by § 153.29 of the Customs Regulations (19 CFR 153.29), and having determined as a result thereof that there are grounds for so doing, the United States Customs Service is instituting an inquiry to verify the information submitted and to obtain the facts necessary to enable the Secretary of the Treasury to reach a determination as to the fact or likelihood of sales at less than fair value.

A summary of price information received from all sources is as follows:

The information received tend to indicate that the prices of the merchandise sold for exportation to the United States are less than the prices for home consumption of such or similar merchandise.

This notice is published pursuant to § 153.30 of the Customs Regulations (19 CFR 153.30).

ROBERT H. MUNDHEIM,
General Counsel of the
Treasury.

NOVEMBER 18, 1977.

(FR Doc. 77-33788 Filed 11-22-77; 8:45 am)

Federal Register,
December 8, 1977
(42 F.R. 62113)

[4810-25]

Office of the Secretary

STEEL WIRE STRAND FOR PRESTRESSED
CONCRETE FROM INDIA AND JAPANAntidumping; Amendment of Antidumping
Proceeding Notices

AGENCY: Treasury Department.

ACTION: Amendment of antidumping proceeding notices.

SUMMARY: This notice is to advise the public that the description of the product subject to the antidumping investigations of steel wire strand for prestressed concrete from India and Japan, announced in the FEDERAL REGISTER of November 23, 1977, is being amended. In addition the product reference to the Tariff Schedules of the United States is being corrected.

EFFECTIVE DATE: December 8, 1977.

FOR FURTHER INFORMATION CONTACT:

Mr. David P. Mueller, Operations Officer, Office of Operations, Duty Assessment Division, Technical Branch, U.S. Customs Service, 1301 Constitution Avenue NW., Washington, D.C. 20229, 202-566-5492.

SUPPLEMENTARY INFORMATION:

On November 23, 1977, two separate Antidumping Proceeding Notices were published in the FEDERAL REGISTER with respect to steel wire strand for prestressed concrete from India and Japan (42 FR 60034).

Paragraph two of each notice stated that "[f]or purposes of this investigation, the term 'steel wire strand for prestressed concrete' means wire strand of carbon steel for prestressing concrete, provided for in item number 642.1020 of the Tariff Schedules of the United States Annotated (TSUSA)." It has been determined that for clarification and to correct the TSUSA item number, the term "steel wire strand for prestressed concrete" should have been defined as "steel wire strand, other than alloy steel, stress-relieved and suitable for use in prestressed concrete, provided for in item number 642.1120 of the Tariff Schedules of the United States Annotated (TSUSA)."

Accordingly, paragraph two of each of the above Antidumping Proceeding Notices is amended.

This notice is published pursuant to § 153.30, Customs Regulations (19 CFR 153.30).

HENRY C. STOCKELL, Jr.,
Acting General Counsel
of the Treasury.

DECEMBER 2, 1977.

(FR Doc. 77-35109 Filed 12-7-77; 8:45 am)

Federal Register, May 31, 1978
(43 F.R. 23672)

[4810-22]

**STEEL WIRE STRAND FOR PRESTRESSED
CONCRETE FROM INDIA**

Antidumping; Withholding of Appraisal
Notice and Determination of Sales at Less
Than Fair Value

AGENCY: United States Treasury De-
partment.

ACTION: Withholding of Appraisal-
ment and Determination of Sales at
Less Than Fair Value.

SUMMARY: This notice is to advise
the public that an antidumping inves-
tigation has resulted in a determina-
tion that steel wire strand for pres-
tressed concrete from India is being
sold at less than fair value under the
Antidumping Act, 1921. Sales at less
than fair value generally occur when
the price of merchandise for exporta-
tion to the United States is less than
the price of such or similar merchan-
dise sold in the home market or to
third countries. Appraisalment for the
purpose of determining the proper
duties applicable to entries of this
merchandise will be suspended for 3
months. This case is being referred to
the United States International Trade
Commission for a determination con-
cerning possible injury to an industry
in the United States.

EFFECTIVE DATE: May 31, 1978.

FOR FURTHER INFORMATION
CONTACT:

Leon McNeill, Duty Assessment Divi-
sion, U.S. Customs Service, 1301
Constitution Avenue NW., Washing-
ton, D.C. 20229, 202-566-5492.

SUPPLEMENTARY INFORMATION: In-
formation was received in proper
form on October 17, 1977, from coun-
sel acting on behalf of five domestic
producers alleging that steel wire
strand from India was being sold at
less than fair value, thereby causing
injury to, or the likelihood of injury
to, an industry in the United States,
within the meaning of the Antidump-
ing Act, 1921, as amended (19 U.S.C.
160 et seq.) (referred to in this notice
as "the Act"). The five domestic pro-
ducers are American Spring Wire
Corp., Bedford Heights, Ohio; Armco
Steel Corp., Middletown, Ohio; Bethle-
hem Steel Corp., Bethlehem, Pa.; CF
& I. Steel Corp., Pueblo, Colo.; and
Florida Wire & Cable Co., Jackson-
ville, Fla. On the basis of this informa-
tion and subsequent preliminary inves-
tigation by the Customs Service, an

"Antidumping Proceeding Notice" was
published in the FEDERAL REGISTER on
November 23, 1977 (42 FR 60034). An
amendment to that notice was pub-
lished on December 8, 1977 (42 FR
62113) clarifying the description of the
merchandise and correcting the
TSUSA item number.

For purposes of this notice the term
"steel wire strand" means steel wire
strand, other than alloy steel, stress-
relieved and suitable for use in pres-
tressed concrete, provided for in item
number 642.1120 of the Tariff Sched-
ules of the United States, Annotated
(TSUSA).

**DETERMINATION OF SALES AT LESS THAN
FAIR VALUE**

I hereby determine that, for the rea-
sons stated below, steel wire strand
from India is being, or is likely to be,
sold at less than fair value within the
meaning of section 160(a) of the Act
(19 U.S.C. 160(a)).

**STATEMENT OF REASONS ON WHICH THIS
DETERMINATION IS BASED**

The reasons and bases for the above
determination are as follows:

a. *Scope of the investigation.* It appears
that 100 percent of the subject merchandise
from India was manufactured by Special
Steel Ltd., Bombay, India, and exported to
the United States through its exclusive
agent, New India Exports, Bombay, India.
Therefore, the investigation was limited to
sales by Special Steels Ltd.

b. *Basis of comparison.* For the purposes
of considering whether the merchandise in
question is being, or is likely to be, sold
at less than fair value within the meaning
of the Act, the proper basis of comparison
is between the purchase price and the home
market price of such or similar merchan-
dise. Purchase price, as defined in section
203 of the Act (19 U.S.C. 162), was used
since all export sales to the United States
were made to a non-related importer. Home
market price, as defined in section 153.2,
Customs Regulations (19 CFR 153.2) was
used since such or similar merchandise was
sold in the home market in sufficient quan-
tities to provide a basis for comparison.

In accordance with section 153.31(b),cus-
toms Regulations (19 CFR 153.31(b)), pric-
ing information was obtained concerning
imports and home market sales during the
period January 1 through June 30, 1977.

c. *Purchase price.* For the purposes of this
determination, since all merchandise was
purchased or agreed to be purchased prior
to the time of exportation, by the persons
by whom or for whose account it was im-
ported, within the meaning of section 203 of
the Act, the purchase price has been calcu-
lated on the basis of the C&F price to an
unrelated U.S. purchaser. Deductions were
made for ocean freight, inland freight, in-
surance/inspection charges, stamp duty,
and a commission. Additions were made for
duty drawback and a tax rebate (cash com-
pensatory support) granted by reason of
export to the United States, in accordance
with section 203 of the Act.

The deductions for ocean freight, inland
freight, insurance/inspection charges and
stamp duty were based on charges, which
were included in the price, from the point of

shipment to the point of delivery in accord-
ance with section 203 of the Act. The deduc-
tion for the commission was made to reflect
charges paid to the export agent. The addi-
tions for taxes which were refunded or not
collected upon exportation, were related to
various indirect taxes incurred in the pro-
duction of the subject merchandise.

d. *Home market price.* For purposes of
this determination, the home market price
has been calculated on the basis of a weight-
ed-average price to unrelated purchasers in
India. No adjustments were made to the
home market price. A claim for a credit cost
adjustment was disallowed because it was
inadequately documented during the inves-
tigation. Also, although there was a differ-
ence in certain merchandise sold to the
United States relative to that sold in the
home market, no adjustment was made be-
cause the difference was negligible.

e. *Results of fair value comparisons.* Using
the above criteria, comparisons were made
on 80 percent of steel wire strand which
was sold to the United States during the repre-
sentative period. These comparisons indi-
cate that the purchase price was less than
the home market price of such or similar
merchandise. Margins were found ranging
from approximately 31 to 43 percent on 100
percent of the sales compared. The weight-
ed-average margin of those sales on which
comparisons were made amounted to ap-
proximately 35 percent.

The Secretary has provided an op-
portunity to known interested persons
to present written and oral views pur-
suant to section 153.40, Customs Regu-
lations (19 CFR 153.40). However, no
parties have elected to present such
views.

Based on the reasons noted above,
Customs officers are being directed to
withhold appraisalment of steel wire
strand from India in accordance with
section 153.48, Customs Regulations
(19 CFR 153.48).

This withholding of appraisalment
notice, published pursuant to section
153.35(a), Customs Regulations (19
CFR 153.35(a)), shall become effective
May 31, 1978. It shall cease to be effec-
tive at the expiration of 3 months
from the date of this publication,
unless previously revoked.

The United States International
Trade Commission is being advised of
this determination.

This determination is being pub-
lished pursuant to section 201(d) of
the Act (19 U.S.C. 160(d)).

ROBERT H. MUNDHEIM,
General Counsel of the Treasury.

MAY 23, 1978.

(FR Doc. 78-15092 Filed 5-30-78; 8:45 am)

Library Cataloging Data

U.S. International Trade Commission.

Steel wire strand for prestressed concrete from India. Determination of no injury in Investigation no.AA1921-182 under the Antidumping act, 1921, as amended, together with the information obtained in the investigation. Washington, 1978.

28 cm. (USITC Publication 906)

1. Wire. 2. Wire--U.S. 3. Wire--India. 4. Wire--
Tariff--U.S. 5. Wire--Tariff--India. I. Title

UNITED STATES
INTERNATIONAL TRADE COMMISSION
WASHINGTON, D.C. 20436

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