

EXPLANATION OF COMMISSION DETERMINATIONS ON ADEQUACY

in

Gray Portland Cement and Cement Clinker from Mexico and Japan Inv. Nos. 731-TA-451 and 461 (Second Review)

On January 6, 2006, the Commission determined that it should proceed to a full review in the five-year review concerning the antidumping duty order on subject imports from Mexico, pursuant to section 751(c)(5) of the Tariff Act of 1930, as amended, 19 U.S.C. § 1675(c)(5), and an expedited review in the five-year review concerning the antidumping duty order on subject imports from Japan, pursuant to section 751(c)(3)(B) of the Tariff Act of 1930, as amended, 19 U.S.C. § 1675(c)(3)(B).¹

Gray Portland Cement and Cement Clinker from Mexico, Inv. No. 731-TA-451 (Second Review)

With respect to the review on gray portland cement and cement clinker (“cement”) from Mexico, the Commission determined that the domestic interested party group response to the notice of institution was adequate. The Commission received a consolidated response filed on behalf of the domestic producers, the Committee For Fairly Traded Mexican Cement (an *ad hoc* coalition of 19 Southern Tier U.S. producers of the domestic like product), and four unions in the Southern Tier region.² The Commission also received adequate responses from two other regional U.S. producers of the domestic like product (GCC Rio Grande Inc. and CEMEX, Inc.). Because the Commission received an adequate response from domestic producers that collectively account for a majority of U.S. production of the domestic like product in the

¹Chairman Koplan and Commissioner Lane voted to conduct a full, grouped review of the order regarding subject imports from Japan, consistent with past Commission practice to conduct full reviews in grouped investigations when, with respect to at least one subject country, both interested party group responses are adequate. They do this consistent with the Commission’s decision to group Japan with Mexico and Venezuela in the first five-year reviews to promote administrative efficiency. *Gray Portland Cement and Cement Clinker from Japan, Mexico, and Venezuela*, Inv. Nos. 303-TA-21 and 731-TA-451, 461, and 519 (Review), USITC Pub. 3361 at 5.

²The four labor unions representing workers producing the domestic like product in the Southern Tier region are: the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers; the United Steel, Paper & Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union; the International Union of Operating Engineers; and Local Lodge 93, International Association of Machinists and Aerospace Workers.

Southern Tier region, the Commission determined that the domestic interested party response was adequate.

The Commission also found that the respondent interested party group responses were adequate with respect to the order on cement from Mexico. The Commission received separate adequate individual responses from three Mexican producers, GCC Cemento, S.A. de C.V. (“GCC”), Holcim Apasco, S.A. de C.V. (“Apasco”), and CEMEX, S.A. de C.V. (“CEMEX”).³ Because the Commission received an adequate response representing a substantial proportion of production and exports of cement from Mexico, the Commission determined that the respondent interested party group response from Mexico was adequate. Accordingly, the Commission determined to proceed to a full review in *Gray Portland Cement and Cement Clinker from Mexico*.

Gray Portland Cement and Cement Clinker from Japan, Inv. No. 731-TA-461 (Second Review)

With respect to the review on cement from Japan, the Commission determined that the domestic interested party group response to the notice of institution was adequate. The Commission received a consolidated response filed on behalf of the domestic producers, the Committee For Fairly Traded Japanese Cement (an *ad hoc* coalition of four U.S. producers of the domestic like product in the State of California), and four unions in the State of California.⁴ Because the Commission received an adequate response from domestic producers that collectively account for a significant portion of U.S. production of the domestic like product in the State of California region, the Commission determined that the domestic interested party response was adequate.

The Commission did not receive a response from any respondent interested party in the review concerning cement from Japan, and therefore determined that the respondent interested party group response to the notice of institution was inadequate. In the absence of an adequate respondent interested party group response, and any other circumstances involving the specific facts of this regional industry review that it deemed warranted proceeding to a full review, the Commission determined to conduct an expedited review with respect to the order concerning

³The CEMEX response included separate data for CEMEX, the Mexican producer and exporter of subject merchandise, its U.S. affiliated companies, CEMEX, Inc., a U.S. producer of the domestic like product, and CEMEX Cement, Inc., the exclusive U.S. importer of cement produced in Mexico by CEMEX.

⁴The four labor unions representing workers producing the domestic like product in the State of California region are: the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers; the United Steel, Paper & Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union; the International Union of Operating Engineers; and Local Lodge 93, International Association of Machinists and Aerospace Workers.

Japan.⁵ Specifically, in separately conducted original investigations, the Commission made its determinations based on different regional industries regarding subject imports from Mexico and subject imports from Japan. Therefore, administrative efficiency would not be achieved by grouping the review of subject imports from Mexico with the review of subject imports from Japan. Accordingly, the Commission determined to proceed to an expedited review in *Gray Portland Cement and Cement Clinker from Japan*.

A record of the Commissioners' votes is available from the Office of the Secretary and at the Commission's web site (<http://www.usitc.gov>).

⁵Chairman Koplun and Commissioner Lane determined that the respondent interested party group response with respect to cement from Japan was inadequate. They, however, voted to conduct a full review, consistent with past Commission practice to conduct full reviews in grouped investigations when, with respect to at least one subject country, both interested party group responses are adequate. They do this consistent with the Commission's decision to group Japan with Mexico and Venezuela in the first five-year reviews to promote administrative efficiency. Gray Portland Cement and Cement Clinker from Japan, Mexico, and Venezuela, Inv. Nos. 303-TA-21 and 731-TA-451, 461, and 519 (Review), USITC Pub. 3361 at 5.