

GENERAL INFORMATION, INSTRUCTIONS, AND DEFINITIONS FOR COMMISSION PRODUCER, IMPORTER, AND PURCHASER QUESTIONNAIRES

Certain Welded Large Diameter Line Pipe from Japan and Mexico Investigation Nos. 731-TA-919 and 920 (Review)

<u>Further information.</u>--If you have any questions concerning the enclosed questionnaire(s) or other matters related to these reviews, you may contact the following members of the Commission's staff (Fax 202-205-3205):

Dana Lofgren, Investigator (202-205-3185; E-mail Dana.Lofgren@USITC.GOV) regarding general questions and trade and related information;

Mary Klir, Auditor (202-205-3247; E-mail Mary.Klir@USITC.GOV) regarding financial information; and

Craig Thomsen, Economist (202-205-3226; E-mail Craig.Thomsen@USITC.GOV) regarding pricing, market, and related information.

GENERAL INFORMATION

Background.--On December 6, 2001, the Department of Commerce issued an antidumping duty order on imports of certain welded large diameter line pipe from Japan (66 FR 63368). On February 27, 2002, the Department of Commerce issued an antidumping duty order on imports of certain welded large diameter line pipe from Mexico (67 FR 8937). On November 1, 2006, the Commission instituted reviews pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. § 1675(c)) (the Act) to determine whether revocation of the orders would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time (71 FR 64295). If the Commission makes an affirmative determination on an order, and the Department of Commerce finds a likelihood of continuation or recurrence of dumping, the order will remain in place. If the Commission makes a negative determination on an order, the Department of Commerce will revoke the order.

Additional questionnaires will be supplied promptly upon request, or photocopies of the enclosed questionnaire(s) may be used. Address all correspondence to the United States International Trade Commission, Washington, DC 20436. Hearing-impaired individuals can obtain information regarding these reviews via the Commission's TDD terminal (202-205-1810).

<u>Due date of questionnaire(s)</u>.--Return the completed questionnaire(s) to the United States International Trade Commission by no later than May 22, 2007. Although the enclosed postpaid envelope may be used to return the completed questionnaire, use of an overnight mail service may be necessary to ensure that your response actually reaches the Commission by May 22, 2007. If you do not use the enclosed envelope, please make sure the completed questionnaire is sent to the attention of Dana Lofgren, Investigator, Room 615-D. Return <u>only one</u> copy of the completed questionnaire(s), but please keep a copy for your records so that you can refer to it if the Commission staff contacts you with any questions during the course of the reviews.

<u>Service of questionnaire response(s)</u>.--In the event that your firm is a party to these reviews, you are required to serve a copy of the questionnaire(s), once completed, on parties to the proceedings that are subject to administrative protective order (see 19 CFR § 207.7). A list of such parties is maintained by the Commission's Secretary and may be obtained by calling 202-205-1803. A certificate of service must accompany the copy of the completed questionnaire(s) you submit (see 19 CFR § 207.7).

GENERAL INFORMATION--Continued

<u>Confidentiality</u>.--The commercial and financial data furnished in response to the enclosed questionnaire(s) that reveal the individual operations of your firm will be treated as confidential by the Commission to the extent that such data are not otherwise available to the public and will not be disclosed except as may be required by law (see 19 U.S.C. § 1677f). Such confidential information will not be published in a manner that will reveal the individual operations of your firm; however, nonnumerical characterizations of numerical business proprietary information (such as discussion of trends) will be treated as confidential business information only at the request of the submitter for good cause shown.

<u>Verification</u>.--The information submitted in the enclosed questionnaire(s) is subject to audit and verification by the Commission. To facilitate possible verification of data, please keep all your workpapers and supporting documents used in the preparation of the questionnaire response(s).

Release of information.--The information provided by your firm in response to the questionnaire(s), as well as any other business proprietary information submitted by your firm to the Commission in connection with the reviews, may become subject to, and released under, the administrative protective order provisions of the Tariff Act of 1930 (19 U.S.C. § 1677f) and section 207.7 of the Commission's Rules of Practice and Procedure (19 CFR § 207.7). This means that certain lawyers and other authorized individuals may temporarily be given access to the information for use in connection with these reviews or other import-injury investigations or reviews conducted by the Commission on the same or similar merchandise; those individuals would be subject to severe penalties if the information were divulged to unauthorized individuals.

INSTRUCTIONS

Answer all questions.—Do not leave any question or section blank unless a questionnaire expressly directs you to skip over certain questions or sections. If the answer to any question is "none," write "none." If information is not readily available from your records in exactly the form requested, furnish carefully prepared estimates—designated as such by the letter "E"—and explain the basis of your estimates. Answers to questions and any necessary comments or explanations should be supplied in the space provided or on separate sheets attached to the appropriate page of the questionnaire(s). If your firm is completing more than one questionnaire in connection with these reviews (i.e., a producer, importer, purchaser, and/or foreign producer questionnaire), you need not respond to duplicative questions in the questionnaires.

INSTRUCTIONS--Continued

<u>Consolidate all U.S. establishments</u>.--Report the requested data for your establishment(s) located in the United States. **Firms operating more than one establishment should combine the data for all establishments into a single report.**

DEFINITIONS

<u>Certain welded large diameter line pipe</u>.—Welded carbon and alloy line pipe, of circular cross section and with an outside diameter (OD) greater than 16 inches, but less than 64 inches, in diameter, whether or not stenciled. These products are normally produced according to API specifications, including Grades A25, A, B, and X grades ranging from X-42 to X-80, but can also be produced to other specifications. Under the Harmonized Tariff Schedule of the United States (HTS), the products are provided for in subheadings 7305.11.10, 7305.11.50, 7305.12.10, 7305.12.50, 7305.19.10, and 7305.19.50, as covered by statistical reporting numbers 7305.11.10.30, 7305.11.10.60, 7305.11.50.00, 7305.12.10.30, 7305.12.10.60, 7305.12.50.00, 7305.19.10.30, 7305.19.10.60, 7305.19.50.00.

Excluded from the scope of these reviews are American Water Works Association (AWWA) specification water and sewage pipe and the following size/grade combinations of line pipe:

- (1) Having an OD greater than or equal to 18 inches and less than or equal to 22 inches, with a wall thickness measuring 0.750 inch or greater, regardless of grade.
- (2) Having an OD greater than or equal to 24 inches and less than 30 inches, with wall thickness measuring greater than 0.875 inches in grades A, B, and X42, with wall thickness measuring greater than 0.750 inches in grades X52 through X56, and with wall thickness measuring greater than 0.688 inches in grades X60 or greater.
- (3) Having an OD greater than or equal to 30 inches and less than 36 inches, with wall thickness measuring greater than 1.250 inches in grades A, B, and X42, with wall thickness measuring greater than 1.000 inches in grades X52 through X56, and with wall thickness measuring greater than 0.875 inches in grades X60 or greater.
- (4) Having an OD greater than or equal to 36 inches and less than 42 inches, with wall thickness measuring greater than 1.375 inches in grades A, B, and X42, with wall thickness measuring greater than 1.250 inches in grades X52 through X56, and with wall thickness measuring greater than 1.125 inches in grades X60 or greater.

DEFINITIONS--Continued

- (5) Having an OD greater than or equal to 42 inches and less than 64 inches, with a wall thickness measuring greater than 1.500 inches in grades A, B, and X42, with wall thickness measuring greater than 1.375 inches in grades X52 through X56, and with wall thickness measuring greater than 1.250 inches in grades X60 or greater.
- (6) Having an OD equal to 48 inches, with a wall thickness measuring 1.0 inch or greater, in grades X-80 or greater.
- (7) Having an OD of 48 inches to and including 52 inches, and with a wall thickness of 0.90 inch or more in grade X-80.
- (8) Having an OD of 48 inches to and including 52 inches, and with a wall thickness of 0.54 inch or more in grade X100.
- (9) API grade X-80 having an OD of 21 inches and wall thickness of 0.625 inches.

Electric Resistance Welded Line Pipe (ERW).--ERW pipe is formed from hot-rolled coils through the application of pressure and without the use of filler metal.

<u>Submerged Arc Welded Line Pipe (SAW)</u>.--SAW pipe is formed from steel plate through the use of filler metal and without the application of pressure and includes longitudinal SAW pipe; double seam SAW pipe; and spiral weld (helical) SAW pipe.

<u>Longitudinal SAW Pipe (single seam)</u>.—Pipe that has one longitudinal seam produced by the automatic SAW process. At least one pass shall be on the inside and at least one pass shall be on the outside.

<u>Double Seam SAW Pipe.</u>—Pipe that has two long longitudinal seams produced by the automatic SAW process.

<u>Spiral Welded Line Pipe (Spiral SAW)</u>.—Spiral pipe is formed from steel plate by coiling a plate into a helix and riveting the overlapping edges together. Spiral pipe made by the electric-fusion-welded process may have a butt joint, a lap joint, or a lock-seam joint.¹

¹ Except as specifically requested, spiral welded line pipe is <u>included</u> in the requested reporting of SAW line pipe.

DEFINITIONS--Continued

<u>Firm</u>.--An individual proprietorship, partnership, joint venture, association, corporation (including any subsidiary corporation), business trust, cooperative, trustee in bankruptcy, or receiver under decree of any court.

Related firm.--A firm that your firm solely or jointly owned, managed, or otherwise controlled; a firm that solely or jointly owned, managed, or otherwise controlled your firm; and/or a firm that was solely or jointly owned, managed, or otherwise controlled by a firm that also solely or jointly owned, managed, or otherwise controlled your firm.

Establishment.--Each facility of a firm in the United States involved in the production, importation, and/or purchase of certain welded large diameter line pipe (as defined above), including auxiliary facilities operated in conjunction with (whether or not physically separate from) such facilities.

<u>United States</u>.--For purposes of these reviews, the 50 States, Puerto Rico, the U.S. Virgin Islands, and the District of Columbia.

<u>U.S. geographic market area</u>.—For purposes of these investigations, the following U.S. geographic market areas are defined below:

<u>Northeast</u>.—Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

Midwest.—Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

<u>Southeast</u>.—Alabama, Delaware, District of Columbia, Florida, Georgia, Kentucky, Maryland, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia.

<u>Central Southwest</u>.—Arkansas, Louisiana, Oklahoma, and Texas.

Mountains.—Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming.

Pacific Coast.-California, Oregon, and Washington.

DEFINITIONS--Continued

<u>Contiguous U.S.</u>—Refers to the largest part of the United States that is delimited by a continuous border. Specifically, this includes 48 States (excluding Alaska and Hawaii) and the District of Columbia.

<u>Other</u>.—Examples of other U.S. geographic market areas not previously listed include Alaska, Hawaii, Puerto Rico, and the U.S. Virgin Islands.

<u>Importer</u>.--Any person or firm engaged, either directly or through a parent company or subsidiary, in importing certain welded large diameter line pipe (as defined above) into the United States from a foreign manufacturer or through its selling agent.

<u>Imports</u>.--Those products identified for Customs purposes as <u>imports for consumption</u> for which your firm was the importer of record (i.e., was responsible for paying any import duty) or consignee (i.e., to which the merchandise was first delivered).

Import quantities.--Quantities reported should be net of returns.

<u>Import values</u>.--Values reported should be landed, duty-paid but not including antidumping and/or countervailing duties, at the U.S. port of entry, including ocean freight and insurance costs, brokerage charges, and normal import duties (i.e., including all charges except inland freight in the United States and antidumping and/or countervailing duties).

<u>Purchaser</u>.--Any person or firm engaged, either directly or through a parent company or subsidiary, in purchasing certain welded large diameter line pipe (as defined above) from another firm that produces, imports, or otherwise distributes certain welded large diameter line pipe. A retail firm that is the importer of record may be considered a purchaser.

<u>Purchases</u>.--Purchases from all sources, NOT including direct imports from foreign producers (which should be reported in an importer questionnaire).

Purchase quantities.--Quantities reported should be net of returns.

<u>Purchase values</u>.--Values reported should be net values (i.e., gross purchase values less all discounts, allowances, rebates, and the value of returned goods), delivered to your U.S. receiving point.

DEFINITIONS--Continued

<u>Shipments</u>.--Shipments of products produced in or imported by your U.S. establishment(s). Include shipments to the contracting firm of product produced by your firm under a toll agreement.

Shipment quantities.--Quantities reported should be net of returns.

<u>Shipment values</u>.--Values reported should be net values (i.e., gross sales values less all discounts, allowances, rebates, prepaid freight, and the value of returned goods), f.o.b. your U.S. point of shipment. The value of domestic shipments to the contracting firm under a toll agreement is the conversion fee (including profit).

Types of shipments:

<u>U.S. shipments</u>.--Commercial shipments, internal consumption, and transfers to related firms within the United States.

<u>Commercial shipments</u>.--Shipments, other than internal consumption and transfers to related firms, within the United States.

Internal consumption.--Product consumed internally by your firm.

Transfers to related firms.--Shipments made to related domestic firms.

Export shipments.--Shipments to destinations outside the United States, including shipments to related firms.

Inventories.--Finished goods inventory, not raw materials or work-in-progress.

The following definitions apply only to the PRODUCER QUESTIONNAIRE.

Average production capacity.--The level of production that your establishment(s) could reasonably have expected to attain during the specified periods. Assume normal operating conditions (i.e., using equipment and machinery in place and ready to operate; normal operating levels (hours per week/weeks per year) and time for downtime, maintenance, repair, and cleanup; and a typical or representative product mix).

DEFINITIONS--Continued

<u>Toll agreement</u>.--Agreement between two firms whereby the first firm furnishes the raw materials and the second firm uses the raw materials to produce a product that it then returns to the first firm with a charge for processing costs, overhead, etc.

<u>Production</u>.--All production in your U.S. establishment(s), including production consumed internally within your firm and production for another firm under a toll agreement.

<u>PRWs</u>.--Production and related workers, including working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspecting, receiving, storage, handling, packing, warehousing, shipping, trucking, hauling, maintenance, repair, janitorial and guard services, product development, auxiliary production for the plant's own use (e.g., power plant), recordkeeping, and other services closely associated with the above production operations.

<u>Average number employed</u>.--Add the number of employees, both full-time and part-time, for the 12 pay periods ending closest to the 15th of the month and divide that total by 12. For the January-June periods, calculate similarly and divide by 6.

<u>Hours worked</u>.--Include time paid for sick leave, holidays, and vacation time. Include overtime hours actually worked; do not convert overtime pay to its equivalent in straight-time hours.

<u>Wages paid</u>.--Total wages paid before deductions of any kind (e.g., withholding taxes, old-age and unemployment insurance, group insurance, union dues, bonds, etc.). Include wages paid directly by your firm for overtime, holidays, vacations, and sick leave.

Fiscal year.--The 12-month period between settlement of your firm's financial accounts.

<u>Continued Dumping and Subsidy Offset Act (Byrd Amendment) funds received.</u>--Funds disbursed by the Bureau of Customs and Border Protection under the Continued Dumping and Subsidy Offset Act of 2000 (the "Byrd Amendment"). The Byrd Amendment provides for the annual distribution of the duties collected pursuant to antidumping and countervailing duty orders. The distribution is available to "affected domestic producers for qualifying expenditures."

<u>Purchases other than direct imports</u>.--Purchases from U.S. producers, U.S. importers, and other U.S. sources.