

DEPARTMENT OF COMMERCE

International Trade Administration

[A-428-824]

Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Wire Rod from Germany

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

EFFECTIVE DATE: July 29, 1998.

FOR FURTHER INFORMATION CONTACT: Brian Smith or Everett Kelly, Office of AD/CVD Enforcement, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1766 or (202) 482-4194.

The Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended ("the Act"), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act ("URAA"). In addition, unless otherwise indicated, all citations to the Department of Commerce's ("Department") regulations are to the regulations at 19 CFR Part 351 (62 FR 27296, May 19, 1997).

Final Determination

We determine that stainless steel wire rod ("SSWR") from Germany is being sold in the United States at less than fair value ("LTFV"), as provided in section 735 of the Act. The estimated margins of sales at LTFV are shown in the "Continuation of Suspension of Liquidation" section of this notice.

Case History

On February 25, 1998, we issued our preliminary determination in this investigation (63 FR 10847, March 5, 1998) ("Notice of Preliminary Determination").

On March 10, 1998, at the request of Krupp Edelstahlprofile GmbH and Krupp Hoesch Steel Products Inc. (collectively "Krupp"), producers/exporters of the subject merchandise, the Department postponed the final determination to 135 days after the publication of the Department's preliminary determination (see *Notice of Postponement of Final Antidumping Determination* (63 FR 13082, March 17, 1998)).

We received no case briefs or other written comments from interested parties in this investigation.

Scope of Investigation

For purposes of this investigation, SSWR comprises products that are hot-rolled or hot-rolled annealed and/or pickled and/or descaled rounds, squares, octagons, hexagons or other shapes, in coils, that may also be coated with a lubricant containing copper, lime or oxalate. SSWR is made of alloy steels containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements. These products are manufactured only by hot-rolling or hot-rolling, annealing, and/or pickling and/or descaling, are normally sold in coiled form, and are of solid cross-section. The majority of SSWR sold in the United States is round in cross-sectional shape, annealed and pickled, and later cold-finished into stainless steel wire or small-diameter bar.

The most common size for such products is 5.5 millimeters or 0.217 inches in diameter, which represents the smallest size that normally is produced on a rolling mill and is the size that most wire-drawing machines are set up to draw. The range of SSWR sizes normally sold in the United States is between 0.20 inches and 1.312 inches in diameter. Two stainless steel grades, SF20T and K-M35FL, are excluded from the scope of the investigation. The chemical makeup for the excluded grades is as follows:

SF20T

Carbon	0.05 max.
Manganese	2.00 max.
Phosphorous	0.05 max.
Sulfur	0.15 max.
Silicon	1.00 max.
Chromium	19.00/21.00.
Molybdenum	1.50/2.50.
Lead added	(0.10/0.30).
Tellurium added	(0.03 min).

K-M35FL

Carbon	0.015 max.
Silicon	0.70/1.00.
Manganese	0.40 max.
Phosphorous	0.04 max.
Sulfur	0.03 max.
Nickel	0.30 max.
Chromium	12.50/14.00.
Lead	0.10/0.30.
Aluminum	0.20/0.35.

The products under investigation are currently classifiable under subheadings 7221.00.0005, 7221.00.0015, 7221.00.0030, 7221.00.0045, and 7221.00.0075 of the Harmonized Tariff

Schedule of the United States ("HTSUS"). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

Period of Investigation

The period of investigation ("POI") is July 1, 1996 through June 30, 1997.

Facts Available

In its preliminary determination, the Department found that both Krupp and BGH Edelstahl Freital GmbH ("BGH Edelstahl") failed to cooperate to the best of their ability in this investigation, as they refused to respond to the Department's antidumping questionnaire (see *Notice of Preliminary Determination*). Accordingly, the Department based the antidumping margin for these companies on facts otherwise available and assigned them the highest margin from the petition (as adjusted by the Department), 21.28 percent. In making its preliminary determination, the Department corroborated the information contained in the petition within the meaning of section 776(c) of the Act, to the extent possible, and found the information to have probative value. Since the preliminary determination, no party (including Krupp and BGH Edelstahl) has presented to the Department any information to challenge the appropriateness of using the information contained in the petition as facts available in determining the dumping margin for Krupp and BGH Edelstahl. Accordingly, for the final determination, we continue to assign Krupp and BGH Edelstahl the highest margin from the petition (as adjusted by the Department), 21.28 percent.

The All-Others Rate

As discussed in the *Notice of Preliminary Determination*, we based the all-others rate on a simple average of the margins in the petition (as adjusted by the Department), 19.45 percent. Section 735(c)(5) of the Act provides that where the dumping margins established for all exporters and producers individually investigated are determined entirely under section 776, the Department "... may use any reasonable method to establish the estimated all-others rate for exporters and producers not individually investigated, including averaging the estimated weighted average dumping margins determined for the exporters and producers individually investigated." This provision contemplates that we weight average the facts-available margins to establish the

all-others rate. Where the data is not available to weight average the facts available rates, the Statement of Administrative Action accompanying the URAA, H.R. Rep. No. 103-316, ("SAA"), at 873, provides that we may use other reasonable methods. Inasmuch as we do not have the data necessary to weight average the respondents' facts available margins, we are continuing to base the all-others rate on a simple average of the margins in the petition (as adjusted by the Department), 19.45 percent.

Continuation of Suspension of Liquidation

In accordance with section 735(c)(4)(A) of the Act, we are directing the Customs Service to continue to suspend liquidation of all entries of stainless steel wire rod from Germany, as defined in the "Scope of Investigation" section of this notice, that are entered, or withdrawn from warehouse, for consumption on or after March 5, 1998, the date of publication of our preliminary determination in the **Federal Register**. For these entries, the Customs Service will require a cash deposit or posting of a bond equal to the estimated amount by which the normal value exceeds the export price as shown below. This suspension of liquidation will remain in effect until further notice.

MFR/Producer/Exporter	Margin percentage
Krupp Edelstahlprofile GmbH, Krupp Hoesch Steel Products	21.28
BGH Edelstahl Freital GmbH	21.28
All-Others	19.45

The all-others rate applies to all entries of subject merchandise except for the entries of merchandise produced by the exporters/manufacturers listed above.

ITC Notification

In accordance with section 735(d) of the Act, we have notified the International Trade Commission ("ITC") of our determination. As our final determination is affirmative, the ITC will determine whether these imports are causing material injury, or threat of material injury, to the industry within 45 days of its receipt of this notification.

If the ITC determines that material injury, or threat of material injury, does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing Customs officials to assess antidumping

duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

This determination is published pursuant to section 777(i) of the Act.

Dated: July 20, 1998.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

[FR Doc. 98-20019 Filed 7-28-98; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

(A-588-843)

Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Wire Rod from Japan

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

EFFECTIVE DATE: July 29, 1998.

FOR FURTHER INFORMATION CONTACT: Sunkyu Kim or John Maloney, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, D.C. 20230; telephone: (202) 482-2613 or (202) 482-1503, respectively.

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department of Commerce's (the Department's) regulations are to the regulations codified at 19 CFR part 351, 62 FR 27296 (May 19, 1997).

Final Determination

We determine that stainless steel wire rod (SSWR) from Japan is being sold in the United States at less than fair value (LTFV), as provided in section 735 of the Act. The estimated margins of sales at LTFV are shown in the "Continuation of Suspension of Liquidation" section of this notice, below.

Case History

Since the preliminary determination in this investigation on February 25, 1998 (see *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Stainless Steel Wire Rod*

from Japan, 63 FR 10854 (March 5, 1998) (Preliminary Determination)), the following events have occurred:

In February 1998, we issued supplemental requests for information to the three participating respondents in this case: Daido Steel Co., Ltd. (Daido); Nippon Steel Corp. (Nippon); and Hitachi Metals, Ltd. (Hitachi) (collectively, the respondents). We received responses in February and March 1998.

In March 1998, we received revised cost data from Nippon reflecting cost breakouts for ultra-fine (UF) rod, and we received revised sales and cost information from Daido. In addition, on March 18, 1998, we issued an amended preliminary determination in this investigation (see *Notice of Amended Preliminary Determination of Sales at Less Than Fair Value: Stainless Steel Wire Rod from Japan*, 63 FR 14066 (March 24, 1998)).

In March and April 1998, we verified the questionnaire responses of the respondents. In May and June 1998, the respondents submitted revised sales databases, reflecting verification revisions, at the Department's request.

On June 1, 1998, the petitioners (*i.e.*, AL Tech Specialty Steel Corp., Carpenter Technology Corp., Republic Engineered Steels, Talley Metals Technology, Inc., and the United Steel Workers of America, AFL-CIO/CLC), and Nippon and Hitachi submitted case briefs. On June 8, 1998, the petitioners and the respondents submitted rebuttal briefs. The Department held a public hearing on June 10, 1998.

Scope of Investigation

For purposes of this investigation, SSWR comprises products that are hot-rolled or hot-rolled annealed and/or pickled and/or descaled rounds, squares, octagons, hexagons or other shapes, in coils, that may also be coated with a lubricant containing copper, lime or oxalate. SSWR is made of alloy steels containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements. These products are manufactured only by hot-rolling or hot-rolling, annealing, and/or pickling and/or descaling, are normally sold in coiled form, and are of solid cross-section. The majority of SSWR sold in the United States is round in cross-sectional shape, annealed and pickled, and later cold-finished into stainless steel wire or small-diameter bar.

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