



DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

[A-489-501]

Circular Welded Carbon Steel Pipes and Tubes from Turkey; Final Results of Antidumping Duty Administrative Review; 2010 to 2011

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

SUMMARY: On June 1, 2012, the Department of Commerce (“the Department”) published the preliminary results of the administrative review of the antidumping duty order on circular welded carbon steel pipes and tubes from Turkey.<sup>1</sup> This review covers four producers and exporters of subject merchandise: Borusan, Erbosan, Toscelik, and Yucel.<sup>2</sup> The period of review (“POR”) is May 1, 2010, through April 30, 2011. Based on our analysis of the comments received, we have made certain changes in the margin calculations. The final results, consequently, differ from the Preliminary Results. The final weighted-average dumping margins for the reviewed firms are listed below in the section entitled “Final Results of Review.”

EFFECTIVE DATE: [Insert date of publication in the Federal Register].

FOR FURTHER INFORMATION CONTACT: Victoria Cho or Christopher Hargett, at (202) 482-5075 or (202) 482-4161, respectively; AD/CVD Operations, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

<sup>1</sup> See Circular Welded Carbon Steel Pipes and Tubes From Turkey: Notice of Preliminary Results of Antidumping Duty Administrative Review, 77 FR 32508 (June 1, 2012) (“Preliminary Results”).

<sup>2</sup> The Department initiated a review on the Borusan Group, which includes Borusan Mannesmann Boru Sanayi ve Ticaret A.S., Borusan Birlesik Boru Fabrikalari San ve Tic., Borusan Istikbal Ticaret T.A.S., Borusan Gemlik Boru Tesisleri A.S., Borusan Ihracat Ithalat ve Dagitim A.S., Borusan Ithicat ve Dagitim A.S., and Tubeco Pipe and Steel Corporation (collectively, “Borusan”); ERBOSAN Erciyas Boru Sanayi ve Ticaret A.S. (“Erbosan”); Toscelik Profil ve Sac Endustrisi A.S., Toscelik Metal Ticaret A.S., Tosyali Dis Ticaret A.S. (collectively, “Toscelik”); the Yucel Group and all affiliates, Yucel Boru ve Profil Endustrisi A.S., Yucelboru Ihracat Ithalat ve Pazarlama A.S., and Cayirova Boru Sanayi ve Ticaret A.S. (collectively, “Yucel.”).

## SUPPLEMENTARY INFORMATION:

### Background

On June 1, 2012, the Department published the Preliminary Results. In the Preliminary Results, the Department did not address the targeted dumping allegation submitted by the petitioner on May 9, 2012 and May 14, 2012.<sup>3</sup> We invited interested parties to comment on the Preliminary Results.<sup>4</sup>

On October 23, 2012, the Department issued a post-preliminary analysis.<sup>5</sup> At that time, we invited parties to comment on the Department's analysis in addressing the petitioners' targeted dumping allegation in this review.<sup>6</sup>

On October 27, 2012, we invited Borusan to submit certain cost data.<sup>7</sup> Borusan submitted that data on October 29, 2012.<sup>8</sup>

On November 5, 2012, U.S. Steel and Borusan submitted comments on the Department's analysis of the petitioners' targeted dumping allegation in the Post-Preliminary Analysis.<sup>9</sup> On November 8, 2012, U.S. Steel and Toscelik submitted rebuttal comments to the Department's Post-Preliminary Analysis.<sup>10</sup>

### Period of Review

The POR covered by this review is May 1, 2010, through April 30, 2011.

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<sup>3</sup> See *id.*, 77 FR at 32510.

<sup>4</sup> See *id.*, 77 FR at 32512.

<sup>5</sup> See the Department's "Circular Welded Carbon Steel Pipes and Tubes from Turkey 2010-2011 Administrative Review: Post-Preliminary Analysis and Calculation Memorandum," dated October 23, 2012 ("Post-Preliminary Analysis").

<sup>6</sup> See Post-Preliminary Analysis at 5; see also the Department's October 31, 2012, memorandum to the File setting the case and rebuttal brief due dates.

<sup>7</sup> See the Department's October 27, 2012, section D supplemental questionnaire to Borusan.

<sup>8</sup> See Letter from Borusan to the Department, dated October 28, 2012, entitled "Response of Borusan Mannesmann Boru Sanayi ve Ticaret A.S. to the Supplemental Questionnaire Regarding Targeted Dumping in the 2010-2011 Antidumping Administrative Review Involving Certain Welded Carbon Steel Standard Pipe from Turkey."

<sup>9</sup> See U.S. Steel's November 5, 2012, comments to the Department's Post-Preliminary Analysis; Borusan's November 5, 2012, comments to the Department's Post-Preliminary Analysis.

<sup>10</sup> See Toscelik's November 8, 2012, rebuttal comments to the Department's Post-Preliminary Analysis; U.S. Steel November 8, 2012, rebuttal comments to the Department's Post-Preliminary Analysis.

## Scope of the Order

The products covered by the order include circular welded non-alloy steel pipes and tubes, of circular cross-section, not more than 406.4 millimeters (16 inches) in outside diameter, regardless of wall thickness, surface finish (black, galvanized, or painted), or end finish (plain end, beveled end, threaded and coupled). Those pipes and tubes are generally known as standard pipe, though they may also be called structural or mechanical tubing in certain applications. All carbon steel pipes and tubes within the physical description outlined above are included in the scope of this order, except for line pipe, oil country tubular goods, boiler tubing, cold-drawn or cold-rolled mechanical tubing, pipe and tube hollows for redraws, finished scaffolding, and finished rigid conduit.

Imports of these products are currently classifiable under the following Harmonized Tariff Schedule of the United States (“HTSUS”) subheadings: 7306.30.10.00, 7306.30.50.25, 7306.30.50.32, 7306.30.50.40, 7306.30.50.55, 7306.30.50.85, and 7306.30.50.90. Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of this proceeding is dispositive.<sup>11</sup>

## Determination of No Reviewable Entries

On September 30, 2011, the Department determined that Erbosan had no reviewable entries during the POR.<sup>12</sup> On October 17, 2011, the Department determined that Yucel had no entries subject to review during the POR.<sup>13</sup> As a result, in the Preliminary Results, the

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<sup>11</sup> For the complete scope of this review, see Certain Welded Carbon Steel Pipe and Tube From Turkey: Notice of Final Results of Antidumping Duty Administrative Review, 76 FR 76939 (December 9, 2011).

<sup>12</sup> See Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Acting Assistant Secretary for Import Administration, entitled “Welded Carbon Steel Pipe and Tube from Turkey (Period of Review: May 1, 2010, through April 30, 2011): Whether Entries Are Reviewable for ERBOSAN Erciyas Boru Sanayi ve Ticaret A.S.,” dated September 30, 2011.

<sup>13</sup> See Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Acting Assistant Secretary for Import Administration, entitled “Welded Carbon Steel Pipe and Tube from Turkey (Period of Review: May 1, 2010, through April 30, 2011): Whether the Yucel Group's Entry Is Properly Classified and Subject to Review,” dated October 17, 2011.

Department preliminarily determined that Erbosan and Yucel had no reviewable entries during the POR.<sup>14</sup> No interested party has since submitted additional record evidence or commented on this issue. Therefore, based on the record evidence, we continue to find that these respondents had no reviewable entries during the POR.

Moreover, consistent with our practice, we intend to issue liquidation instructions to U.S. Customs and Border Protection (“CBP”) concerning entries for Erbosan and Yucel following the final results of the review.<sup>15</sup> We will instruct CBP to liquidate any existing unliquidated entries of merchandise produced and/or exported by Erbosan and Yucel at the all-others rate.<sup>16</sup>

#### Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this proceeding and to which we have responded are listed in Appendix I to this notice and addressed in the Issues and Decision Memorandum, dated concurrently with, and hereby adopted by, this notice.<sup>17</sup> The Issues and Decision Memorandum is a public document and is on file in the Central Records Unit (“CRU”), Room 7046 of the main Department of Commerce Building, as well as electronically via Import Administration’s Antidumping and Countervailing Duty Centralized Electronic Service System (“IA ACCESS”). IA ACCESS is available to registered users at <http://iaaccess.trade.gov> and is available to all parties in the CRU. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the internet at <http://www.trade.gov/ia/frn/index.html>.

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<sup>14</sup> See Preliminary Results, 77 FR at 32509.

<sup>15</sup> See Stainless Steel Butt-Weld Pipe Fittings From Italy: Preliminary Results of Antidumping Duty Administrative Review and Preliminary No Shipment Determination, 76 FR 79651, 79651-52 (December 22, 2011), unchanged in Stainless Steel Butt-Weld Pipe Fittings From Italy: Final Results of Antidumping Duty Administrative Review and Final No Shipment Determination, 77 FR 24459, 24460 (April 24, 2012); see also Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties, 68 FR 23954 (May 6, 2003).

<sup>16</sup> See, e.g., Magnesium Metal From the Russian Federation: Preliminary Results of Antidumping Duty Administrative Review, 75 FR 26922 (May 13, 2010), unchanged in Magnesium Metal From the Russian Federation: Final Results of Antidumping Duty Administrative Review, 75 FR 56989 (September 17, 2010).

<sup>17</sup> See Issues and Decision Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Acting Assistant Secretary for Import Administration, entitled “Final Results of the Antidumping Duty Administrative Review: Circular Welded Carbon Steel Pipes and Tubes from Turkey -- May 1, 2010, through April 30, 2011,” dated concurrently with this notice.

The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

Changes from the Preliminary Results and Post-Preliminary Results

Based on our analysis of the comments received from interested parties, we have made the following changes in calculating Borusan’s and Toscelik’s dumping margins for the final results: (1) we have corrected the home market window period to account for all of Borusan’s POR sales; (2) we are not including Borusan’s revenue from the sale of land and profit from the previous year and, instead, will exclude such revenue from the calculation of the general and administrative (“G&A”) expense ratio; (3) we are including unpaid exempted import duties in the calculation of Borusan’s cost of production; and (4) we re-calculated Toscelik’s U.S. credit expense by using Toscelik’s own rates from short-term loans in the United States. See Issues and Decision Memorandum at Comments 1 through 4 for Borusan and Comment 5 for Toscelik. For further details on how the changes were applied in the margin calculation, see Memorandum to the File, from Victoria Cho and Christopher Hargett, International Trade Analysts, through Robert James, Program Manager, entitled “Final Results in the 2010/2011 Administrative Review on Circular Welded Carbon Steel Pipes and Tubes from Turkey,” dated November 30, 2012; see also Memorandum from James J. Balog, through Michael P. Martin, to Neal M. Halper, entitled “Cost of Production and Constructed Value Calculation Adjustments for the Final Results- Borusan Mannesmann Boru Sanayive Ticaret A.S.,” dated November 28, 2012.

Final Results of Review

As a result of this review, we determine that the following weighted-average dumping margins exist for the period May 1, 2010, through April 30, 2011:

<b>Manufacturer/Exporter</b>	<b>Weighted-Average Dumping Margin (percent)</b>
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Borusan	6.05
Toscelik	0.00

Disclosure

We will disclose calculation memorandums used in our analysis to parties to these proceedings within five days of the date of publication of this notice.<sup>18</sup>

Assessment

Pursuant to section 751(a)(2)(A) of the Tariff Act of 1930, as amended (“the Act”), and 19 CFR 351.212(b), the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review. The Department intends to issue assessment instructions to CBP 15 days after the date of publication of these final results of review.

For assessment purposes, the Department applied the assessment rate calculation method adopted in Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification, 77 FR 8101 (February 14, 2012).

We calculated such rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. If an importer-specific assessment rate is zero or de minimis (i.e., less than 0.50 percent) or exporter has a weighted-average dumping margin that is zero or de minimis, the Department will instruct CBP to assess that importer’s entries of subject merchandise without regard to antidumping duties, in accordance with 19 CFR 351.106(c)(2).

The Department clarified its “automatic assessment” regulation on May 6, 2003.<sup>19</sup> This

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<sup>18</sup> See 19 CFR 351.224(b).

<sup>19</sup> See Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties, 68 FR 23954 (May 6, 2003).

clarification will apply to entries of subject merchandise during the POR produced by companies included in these final results of review for which the reviewed companies did not know their merchandise was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the country-specific all-others rate established in the less-than-fair-value (“LTFV”) investigation if there is no rate for the intermediate company(ies) involved in the transaction.

### Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of this notice of final results of the administrative review for all shipments of subject merchandise entered or withdrawn from warehouse, for consumption, on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) for the companies subject to this review, the cash deposit rate will be the respective rates established in the final results of this review, as listed above; (2) for previously reviewed or investigated companies not listed above that have their own rates, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which that manufacturer or exporter participated; (3) if the exporter is not a firm covered in this review, a prior review, or the LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the manufacturer of the subject merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous completed segment conducted under this proceeding by the Department, the cash deposit rate will be 14.74 percent, the all-others rate, established in the LTFV investigation.<sup>20</sup> These cash deposit requirements, when imposed, shall remain in effect until further notice.

### Notification to Importers

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<sup>20</sup> See Antidumping Duty Order: Welded Carbon Steel Standard Pipe and Tube Products From Turkey, 51 FR 17784, 17784 (May 15, 1986).

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping and/or countervailing duties occurred and the subsequent increase in antidumping duties by the amount of antidumping and/or countervailing duties reimbursed.

Notification to Interested Parties

This notice serves as the only reminder to parties subject to administrative protective order ("APO") of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing these results of review in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

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Ronald K. Lorentzen  
Acting Assistant Secretary  
for Import Administration

November 30, 2012  
(Date)

## Appendix I -- Issues in Issues and Decision Memorandum

### General Issues

Comment 1: Whether to Apply Targeted Dumping to Borusan and Toscelik

### Company Specific Issues

#### Borusan

Comment 2: Home Market Window Period

Comment 3: G&A Expenses Calculation

Comment 4: Unpaid Exempted Duties as a Part of the Cost of Production

#### Toscelik

Comment 5: U. S. Credit Expense

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