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DEPARTMENT OF COMMERCE

International Trade Administration

A-580-809

Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2012-2013

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: On December 5, 2014, the Department of Commerce (the Department) published the *Preliminary Results* of its administrative review of the antidumping duty order on circular welded non-alloy steel pipe (CWP) from the Republic of Korea (Korea) for the period November 1, 2012, through October 31, 2013.¹ The review covers two producers/exporters of the subject merchandise, Husteel Co., Ltd. (Husteel) and Hyundai HYSCO (HYSCO), both of which were selected for individual examination. As a result of our analysis of the comments received, these final results differ from our *Preliminary Results*. For these final results, we continue to find that Husteel and HYSCO sold subject merchandise at prices less than normal value.

DATES: Effective date: (Insert date of publication in the *Federal Register*.)

FOR FURTHER INFORMATION CONTACT: Joseph Shuler or Jennifer Meek, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington DC 20230; telephone (202) 482-1293 or (202) 482-2778, respectively.

¹ See *Circular Welded Non-Alloy Steel Pipe From the Republic of Korea: Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review; 2012-2013*, 79 FR 72168 (December 5, 2014) (*Preliminary Results*) and accompanying Preliminary Decision Memorandum.

Background

Following the *Preliminary Results*, the Department sent a supplemental questionnaire to HYSCO and received timely responses from HYSCO and its affiliate, Hyundai Steel.²

On March 10, 2015, the Department issued a memorandum extending the time period for issuing the final results of this administrative review from April 4, 2015 to May 4, 2015, as permitted by section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.213(h)(2).³ We again, on April 15, 2015, extended the final results from May 4, 2015 to June 3, 2015.⁴

On January 26, 2015, we received case briefs from Wheatland Tube Company (Wheatland, or the petitioner), Husteel, and HYSCO.⁵ On February 2, 2015, we received rebuttal briefs from Wheatland and HYSCO.⁶

² See Letter to HYSCO, “Antidumping Duty Administrative Review of Circular Welding Non-Alloy Steel Pipe from the Republic of Korea: Supplemental Questionnaire,” (December 16, 2014); see also Letter to the Department, “Twenty-First Administrative Review of Certain Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Supplemental Section D Questionnaire Response,” (January 7, 2015) and see Letter to the Department regarding, “Twenty-First Administrative Review of Certain Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Response of Hyundai Steel to Question 1 of the Supplemental Section D Questionnaire to HYSCO,” (January 7, 2015).

³ See Memorandum from Joseph Shuler, to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations entitled “Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Extension of Time Limit for Final Results of Antidumping Duty Administrative Review,” (March 10, 2015).

⁴ See Memorandum from Joseph Shuler, to Gary Taverman, Associate Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations entitled “Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Extension of Time Limit for Final Results of Antidumping Duty Administrative Review,” (April 15, 2015).

⁵ See Case Brief of Wheatland Tube Company (Petitioner), “Circular Welded Non-Alloy Steel Pipe From the Republic of Korea: Case Brief,” (January 26, 2015); see also Case Brief of Husteel, “Certain Circular Welded Non-Alloy Steel Pipe from the Republic of Korea, Case No. A-580-809: Case Brief,” (January 26, 2015), and see, also, Case Brief of HYSCO, “Twenty-First Administrative Review of Certain Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Case Brief and Request for Closed Hearing,” (January 26, 2015).

⁶ See Rebuttal Brief of Wheatland Tube Company, “Circular Welded Non-Alloy Steel Pipe From the Republic of Korea: Rebuttal Brief of Wheatland Tube Company,” (February 2, 2015), and see Rebuttal Brief from Hundai HYSCO, “Twenty-First Administrative Review of Certain Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Rebuttal Brief,” (February 2, 2015).

Scope of the Order

The merchandise subject to the order is circular welded non-alloy steel pipe and tube. The product is currently classified 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 numbers are provided for convenience and customs purposes, the written product description remains dispositive.

A full description of the scope of the order is contained in the memorandum from Gary Taverman, Associate Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations to Ronald K. Lorentzen, Acting Assistant Secretary for Enforcement and Compliance, “Issues and Decision Memorandum for the Final Results of the Antidumping Duty Administrative Review: Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: 2012-2013,” dated concurrently with this notice (Issues and Decision Memorandum), and which is hereby adopted by this notice.

Analysis of Comments Received

All issues raised in the parties’ briefs are addressed in the Issues and Decision Memorandum. A list of the issues raised is attached to this notice as an Appendix. The Issues and Decision Memorandum is a public document and is on file electronically *via* Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>, and is available to all parties in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the internet at <http://trade.gov/enforcement>. 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

Based on our analysis of the comments received from interested parties, we have made certain adjustments to define the universe of Husteel’s U.S. sales.⁷ Also, based on our analysis of the comments received from interested parties, and the additional information we solicited from HYSCO, we have made certain changes to HYSCO’s costs, HYSCO’s General and Administrative expense calculation; and corrected certain errors related to grade code.⁸ For details regarding these changes, please refer to the Issues and Decision Memorandum.

Final Results of the Review

As a result of this review, we determine that the following weighted-average dumping margins exist for the period November 1, 2012, through October 31, 2013:

Producer/Exporter	Weighted-Average Dumping Margin (Percent)
Husteel Co., Ltd.....	1.05
Hyundai HYSCO.....	0.80

⁷ See Memorandum to The File from Jennifer Meek, International Trade Compliance Analyst, Enforcement and Compliance Office I, “Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Final Calculation Memorandum for Husteel Co., Ltd.” (June 3, 2015).

⁸ See Memorandum to The File from Joseph Shuler, International Trade Compliance Analyst, Enforcement and Compliance Office I, “Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Final Calculation Memorandum for Hyundai HYSCO” (June 3, 2015).

Disclosure

We will disclose the calculations used in our analysis to parties to these proceedings within five days of the date of publication of this notice pursuant to 19 CFR 351.224(b).

Assessment Rates

Pursuant to section 751(a)(2)(A) and (C) of the Act, and 19 CFR 351.212(b)(1), the Department has determined, and U.S. Customs and Border Protection (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, Husteel and HYSCO reported the name of the importer of record and the entered value for all of their sales to the United States during the period of review (POR). Accordingly, for each respondent, we calculated importer-specific *ad valorem* antidumping duty assessment rates on the basis of the ratio of the total amount of dumping calculated for the importer's examined sales and the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1). Where an importer-specific assessment rate is zero or *de minimis* (*i.e.*, less than 0.5 percent), we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties in accordance with 19 CFR 351.106(c)(2).

For entries of subject merchandise during the POR produced by Husteel and HYSCO for which they did not know were destined for the United States, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company or companies involved in the transaction. For a full discussion of this clarification, *see Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the notice of final results of administrative review for all shipments of subject merchandise entered or withdrawn from warehouse, for consumption, on or after the date of publication as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for Husteel and HYSCO will be equal to the respective weighted-average dumping margin established in the final results of this review; (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in a prior segment of the proceeding, 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 original 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 subject merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 4.80 percent, the “all others” rate established pursuant to a court decision.⁹ These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers Regarding the Reimbursement of Duties

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 duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Department’s presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

⁹ See *Circular Welded Non-Alloy Steel Pipe From Korea: Notice of Final Court Decision and Amended Final Determination*, 60 FR 55833 (November 3, 1995).

Notification Regarding Administrative Protective Order

This notice also serves as a 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), which continues to govern business proprietary information in this segment of the proceeding. 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.

Notification to Interested Parties

These final results of administrative review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Ronald K. Lorentzen
Acting Assistant Secretary
for Enforcement and Compliance

June 3, 2015__
(Date)

Appendix

List of Issues Discussed in the Issues and Decision Memorandum

- Comment 1: Differential Pricing Analysis Should Not Be Used Because the *Cohen's d* Test Does Not Measure Targeted or Masked Dumping.
- Comment 2: Differential Pricing Analysis Reasoning for Use of Average-to-Transaction Comparison Methodology is Arbitrary and Unlawful
- Comment 3: Differential Pricing Analysis is Not Permitted to be Used in Administrative Reviews
- Comment 4: Defining the Universe of Sales
- Comment 5: Narrative Description of Calculation Methodology Contained An Error
- Comment 6: The Department Changed Its Practice Regarding Treatment of HYSCO's Costs Without Giving Prior Notice
- Comment 7: The Department Should Use GNA_I In Its Margin Calculation and Should Adjust HYSCO's Reported Costs
- Comment 8: HYSCO's Reported Costs and Control Number (CONNUM) Characteristics Are Consistent with the Department's Reporting Requirements and Should Not Be Reallocated
- Comment 9: The Petitioner's Analysis of HYSCO's Cost Reporting Does Not Support Revision To Costs and a Complete Reallocation of HYSCO's Cost is Unwarranted
- Comment 10: Cost Adjustments Eliminate Cost Differences Associated with Product Characteristics and Reallocating Total Material Costs Rather Than Only Hot-Coil Costs Is An Error
- Comment 11: The Department Should Adjust for Certain of HYSCO's Affiliated Hot-Rolled Coil Purchases
- Comment 12: The Department Should Adjust HYSCO's G&A Ratio
- Comment 13: Grade Coding Adjustments Contained Clerical Errors
- Comment 14: Draft Assessment Instructions Contained Errors
- Comment 15: Application of Total Adverse Facts Available is Warranted Due to HYSCO's Repeated Failure to Provide Necessary Information for Affiliated Hot-Rolled Coil Purchases

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