



Billing Code: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-588-845, A-580-834, A-583-831, C-580-835]

Certain Stainless Steel Sheet and Strip in Coils from Japan, the Republic of Korea, and Taiwan;
Continuation of Antidumping Duty Orders and Countervailing Duty Order

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

SUMMARY: As a result of determinations by the Department of Commerce (the Department)
and the International Trade Commission (ITC) that revocation of the antidumping duty (AD)
orders on certain stainless steel sheet and strip (SSSS) in coils from Japan, the Republic of Korea
(Korea), and Taiwan, and the countervailing duty (CVD) order on SSSS in coils from Korea
would likely lead to continuation or recurrence of dumping and countervailable subsidies and
material injury to an industry in the United States, the Department is publishing notice of the
continuation of the AD orders and the CVD order.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Terre Keaton Stefanova, AD/CVD Operations,
Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of
Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-
1280.

SUPPLEMENTARY INFORMATION:

Background

On July 27, 1999, the Department published the AD orders on SSSS in coils from Japan, Korea, and Taiwan.¹ On August 6, 1999, the Department published the CVD order on SSSS in coils from Korea.² On July 1, 2016, the Department published the notice of initiation of its third sunset reviews of the *AD Orders* on SSSS in coils from Japan, Korea, and Taiwan, and its third sunset review of the *CVD Order* on SSSS in coils from Korea, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).³ On July 1, 2016, the ITC instituted its review of the *Orders*.⁴

As a result of these sunset reviews, the Department found that revocation of the AD orders on SSSS in coils from Japan, Korea, and Taiwan would likely lead to continuation or recurrence of dumping, and that revocation of the CVD order would likely lead to continuation or recurrence of countervailable subsidies.⁵ The Department, therefore, notified the ITC of the magnitude of the dumping margins and net countervailable subsidy rates likely to prevail should the AD orders and CVD order be revoked.

¹ See *Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order; Stainless Steel Sheet and Strip in Coils from Japan*, 64 FR 40565 (July 27, 1999); and *Notice of Antidumping Duty Order; Stainless Steel Sheet and Strip in Coils from United Kingdom, Taiwan and South Korea*, 64 FR 40555 (July 27, 1999) (collectively, *AD Orders*).

² See *Amended Final Determination: Stainless Steel Sheet and Strip in Coils from the Republic of Korea; and Notice of Countervailing Duty Orders: Stainless Steel Sheet and Strip in Coils from France, Italy, and the Republic of Korea*, 64 FR 42923 (August 6, 1999) (*CVD Order*).

³ See *Initiation of Five-Year ("Sunset") Review*, 81 FR 43185 (July 1, 2016).

⁴ See *Stainless Steel Sheet and Strip in Coils from Japan, Korea, and Taiwan; Institution of a Five-Year Reviews*, 81 FR 43238 (July 1, 2016).

⁵ See *Stainless Steel Sheet and Strip in Coils from Japan, the Republic of Korea, and Taiwan: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 81 FR 78114 (November 7, 2016); see also *Stainless Steel Sheet and Strip in Coils from the Republic of Korea: Final Results of Expedited Sunset Review of the Countervailing Duty Order*, 81 FR 78111 (November 7, 2016).

On September 26, 2017, pursuant to sections 751(c) and 752(a) of the Act, the ITC published its determination that revocation of the AD orders on SSSS in coils from Japan, Korea, and Taiwan and revocation of the CVD order on SSSS in coils from Korea would likely lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.⁶

Scope of the Orders

The merchandise covered by these *Orders* is stainless steel sheet and strip in coils. Stainless steel is an alloy steel containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements. The subject sheet and strip is a flat-rolled product in coils that is greater than 9.5 mm in width and less than 4.75 mm in thickness, and that is annealed or otherwise heat treated and pickled or otherwise descaled. The subject sheet and strip may also be further processed (*i.e.*, cold-rolled, polished, aluminized, coated, *etc.*), provided that it maintains the specific dimensions of sheet and strip following such processing.

The merchandise subject to these *Orders* is classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings: 7219.13.00.31, 7219.13.00.51, 7219.13.00.71, 7219.13.00.81, 7219.14.00.30, 7219.14.00.65, 7219.14.00.90, 7219.32.00.05, 7219.32.00.20, 7219.32.00.25, 7219.32.00.35, 7219.32.00.36, 7219.32.00.38, 7219.32.00.42, 7219.32.00.44, 7219.33.00.05, 7219.33.00.20, 7219.33.00.25, 7219.33.00.35, 7219.33.00.36, 7219.33.00.38, 7219.33.00.42, 7219.33.00.44, 7219.34.00.05, 7219.34.00.20, 7219.34.00.25, 7219.34.00.30, 7219.34.00.35, 7219.35.00.05, 7219.35.00.15, 7219.35.00.30, 7219.35.00.35, 7219.90.00.10,

⁶ See *Stainless Steel Sheet and Strip in Coils from Japan, the Republic of Korea, and Taiwan; Determinations*, 82 FR 44841 (September 26, 2017).

7219.90.00.20, 7219.90.00.25, 7219.90.00.60, 7219.90.00.80, 7220.12.10.00, 7220.12.50.00, 7220.20.10.10, 7220.20.10.15, 7220.20.10.60, 7220.20.10.80, 7220.20.60.05, 7220.20.60.10, 7220.20.60.15, 7220.20.60.60, 7220.20.60.80, 7220.20.70.05, 7220.20.70.10, 7220.20.70.15, 7220.20.70.60, 7220.20.70.80, 7220.20.80.00, 7220.20.90.30, 7220.20.90.60, 7220.90.00.10, 7220.90.00.15, 7220.90.00.60, and 7220.90.00.80. (Prior to 2001, U.S. imports under HTSUS statistical reporting numbers 7219.13.00.31, 7219.13.00.51, 7219.13.00.71, 7219.13.00.81 were entered under HTSUS statistical reporting numbers 7219.13.00.30, 7219.13.00.50, 7219.13.00.70, 7219.13.00.80.) Although the HTSUS subheadings are provided for convenience and customs purposes, the Department's written description of the merchandise subject to these *Orders* is dispositive.

Excluded from the scope of these *Orders* are the following: (1) sheet and strip that is not annealed or otherwise heat treated and pickled or otherwise descaled, (2) sheet and strip that is cut to length, (3) plate (*i.e.*, flat-rolled stainless steel products of a thickness of 4.75 mm or more), (4) flat wire (*i.e.*, cold-rolled sections, with a prepared edge, rectangular in shape, of a width of not more than 9.5 mm), and (5) razor blade steel, (6) flapper valve steel, (7) suspension foil, (8) certain stainless steel foil for automotive catalytic converters, (9) permanent magnet iron-chromium-cobalt alloy stainless strip, (10) certain electrical resistance alloy steel, (11) certain martensitic precipitation-hardenable stainless steel, and (12) three specialty stainless steels typically used in certain industrial blades and surgical and medication instruments. Items 5 through 12 are further described below.

Razor blade steel is a flat-rolled product of stainless steel, not further worked than cold-rolled (cold-reduced), in coils, of a width of not more than 23 mm and a thickness of 0.266 mm

or less, containing, by weight, 12.5 to 14.5 percent chromium, and certified at the time of entry to be used in the manufacture of razor blades. *See* Chapter 72 of the HTSUS, “Additional U.S. Note” 1(d).

Flapper valve steel is also excluded from the scope: This product is defined as stainless steel strip in coils containing, by weight, between 0.37 and 0.43 percent carbon, between 1.15 and 1.35 percent molybdenum, and between 0.20 and 0.80 percent manganese. This steel also contains, by weight, phosphorus of 0.025 percent or less, silicon of between 0.20 and 0.50 percent, and sulfur of 0.020 percent or less. The product is manufactured by means of vacuum arc re-melting, with inclusion controls for sulphide of no more than 0.04 percent and for oxide of no more than 0.05 percent. Flapper valve steel has a tensile strength of between 210 and 300 ksi, yield strength of between 170 and 270 ksi, plus or minus 8 ksi, and a hardness (CRv) of between 460 and 590. Flapper valve steel is most commonly used to produce specialty flapper valves in compressors.

Suspension foil excluded from the scope is a specialty steel product used in the manufacture of suspension assemblies for computer disk drives. Suspension foil is described as 302/304 grade or 202 grade stainless steel of a thickness between 14 and 127 microns, with a thickness tolerance of plus-or-minus 2.01 microns, and surface glossiness of 200 to 700 percent Gs. Suspension foil must be supplied in coil widths of not more than 407 mm, and with a mass of 225 kg or less. Roll marks may only be visible on one side, with no scratches of measurable depth. The material must exhibit residual stresses of 2 mm maximum deflection, and flatness of 1.6 mm over 685 mm length.

Certain stainless steel foil for automotive catalytic converters is also excluded from the scope. This stainless steel strip in coils is a specialty foil with a thickness of between 20 and 110 microns used to produce a metallic substrate with a honeycomb structure for use in automotive catalytic converters. The steel contains, by weight, carbon of no more than 0.030 percent, silicon of no more than 1.0 percent, manganese of no more than 1.0 percent, chromium of between 19 and 22 percent, aluminum of no less than 5.0 percent, phosphorus of no more than 0.045 percent, sulfur of no more than 0.03 percent, lanthanum of less than 0.002 or greater than 0.05 percent, and total rare earth elements of more than 0.06 percent, with the balance iron.

Permanent magnet iron-chromium-cobalt alloy stainless strip is also excluded from the scope. This ductile stainless steel strip contains, by weight, 26 to 30 percent chromium, and 7 to 10 percent cobalt, with the remainder of iron, in widths 228.6 mm or less, and a thickness between 0.127 and 1.270 mm. It exhibits magnetic remanence between 9,000 and 12,000 gauss, and a coercivity of between 50 and 300 oersteds. This product is most commonly used in electronic sensors and is currently available under proprietary trade names such as “Arnokrome III.”⁷

Certain electrical resistance alloy steel is also excluded from the scope. This product is defined as a non-magnetic stainless steel manufactured to American Society of Testing and Materials (ASTM) specification B344 and containing, by weight, 36 percent nickel, 18 percent chromium, and 46 percent iron, and is most notable for its resistance to high temperature corrosion. It has a melting point of 1390 degrees Celsius and displays a creep rupture limit of 4 kilograms per square millimeter at 1000 degrees Celsius. This steel is most commonly used in

⁷ “Arnokrome III” is a trademark of the Arnold Engineering Company.

the production of heating ribbons for circuit breakers and industrial furnaces, and in rheostats for railway locomotives. The product is currently available under proprietary trade names such as “Gilphy 36.”⁸

Certain martensitic precipitation-hardenable stainless steel is also excluded from the scope. This high-strength, ductile stainless steel product is designated under the Unified Numbering System (UNS) as S45500-grade steel, and contains, by weight, 11 to 13 percent chromium, and 7 to 10 percent nickel. Carbon, manganese, silicon and molybdenum each comprise, by weight, 0.05 percent or less, with phosphorus and sulfur each comprising, by weight, 0.03 percent or less. This steel has copper, niobium, and titanium added to achieve aging, and will exhibit yield strengths as high as 1700 Mpa and ultimate tensile strengths as high as 1750 Mpa after aging, with elongation percentages of 3 percent or less in 50 mm. It is generally provided in thicknesses between 0.635 and 0.787 mm, and in widths of 25.4 mm. This product is most commonly used in the manufacture of television tubes and is currently available under proprietary trade names such as “Durphynox 17.”⁹

Three specialty stainless steels typically used in certain industrial blades and surgical and medical instruments are also excluded from the scope. These include stainless steel strip in coils used in the production of textile cutting tools (*e.g.*, carpet knives).¹⁰ This steel is similar to AISI grade 420 but containing, by weight, 0.5 to 0.7 percent of molybdenum. The steel also contains, by weight, carbon of between 1.0 and 1.1 percent, sulfur of 0.020 percent or less, and includes between 0.20 and 0.30 percent copper and between 0.20 and 0.50 percent cobalt. This steel is

⁸ “Gilphy 36” is a trademark of Imphy, SA.

⁹ “Durphynox 17” is a trademark of Imphy, S.A.

¹⁰ This list of uses is illustrative and provided for descriptive purposes only.

sold under proprietary names such as “GIN4 Mo.” The second excluded stainless steel strip in coils is similar to AISI 420-J2 and contains, by weight, carbon of between 0.62 and 0.70 percent, silicon of between 0.20 and 0.50 percent, manganese of between 0.45 and 0.80 percent, phosphorus of no more than 0.025 percent and sulfur of no more than 0.020 percent. This steel has a carbide density on average of 100 carbide particles per 100 square microns. An example of this product is “GIN5” steel. The third specialty steel has a chemical composition similar to AISI 420 F, with carbon of between 0.37 and 0.43 percent, molybdenum of between 1.15 and 1.35 percent, but lower manganese of between 0.20 and 0.80 percent, phosphorus of no more than 0.025 percent, silicon of between 0.20 and 0.50 percent, and sulfur of no more than 0.020 percent. This product is supplied with a hardness of more than Bv 500 guaranteed after customer processing, and is supplied as, for example, “GIN6.”¹¹

In addition, as a result of changed circumstances reviews,¹² the Department revoked, in part, the Japanese AD order with respect to imports of the following products:

- Stainless steel welding electrode strips that are manufactured in accordance with American Welding Society (AWS) specifications ANSI/AWS A5.9-93.¹³
- Certain stainless steel used for razor blades, medical surgical blades, and industrial blades that are sold under proprietary names such as DSRIK7, DSRIKA, and DSRIK9.¹⁴

¹¹ “GIN4 Mo”, “GIN5”, and “GIN6” are the proprietary grades of Hitachi Metals America, Ltd.

¹² See *Stainless Steel Sheet and Strip in Coils from Japan: Final Results of Changed Circumstance Antidumping Duty Review, and Determination To Revoke Order in Part*, 65 FR 17856 (April 5, 2000) (SSSS in Coils from Japan I); *Stainless Steel Sheet and Strip in Coils from Japan: Final Results of Changed Circumstance Antidumping Duty Review, and Determination To Revoke Order in Part*, 65 FR 54841 (September 11, 2000) (SSSS in Coils from Japan II); *Stainless Steel Sheet and Strip in Coils from Japan: Final Results of Changed Circumstance Antidumping Duty Review and Determination To Revoke Order in Part*, 65 FR 64423 (October 27, 2000) (SSSS in Coils from Japan III); *Stainless Steel Sheet and Strip in Coils from Japan: Final Results of Changed Circumstance Antidumping Duty Review, and Determination To Revoke Order in Part*, 65 FR 77578 (December 12, 2000) (SSSS in Coils from Japan IV).

¹³ See SSSS in Coils from Japan I, 65 FR 17856.

- Certain stainless steel lithographic sheet that is made of 304-grade stainless steel.¹⁵
- Certain nickel clad stainless steel sheet.¹⁶

Continuation of the Orders

As a result of the determinations by the Department and the ITC that revocation of the AD orders and the CVD order would likely lead to continuation or recurrence of dumping and countervailable subsidies and material injury to an industry in the United States, pursuant to section 751(d)(2) of the Act and 19 CFR 351.218(a), the Department hereby orders the continuation of the AD orders on SSSS in coils from Japan, Korea, and Taiwan and the CVD order on SSSS in coils from Korea.

U.S. Customs and Border Protection will continue to collect AD and CVD cash deposits at the rates in effect at the time of entry for all imports of subject merchandise. The effective date of continuation of these orders will be the date of publication in the *Federal Register* of this notice of continuation. Pursuant to section 751(c)(2) of the Act, the Department intends to initiate the next five-year reviews of these orders not later than 30 days prior to the fifth anniversary of the effective date of continuation.

¹⁴ See *SSSS in Coils from Japan II*, 65 FR 54841.

¹⁵ See *SSSS in Coils from Japan III*, 65 FR 64423.

¹⁶ See *SSSS in Coils from Japan IV*, 65 FR 77578.

These five-year (sunset) reviews and this notice are in accordance with sections 751(c) of the Act and published pursuant to section 777(i)(1) of the Act and 19 CFR 351.218(f)(4).

Dated: September 27, 2017.

Carole Showers,
Executive Director, Office of Policy
performing the duties of the Deputy Assistant Secretary
for Enforcement and Compliance.

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