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DEPARTMENT OF COMMERCE

International Trade Administration

[A-201-805]

Certain Circular Welded Non-Alloy Steel Pipe from Mexico; Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review; 2012-2013

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

SUMMARY: In response to requests from interested parties, the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain circular welded non-alloy steel pipe from Mexico.¹ This administrative review originally covered eight entities: Productos Laminados de Monterrey, S.A. de C.V. (Productos Laminados), Prolamsa, Inc.,² Conduit S.A. de C.V. (Conduit); Ternium Mexico, S.A. de C.V. (Ternium); Tuberia Nacional, S.A. de C. V. (TUNA); Lamina y Placa Comercial, S.A. de C.V. (Lamina);³ Mueller Comercial de Mexico, S. de R.L. de C.V. (Mueller); and PYTCO, S.A. de C.V. (PYTCO). All requests for administrative review of Conduit, TUNA, Lamina, Ternium, Mueller, and PYTCO were timely withdrawn, and we are consequently rescinding this administrative review, in part, with respect to these six companies. The sole mandatory respondent is Productos Laminados. The period of review (POR) is August 1, 2012, through July 31, 2013. We preliminarily find that Productos Laminados made sales at prices below normal value (NV) during the POR. We invite interested parties to comment on these

¹ See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part, 78 FR 79392 (December 30, 2013)

² While the Department initiated an administrative review of Productos Laminados and Prolamsa, Inc. separately, record information indicates that Prolamsa, Inc. is a wholly-owned U.S. subsidiary of Productos Laminados, and is an importer, and not a producer, of subject merchandise.

³ The Department has determined that Lamina is the successor-in-interest to TUNA. See Notice of Final Results of Antidumping Duty Changes Circumstances Review: Certain Circular Welded Non-Alloy Steel Pipe From Mexico, 75 FR 82374 (December 30, 2010).

preliminary results.

DATES: EFFECTIVE DATE: (INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER.)

FOR FURTHER INFORMATION CONTACT: Mark Flessner or Robert James, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0698 or (202) 482-1131, respectively.

SUPPLEMENTARY INFORMATION:

Scope of the Order

The products covered by the order are 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, or threaded and coupled). The merchandise covered by the order and subject to this review is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings: 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, and 7306.30.5090. Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of this proceeding is dispositive. A full description of the scope of the order is contained in the Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, “Decision Memorandum for Preliminary Results of Antidumping Duty Administrative Review: Certain Circular Welded Non-Alloy Steel Pipe from Mexico,” (Preliminary Decision Memorandum), dated concurrently with this notice, which is hereby

adopted by this notice.⁴

Methodology

The Department conducted this review in accordance with section 751(a)(2) of the Tariff Act of 1930, as amended (the Act). Constructed export price is calculated in accordance with section 772 of the Act. NV is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum.

The Preliminary 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 <https://access.trade.gov>⁵ and in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content.

Preliminary Results of the Review

We preliminarily determine for the period November 1, 2012, through October 31, 2013, the following weighted-average dumping margin exists:

| <u>Exporter or Producer</u> | <u>Weighted-Average Dumping Margin</u> |
|---|--|
| Productos Laminados de Monterrey, S.A. de C.V. / Aceros Cuatro Caminos, S.A. de C.V. ⁶ | 6.31 percent |

⁴ See also Notice of Antidumping Duty Orders: Certain Circular Welded Non-Alloy Steel Pipe from Brazil, the Republic of Korea (Korea), Mexico, and Venezuela and Amendment to Final Determination of Sales at Less Than Fair Value: Certain Welded Non-Alloy Steel Pipe from Korea, 57 FR 49453 (November 2, 1992) (the Order).

⁵ On November 24, 2014, Enforcement and Compliance changed the name of Enforcement and Compliance's AD and CVD Centralized Electronic Service System ("IA ACCESS") to AD and CVD Centralized Electronic Service System ("ACCESS"). The website location was changed from <http://iaaccess.trade.gov> to <http://access.trade.gov>. The Final Rule changing the references to the Regulations can be found at: 79 FR 69046 (November 20, 2014).

⁶ See the Memorandum from Davina Friedmann to Richard Weible, Office Director, AD/CVD Operations Office VI, entitled, "Circular Welded Non-Alloy Steel Pipe from Mexico: Affiliation and Collapsing Memorandum," dated

Scope Inquiry

The Department is conducting a scope inquiry to determine whether certain types of black, circular tubing produced to American Society for Testing and Materials standard A-513 by Productos Laminados may be outside the scope of the Order because they meet the exclusion for “mechanical tubing.” Parties are notified that the final results of the scope inquiry may affect the final results of this administrative review by decreasing the number of reported sales.

Partial Rescission of Review

Pursuant to 19 CFR 351.213(d)(1), the Department will rescind an administrative review, in whole, or in part, if a party that requested a review withdraws the request within 90 days of publication of notice of initiation of the requested review. All requests for review by all parties, except those of Productos Laminados and Prolamsa, Inc.,⁷ were timely withdrawn.⁸

Accordingly, we rescind the administrative review of the antidumping duty order on certain circular welded non-alloy steel pipe from Mexico covering the period November 1, 2012, through October 31, 2013, with respect to Conduit, TUNA, Lamina, Ternium, Mueller, and PYTCO.

Disclosure and Public Comment

The Department intends to disclose to interested parties the calculations performed in connection with these preliminary results within five days of the date of publication of this notice.⁹ Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs no later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the

December 1, 2014; see also Preliminary Decision memorandum at 4 and 12-14.

⁷ Prolamsa, Inc. (a wholly-owned U.S. subsidiary of Productos Laminados which is an importer, and not a producer, of subject merchandise – see footnote 1), made no entries of subject merchandise during the POR. See the Memorandum from Davina Hashmi to Richard Weible, Director, AD/CVD Operations Office VI, entitled, “Administrative Review of the Antidumping Duty Order on Certain Circular Welded Non-Alloy Steel Pipe from Mexico: Respondent Selection Memorandum,” dated March 20, 2014, at 5.

⁸ See Preliminary Decision Memorandum at 5.

⁹ See 19 CFR 351.224(b).

case briefs, may be filed no later than five days after the date for filing case briefs.¹⁰ Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹¹ Case and rebuttal briefs should be filed using ACCESS.¹²

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS. An electronically filed document must be received successfully in its entirety by the Department's electronic records system, ACCESS, by 5:00 p.m. Eastern Standard Time within 30 days after the date of publication of this notice.¹³ Requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case briefs. If a request for a hearing is made, parties will be notified of the date and time of the hearing to be held at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

The Department intends to issue the final results of this administrative review, including the results of its analysis of the issues raised in all written case briefs, within 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(1).

Assessment Rates

Upon completion of the administrative review, the Department shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate

¹⁰ See 19 CFR 351.309(d).

¹¹ See 19 CFR 351.309(c)(2) and (d)(2).

¹² See 19 CFR 351.303.

¹³ See 19 CFR 351.310(c).

entries.¹⁴ If the weighted-average dumping margin for Productos Laminados/Aceros Cuatro Caminos is not zero or de minimis in the final results of this review, we will calculate importer-specific assessment rates on the basis of the ratio of the total amount of dumping duties calculated for an importer's examined sales and the total entered value of such sales in accordance with 19 CFR 351.212(b)(1). If the weighted-average dumping margin for Productos Laminados/Aceros Cuatro Caminos is zero or de minimis in the final results of review, we will instruct CBP not to assess duties on any of its entries in accordance with the Final Modification for Reviews, *i.e.*, “{w}here the weighted-average margin of dumping for the exporter is determined to be zero or de minimis, no antidumping duties will be assessed.”¹⁵

As noted above, the Department has rescinded this administrative review for Conduit, TUNA, Lamina, Ternium, Mueller, and PYTCO. For these exporters and/or producers, the Department will instruct CBP to liquidate all appropriate entries as entered.

We intend to issue instructions to CBP 41 days after publication of the final results of this review.

Cash Deposit Requirements

The following deposit requirements will be effective upon publication of the notice of final results of administrative review for all shipments of circular welded non-alloy steel pipe from Mexico entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review, as provided by section 751(a)(2) of the Act: (1) the cash deposit rate for Productos Laminado/Aceros Cuatro Caminos will be the weighted-average dumping margin established in the final results of this administrative review

¹⁴ In these preliminary results, 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 Duty Proceedings; Final Modification, 77 FR 8101 (February 14, 2012).

¹⁵ Id. at 77 FR 8101, 8102.

except if the rate is de minimis within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (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 the manufacturer or exporter participated; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value investigation but the manufacturer is, the cash deposit rate will be the rate established for the most recently completed segment of the proceeding for the manufacturer of the merchandise; (4) the cash deposit rate for all other manufacturers or exporters will continue to be 32.62 percent ad valorem, the all-others rate established in the less-than-fair-value investigation.¹⁶ These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary 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 double antidumping duties.

¹⁶ See the Order.

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213(h)(1).

Dated: December 1, 2014.

Paul Piquado,
Assistant Secretary
for Enforcement and Compliance.

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