

MESSAGE NO: 9329114 MESSAGE DATE: 11/25/1998
MESSAGE STATUS: Active CATEGORY: Countervailing
TYPE: PRE-Preliminary PUBLIC NON-PUBLIC
SUB-TYPE:

FR CITE: FR FR CITE DATE:

REFERENCE
MESSAGE #
(s):

CASE #(s): C-427-815

EFFECTIVE DATE: COURT CASE #:

PERIOD OF REVIEW: TO

PERIOD COVERED: 11/17/1998 TO

Notice of Lifting of Suspension Date:

TO: { Directors Of Field Operations, Port Directors }

FROM: { Director AD/CVD & Revenue Policy & Programs }

RE: NOTICE OF PRELIMINARY DETERMINATION IN THE COUNTERVAILING DUTY INVESTIGATION OF STAINLESS STEEL SHEET & STRIP IN COILS FROM FRANCE (C-427-815)

MESSAGE NO: 9329114 DATE: 11 25 1998

CATEGORY: CVD TYPE: PRE

REFERENCE: REFERENCE DATE:

CASES: C - 427 - 815 - -

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PERIOD COVERED: 11 17 1998 TO

LIQ SUSPENSION DATE:

TO: CMC DIRECTORS,
PORT DIRECTORS

FROM: DIRECTOR, IMPORT OPERATIONS

RE: NOTICE OF PRELIMINARY DETERMINATION IN THE COUNTERVAILING DUTY INVESTIGATION OF STAINLESS STEEL SHEET & STRIP IN COILS FROM FRANCE (C-427-815)

1. ON NOVEMBER 17, 1998, THE DEPARTMENT OF COMMERCE WILL PUBLISH IN THE FEDERAL REGISTER ITS PRELIMINARY AFFIRMATIVE DETERMINATION AND ALIGNMENT OF ITS FINAL COUNTERVAILING DUTY DETERMINATION OF STAINLESS STEEL SHEET AND STRIP IN COILS FROM FRANCE. THE DUE DATE FOR THE FINAL DETERMINATION IS EXTENDED FROM JANUARY 21, 1999 UNTIL NO LATER THAN MARCH 2, 1999, THEREBY ALIGNING IT WITH THE DUE DATE FOR THE FINAL DETERMINATION IN THE ANTIDUMPING DUTY INVESTIGATION OF

STAINLESS STEEL SHEET AND STRIP FROM FRANCE (A-427-814).

2. THE PRODUCTS COVERED ARE CERTAIN 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 4.75MM 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 (E.G., COLD-ROLLED, POLISHED, ALUMINIZED, COATED, ETC.) PROVIDED THAT IT MAINTAINS THE SPECIFIC DIMENSIONS OF SHEET AND STRIP FOLLOWING SUCH PROCESSING.

THE MERCHANDISE SUBJECT TO THIS INVESTIGATION IS CLASSIFIED IN THE HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES ("HTSUS") AT SUBHEADINGS: 7219.13.00.30, 7219.13.00.50, 7219.13.00.70, 7219.13.00.80, 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, 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. ALTHOUGH THE HTSUS SUBHEADINGS ARE PROVIDED FOR CONVENIENCE AND CUSTOMS PURPOSES, THE WRITTEN DESCRIPTION OF THE MERCHANDISE UNDER INVESTIGATION IS DISPOSITIVE.

EXCLUDED FROM THE SCOPE OF THIS INVESTIGATION 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, RECTANGULAR IN SHAPE, OF A WIDTH OF NOT MORE THAN 9.5 MM, AND A THICKNESS OF NOT MORE THAN 6.35 MM), AND (5) RAZOR BLADE STEEL. 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 23MM 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).

THE DEPARTMENT HAS DETERMINED THAT CERTAIN SPECIALTY STAINLESS STEEL PRODUCTS ARE ALSO EXCLUDED FROM THE SCOPE OF THIS INVESTIGATION. THESE EXCLUDED PRODUCTS ARE DESCRIBED BELOW:

FLAPPER VALVE STEEL IS DEFINED AS STAINLESS STEEL STRIP IN COILS WITH A CHEMICAL COMPOSITION SIMILAR TO THAT OF AISI 420F GRADE STEEL AND 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 REMELTING, 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 185 KGF/MM², PLUS OR MINUS 10, YIELD STRENGTH OF 150 KGF/MM², PLUS OR MINUS 8, AND HARDNESS (HV) OF 540, PLUS OR MINUS 30.

ALSO EXCLUDED IS SUSPENSION FOIL, A SPECIALTY STEEL PRODUCT USED, E.G., 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, AND MUST EXHIBIT RESIDUAL STRESSES OF 2 MM MAXIMUM DEFLECTION, AND FLATNESS OF 1.6 MM OVER 685 MM LENGTH.

PERMANENT MAGNET IRON-CHROMIUM-COBALT ALLOY STAINLESS STRIP IS ALSO EXCLUDED FROM THE SCOPE OF THIS INVESTIGATION. 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 OF 1.016 TO 228.6 MM, AND A THICKNESS BETWEEN 0.0127 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, E.G., UNDER THE TRADE NAME "ARNOKROME III." ("ARNOKROME III" IS A TRADEMARK OF THE ARNOLD ENGINEERING COMPANY.)

ELECTRICAL RESISTANCE ALLOY STEEL IS ALSO NOT INCLUDED IN THE SCOPE OF THIS INVESTIGATION. THIS PRODUCT IS DEFINED AS A NON-MAGNETIC STAINLESS STEEL MANUFACTURES 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 THE PRODUCTION OF HEATING RIBBONS FOR CIRCUIT BREAKERS AND INDUSTRIAL FURNACES, AND IN RHEOSTATS FOR RAILWAY LOCOMOTIVES. THE PRODUCT IS CURRENTLY AVAILABLE, E.G., UNDER THE TRADE NAME "GILPHY 36." ("GILPHY 36" IS A TRADEMARK OF IMPHY, S.A.)

FINALLY, CERTAIN STAINLESS STEEL STRIP IN COILS USED IN THE PRODUCTION OF TEXTILE CUTTING TOOLS (E.G., CARPET KNIVES) IS

ALSO EXCLUDED. THIS STEEL IS SIMILAR TO ASTM GRADE 440F, BUT CONTAINING HIGHER LEVELS OF MOLYBDENUM. THIS STEEL CONTAINS, BY WEIGHT, CARBON OF BETWEEN 1.0 AND 1.1 PERCENT, SULPHUR OF 0.020 PERCENT OR LESS, AND INCLUDES BETWEEN 0.20 AND 0.30 PERCENT COPPER AND COBALT. THIS STEEL IS SOLD UNDER, E.G., THE PROPRIETARY NAME GIN4Mo. ("GIN4MO" IS THE PROPRIETARY GRADE OF HITACHI METALS AMERICA, LTD.)

ALL INTERESTED PARTIES ARE ADVISED THAT ADDITIONAL ISSUES PERTAINING TO THE SCOPE OF THIS INVESTIGATION ARE STILL PENDING. FURTHERMORE, THE EXCLUSIONS OUTLINED ABOVE ARE SUBJECT TO FURTHER REVISION AND REFINEMENT. THE DEPARTMENT OF COMMERCE PLANS ON NOTIFYING INTERESTED PARTIES OF ITS DETERMINATIONS ON ALL SCOPE ISSUES IN SUFFICIENT TIME FOR PARTIES TO COMMENT BEFORE THE FINAL DETERMINATION.

3. FOR FURTHER REPORTING PURPOSES THIS CASE HAS BEEN ASSIGNED INVESTIGATION NUMBER C-427-815.

4. FOR IMPORTS OF STAINLESS STEEL SHEET AND STRIP IN COILS FROM FRANCE, THE CUSTOMS SERVICE SHALL SUSPEND LIQUIDATION OF SUCH SHIPMENTS ENTERED OR WITHDRAWN FROM WAREHOUSE, FOR CONSUMPTION ON OR AFTER NOVEMBER 17, 1998, THE DATE OF PUBLICATION OF THE PRELIMINARY DETERMINATION. EFFECTIVE NOVEMBER 17, 1998, FOR SUCH ENTRIES, CUSTOMS SHALL REQUIRE A CASH DEPOSIT OR POSTING OF A BOND EQUAL TO THE MARGINS BELOW.

SUBSIDY RATES:

MFR/PRODUCER EXPORTER	CUSTOMS ID NUMBER	AD VALOREM SUBSIDY RATE
USINOR	C-427-815-001	2.84 %
ALL OTHERS	C-427-815-000	2.84 %

5. IF THERE ARE ANY QUESTIONS REGARDING THIS MATTER BY CUSTOMS
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OFFICERS, PLEASE CONTACT, VIA E-MAIL, THROUGH THE APPROPRIATE SUPERVISORY CHANNELS, OTHER GOVERNMENT AGENCY LIAISON, USING THE ATTRIBUTE "HQ OAB." THE IMPORTING PUBLIC AND OTHER INTERESTED PARTIES SHOULD CONTACT MARIAN WELLS OR ROSA JEONG, OFFICE OF AD/CVD ENFORCEMENT, IMPORT ADMINISTRATION, INTERNATIONAL TRADE ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE, AT (202) 482-6309 AND (202) 482-3853, RESPECTIVELY.

6. THERE ARE NO RESTRICTIONS ON THE RELEASE OF THIS INFORMATION.

PAUL SCHWARTZ

Company Details

*Party Indicator Value:

I = Importer, M = Manufacturer, E = Exporter, S = Sold To Party