

Wheatland Tube Company and Allied Tube & Conduit Corporation v. United States and Saha Thai Steel Pipe Company, Ltd.
Slip Op 06-8

**FINAL RESULTS OF REDETERMINATION PURSUANT TO COURT REMAND
SUMMARY**

The Department of Commerce (the Department) has prepared these final results of redetermination pursuant to the remand order of the Court of International Trade (the Court) in Wheatland Tube Company and Allied Tube & Conduit Corporation v. United States and Saha Thai Steel Pipe Company, Ltd., Slip Op 06-8 (CIT, January 17, 2006), which considered Certain Welded Carbon Steel Pipes and Tubes from Thailand: Final Results of Antidumping Duty Administrative Review, 69 FR 61649 (October 20, 2004) (Final Results).

BACKGROUND

On March 5, 2002, the President of the United States imposed safeguard duties on imports of certain steel products under Section 201 of the Trade Act of 1974. See Proclamation No. 7529, 67 FR 10553 (March 7, 2002) (section 201 duties). This proclamation mandated payment of a 15 percent duty on certain imported steel products from March 20, 2002, through March 19, 2003. Id. at 10590. These duties were applicable to the merchandise that is also subject to the antidumping duty order on certain welded carbon steel pipes and tubes from Thailand.

On April 8, 2004, the Department issued the preliminary results of Certain Welded Carbon Steel Pipes and Tubes from Thailand: Preliminary Results of Antidumping Duty Administrative Review, 69 FR 18539 (Preliminary Results). This administrative review covered the period March 1, 2002, through February 28, 2003.

This administrative review involved one company, Saha Thai Steel Pipe Company, Ltd. (Saha Thai). For purposes of the preliminary results of review, the Department decided not to adjust U.S. price by deducting the section 201 duties, pending the Department's final consideration of comments solicited in Stainless Steel Wire Rod from the Republic of Korea 69 FR 19153 (April 12, 2004) (SSWR) on the treatment of section 201 duties. The resulting antidumping margin was 2.00 percent. See Preliminary Results. In the final results of review, after considering the arguments of the parties, the Department followed the practice established in SSWR and did not deduct the section 201 duties from EP. The margin calculated for the final results was *de minimis* (0.17 percent). See Final Results.

Before the court, the plaintiffs raised three issues – two related to section 201 duties – and one related to duty drawback. The Court affirmed the Department on two issues – the duty drawback and the adjustment to U.S. price for billing adjustments tied to the section 201 duties. However, the Court overturned the Department's decision to treat section 201 duties in the same way it treats antidumping duties and directed the Department “to recalculate Saha Thai's dumping margin after deducting section 201 duties from EP {export price} in accordance with 19 U.S.C. § 1677a (c)(2)(A).”

On February 9, 2006, the Department issued draft results of redetermination pursuant to the court's remand order, in which we deducted the section 201 duties from the export price (EP). Comments were due on February 14, 2006. On February 10, 2006 we received comments on behalf of domestic interested parties (Allied Tube and Conduit Corporation and Wheatland Tube Co.) stating that they believe the draft results comply with the Court's remand order. On February 14, 2006 we received comments on behalf

of respondent, Saha Thai Steel Pipe Company, Ltd., stating that it disagrees with the Court's remand order to treat section 201 duties like U.S. import duties and deduct them from EP, but had no comments with regard to the Department's implementation of the Court's remand order. Since these are not substantive comments, these final results are identical to the draft results of redetermination pursuant to court remand.

DISCUSSION

In SSWR, after soliciting and analyzing public comments with regard to the proper treatment of section 201 duties, the Department concluded that section 201 duties were "special duties" and, as such, should not be treated as "United States import duties" under 19 U.S.C. § 1677a(c)(2)(A) and should not be deducted from United States price.

In the Final Results, the Department followed the practice established in SSWR.

Although the Court agreed that the phrase "United States import duties" was not defined in the statute, the Court directed the Department to deduct section 201 duties from EP.

Because the Department's determination that section 201 duties should not be deducted from EP is based upon a reasonable interpretation of the statute, we disagree with the Court's order. Nevertheless, we have followed the Court's order and deducted the section 201 duties (thus treating them as "United States import duties" pursuant to 19 U.S.C. § 1677a(c)(2)(A)) and deducting them from EP. There were no substantive comments on the draft results of redetermination pursuant to court remand. As such, we have not made any changes to the calculations for the draft results of redetermination.

WEIGHTED-AVERAGE DUMPING MARGIN

As a result of the redetermination, we have recalculated the dumping margin for Saha Thai. The weighted-average dumping margin is as follows:

<u>Manufacturer/exporter</u>	<u>Weighted-average margin (percent)</u>
Saha Thai Steel Pipe Company, Ltd.	4.13

Upon a final and conclusive court decision affirming this remand redetermination, the Department will publish notice of its amended final determination in the Federal Register and instruct U.S. Customs and Border Protection to collect duties in accordance with the determination.

David M. Spooner
Assistant Secretary
for Import Administration

Date