

the corresponding structure(s) that you identified, please answer the following questions: (In your response, please address the 35 U.S.C. 112, ¶6 equivalents to the corresponding structures)

Do respondents' products infringe claim 39?

Is claim 39 invalid?

Please repeat the above analysis for dependent claims 41 and 48.

Do complainants meet the technical prong of the domestic industry requirement as to claim 39?

6. Assuming for purposes of this question that 35 U.S.C. 112, ¶6 does *not* apply to the "means for mechanically locking \* \* \*" limitation of claim 39 or to any other means-plus-function limitations that you identified for this claim in the previous question:

How should claims 39, 41, and 48 be construed?

So construed, do respondents' products infringe claims 39, 41, or 48?

So construed, are claims 39, 41, or 48 invalid?

So construed, do complainants meet the technical prong of the domestic industry requirement as to claim 39?

7. Have complainants established that respondents possessed specific intent to encourage another's infringement, *i.e.*, have complainants shown (1) that each respondent's actions induced infringing acts and (2) that each respondent knew or should have known his actions would induce actual infringements?

Each party is requested to provide citations to the record for evidentiary support. *E.g.*, in particular a citation is requested for the following exhibits referenced in the parties' petitions for review and responses: the June 21, 2000, opinion letter from Akzenta and Tarkett's counsel (IA's petition at 29) and Roysol's patent and flooring panels (Roysol's response at 16).

In connection with the final disposition of this investigation, the Commission may issue (1) an order that could result in the exclusion of the subject articles from entry into the United States, and/or (2) cease and desist orders that could result in respondents being required to cease and desist from engaging in unfair acts in the importation and sale of such articles. Accordingly, the Commission is interested in receiving written submissions that address the form of remedy, if, that should be ordered. If a party seeks exclusion of an article from entry into the United States for purposes other than entry for consumption, the party should so indicate and provide information establishing that activities involving other types of entry that either are adversely affecting it or are likely to

do so. For background information, see the Commission Opinion, *In the Matter of Certain Devices for Connecting Computers via Telephone Lines*, Inv. No. 337-TA-360.

If the Commission contemplates some form of remedy, it must consider the effects of that remedy upon the public interest. The factors the Commission will consider include the effect that an exclusion order and/or cease and desist orders would have on (1) The public health and welfare, (2) competitive conditions in the U.S. economy, (3) U.S. production of articles that are like or directly competitive with those that are subject to investigation, and (4) U.S. consumers. The Commission is therefore interested in receiving written submissions that address the aforementioned public interest factors in the context of this investigation.

If the Commission orders some form of remedy, the President has 60 days to approve or disapprove the Commission's action. During this period, the subject articles would be entitled to enter the United States under a bond, in an amount to be determined by the Commission and prescribed by the Secretary of the Treasury. The Commission is therefore interested in receiving submissions concerning the amount of the bond that should be imposed.

*Written Submissions:* The parties to the investigation are requested to file written submissions on the issues under review. The submission should be concise and thoroughly referenced to the record in this investigation, including references to exhibits and testimony. Additionally, the parties to the investigation, interested government agencies, and any other interested persons are encouraged to file written submissions on the issues of remedy, the public interest, and bonding. Such submissions should address the ALJ's November 2, 2001, recommended determination on remedy and bonding. Complainant and the Commission investigative attorney are also requested to submit proposed remedial orders for the Commission's consideration. The written submissions and proposed remedial orders must be filed no later than the close of business on January 10, 2002. Reply submissions must be filed no later than the close of business on January 17, 2002. No further submissions will be permitted unless otherwise ordered by the Commission.

Persons filing written submissions must file with the Office of the Secretary the original and 14 true copies thereof on or before the deadlines stated above. Any person desiring to submit a document (or portion thereof) to the

Commission in confidence must request confidential treatment unless the information has already been granted such treatment during the proceedings. All such requests should be directed to the Secretary of the Commission and must include a full statement of the reasons why the Commission should grant such treatment. See 19 CFR 201.6. Documents for which confidential treatment is granted by the Commission will be treated accordingly. All nonconfidential written submissions will be available for public inspection at the Office of the Secretary.

This action is taken under the authority of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), and in sections 210.42-45 of the Commission's Rules of Practice and Procedure (19 CFR 210.42-210.45).

Issued: December 20, 2001.

By order of the Commission.

**Donna R. Koehnke,**

*Secretary.*

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## INTERNATIONAL TRADE COMMISSION

[Investigation No. TA-201-73]

### Steel; Import Investigations

#### Determination

On the basis of information developed in the subject investigation, the United States International Trade Commission—

(1) Determines pursuant to section 202(b) of the Tariff Act of 1974, that certain steel products<sup>1</sup> are being

<sup>1</sup> The Commission made affirmative determinations with regard to certain carbon and alloy steel, including (1) slabs, (2) plate, (3) hot-rolled steel, (4) cold-rolled steel, (5) coated steel, (6) hot bar, (7) cold bar, (8) rebar, (9) welded tubular products other than OCTG, and (10) fittings; and stainless steel (11) bar and (12) rod.

The Commission was equally divided in its determination with regard to (1) carbon and alloy steel tin mill products, (2) tool steel, (3) stainless steel wire, and (4) stainless steel fittings. Pursuant to section 330(d)(1) of the Tariff Act of 1930, where the Commission is equally divided, the determination of either group of Commissioners may be considered by the President to be the determination of the Commission.

The Commission made negative determinations with regard to carbon and alloy steel (1) GOES, (2) ingots, (3) rails, (4) wire, (5) rope, (6) nails, (7) shapes, (8) fabricated structural units, (9) seamless tubular products other than OCTG, (10) seamless OCTG, and (11) welded OCTG; and stainless steel (12) slabs/ingots, (13) plate, (14) cloth, (15) rope, (16) seamless tubular products, and (17) welded tubular products.

Descriptions of the products covered by the investigation and their corresponding subheadings under the Harmonized Tariff Schedule (HTS) is presented in appendix A.

imported into the United States in such increased quantities as to be a substantial cause of serious injury or the threat of serious injury to the domestic industry producing articles like or directly competitive with the imported articles; and

(2) Finds pursuant to section 311(a) of the North American Free-Trade Agreement (NAFTA) Implementation Act, that imports of carbon and alloy steel hot bar, cold bar, welded tubular products,<sup>2</sup> and fittings, and stainless steel bar and fittings from Canada account for a substantial share of the total imports and contribute importantly to the serious injury or threat thereof caused by imports.<sup>3</sup> With regard to imports from Mexico, the Commission finds that imports of certain carbon and alloy flat-rolled steel (slabs, plate, hot-rolled steel, cold-rolled steel, and coated steel), carbon and alloy steel fittings, and stainless steel fittings from Mexico account for serious injury or threat thereof caused by imports.<sup>4</sup>

#### Recommendations With Respect to Remedy

*The Commission*<sup>5</sup> *Recommends a Four-Year Program of Tariffs and Tariff-Rate Quotas*

*Plate, hot-rolled sheet, cold-rolled sheet, coated sheet, hot-rolled bar, cold-finished bar and stainless steel rod:* An additional 20 percent *ad valorem* duty in the first year of relief, to be reduced to a 17 percent *ad valorem* duty in the second year of relief, 14 percent *ad valorem* duty in the third year of relief, and 11 percent *ad valorem* duty in the fourth year of relief;

*Stainless steel bar:* An additional 15 percent *ad valorem* duty in the first year of relief, to be reduced to a 12 percent *ad valorem* duty in the second year of relief, 9 percent *ad valorem* duty in the

third year of relief, and 6 percent *ad valorem* duty in the fourth year of relief;

*Carbon and alloy steel fittings and flanges:*<sup>6</sup> An additional 13 percent *ad valorem* duty in the first year of relief, to be reduced to a 10 percent *ad valorem* duty in the second year of relief, 7 percent *ad valorem* duty in the third of relief, and 4 percent *ad valorem* duty in the fourth year of relief;

*Rebar:* An additional 10 percent *ad valorem* duty in the first year of relief, to be reduced to an 8 percent *ad valorem* duty in the second year of relief, 6 percent *ad valorem* duty in the third year of relief, and 4 percent *ad valorem* duty in the fourth year of relief;

*Slabs:*<sup>6</sup> A tariff-rate quota with an additional 20 percent *ad valorem* duty on imports in excess of 7.0 million short tons in the first year of relief, 17 percent *ad valorem* duty on imports in excess of 7.5 million short tons in the second year of relief; 14 percent *ad valorem* duty on imports in excess of 8.0 million short tons in the third year of relief; and 11 percent *ad valorem* duty on imports in excess of 8.5 million short tons in the fourth year of relief;

*Welded tubular products other than OCTG:*<sup>6</sup> A tariff-rate quota with an additional 20 percent *ad valorem* duty on imports in excess of year 2000 U.S. imports,<sup>7</sup> 17 percent *ad valorem* duty on imports in excess of the quantities noted in the second year, 14 percent *ad valorem* duty on imports in excess of the quantities noted for the third year, and 11 percent *ad valorem* duty in imports in excess of the quantities noted below.

The Commission further recommends that the additional tariffs or tariff-rate quotas on slabs, plate, hot-rolled, cold-rolled and coated products be applied to imports from Mexico but not imports from Canada; that the additional tariffs on cold-finished bar and stainless steel bar be applied to imports from Canada but not imports from Mexico; that the

additional tariffs on rebar and stainless steel rod not apply to imports from either Canada or Mexico; that the additional tariffs on carbon and alloy fittings and flanges apply to imports from both Mexico<sup>8</sup> and Canada;<sup>9</sup> and that the additional tariffs on hot-rolled bar apply to imports from Canada but not imports from Mexico.<sup>10</sup> With respect to welded tubular products other than OCTG, the Commission recommends that the additional tariff-rate quota not be applied to imports from Mexico, and was evenly split regarding Canada.<sup>11</sup> The Commission further recommends that none of the additional tariffs or tariff-rate quotas apply to imports from Israel, or to any imports entered duty-free from beneficiary countries under the Caribbean Basin Economic Recover Act or the Andean Trade Preference Act.<sup>12</sup>

The Commission also recommends that the remedy on welded tubular products other than OCTG not apply to certain large diameter welded line pipe products.

The Commission also recommends that the President continue to pursue international negotiations with the governments of all the countries that supply these steel products aimed at reducing inefficient global overcapacity to produce these steel products.

The Commission further encourages the President to consider other appropriate action to facilitate the efforts of the domestic industry to rationalize and consolidate and thus make a positive adjustment to import competition.

The Commission's remedy recommendation and the individual remedy recommendations of the Commissioners are summarized in the tabulation at Appendix C.

Commissioner Bragg recommends the following:

(1) *A duty*, in addition to the current rate of duty, for a *four-year period* on imports of *carbon and alloy steel imports* and for a *three-year period* on

<sup>1</sup> A tabulation showing the individual votes of each Commissioner is presented in appendix B.

<sup>2</sup> The Commission was equally divided, 3-3, in its finding with regard to carbon and alloy steel welded tubular products other than OCTG from Canada.

<sup>3</sup> The Commission made a negative finding with regard to imports from Canada of certain carbon and alloy steel, including (1) slabs, (2) plate, (3) hot-rolled steel, (4) cold-rolled steel, (5) coated steel, (6) tin mill products, and (7) rebar; (8) tool steel; and stainless steel (9) rod and (10) wire.

<sup>4</sup> The Commission voted in the negative regarding imports from Mexico of carbon and alloy steel (1) tin-mill products, (2) hot bar, (3) cold bar, (4) rebar, and (5) welded tubular products other than OCTG; (6) tool steel; and stainless steel (7) bar, (8) rod, and (9) wire.

<sup>5</sup> Pursuant to section 330(d)(2) of the Tariff Act of 1930 (19 U.S.C. § 1330(d)(2)), the remedy recommendation of Chairman Koplan and Commissioners Miller and Hillman in this investigation is to be treated as the remedy finding of the Commission for purposes of section 203 of the Trade Act.

<sup>6</sup> Vice Chairman Okun joins in this recommended remedy for the first three years of relief only.

<sup>7</sup> Chairman Koplan and Commissioner Miller made affirmative determinations under Section 311 of the NAFTA with respect to imports of welded tubular products from both Canada and Mexico and therefore recommend that the additional tariffs apply to imports in excess of 2,600,000 short tons in the first year, 2,680,000 short tons in the second year, 2,760,000 short tons in the third year and 2,840,000 short tons in the fourth year.

Vice Chairman Okun and Commissioner Hillman made negative determinations under section 311 of the NAFTA with respect to imports of welded tubular products from Canada and Mexico and therefore recommend that the additional tariffs not apply to those countries and that the tariffs apply to imports in excess of 1,400,443 short tons in the first year, 1,442,456 short tons in the second year, 1,485,730 short tons in the third year, and (Commissioner Hillman only) 1,530,302 short tons in the fourth year.

<sup>8</sup> Chairman Koplan, Vice Chairman Okun and Commissioner Miller determined that the additional duties on fittings and flanges should apply to imports from Mexico.

<sup>9</sup> Vice Chairman Okun and Commissioners Miller and Hillman determined that the additional duties on fittings and flanges should apply to imports from Canada.

<sup>10</sup> Chairman Koplan and Commissioner Miller recommend that the additional duties apply to imports of hot-rolled bar from Mexico.

<sup>11</sup> Chairman Koplan and Commissioner Miller recommend that the additional tariff-rate quota apply to imports from Mexico.

<sup>12</sup> To the extent that the U.S.-Jordan Free Trade Area Implementation Act applies to this investigation, the Commission further recommends that none of the additional tariffs be applied to imports from Jordan.

imports of *stainless and tool steel* that are within the scope of this investigation, as follows:

*Flat Products (including slabs, cut-to-length plate, hot-rolled sheet and strip, cold-rolled sheet and strip, corrosion resistant flat products, and tin mill products):* 40 percent *ad valorem* in the first year of relief; 38 percent *ad valorem* in the second year of relief; 36 percent *ad valorem* in the third year of relief; and 31 percent *ad valorem* in the fourth year of relief.

*Long Mill Products (including hot bar, cold bar, and rebar):* 35 percent *ad valorem* in the first year of relief; 33 percent *ad valorem* in the second year of relief; 31 percent *ad valorem* in the third year of relief; and 26 percent *ad valorem* in the fourth year of relief.

*Tubular Products (including welded tubular other than OCTG, and fittings, flanges, and tool joints):* 30 percent *ad valorem* in the first year of relief; 28 percent *ad valorem* in the second year of relief; 26 percent *ad valorem* in the third year of relief; and 21 percent *ad valorem* in the fourth year of relief.

*Stainless and Tool Steel Flat and Long Products (including stainless bar, stainless rod, and tool steel):* 25 percent *ad valorem* in the first year of relief; 20 percent *ad valorem* in the second year of relief; and 15 percent *ad valorem* in the third year of relief.

*Stainless Wire:* 15 percent *ad valorem* in the first year of relief; 10 percent *ad valorem* in the second year of relief; and 5 percent *ad valorem* in the third year of relief.

*Stainless Fittings and Flanges:* 30 percent *ad valorem* in the first year of relief; 25 percent *ad valorem* in the second year of relief; and 20 percent *ad valorem* in the third year of relief.

(2) Based on her negative injury findings under section 311(a) of the NAFTA Implementation Act, with respect to imports from Canada of carbon and alloy flat products, carbon and alloy long products, stainless flat and long products, and stainless wire products, as well as imports from Mexico of carbon and alloy long products, carbon and alloy welded tubular other than OCTG, stainless and tool steel flat and long products, and stainless wire, Commissioner Bragg recommends that such imports not be subject to the increased duties.

(3) Based on her affirmative injury findings under section 311(a) of the NAFTA Implementation Act, with respect to imports from Canada of carbon and alloy welded tubular other than OCTG, carbon and alloy fittings, flanges, and tool joints, and stainless fittings and flanges, as well as imports

from Mexico of carbon and alloy flat products, carbon and alloy fittings, flanges, and tool joints, and stainless fittings and flanges, Commissioner Bragg recommends that such imports be subject to the increased duties.

(4) Commissioner Bragg also recommends that the increased duties not apply to imports of covered steel entered duty-free from beneficiary countries under the Caribbean Basin Economic Recovery Act, the Andean Trade Preference Act, the U.S.-Israel Free Trade Agreement Act, or the U.S.-Jordan Free Trade Area Implementation Act.

(5) In the consideration of administrative efficiency and past Commission experience, these remedy recommendations do not address the issue of specific product exclusions. Nonetheless, Commissioner Bragg recommends that the President review the record regarding the issues presented by the interested parties to the U.S. Trade Representatives' Trade Policy Staff Committee.<sup>13</sup> Her remedy recommendation for tariffs applies across a broad category of products; tariffs, unlike quotas and tariff-rate quotas, do not operate to exclude products or to encourage circumvention or product shifting.

(6) Commissioner Bragg also indicates her support for the President's pursuit of international negotiations to address the underlying causes of the increase in imports, such as global overcapacity and production, as well as implement any other action authorized under law that is likely to facilitate positive adjustment to import competition, including Trade Adjustment Assistance to aid the numerous dislocated workers of the U.S. steel industries.

*Vice Chairman Okun Recommends a Three-Year Program of Quotas, Tariff-Rate Quotas, and Tariffs*

*Plate, hot-rolled sheet, cold-rolled sheet, coated sheet, hot-rolled bar, cold-finished bar, rebar, stainless steel bar, and stainless steel rod:* Quantitative restrictions on imports of the following categories, in the following amounts in the first year, to be increased by three percent in each subsequent year that the action is in effect: Plate—1,232,260 short tons, hot-rolled sheet—4,928,712 short tons, cold-rolled sheet—2,796,196 short tons, and coated sheet—1,683,282 short tons, hot-rolled bar—1,961,648

<sup>13</sup> Although I have reviewed each of the numerous exclusion requests for specialty products, I make no recommendation on this issue. I note that the Office of the U.S. Trade Representative has established a mechanism to consider product exclusion requests. 66 FR 208, at 54,321-24 (Oct. 26, 2001).

short tons, cold-finished bar—246,033 short tons, rebar—1,054,266 short tons, stainless steel bar—109,440 short tons, and stainless steel rod—62,573 short tons;

*Slab:*<sup>14</sup> A tariff-rate quota with an additional 20 percent *ad valorem* tariff on imports in excess of 7.0 million short tons in the first year of relief, an additional 17 percent *ad valorem* tariff on imports in excess of 7.5 million short tons in the second year of relief; and an additional 14 percent *ad valorem* tariff on imports in excess of 8.0 million short tons in the third year of relief;

*Welded tubular products other than OCTG:*<sup>14</sup> A tariff-rate quota with an additional 20 percent *ad valorem* tariff on imports in excess of 1,400,443 short tons in the first year of relief, an additional 17 percent *ad valorem* tariff on imports in excess of 1,442,456 short tons in the second year, and an additional 14 percent *ad valorem* tariff on imports in excess of 1,485,730 short tons in the third year of relief;

*Carbon and alloy steel fittings and flanges:*<sup>14</sup> An additional 13 percent *ad valorem* tariff in the first year of relief, to be reduced to an additional 10 percent *ad valorem* tariff in the second year of relief, and to be reduced to an additional 7 percent *ad valorem* tariff in the third year of relief.

Vice Chairman Okun recommends that the quotas or tariff-rate quotas on slab, plate, hot-rolled sheet, cold-rolled sheet and coated sheet products be applied to imports from Mexico but not imports from Canada; that the quotas on hot-rolled bar, cold-finished bar and stainless steel bar be applied to imports from Canada but not imports from Mexico; that the quotas on rebar, welded tubular products and stainless steel rod not apply to imports from either Canada or Mexico; that the additional tariffs on carbon and alloy fittings and flanges apply to imports from both Canada and Mexico. Vice Chairman Okun further recommends that none of the import restrictions applies to imports from Israel, or to any imports entered duty-free from beneficiary countries under the Caribbean Basin Economic Recover Act or the Andean Trade Preference Act.<sup>15</sup>

Vice Chairman Okun does not recommend that these remedies apply in their entirety to certain large diameter welded line pipe, nor to tool joints

<sup>14</sup> Vice Chairman Okun joins the Commission's recommended remedy for the first three years of relief only.

<sup>15</sup> To the extent that the U.S.-Jordan Free Trade Area Implementation Act applies to this investigation, Vice Chairman Okun further recommends that none of the import restrictions applies to imports from Jordan.

included within the fittings and flanges category.

Vice Chairman Okun also recommends that the President administer quotas and tariff-rate quotas on a quarterly basis, with country-specific allocations, and a short-supply mechanism, with the exception of welded tubular products (recommending that the President administer the remedy globally, on an annual basis, with a partial product exclusion).

Vice Chairman Okun also recommends that the President continue to pursue international negotiations with the governments of all the countries that supply these steel products aimed at reducing global inefficient or excess capacity to produce these steel products.

Vice Chairman Okun also recommends that the President utilize all trade adjustment assistance programs.

Vice Chairman Okun further urges the President to consider solutions to address legacy costs and other impediments to the rationalization and consolidation of the domestic industries producing steel.

Commissioner Devaney recommends:

As to Carbon and Alloy Flat Products:

(1) I recommend that the President impose a duty, in addition to the current rate of duty, for a four-year period, on all imports of flat products that are the subject of the remedy phase of this investigation as follows: 40 percent *ad valorem* in the first year of relief; 38 percent *ad valorem* in the second year of relief; 36 percent *ad valorem* in the third year of relief and 31 percent *ad valorem* in the fourth year of relief;

(2) Having made negative findings with respect to imports of flat products from both Mexico and Canada under section 311(a) of the NAFTA Implementation Act, I recommend that such imports not be subject to the recommended increase in the duty;

(3) I recommend that the increase in duty described above apply to imports of flat products from beneficiary countries under the Caribbean Basin Economic Recovery Act, but not apply to imports of flat products from beneficiary countries under the Andean Trade Preference Act, imports from Jordan or imports from Israel.

As to Carbon and Alloy Long Products:

(1) I recommend that the President impose a duty, in addition to the current rate of duty, for a four-year period, on all imports of carbon bar and rebar as follows: 35 percent *ad valorem* in the first year of relief; 33 percent *ad valorem* in the second year of relief; 31

percent *ad valorem* in the third year of relief and 26 percent *ad valorem* in the fourth year of relief;

(2) Having made negative findings with respect to imports of carbon bar and rebar from both Mexico and Canada under section 311(a) of the NAFTA Implementation Act, I recommend that such imports not be subject to the recommended increase in the duty;

(3) I recommend that the increase in duty described above apply to imports of carbon bar and rebar from beneficiary countries under the Caribbean Basin Economic Recovery Act, but not apply to imports of long products from beneficiary countries under the Andean Trade Preference Act, imports from Jordan or imports from Israel.

As to Carbon and Alloy Tubular Products: (1) I recommend that the President impose a duty, in addition to the current rate of duty, for a four year period, on all imports of tubular products that are the subject of the remedy phase of this investigation as follows: 30 percent *ad valorem* in the first year of relief, 28 percent *ad valorem* in the second year of relief, 26 percent *ad valorem* in the third year of relief, and 21 percent *ad valorem* in the fourth year of relief;

(2) Having made negative findings with respect to imports of tubular products from both Mexico and Canada under section 311(a) of the NAFTA Implementation Act, I recommend that such imports not be subject to the recommended increase in the duty;

(3) I recommend that the increase in duty described above apply to imports of tubular products from beneficiary countries under the Caribbean Basin Economic Recovery Act, but not apply to imports of tubular products from beneficiary countries under the Andean Trade Preference Act, imports from Jordan or imports from Israel.

As to Stainless Steel Products except Fittings and Flanges:

(1) I recommend that the President impose quotas in the amount equal to the respective average quantities during the period 1996 to 1998, which I find to be the most recent representative period, on imports of stainless steel bar, stainless steel rod, tool steel, and stainless steel wire for a three year period. In addition, I recommend that during the first year of the quotas, a 15 percent *ad valorem* duty be placed on these products. I recommend that the quota be administered on a quarterly and country-by-country basis;

(2) Having made a negative finding with respect to these products from Canada and Mexico under section 311(a) of the NAFTA Implementation Act, I recommend that such imports not

be subject to the recommended quotas and duty increases;

(3) I recommend that this quota and duty increase apply to stainless bar imports from beneficiary countries under the Caribbean Basin Recovery Act, but not apply to imports entered from beneficiary countries under the Andean Trade Preference Act, imports from Jordan, or imports from Israel. These quotas and duty increases should not apply to imports of stainless steel rod, tool steel or stainless steel wire from Israel, Jordan, beneficiary countries under the Caribbean Basin Recovery Act, or beneficiary countries under the Andean Trade Preference Act.

As to Stainless Steel Fittings and Flanges: (1) I recommend that the President impose a quota in the amount equal to the average quantity during the period 1996 to 1998, which I find to be the most recent representative period, on imports of stainless steel fittings and flanges for a four year period. I recommend that the quota be administered on a quarterly and country-by-country basis;

(2) Should the President determine that the Commission reached an affirmative determination with respect to stainless steel fittings and flanges from Canada and Mexico under section 311(a) of the NAFTA Implementation Act, I recommend that such imports be subject to the quota recommended.

(3) I recommend that this quota not apply to imports from Israel, Jordan, beneficiary countries under the Caribbean Basin Recovery Act, or beneficiary countries under the Andean Trade Preference Act.

Further, the Commission has taken large amounts of evidence on exclusion requests over the course of this investigation, and the United States Trade Representative has gathered information regarding such requests. I therefore believe it helpful to the President and USTR to make a recommendation regarding these requests. I have determined that several specialty or niche products should be excluded from the remedy recommended for the product category to which they belong.

### Background

Following receipt of a request from the United States Trade Representative on June 22, 2001, the Commission instituted investigation No. TA-201-73, Steel, under section 202 of the Trade Act of 1974 (19 U.S.C. 2252) to determine whether certain steel

products<sup>16</sup> are being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing an article like or directly competitive with the imported article.<sup>17</sup>

Notice of the institution of the Commission's investigation was given by posting a copy of the notice on the Commission's web site ([www.usitc.gov](http://www.usitc.gov)), and by publishing the notice in the **Federal Register** of July 3, 2001 (66 FR 35267). The public hearings in connection with the injury phase of the investigations were held between September 17, 2001 and October 5, 2001 in Washington, DC and Merrillville, IN. The public hearings in connection with the remedy phase of the investigations were held between November 6, 2001 and November 9, 2001 in Washington, DC.

Issued: December 20, 2001.

*By order of the Commission.*

**Donna R. Koehnke,**  
*Secretary.*

## Appendix A

### Carbon and Alloy Steel Flat Products

#### Slabs

A slab is a semifinished steel product produced by continuous casting or by hot-rolling or forging. Slabs of carbon steel have a rectangular cross-section with a width at least two times the thickness. Slabs of other alloy steel have a width at least four times the thickness. Carbon and alloy steel slabs are provided for in the following HTS subheadings: 7207.12.0010, 7207.12.0050, 7207.20.0025, 7207.20.0045, and 7224.90.0055.

#### Plate

This category includes both cut-to-length ("CTL") plate and clad plate. CTL plate is a flat-rolled product of rectangular cross-section, having a thickness of 4.75 mm or more and a width which exceeds 150 mm and measures at least twice the thickness. It is flat, i.e., not in coil,<sup>1</sup> and may be of any shape (rectangular, circular, or other). It may have patterns-in-relief derived directly from rolling (floor plate). It may be perforated, corrugated, or polished. Plate may also have been subjected to heat-treatment and may have been descaled or pickled. Clad plate is a flat-rolled product of more than one metal

layer, of which the predominating metal is non-alloy steel, and the layers are joined by molecular interpenetration of the surfaces in contact. The metal other than non-alloy steel used for clad plate may be stainless steel, titanium, or any other metal. The clad plate may be in the form of a flat plate or a coiled plate, may be of any thickness, and may be either hot- or cold-rolled. Products in this category are provided for in the following HTS subheadings: 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.90.0000, 7210.90.1000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7225.40.3005, 7225.40.3050, 7225.50.6000, and 7226.91.5000.

#### Hot-Rolled Steel

Products in this category are hot-rolled sheet and strip, as well as plate in coils. These are carbon and alloy steel flat-rolled products of rectangular cross-section, produced by hot-rolling on hot-strip (continuous) mills, reversing mills, or Steckel mills. If the product is in coils, it may be of any thickness. If it is in straight lengths, it must be of a thickness of less than 4.75 mm and a width measuring at least 10 times the thickness. It may have patterns-in-relief derived directly from rolling (floor plate). It may be perforated, corrugated, or polished. It may be either unpickled or pickled. It may have been subjected to various processing steps after hot reduction, including pickling or descaling, rewinding, flattening, temper rolling, or heat treatment, and it may have been cut into shapes other than rectangular. Products in this category are provided for in the following HTS subheadings:

7208.10.1500, 7208.10.3000, 7208.10.6000, 7208.25.3000, 7208.25.6000, 7208.26.0030, 7208.26.0060, 7208.27.0030, 7208.27.0060, 7208.36.0030, 7208.36.0060, 7208.37.0030, 7208.37.0060, 7208.38.0015, 7208.38.0030, 7208.38.0090, 7208.39.0015, 7208.39.0030, 7208.39.0090, 7208.40.6030, 7208.40.6060, 7208.53.0000, 7208.54.0000, 7211.14.0090, 7211.19.1500, 7211.19.2000, 7211.19.3000, 7211.19.4500, 7211.19.6000, 7211.19.7530, 7211.19.7560, 7211.19.7590, 7225.30.3005, 7225.30.3050, 7225.30.7000, 7225.40.7000, 7226.91.7000, and 7226.91.8000.

#### Cold-Rolled Steel

Products in this category include cold-rolled sheet and strip other than GOES. These are carbon and alloy steel flat-rolled products of rectangular cross-section, produced by cold-rolling. If the product is in coils, it may be of any thickness. If it is in straight lengths, it must be of a thickness of less than 4.75 mm and a width measuring at least 10 times the thickness. The product may have patterns-in-relief derived directly from rolling. It may be perforated, corrugated, or polished. It may have been subjected to various processing steps after cold reduction, including flattening, temper rolling, or heat treatment, and it may have been cut into shapes other than rectangular. Products in this category are provided for in the following HTS subheadings: 7209.15.0000, 7209.16.0030, 7209.16.0060, 7209.16.0090, 7209.17.0030, 7209.17.0060, 7209.17.0090, 7209.18.1530, 7209.18.1560, 7209.18.2510, 7209.18.2550, 7209.18.6000, 7209.25.0000,

7209.26.0000, 7209.27.0000, 7209.28.0000, 7209.90.0000, 7211.23.1500, 7211.23.2000, 7211.23.3000, 7211.23.4500, 7211.23.6030, 7211.23.6060, 7211.23.6075, 7211.23.6085, 7211.29.2030, 7211.29.2090, 7211.29.4500, 7211.29.6030, 7211.29.6080, 7211.90.0000, 7225.19.0000, 7225.50.7000, 7225.50.8010, 7225.50.8015, 7225.50.8085, 7226.92.7050, 7226.92.8005, 7226.92.8050, 7226.19.1000, 7226.19.9000, 7226.92.5000, and 7226.92.7005.

#### GOES

Grain-oriented electrical steel ("GOES") includes low-carbon, silicon-iron alloys with a silicon content of approximately 3.2 percent, in which low core loss and high permeability in the direction of rolling have been achieved by appropriate metallurgical processing. It is a flat-rolled cold-rolled steel product sold in sheet or strip form and has a grain structure that permits it to conduct a magnetic field with a high degree of efficiency. Products in this category are provided for in the following HTS subheadings: 7225.11.0000, 7226.11.1000, 7226.11.9030, and 7226.11.9060.

#### Coated Steel

Products in this category include corrosion-resistant and other coated sheet and strip. These products are flat-rolled products of carbon or alloy steel with a metallic or nonmetallic coating, other than tin mill products, and other than clad. The category includes steel that is galvanized (i.e., coated with zinc), aluminized, coated with zinc-aluminum alloy, galvanized (heat-treated after coating), coated with a mixture of lead and tin (i.e., terne plate and terne coated sheets), painted, and coated with plastic. Products in this category are provided for in the following HTS subheadings: 7210.20.0000, 7210.30.0030, 7210.30.0060, 7210.41.0000, 7210.49.0030, 7210.49.0090, 7210.61.0000, 7210.69.0000, 7210.70.3000, 7210.70.6030, 7210.70.6060, 7210.70.6090, 7210.90.6000, 7210.90.9000, 7212.20.0000, 7212.30.1030, 7212.30.1090, 7212.30.3000, 7212.30.5000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7212.60.0000, 7225.91.0000, 7225.92.0000, 7225.99.0010, 7225.99.0090, 7226.93.0000, 7226.94.0000, and 7226.99.0000.

#### Tin Mill Products

Tin mill products are flat-rolled products of carbon or alloy steel, plated or coated with tin or with chromium oxides or with chromium and chromium oxides (tin-free steel). The products may be either in coils or in straight lengths. Tin products are made by electrolytically coating flat-rolled steel with tin or chromium. Products in this category are provided for in the following HTS subheadings: 7210.11.0000, 7210.12.0000, 7210.50.0000, and 7212.10.0000.

### Carbon and Alloy Steel Long Products

#### Ingots

This category includes ingots, blooms, and billets. Ingots are the primary form into which molten steel is cast when produced by other than continuous casting. Blooms and billets are semifinished products of rectangular cross-section with a width less

<sup>16</sup> The June 22, 2001, request letter from the United States Trade Representative and the accompanying annexes listing the covered products by HTS categories are on the Commission's web site (<http://www.usitc.gov>).

<sup>17</sup> On July 26, 2001, the Commission received a resolution from the Committee on Finance of the United States Senate for an investigation of the same scope. Pursuant to section 603 of the Trade Act, the Commission consolidated the investigation requested by the Committee with the ongoing investigation.

<sup>1</sup> Plate in coil, which is not included in this category, is included in the hot-rolled category.

than two times the thickness of carbon steel, or less than four times the thickness of other alloy steel. This category includes other products of solid section, which have not been further worked than subjected to primary hot-rolling or roughly shaped by forging, including tube rounds and blanks for angles, shapes, or sections. Ingots are provided for in the following HTS subheadings: 7206.10.0000, 7206.90.0000, 7207.11.0000, 7207.19.0030, 7207.19.0090, 7207.20.0075, 7207.20.0090, 7224.10.0005, 7224.10.0075, 7224.90.0005, 7224.90.0045, 7224.90.0065, and 7224.90.0075.

#### Hot Bar

Carbon and alloy hot-rolled bar and light shapes ("hot bar") are products which have a solid cross-section in the shape of circles, segments of circles, ovals, triangles, rectangles (including squares), or other convex polygons including flattened circles and modified rectangles of which two opposite sides are convex arcs and the other two sides are straight, of equal length, and parallel. This category includes the following: Bars of a diameter of 19 mm or more in irregularly wound coils; free-machining carbon steel and high-nickel alloy steel bars and rods of any diameter; angles, shapes, and sections (such as U, I, or H sections) not further worked than hot-rolled, hot-drawn, or extruded, of a height of less than 80 mm; and hollow drill bars and rods of which the greatest external dimension of the cross-section exceeds 15 mm but does not exceed 52 mm, and of which the greatest internal dimension does not exceed one half of the greatest external dimension. This category excludes carbon and alloy (including free-machining alloy steel) wire rod having a diameter of 5 mm or more but less than 19 mm (which are covered by a section 201 relief on wire rod) and hollow bars and rods of iron or steel not conforming to this definition (which are included in the pipe and tubing product categories). Hot bars are provided for in the following HTS subheadings: 7213.20.0000, 7213.99.0060, 7213.99.0090, 7214.10.0000, 7214.30.0000, 7214.91.0015, 7214.91.0060, 7214.91.0090, 7214.99.0015, 7214.99.0030, 7214.99.0045, 7214.99.0060, 7214.99.0075, 7214.99.0090, 7215.90.1000, 7215.90.5000, 7216.10.0010, 7216.10.0050, 7216.21.0000, 7216.22.0000, 7216.50.0000, 7216.61.0000, 7216.69.0000, 7216.91.0000, 7216.99.0000, 7227.20.0000, 7227.20.0010, 7227.20.0090, 7227.90.1030, 7227.90.2030, 7227.90.6005, 7227.90.6058, 7228.20.1000, 7228.30.2000, 7228.30.8005, 7228.30.8050, 7228.40.0000, 7228.60.1030, 7228.60.6000, 7228.70.3020, 7228.70.3040, 7228.70.3060, 7228.70.3080, 7228.70.6000, and 7228.80.0000.

#### Cold Bar

Carbon and alloy cold-finished bar ("cold bar") are products defined by shape in the hot bar category, not in coils, which have been subjected to a cold-finishing operation such as cold-rolling, cold-drawing, grinding, or polishing. Cold bars are provided for in the following HTS subheadings: 7215.10.0000, 7215.50.0015, 7215.50.0060, 7215.50.0090, 7215.90.3000, 7228.20.5000, 7228.50.1010, 7228.50.5005, 7228.50.5050, and 7228.60.8000.

#### Rebar

Carbon and alloy rebar are hot-rolled steel products which have a solid cross-section (as described for hot bars) and contain indentations, ribs, grooves, or other deformations produced during the rolling process or by twisting after rolling, for the purpose of improving the bond with concrete. Rebar is provided for in HTS subheadings 7213.10.0000 and 7214.20.0000.

#### Rails

Carbon and alloy rails and railway products are railway and track construction material including rails, check-rails and rack-rails, sleepers (cross-ties), fish-plates, and sole-plates (base plates). The bulk of the products in this category are produced in dedicated facilities. Rails are provided for in the following HTS subheadings: 7302.10.1010, 7302.10.1015, 7302.10.1025, 7302.10.1035, 7302.10.1045, 7302.10.5020, 7302.10.1055, 7302.20.0000, and 7302.40.0000.

#### Wire

Carbon and alloy wire are cold-formed products in coils, of any uniform solid cross-section along their entire length, which do not conform to the definition of flat-rolled products. Wire is provided for in the following HTS subheadings: 7217.10.1000, 7217.10.2000, 7217.10.3000, 7217.10.4030, 7217.10.4090, 7217.10.5030, 7217.10.5090, 7217.10.6000, 7217.10.7000, 7217.10.8010, 7217.10.8020, 7217.10.8025, 7217.10.8030, 7217.10.8045, 7217.10.8060, 7217.10.8075, 7217.10.8090, 7217.10.9000, 7217.20.1500, 7217.20.3000, 7217.20.4510, 7217.20.4520, 7217.20.4530, 7217.20.4540, 7217.20.4550, 7217.20.4560, 7217.20.4570, 7217.20.4580, 7217.20.6000, 7217.20.7500, 7217.30.1530, 7217.30.1560, 7217.30.3000, 7217.30.4510, 7217.30.4520, 7217.30.4530, 7217.30.4540, 7217.30.4550, 7217.30.4560, 7217.30.4590, 7217.30.6000, 7217.30.7500, 7217.90.1000, 7217.90.5030, 7217.90.5060, 7217.90.5090, 7229.20.0000, 7229.90.1000, 7229.90.5015, 7229.90.5030, 7229.90.5050, and 7229.90.9000.

#### Rope

Carbon and alloy strand, rope, cable, and cordage ("rope") are stranded wire (two or more wires twisted closely together), ropes, and cables, not electrically insulated. Rope is provided for in the following HTS subheadings: 7312.10.3005, 7312.10.3010, 7312.10.3012, 7312.10.3020, 7312.10.3045, 7312.10.3065, 7312.10.3070, 7312.10.3074, 7312.10.3080, 7312.10.8000, 7312.10.9030, 7312.10.9060, and 7312.10.9090.

#### Nails

Carbon and alloy nails, staples, and woven cloth ("nails") are woven cloth of carbon or alloy steel wire and nails, tacks, drawing pins, corrugated nails, staples, and similar articles of iron or steel, whether or not with heads of other material, but excluding such articles with heads of copper. Nails are provided for in the following HTS subheadings: 7314.19.0000, 7317.00.5504, 7317.00.5506, 7317.00.5510, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580,

7317.00.5590, 7317.00.6530, 7317.00.6560, 7317.00.7500, and 8305.20.0000.

#### Shapes

Carbon and alloy heavy structural shapes and sheet piling ("shapes") are angles, shapes, and sections (such as U, I, or H sections) of a height equal to or more than 80 mm. The markets for shapes include distributors, fabricators, and end users. Shapes are provided for in the following HTS subheadings: 7216.31.0000, 7216.32.0000, 7216.33.0030, 7216.33.0060, 7216.33.0090, 7216.40.0010, 7216.40.0050, 7301.10.0000, 7301.20.1000, and 7301.20.5000.

#### Fabricated Structural Units

Carbon and alloy fabricated structural units are structures (excluding prefabricated buildings) and parts of structures (i.e., bridges and bridge sections, lock gates, towers, lattice masts, roofs, roofing frameworks, pillars, and columns) made from iron or steel plates, rods, angles, shapes, sections, tubes, and the like. This category includes sheet-metal roofing, siding, flooring, and roofing drainage equipment and excludes doors, windows, their frames and thresholds, and architectural and ornamental work. Fabricated products are provided for in the following HTS subheadings: 7308.10.0000, 7308.20.0000, 7308.40.0000, 7308.90.3000, 7308.90.6000, 7308.90.7000, 7308.90.9530, and 7308.90.9590.

#### Carbon and Alloy Steel Tubular Products

##### Seamless Tubular Products Other Than OCTG

Carbon and alloy seamless tubular products are tubular products that have no joint, whether welded or not, along the longitudinal axis of the product. OCTG and cast iron pipe, tube, hollow profiles, hollow drill bars, fittings, flexible tubing, and insulated electrical conduit tubing are excluded from this category. Seamless tubular products are provided for in the following HTS subheadings: 7304.10.1020, 7304.10.1030, 7304.10.1045, 7304.10.1060, 7304.10.1080, 7304.10.5020, 7304.10.5050, 7304.10.5080, 7304.31.3000, 7304.31.6010, 7304.31.6050, 7304.39.0002, 7304.39.0004, 7304.39.0006, 7304.39.0008, 7304.39.0016, 7304.39.0020, 7304.39.0024, 7304.39.0028, 7304.39.0032, 7304.39.0036, 7304.39.0040, 7304.39.0044, 7304.39.0048, 7304.39.0052, 7304.39.0056, 7304.39.0062, 7304.39.0068, 7304.39.0072, 7304.39.0076, 7304.39.0080, 7304.51.1000, 7304.51.5005, 7304.51.5015, 7304.51.5045, 7304.51.5060, 7304.59.1000, 7304.59.2030, 7304.59.2040, 7304.59.2045, 7304.59.2055, 7304.59.2060, 7304.59.2070, 7304.59.2080, 7304.59.6000, 7304.59.8010, 7304.59.8015, 7304.59.8020, 7304.59.8025, 7304.59.8030, 7304.59.8035, 7304.59.8040, 7304.59.8045, 7304.59.8050, 7304.59.8055, 7304.59.8060, 7304.59.8065, 7304.59.8070, 7304.59.8080, 7304.90.1000, 7304.90.3000, 7304.90.5000, and 7304.90.7000.

##### Seamless OCTG

Carbon and alloy seamless oil country tubular goods ("seamless OCTG") are produced by the seamless processes described above but are used below ground in the drilling and completion of oil or gas

wells. Seamless OCTG consist of casing, which is the structural retainer for the walls of oil and gas wells; tubing, which is used within casing to convey oil or gas to ground level; and drill pipe, which is used to convey power to a rotary drilling tool below ground level. Seamless OCTG are provided for in the following HTS subheadings: 7304.21.3000, 7304.21.6030, 7304.21.6045, 7304.21.6060, 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3010, 7304.29.3020, 7304.29.3030, 7304.29.3040, 7304.29.3050, 7304.29.3060, 7304.29.3080, 7304.29.4010, 7304.29.4020, 7304.29.4030, 7304.29.4040, 7304.29.4050, 7304.29.4060, 7304.29.4080, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6015, 7304.29.6030, 7304.29.6045, 7304.29.6060, 7304.29.6075, and 8431.43.8040.

#### *Welded Tubular Products Other Than OCTG*

Carbon and alloy welded tubular products are produced by bending flat-rolled steel products to form a hollow product with overlapping or abutting seams. These products are then fastened along the seam by welding, although clipping, riveting, and forging are also used to fasten a seam. The seam produced by the fastening method may run either longitudinally or spirally along the length of the product. The welded tubular goods covered in this category do not include OCTG and carbon quality steel welded line pipe of an outside diameter that does not exceed 406.7 mm (the latter product is covered by a prior section 201 relief request on line pipe (see Circular Welded Carbon Quality Line Pipe, Inv. No. TA-201-70, publication No. 3261, December 1999). Welded tubular products are provided for in the following HTS subheadings:

7305.11.1030, 7305.11.1060, 7305.11.5000, 7305.12.1030, 7305.12.1060, 7305.12.5000, 7305.19.1030, 7305.19.1060, 7305.19.5000, 7305.31.2000, 7305.31.4000, 7305.31.6000, 7305.39.1000, 7305.39.5000, 7305.90.1000, 7305.90.5000, 7306.30.1000, 7306.30.3000, 7306.30.5010, 7306.30.5015, 7306.30.5020, 7306.30.5025, 7306.30.5032, 7306.30.5035, 7306.30.5040, 7306.30.5055, 7306.30.5085, 7306.30.5090, 7306.50.1000, 7306.50.3000, 7306.50.5010, 7306.50.5030, 7306.50.5050, 7306.50.5070, 7306.60.1000, 7306.60.3000, 7306.60.5000, 7306.60.7060, 7306.90.1000, and 7306.90.5000.

#### *Welded OCTG*

Carbon and alloy welded oil country tubular goods ("welded OCTG") are produced by forming a flat-rolled product into a tubular shape and then welding the seam. Welded OCTG are used below ground in the drilling and completion of oil or gas wells, and consist of casing, which is the structural retainer for the walls of oil and gas wells, and tubing, which is used within the casing to convey oil or gas to ground level. Welded OCTG do not include drill pipe. Welded OCTG are provided for in the following HTS subheadings: 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.20.1030, 7306.20.1090, 7306.20.2000,

7306.20.3000, 7306.20.4000, 7306.20.6010, 7306.20.6050, 7306.20.8010, and 7306.20.8050.

#### *Fittings*

Carbon and alloy fittings and flanges ("fittings") are generally used for connecting the bores of two or more pipes or tubes together, or for connecting a pipe or tube to some other apparatus, or for closing the tube aperture. This category also includes tool joints for welding onto lengths of unfinished drill pipe to produce finished drill pipe. Fittings do not include valves or articles used for installing pipes and tubes but which do not form an integral part of the bore, e.g., hangers, stays, and similar supports, clamping or tightening bands, or collars used for clamping flexible tubing or hose to rigid piping, taps, connecting pieces, etc. Fittings are provided for in the following HTS subheadings: 7307.91.5010, 7307.91.5030, 7307.91.5050, 7307.91.5070, 7307.92.3010, 7307.92.3030, 7307.92.9000, 7307.93.3000, 7307.93.6000, 7307.93.9030, 7307.93.9060, 7307.99.5015, 7307.99.5045, 7307.99.5060, and 8431.43.8020.

#### **Stainless and Tool Steel Products**

##### *Slabs/Ingots*

Slabs, blooms, billets, and ingots ("slabs/ingots") are the most common forms of semi-finished stainless steel. Following the production of molten steel with the desired properties, the stainless steel is cast into a form that can enter the rolling process. This category includes other products of solid section that have not been further worked than primary hot-rolling or roughly shaped by forging, including tube rounds. Slabs/ingots are provided for in the following HTS subheadings: 7218.10.0000, 7218.91.0015, 7218.91.0030, 7218.91.0060, 7218.99.0015, 7218.99.0030, 7218.99.0045, 7218.99.0060, and 7218.99.0090.

##### *Plate*

The production of stainless steel CTL plate is commonly achieved by the uncoiling of flat-rolled stainless steel and cutting it to a desired length. It may be of any shape (rectangular, circular, or other) and be produced by rolling on a sheared-plate mill or by flattening and cutting to length from a coiled plate. It may be perforated, corrugated, or polished; subjected to heat-treatment; and descaled or pickled. Plate in coil form is included if under 600 mm in width and 4.75 mm or more in thickness. Plate is provided for in the following HTS subheadings: 7219.21.0005, 7219.21.0020, 7219.21.0040, 7219.21.0060, 7219.22.0005, 7219.22.0015, 7219.22.0020, 7219.22.0025, 7219.22.0035, 7219.22.0040, 7219.22.0045, 7219.22.0070, 7219.22.0075, 7219.22.0080, 7219.31.0050, and 7220.11.0000.

##### *Bar*

Stainless steel bars are articles of stainless steel in straight lengths having a uniform solid cross-section in the shape of circles, segments of circles, ovals, rectangles, squares, triangles, or other convex polygons. Also included are angles, shapes, and sections (such as U, I, or H sections) not further worked than hot-rolled, hot-drawn, or

extruded and concrete rebar, which has indentations, ribs, grooves, or other deformations produced during the rolling process. Bar is provided for in the following HTS subheadings: 7221.00.0045, 7222.11.0005, 7222.11.0050, 7222.19.0005, 7222.19.0050, 7222.20.0005, 7222.20.0045, 7222.20.0075, 7222.30.0000, 7222.40.3025, 7222.40.3045, 7222.40.3065, 7222.40.3085, and 7222.40.6000.

##### *Rod*

Stainless steel rod is an intermediate stainless steel product that is produced in a wide variety of sizes and grades with a solid cross-section. Rod covered by this investigation includes rod of circular cross-section having a diameter of less than 19 mm and if containing alloy then containing 24 percent or more of nickel, by weight, or of a shape other than circular, may be of any size. Rod is provided for in the following HTS subheadings: 7221.00.00.05, 7221.00.00.15, 7221.00.00.30, and 7221.00.00.75.

##### *Tool Steel*

Tool steel includes tool steel in all product forms. Tool steel is provided for in the following HTS subheadings: 7224.10.0045, 7224.90.0015, 7224.90.0025, 7224.90.0035, 7225.20.0000, 7225.30.1000, 7225.30.5060, 7225.40.1090, 7225.40.5060, 7225.50.1060, 7226.20.0000, 7226.91.0500, 7226.91.1560, 7226.91.2560, 7226.92.1060, 7226.92.3060, 7227.10.0000, 7227.90.1060, 7227.90.2060, 7228.10.0010, 7228.10.0030, 7228.10.0060, 7228.30.4000, 7228.30.6000, 7228.50.1020, 7228.50.1040, 7228.50.1060, 7228.50.1080, 7228.60.1060, and 7229.10.0000.

##### *Wire*

Stainless steel wire is a cold-formed product in coils, of any uniform solid cross-section along its whole length, which does not conform to the definition of flat-rolled products. Wire is provided for in the following HTS subheadings: 7223.00.1015, 7223.00.1030, 7223.00.1045, 7223.00.1060, 7223.00.1075, 7223.00.5000, and 7223.00.9000.

##### *Cloth*

Woven cloth of stainless steel wire is an article of stainless steel in which wire is interwoven to produce a fabric. Cloth is provided for in the following HTS subheadings: 7314.14.1000, 7314.14.2000, 7314.14.3000, 7314.14.6000, and 7314.14.9000.

##### *Rope*

Stainless steel rope includes stranded wire (two or more wires twisted closely together), ropes, cables, and cordage which are not electrically insulated. Wire strand is two or more wires twisted together precisely around a center so that all the wires in the strand can move in unison in order to equally distribute load and bending stresses. Rope is provided for in the following HTS subheadings: 7312.10.1030, 7312.10.1050, 7312.10.1070, 7312.10.6030, and 7312.10.6060.

##### *Seamless Tubular Products*

Stainless steel seamless tubular products have no joint, whether welded or not, along

the longitudinal axis of the product and may be formed by several methods, including hot-rolling, hot-extrusion, deep drawing of a disc, forging, and casting. Seamless tubular products are provided for in the following HTS subheadings: 7304.41.3005, 7304.41.3015, 7304.41.3045, 7304.41.6005, 7304.41.6015, 7304.41.6045, 7304.49.0005, 7304.49.0015, 7304.49.0045, and 7304.49.0060.

*Welded Tubular Products*

Stainless steel welded tubular products are produced by bending flat-rolled steel products to form a hollow product with overlapping or abutting seams. The seam is

then generally fastened together by welding, although clipping, riveting, and forging are also used to fasten a seam. The seam may run either longitudinally or spirally along the length of the product. Welded tubular products are provided for in the following HTS subheadings: 7306.40.1010, 7306.40.1015, 7306.40.1090, 7306.40.5005, 7306.40.5015, 7306.40.5040, 7306.40.5042, 7306.40.5044, 7306.40.5062, 7306.40.5064, 7306.40.5080, 7306.40.5085, 7306.40.5090, and 7306.60.7030.

*Fittings*

Stainless steel flanges and fittings are generally used for connecting the bores of

two or more pipes or tubes together, or for connecting a pipe or tube to some other apparatus, or for closing the tube aperture. This category does not include valves or articles used for installing pipes and tubes but which do not form an integral part of the bore, e.g., hangers, stays, and similar supports, clamping or tightening bands, or collars (hose clips) used for clamping flexible tubing or hose to rigid piping, taps, connecting pieces, etc. Fittings are provided for in the following HTS subheadings: 7307.21.1000, 7307.21.5000, 7307.22.1000, 7307.22.5000, 7307.23.0000, 7307.29.0030, and 7307.29.0090.

**BILLING CODE 7020-02-P**



Commissioner	Carbon & Alloy Flat Products							Carbon & Alloy Long Products							Carbon & Alloy Tubular Products				Stainless & Tool Steel Products																		
	Slabs	Plate	Hot-rolled	Cold-rolled	GOES	Coated	Tin	Ingot	Hot bar	Cold bar	Rebar	Rails	Wire	Rope	Nails	Shapes	Fabricated units	Seamless	Seamless OCTG	Welded	Welded OCTG	Fittings	Slabs/Ingots	Plate	Bar	Rod	Tool steel	Wire	Cloth	Rope	Seamless pipe	Welded pipe	Fittings				
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33				
Hillman	A	A	A	A	A	A	N	N	A	A	A	N	N	N	N	N	N	N	N	A	N	A	N	N	A	A	N	N	N	N	N	N	N				
Canada	N	N	N	N	N	N			A	A	A											A															
Mexico	A	A	A	A	A	A			N	N	N											N															
Devaney	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A		
Canada	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N		
Mexico	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N		
Commission	A	A	A	A	A	A	T	N	A	A	A	N	N	N	N	N	N	N	N	A	N	A	N	N	A	A	T	I	E	N	N	N	N	T	I	E	
Canada	N	N	N	N	N	N	N		A	A	A									T	I	E														A	
Mexico	A	A	A	A	A	A	A	N	N	N	N											A															A

Note:—With regard to welded tubular products other than OCTG, Chairman Koplan, Vice Chairman Okun, Commissioner Miller, and Commissioner Hillman made an affirmative determination based on threat of serious injury. With regard to carbon and alloy wire, rope, and nails and stainless wire and rope, Commissioner Bragg made affirmative determinations based on threat of serious injury.

## Appendix C

Product	Commissioner/Remedy Recommendation		Year 1	Year 2	Year 3	Year 4	Special Findings <sup>1</sup>
Carbon and alloy steel slabs	Koplan, Okun, Miller, Hillman <sup>2</sup>	Tariff-rate quota	20% tariff on covered imports in excess of 7,000,000 short tons	17% tariff on covered imports in excess of 7,500,000 short tons	14% tariff on covered imports in excess of 8,000,000 short tons	11% tariff on covered imports in excess of 8,500,000 short tons <sup>3</sup>	Mexico
	Bragg, Devaney	Tariff	40%	38%	36%	31%	Mexico <sup>4</sup> CBERA <sup>5</sup>
Carbon and alloy steel plate	Koplan, Miller, Hillman <sup>2</sup>	Tariff	20%	17%	14%	11%	Mexico
	Bragg, Devaney	Tariff	40%	38%	36%	31%	Mexico <sup>4</sup> CBERA <sup>5</sup>
Carbon and alloy steel hot-rolled flat products	Okun	Quota	1,232,260 short tons	1,269,227 short tons	1,307,304 short tons		Mexico
	Koplan, Miller, Hillman <sup>2</sup>	Tariff	20%	17%	14%	11%	Mexico
	Bragg, Devaney	Tariff	40%	38%	36%	31%	Mexico <sup>4</sup> CBERA <sup>5</sup>
	Okun	Quota	4,928,712 short tons	5,076,573 short tons	5,228,871 short tons		Mexico
Carbon and alloy steel cold-rolled flat products	Koplan, Miller, Hillman <sup>2</sup>	Tariff	20%	17%	14%	11%	Mexico
	Bragg, Devaney	Tariff	40%	38%	36%	31%	Mexico <sup>4</sup> CBERA <sup>5</sup>
Carbon and alloy steel coated products	Okun	Quota	2,796,196 short tons	2,880,082 short tons	2,966,485 short tons		Mexico
	Koplan, Miller, Hillman <sup>2</sup>	Tariff	20%	17%	14%	11%	Mexico
	Bragg, Devaney	Tariff	40%	38%	36%	31%	Mexico <sup>4</sup> CBERA <sup>5</sup>
	Okun	Quota	1,683,282 short tons	1,733,781 short tons	1,785,794 short tons		Mexico

<sup>1</sup> Imports from Canada, Mexico, Israel, Jordan, and beneficiary countries under the Caribbean Basin Economic Recovery Act (CBERA) and the Andean Trade Preference Act are excluded unless specifically noted in this column.

<sup>2</sup> Pursuant to section 330(d)(2) of the Tariff Act of 1930, this remedy recommendation is to be treated as the remedy finding of the Commission.

<sup>3</sup> Chairman Koplan and Commissioners Miller and Hillman only.

<sup>4</sup> Commissioner Bragg only.

<sup>5</sup> Commissioner Devaney only.

Product	Commissioner/Remedy Recommendation		Year 1	Year 2	Year 3	Year 4	Special Findings
Carbon and alloy steel tin products	Bragg, Devaney	Tariff	40%	38%	36%	31%	Mexico <sup>6</sup> CBERA <sup>7</sup>
	Miller	Tariff	20%	17%	14%	11%	Canada
Carbon and alloy steel hot-rolled bar	Koplan, Miller, Hillman <sup>8</sup>	Tariff	20%	17%	14%	11%	Canada Mexico <sup>9</sup>
	Bragg, Devaney	Tariff	35%	33%	31%	26%	CBERA <sup>7</sup>
Carbon and alloy steel cold-finished bar	Okun	Quota	1,961,648 short tons	2,020,497 short tons	2,081,112 short tons		Canada
	Koplan, Miller, Hillman <sup>8</sup>	Tariff	20%	17%	14%	11%	Canada
Carbon and alloy steel rebar	Bragg, Devaney	Tariff	35%	33%	31%	26%	CBERA <sup>7</sup>
	Okun	Quota	246,033 short tons	253,414 short tons	261,016 short tons		Canada
Carbon and alloy steel welded tubular products other than OCTG	Koplan, Miller, Hillman <sup>8</sup>	Tariff	10%	8%	6%	4%	
	Bragg, Devaney	Tariff	35%	33%	31%	26%	CBERA <sup>7</sup>
Carbon and alloy steel welded tubular products other than OCTG	Okun	Quota	1,054,266 short tons	1,085,894 short tons	1,118,470 short tons		
	Koplan, Miller	Tariff-rate quota	20% tariff on covered imports in excess of 2,600,000 short tons	17% tariff on covered imports in excess of 2,680,000 short tons	14% tariff on covered imports in excess of 2,760,000 short tons	11% tariff on covered imports in excess of 2,840,000 short tons	Canada Mexico
Carbon and alloy steel welded tubular products other than OCTG	Okun, Hillman	Tariff-rate quota	20% tariff on covered imports in excess of 1,400,443 short tons	17% tariff on covered imports in excess of 1,442,456 short tons	14% tariff on covered imports in excess of 1,485,730 short tons	11% tariff on covered imports in excess of 1,530,302 short tons <sup>10</sup>	
	Bragg, Devaney	Tariff	30%	28%	26%	21%	Canada <sup>8</sup> CBERA <sup>7</sup>

<sup>6</sup> Commissioner Bragg only.

<sup>7</sup> Commissioner Devaney only.

<sup>8</sup> Pursuant to section 330(d)(2) of the Tariff Act of 1930, this remedy recommendation is to be treated as the remedy finding of the Commission.

<sup>9</sup> Chairman Koplan and Commissioner Miller only.

<sup>10</sup> Commissioner Hillman only.

Product	Commissioner/Remedy Recommendation		Year 1	Year 2	Year 3	Year 4	Special Findings
Carbon and alloy steel fittings and flanges	Koplan, Okun, Miller, Hillman <sup>11</sup>	Tariff	13%	10%	7%	4% <sup>12</sup>	Canada <sup>13</sup> Mexico <sup>14</sup>
	Bragg, Devaney	Tariff	30%	28%	26%	21%	Canada <sup>15</sup> Mexico <sup>15</sup> CBERA <sup>16</sup>
	Koplan, Miller, Hillman <sup>11</sup>	Tariff	15%	12%	9%	6%	Canada
Stainless steel bar	Okun	Quota	109,440 short tons	112,724 short tons	116,106 short tons		Canada
	Bragg	Tariff	25%	20%	15%		
	Devaney	Quota and tariff	Average quantity of imports during 1996-98 plus 15%	Average quantity of imports during 1996-98	Average quantity of imports during 1996-98		CBERA
Stainless steel rod	Koplan, Miller, Hillman <sup>11</sup>	Tariff	20%	17%	14%	11%	
	Okun	Quota	62,573 short tons	64,451 short tons	66,385 short tons		
	Bragg	Tariff	25%	20%	15%		
Tool steel	Devaney	Quota and tariff	Average quantity of imports during 1996-98 plus 15%	Average quantity of imports during 1996-98	Average quantity of imports during 1996-98		
	Koplan	Tariff	10%	8%	6%	4%	
	Bragg	Tariff	25%	20%	15%		
	Devaney	Quota and tariff	Average quantity of imports during 1996-98 plus 15%	Average quantity of imports during 1996-98	Average quantity of imports during 1996-98		

<sup>11</sup> Pursuant to section 330(d)(2) of the Tariff Act of 1930, this remedy recommendation is to be treated as the remedy finding of the Commission.

<sup>12</sup> Chairman Koplan and Commissioners Miller and Hillman only.

<sup>13</sup> Vice Chairman Okun and Commissioners Miller and Hillman only.

<sup>14</sup> Chairman Koplan, Vice Chairman Okun, and Commissioner Miller only.

<sup>15</sup> Commissioner Bragg only.

<sup>16</sup> Commissioner Devaney only.

Product	Commissioner/Remedy Recommendation		Year 1	Year 2	Year 3	Year 4	Special Findings
Stainless steel wire	Koplan	Tariff	8%	7%	6%	5%	
	Bragg	Tariff	15%	10%	5%		
	Devaney	Quota and tariff	Average quantity of imports during 1996-98 plus 15%	Average quantity of imports during 1996-98	Average quantity of imports during 1996-98		
Stainless steel fittings and flanges	Koplan	Tariff	15%	12%	9%	6%	
	Bragg	Tariff	30%	25%	20%		Canada Mexico
	Devaney	Quota	Average quantity of imports during 1996-98	Average quantity of imports during 1996-98	Average quantity of imports during 1996-98	Average quantity of imports during 1996-98	Canada Mexico

[FR Doc. 01-31794 Filed 12-27-01; 8:45 am]  
BILLING CODE 7020-02-C

## DEPARTMENT OF JUSTICE

### Immigration and Naturalization Service

[INS No. 2150-01]

#### Extension of Memorandum of Understanding for Fines Mitigation Under Section 273 of the Immigration and Nationality Act

**AGENCY:** Immigration and Naturalization Service, Justice.

**ACTION:** Notice.

**SUMMARY:** Air and sea transportation companies (carriers) may enter into a memorandum of Understanding (MOU) with the Immigration and Naturalization Service (Service). This MOU provides for mitigation of fines imposed under section 273 of the Immigration and Nationality Act (Act) related to transporting passengers without passports or visas. By signing the MOU, the carrier agrees to perform certain measures aimed at intercepting improperly documented aliens at foreign ports-of-embarkation. These MOUs expired on September 30, 2001. This notice services to extend the expiration date until September 30, 2002.

**DATES:** This notice is effective December 28, 2001.

**FOR FURTHER INFORMATION CONTACT:** Una Brien, National Fines Office, Immigration and Naturalization Service, 1525 Wilson Blvd., Suite 425, Arlington, VA 22209, telephone (202) 305-7018.

#### SUPPLEMENTARY INFORMATION:

#### Under What Authority Can the Service Reduce Fines?

Pursuant to section 273(e) of the Act, a violation for section 273(1) of the Act may be reduced, refunded, or waived in cases in which a carrier demonstrates that it screened all passengers on the vessel or aircraft in accordance with procedures prescribed by the Attorney General, or circumstances exist that the Attorney General determines would justify such reduction, refund, or waiver.

The Service published a final rule in the **Federal Register** at 63 FR 23643 (April 30, 1998) establishing procedures that carriers must undertake for the proper screening of passengers at the ports-of-embarkation to become eligible for a reduction, refund, or waiver of a fine imposed under section 273 of the Act.

The final rule provided that carriers that voluntarily signed at MOU with the

Service would receive an automatic reduction, refund, or waiver of fines imposed under section 273 of the Act. By signing the MOU, the carrier agrees in writing to meet passenger screening standards stated in 8 CFR 273.3, to train employees in documentary requirements, and to pay fines and user fees promptly. The Service agrees to provide document training and information guides to carriers and to mitigate fines as appropriate.

#### How Does the Service Measure the Carrier's Screening Performance?

The numerical standard, or Acceptable Performance Level (APL), is calculated by adding the total number of section 273(a)(1) violations involving nonimmigrants for all carriers, divided by the total number of nonimmigrants transported by all carriers, multiplied by 1,000. Each carrier is then rated against the APL using individual Performance Levels (PL). A carrier's individual PL is calculated by applying the same formula used to calculate the APL.

Carriers that meet or exceed the APL may be eligible for automatic fines reductions if the carrier entered into an MOU with the Service.

If a carrier's PL is not at or better than the APL, the carrier may still receive an automatic fine reduction of 25 percent if it is signatory to and in compliance with the MOU.

In order to provide carriers with additional incentives to screen documents, a second reduction factor (APL2) was developed. The APL2 uses the same formula but only uses the number of violations and total passenger counts for carriers who PL falls between 0 and the APL. These carriers will automatically receive an additional 25 percent reduction.

#### Why Is the Service Extending the Expiration Date for MOUs?

The Service is not contemplating any amendments to the current MOU before September 30, 2002. In this light, an extension of all existing MOUs will benefit both the Service and the carriers by avoiding the administrative costs that would result had the Service required that a new MOU be executed for each carrier. Carriers will remain eligible for automatic fine reductions during the extended period of the MOUs validity as long as the signatory carrier is in compliance with screening standards, training requirements, and payment requirements enumerated in the MOUs.

#### Will the Measurements for Screening Performance Be Changed?

The measurement for screening performance set forth in the **Federal**

**Register** at 63 FR 23643 (April 30, 1998) will continue to remain in effect. The Service will inform carriers of any plans to change the methods used to calculate a carrier's screening performance by publishing a notice in the **Federal Register**.

#### Can a Carrier Sign Up For the MOU After September 30, 2001?

A carrier can apply to be signatory to the MOU at any time. A carrier must meet all requirements before its MOU will be approved. Generally, a carrier must have a PL either at or better than the Service's APL and must be current in its payment of all administrative fines, liquidated damages, and user fees. If a carrier does not have a PL or does not have a PL that meets the Service's APL, the carrier must submit evidence to demonstrate that it has screening procedures in place to prevent transporting improperly documented aliens to the United States. Once an MOU is approved, violations that occurred on or after the date of the MOU signing will receive the automatic reductions.

#### How Does a Carrier or the Service Terminate an Existing MOU?

Either party may terminate an MOU upon 30 days via written notice.

Dated: September 28, 2001.

**James W. Ziglar,**

*Commissioner, Immigration and Naturalization Service.*

[FR Doc. 01-31913 Filed 12-27-01; 8:45 am]

BILLING CODE 4410-10-M

## DEPARTMENT OF LABOR

### Employment Standards Administration

#### Proposed Collection; Comment Request; Correction

**ACTION:** Correction.

**SUMMARY:** In **Federal Register** Volume 66, Number 244, beginning on page 65513 in the issue of Wednesday, December 19, 2001, under Current Actions, under Average hours per response, make the following corrections: On page 65513, **SUPPLEMENTARY INFORMATION**, Background, third sentence, reads "This information collection contains all recordkeeping and reporting requirements which are derived from the implementing regulations found at Title 41 of the Code of Federal Regulations, Chapter 60." Strike the word "all". On page 65514, the Average hours per response for the Standard Form 100 was previously listed as 3.8