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 [FR Doc. 02-7848 Filed 4-1-02; 8:45 am]

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DEPARTMENT OF COMMERCE**International Trade Administration**

[A-201-822]

Notice of Amended Final Results of Antidumping Duty Administrative Review: Stainless Steel Sheet and Strip in Coils from Mexico

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of amended final results of antidumping duty administrative review of stainless steel sheet and strip from Mexico.

EFFECTIVE DATE: April 2, 2002.

SUMMARY: On February 12, 2002, the Department of Commerce (the Department) published in the Federal Register its notice of final results of the antidumping duty administrative review of stainless steel sheet and strip in coils from Mexico for the period January 4, 1999 through June 30, 2000. See *Stainless Steel Sheet and Strip in Coils from Mexico; Final Results of Antidumping Duty Administrative Review*, 67 FR 6490 (February 12, 2002). We are amending our final determination to correct ministerial errors alleged by respondent and petitioners.

FOR FURTHER INFORMATION CONTACT:

Deborah Scott or Robert James, AD/CVD Enforcement, Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230, telephone : (202) 482-2657 or (202) 482-0649, respectively.

SUPPLEMENTARY INFORMATION:**Applicable Statute and Regulations**

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Tariff Act) are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act by the Uruguay Rounds Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations codified at 19 CFR Part 351 (2001).

Scope of the Review

For purposes of this administrative review, 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 4.75 mm in thickness, and that is annealed or otherwise heat treated and pickled or otherwise descaled. The subject sheet and strip may also be further processed (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 order is classified in the Harmonized Tariff Schedule of the United States (HTS) at subheadings: 7219.13.00.31, 7219.13.00.51, 7219.13.00.71, 7219.13.00.81, 7219.14.00.30, 7219.14.00.65, 7219.14.00.90, 7219.32.00.05, 7219.32.00.20, 7219.32.00.25, 7219.32.00.35, 7219.32.00.36, 7219.32.00.38, 7219.32.00.42, 7219.32.00.44, 7219.33.00.05, 7219.33.00.20, 7219.33.00.25, 7219.33.00.35, 7219.33.00.36, 7219.33.00.38, 7219.33.00.42, 7219.33.00.44, 7219.34.00.05, 7219.34.00.20, 7219.34.00.25, 7219.34.00.30, 7219.34.00.35, 7219.35.00.05, 7219.35.00.15, 7219.35.00.30, 7219.35.00.35, 7219.90.00.10, 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 HTS subheadings are provided for convenience and Customs purposes, the Department's written description of the merchandise under review is dispositive.

Excluded from the scope of this order are the following: (1) Sheet and strip that is not annealed or otherwise heat treated and pickled or otherwise descaled; (2) sheet and strip that is cut to length; (3) plate (i.e., flat-rolled stainless steel products of a thickness of 4.75 mm or more); (4) flat wire (i.e., cold-rolled sections, with a prepared edge, rectangular in shape, of a width of not more than 9.5 mm); and (5) razor blade steel. Razor blade steel is a flat-rolled product of stainless steel, not further worked than cold-rolled (cold-reduced), in coils, of a width of not more than 23 mm and a thickness of 0.266 mm or less, containing, by weight, 12.5 to 14.5 percent chromium, and certified at the time of entry to be used in the manufacture of razor blades. See Chapter 72 of the HTSUS, "Additional U.S. Note" 1(d).

In response to comments by interested parties the Department has determined that certain specialty stainless steel products are also excluded from the scope of this order. These excluded products are described below.

Flapper valve steel is defined as stainless steel strip in coils containing, by weight, between 0.37 and 0.43 percent carbon, between 1.15 and 1.35 percent molybdenum, and between 0.20 and 0.80 percent manganese. This steel also contains, by weight, phosphorus of 0.025 percent or less, silicon of between 0.20 and 0.50 percent, and sulfur of 0.020 percent or less. The product is manufactured by means of vacuum arc 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 between 210 and 300 ksi, yield strength of between 170 and 270 ksi, plus or minus 8 ksi, and a hardness (Hv) of between 460 and 590. Flapper valve steel is most commonly used to produce specialty flapper valves for compressors.

Also excluded is a product referred to as suspension foil, a specialty steel product used in the manufacture of suspension assemblies for computer

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

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

Permanent magnet iron-chromium-cobalt alloy stainless strip is also excluded from the scope of this order. This ductile stainless steel strip contains, by weight, 26 to 30 percent chromium, and 7 to 10 percent cobalt, with the remainder of iron, in widths 228.6 mm or less, and a thickness between 0.127 and 1.270 mm. It exhibits magnetic remanence between 9,000 and 12,000 gauss, and a coercivity of between 50 and 300 oersteds. This product is most commonly used in electronic sensors and is currently available under proprietary trade names such as "Arnokrome III."¹

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

production of heating ribbons for circuit breakers and industrial furnaces, and in rheostats for railway locomotives. The product is currently available under proprietary trade names such as "Gilphy 36."²

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

Finally, three specialty stainless steels typically used in certain industrial blades and surgical and medical instruments are also excluded from the scope of this order. These include stainless steel strip in coils used in the production of textile cutting tools (e.g., carpet knives).⁴ This steel is similar to ASTM grade 440F, but containing, by weight, 0.5 to 0.7 percent of molybdenum. The steel also contains, by weight, carbon of between 1.0 and 1.1 percent, sulfur of 0.020 percent or less, and includes between 0.20 and 0.30 percent copper and between 0.20 and 0.50 percent cobalt. This steel is sold under proprietary names such as "GIN4 Mo." The second excluded stainless steel strip in coils is similar to AISI 420-J2 and contains, by weight, carbon of between 0.62 and 0.70 percent, silicon of between 0.20 and 0.50 percent, manganese of between 0.45 and 0.80 percent, phosphorus of no more than 0.025 percent and sulfur of no more than 0.020 percent. This steel has a carbide density on average of 100 carbide particles per square micron. An example of this product is "GIN5" steel. The third specialty steel has a chemical composition similar to AISI 420 F, with

carbon of between 0.37 and 0.43 percent, molybdenum of between 1.15 and 1.35 percent, but lower manganese of between 0.20 and 0.80 percent, phosphorus of no more than 0.025 percent, silicon of between 0.20 and 0.50 percent, and sulfur of no more than 0.020 percent. This product is supplied with a hardness of more than Hv 500 guaranteed after customer processing, and is supplied as, for example, "GIN6."⁵

Amendment to Final Results

Ministerial Errors Allegation by Respondent

On February 11, 2002, respondent Mexinox, S.A. de C.V. (Mexinox) timely filed, pursuant to 19 CFR 351.224(c)(2), an allegation that the Department made two ministerial errors in its final results. First, Mexinox alleges that in performing the major inputs analysis the Department erroneously selected transfer price as the highest of transfer price, cost of production, and market price for purchases of grade 430 material from KTN for the months of March and April 2000, when it should have selected market price for those two months. Second, Mexinox alleges the Department erred by omitting the indicator which segregates prime and non-prime merchandise (represented by the variable PRIMEH/PRIMEU) from its model match program when creating the final concordance file. Petitioners submitted no rebuttal comments to Mexinox's ministerial errors allegation.

Department's Position:

We agree with Mexinox in both instances and, therefore, have amended our final results for these errors. For a detailed discussion of our implementation of these corrections, see the Department's Amended Final Results Analysis Memorandum, dated **March XX, 2002**.

Ministerial Errors Allegation by Petitioners

On February 12, 2002, Allegheny Ludlum Corporation, Armco Inc., J&L Specialty Steel, Inc., Washington Steel Division of Bethlehem Steel Corporation, United Steelworkers of America, AFL-CIO/CLC, Butler Armco Independent Union, Zanesville Armco Independent Organization, Inc. (collectively, petitioners) timely filed a ministerial errors allegation. First, petitioners allege, the Department incorrectly included quantity adjustments (AQTYH/AQTYU) in testing for negative data since the

² "Gilphy 36" is a trademark of Imphy, S.A.

³ "Durphynox 17" is a trademark of Imphy, S.A.

⁴ This list of uses is illustrative and provided for descriptive purposes only.

⁵ "GIN4 Mo," "GIN5" and "GIN6" are the proprietary grades of Hitachi Metals America, Ltd.

¹ "Arnokrome III" is a trademark of the Arnold Engineering Company.

quantity field (QTYH/QTYU) already reflects these adjustments. Second, petitioners contend the Department “double converted” home market sales denominated in U.S. dollars. Although the Department agreed these were U.S. dollar sales, petitioners state, the Department utilized Mexinox’s reported peso price and converted this price to U.S. dollars. Instead, petitioners claim, the Department should weight average the U.S. dollar prices reported in the home market sales listing and then combine them with converted peso prices at the “FUPDOL” stage of the margin calculation program. Petitioners suggest the Department could make this change by setting to zero the peso price on sales denominated in U.S. dollars, weight average U.S. dollar prices and net peso prices, and then sum these two variables at the “FUPDOL” stage of the margin calculation program. Third, petitioners assert the Department overstated deductions to normal value (NV) by allowing the sum of the commission offset and CEP offset to exceed total home market indirect selling expenses (ISEs).

On February 19, 2002, Mexinox timely submitted comments rebutting petitioners’ ministerial error allegations. Mexinox argues petitioners’ comments relate to computer programming language that existed at the time of the preliminary results; therefore, in accordance with 19 CFR 351.224(c)(1), petitioners should have addressed these matters in their case brief. Even if the Department considers these untimely allegations, Mexinox asserts, they should be dismissed because they are not ministerial in nature. Mexinox cites section 19 CFR 351.224(f), which defines “ministerial error” as “an error in addition, subtraction, or other arithmetic function, clerical error resulting from inaccurate copying, duplication, or the like, and any other similar type of unintentional error which the Secretary considers ministerial.”

Specifically, with respect to adding adjusted quantity (AQTYH/U) to quantity (QTYH/U) in testing for negative data, Mexinox states that while this argument may be ministerial in nature, it is untimely because the relevant programming language existed at the time of the preliminary results. Therefore, Mexinox contends, petitioners should have raised this issue in their case brief.

Referring to the “double conversion” of home market sales invoiced in U.S. dollars, Mexinox claims petitioners have simply offered a different methodology to reach the same result (*i.e.*, converting home market prices to

U.S. dollars). Mexinox argues that alternative methodologies for obtaining the same arithmetic result are methodological in nature and therefore should be rejected. Although the Department’s regulations preclude it from considering this alternative methodology, Mexinox contends, petitioners’ alternative is unnecessary and would be burdensome to implement from a programming standpoint, and could inadvertently lead to errors. Mexinox also asserts petitioners have not demonstrated their alternative methodology would lead to greater accuracy.

Lastly, regarding the argument that the sum of the commission and CEP offsets cannot exceed total home market ISEs, Mexinox maintains this argument is methodological in nature. Mexinox argues that petitioners do not point to any methodological errors or any errors meeting the definition in 19 CFR 351.224(f). Mexinox contends that petitioners simply assert these adjustments are limited to the total of home market ISEs, but do not cite to any legal authority or Department precedent in making this assertion. Further, Mexinox avers, since this methodological issue existed in the preliminary results, petitioners could have addressed it in their case brief but chose not to do so. Mexinox argues that petitioners cannot raise a methodological argument at this time under the guise of a ministerial error.

Department’s Position:

We disagree with Mexinox that petitioners have raised these points in an untimely manner. Section 351.224(c)(1) of the Department’s regulations states “[c]omments concerning ministerial errors made in the preliminary results of a review should be included in a party’s case brief.” While this provision expresses our preference that ministerial errors made in the preliminary results should be included in a party’s case brief, it does not state that they must be included at that time in order for them to be considered. After reviewing petitioners’ ministerial errors allegation, we determine that correcting ministerial errors made in the final results would yield a more accurate calculation of the dumping margin. Therefore, we have not rejected these comments on the grounds that they were not filed in a timely manner.

Based on the first and third points raised by petitioners, we have amended our final results. Petitioners are correct in stating we should not add quantity adjustments to quantity in testing for negative data because the quantity fields

already account for quantity adjustments. See Mexinox’s November 20, 2000 questionnaire response at B-18, C-20, KMC-17, and CBC-21. The addition of quantity adjustments to quantity constituted an unintentional error in arithmetic on our part, not a methodological error. Petitioners are also correct in asserting that the sum of the commission offset and CEP offset cannot be greater than total home market ISEs. Contrary to Mexinox’s assertion, our inadvertent failure to cap the sum of the commission offset and CEP offset at the amount of total home market ISEs does not constitute a methodological error but rather a ministerial error which runs contrary to our well-established practice. Our regulations permit the Department to deduct ISEs from NV in two instances. The first instance (“the commission offset,” which is governed by 19 CFR 351.410(e) of our regulations) stipulates that if a commission is paid in one of the markets under consideration, and no commission is paid in the other market, the Department will make an offset to the commission limited to the ISEs incurred in “the one market or the commission allowed in the other market, whichever is less.” The “CEP offset” is the second provision under which the Department is permitted to make a deduction from NV for ISEs. 19 CFR 351.412 limits the CEP offset “to the amount of ISEs incurred in the United States.” Because both the commission offset and CEP offset are limited by the total amount of home market ISEs, when there is both a commission offset and a CEP offset, the total amount of the two offsets is limited to the total amount of ISEs incurred in the home market. Since there is both a commission offset and CEP offset in the instant review, we have adjusted our calculations accordingly.

However, we disagree with petitioners’ argument that for home market sales invoiced in U.S. dollars, we should use Mexinox’s reported U.S. dollar prices to calculate NV. As noted by Mexinox, the proposal offered by petitioners simply constitutes a different methodology to reach the same result, *i.e.*, the conversion of peso prices to U.S. dollars. Further, petitioners have not provided any evidence establishing that their alternative methodology would lead to greater accuracy in the margin calculation. Therefore, we have not made any changes to the manner in which home market sales invoiced in U.S. dollars are converted from Mexican pesos to U.S. dollars.

For a detailed discussion of our implementation of these corrections, see the Department’s Amended Final

Results Analysis Memorandum, dated March 15, 2002.

Amended Final Results of Review

In accordance with 19 CFR 351.224(e), we are amending the final results of the 1999–2000 antidumping duty administrative review of stainless steel sheet and strip in coils from Mexico, as noted above. The revised weighted-average percentage margin for Mexinox is 2.28 percent.

This administrative review and notice is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Tariff Act.

Dated: March 15, 2002

Richard W. Moreland,

Acting Assistant Secretary for Import Administration.

[FR Doc. 02-7955 Filed 4-1-02; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-601]

Notice of Court Decision: Tapered Roller Bearings and Parts Thereof from the People's Republic of China

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

SUMMARY: On March 20, 2002, the United States Court of International Trade issued a final judgment with respect to the litigation in *The Timken Company v. United States*, Ct. No. 97-12-02156, Slip Op. 02-30. This case arises from the Department of Commerce's Final Results of Antidumping Administrative Review of Tapered Roller Bearings and Parts Thereof, from the People's Republic of China, 62 FR 61276 (November 17, 1997). The administrative review period was June 1, 1995, through May 31, 1996. The final judgment by the court in this case was not in harmony with the Department of Commerce's November, 1997 final results of review.

EFFECTIVE DATE: The effective date of this notice is April 1, 2002, which is 10 days from the date on which the court issued its judgment.

FOR FURTHER INFORMATION CONTACT: George Callen at (202) 482-0180 or Richard Rimlinger at (202) 482-4477, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230.

SUPPLEMENTARY INFORMATION: The decision of the Court of International

Trade ("CIT") in Slip Op. 02-30 is that Court's final decision concerning the calculation of various elements of constructed value. More specifically, the CIT ordered the Department of Commerce to make the following changes to its original calculations: 1) determine direct labor costs without relying on labor hours; 2) exclude the "purchases of traded goods" from its calculation of the cost of manufacturing; and 3) adjust United States price by recalculating marine insurance pursuant to a value-based methodology.

In its decision in *Timken Co. v. United States*, 893 F.2d 337, 341 (Fed.Cir.1990) ("Timken"), the United States Court of Appeals for the Federal Circuit held that, pursuant to 19 USC 1516a(e), the Department must publish a notice of a court decision which is not "in harmony" with a Department determination and must suspend liquidation of entries pending a "conclusive" court decision. The CIT's decision in Slip Op.02-30 on March 20, 2002, constitutes a final decision of that court which is "not in harmony" with the Department's final results of administrative review. We are publishing this notice in fulfillment of the publication requirements of Timken.

Accordingly, the Department will continue the suspension of liquidation of the subject merchandise pending the expiration of the period of appeal or, if appealed, upon a "conclusive" court decision.

Dated: March 26, 2002

Faryar Shirzad,

Assistant Secretary for Import Administration.

[FR Doc. 02-7951 Filed 4-1-02; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[C-122-839]

Notice of Final Affirmative Countervailing Duty Determination and Final Negative Critical Circumstances Determination: Certain Softwood Lumber Products From Canada

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of final affirmative countervailing duty determination and final negative critical circumstances determination.

SUMMARY: On August 17, 2001, the Department of Commerce (the Department) published in the **Federal Register** its preliminary affirmative

determination in the countervailing duty investigation of softwood lumber products (subject merchandise) from Canada for the period April 1, 2000, through March 31, 2001 (66 FR 43186).

The net subsidy rate in the final determination differs from that of the preliminary determination. The revised final net subsidy rate is listed below in the "Suspension of Liquidation" section of this notice.

EFFECTIVE DATE: April 2, 2002.

FOR FURTHER INFORMATION CONTACT: Eric B. Greynolds at (202) 482-6071 or Stephanie Moore (202) 482-3692, Office of AD/CVD Enforcement VI, Import Administration, International Trade Administration, U.S. Department of Commerce, Room 4012, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations codified at 19 CFR Part 351 (2000).

Background

On August 17, 2001, the Department published the preliminary determination of its investigation of softwood lumber products from Canada. See *Notice of Preliminary Affirmative Countervailing Duty Determination, Preliminary Affirmative Critical Circumstances Determination, and Alignment of Final Countervailing Duty Determination with Final Antidumping Duty Determination: Certain Softwood Lumber Products from Canada*, 66 FR 43186 (August 17, 2001) (Preliminary Determination). This investigation covers the period April 1, 2000, through March 31, 2001.

We invited interested parties to comment on the *Preliminary Determination*. We received both case briefs and rebuttal briefs from interested parties. Public hearings were held on March 6 and March 19, 2002. All issues raised in the case and rebuttal briefs by parties to this investigation are addressed in the "Issues and Decision Memorandum" (Decision Memorandum) dated March 21, 2002, which is hereby adopted by this notice.

Scope of Investigation

The products covered by this investigation are softwood lumber,