

to create a diffusion of the nickel and iron substrate; another layer of the natural nickel-phosphorous then electrolytically plated on the top side of the nickel plated steel strip; with the nickel-phosphorous, nickel plated material sufficiently ductile and adherent to the substrate to permit forming without cracking, flaking, peeling or any other evidence of separation; having a coating thickness: top side: nickel-phosphorous, nickel layer ≥ 1.0 micrometers; nickel-phosphorous layer ≥ 0.1 micrometers; bottom side: nickel layer ≥ 1.0 micrometers; (e) diffusion annealed, tin-nickel plated products, electrolytically plated with natural nickel to the top side of a diffusion annealed tin-nickel plated cold rolled or tin mill black plate base metal conforming to the chemical requirements based on AISI 1006; with both sides of the cold rolled strip initially electrolytically plated with natural nickel, with the top side of the nickel plated strip electrolytically plated with tin and then annealed to create a diffusion between the nickel and tin layers in which a nickel-tin alloy is created, and an additional layer of natural nickel then electrolytically plated on the top side of the strip of the nickel-tin alloy; sufficiently ductile and adherent to the substrate to permit forming without cracking, flaking, peeling or any other evidence of separation; having coating thickness: top side: nickel-tin-nickel combination layer ≥ 1.0 micrometers; tin layer only ≥ 0.05 micrometers; bottom side: nickel layer ≥ 1.0 micrometers; and (f) tin mill products for battery containers, tin and nickel plated on a cold rolled or tin mill black plate base metal conforming to chemical requirements based on AISI 1006; having both sides of the cold rolled substrate electrolytically plated with natural nickel; then annealed to create a diffusion of the nickel and iron substrate; then an additional layer of natural tin electrolytically plated on the top side; and again annealed to create a diffusion of the tin and nickel alloys; with the tin-nickel, nickel plated material sufficiently ductile and adherent to the substrate to permit forming without cracking, flaking, peeling or any other evidence of separation; having a coating thickness: top side: nickel-tin layer ≥ 1 micrometer; tin layer alone ≥ 0.05 micrometers; bottom side: nickel layer ≥ 1.0 micrometer.

Also excluded from this order are products meeting the following specifications: (1) widths ranging from 10 millimeters (0.394 inches) through 100 millimeters (3.94 inches); (2)

thicknesses, including coatings, ranging from 0.11 millimeters (0.004 inches) through 0.60 millimeters (0.024 inches); and (3) a coating that is from 0.003 millimeters (0.00012 inches) through 0.005 millimeters (0.000196 inches) in thickness and that is comprised of either two evenly applied layers, the first layer consisting of 99% zinc, 0.5% cobalt, and 0.5% molybdenum, followed by a layer consisting of phosphate, or three evenly applied layers, the first layer consisting of 99% zinc, 0.5% cobalt, and 0.5% molybdenum followed by a layer consisting of phosphate, and finally a layer consisting of silicate.

ANALYSIS

In anti-circumvention cases we have historically analyzed several matters in determining if circumvention of the order is taking place. As part of our analysis, we look to the claims made in the circumvention inquiry request, and if during the review we find that those claims are not supported by the information on the record, then the existence of circumvention is called into question.

In the *Preliminary Determination of Circumvention of Antidumping Order; Cut-to-Length Carbon Steel Plate from Canada*, the Department found that the order was being circumvented through the addition of boron. See *Preliminary Determination of Circumvention of Antidumping Order; Cut-to-Length Carbon Steel Plate from Canada* 65 FR 64926 (October 31, 2000) (“*Canadian Plate*”). Although this current anti-circumvention review also involves the addition of boron to merchandise which is subject to the order, each anti-circumvention review is highly dependent on the facts on the record, and must be analyzed in light of those specific facts. As we did in *Canadian Plate*, in this case we looked at the circumstances surrounding the products allegedly circumventing the order, including the timing of those entries during the review period and the total quantity of the merchandise entering the United States in determining whether the claims made in the circumvention inquiry request are correct. See *Canadian Plate*, 65 FR at 64930. In addition, in the case of an allegation of a “minor alteration” claim under 781(c) of the Act, it is the Department’s practice to look to five specific factors (see the *Minor Alterations Factors* section below) to determine if circumvention exists in a particular case. See *Brass Sheet and Strip from Germany; Negative Preliminary Determination of Circumvention of Antidumping Duty Order*, (“*Brass Sheet*”) 55 FR 32655, 32657 (August 10,

1990) and *Electrical Conductor Aluminum Redraw Rod from Venezuela; Final Affirmative Scope Ruling*, (“*Electrical Conductor*”) 56 FR 42310, 42310 (August 27, 1991). After reviewing the allegations made in the circumvention inquiry request, the “minor alteration” factors and the information on the record, the Department has preliminarily determined that no circumvention of the order exists in this case.

Allegations in the Circumvention Inquiry Request

Petitioner made several allegations in its request regarding the subject merchandise and the respondents’ conduct. Petitioner alleged that the Japanese manufacturers of CRS added the allegedly “immaterial” element, boron, to their product for the sole purpose of circumventing the antidumping duty order. See Petitioner’s Circumvention Inquiry Request dated September 11, 1998 (“Request”) at page 7. Petitioner also claimed there were no metallurgical reasons for adding boron to CRS. See Request at page 10. Furthermore, petitioner alleged that imports into the United States of CRS to which boron had been added increased rapidly and substantially since the publication of the order. See Request at page 4.

During the course of the review, the Department found that there are commercially and metallurgically viable reasons for the addition of boron in the context of the Continuous Annealing Process (“CAP”). In the production of CRS, there are essentially two types of annealing processes - batch annealing and the CAP. For the CRS producers which use the CAP, the addition of boron is not “immaterial” to the performance characteristics of the final product. This contrasts with our findings in *Canadian Plate*, in which the parties did not use the CAP or claim any benefit from the addition of boron with respect to the annealing process. Moreover, at verification the Department found nothing on the record inconsistent with a respondent’s statement that the addition of boron helps the product be “more consistent” throughout the length and width of the coil, and also results in a more formable product, when used specifically in the CAP. See NSC’s Verification Report at page 4. As such, the Department found commercially and metallurgically viable reasons for the addition of boron to CRS.

Furthermore, the Department found that there were imports to the United States of boron-added CRS at the time the scope of the order was drafted and published by the Department. Also, the