

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."<sup>4</sup>

Certain martensitic precipitation-hardenable stainless steel is also excluded from the scope of this review. 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."<sup>5</sup>

Finally, three specialty stainless steels typically used in certain industrial blades and surgical and medical instruments are also excluded from the scope of this review. These include stainless steel strip in coils used in the production of textile cutting tools (e.g., carpet knives).<sup>6</sup> This steel is similar to AISI grade 420 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 100 square microns. 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"<sup>7</sup>.

#### Rescission of Review

In the *Preliminary Results*, we stated that Samwon reported, and the Department confirmed through independent U.S. Customs Service data, that it had no shipments of subject merchandise during the POR. Since Samwon did not report any shipments during the POR, we had no basis for determining a margin. Consequently, in accordance with 19 CFR 351.213(d)(3) and consistent with the Department's practice, we preliminarily rescinded our review with respect to Samwon. Since we have received no information since the *Preliminary Results* that contradicts the decision made in the preliminary results of review, we are rescinding the administrative review with respect to Samwon. Since Samwon did not participate in the original investigation, its cash deposit rate will remain at 2.49 percent, which is the all others rate established in the less than fair value ("LTFV") investigation.

#### Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this administrative review are addressed in the "Issues and Decision Memorandum" ("Decision Memorandum") from Joseph A. Spetrini, Deputy Assistant Secretary, Import Administration, to Faryar Shirzad, Assistant Secretary for Import Administration, dated February 3, 2002, which is hereby adopted by this notice. A list of the issues which parties have raised and to which we have responded, all of which are in the *Decision Memorandum*, is attached to this notice as an Appendix. Parties can find a complete discussion of all issues raised in this review and the corresponding recommendations in this public

memorandum which is on file in the Central Records Unit, Room B-099 of the main Department building. In addition, a complete version of the *Decision Memorandum* can be accessed directly on the Web at <http://ia.ita.doc.gov/>. The paper copy and electronic version of the *Decision Memorandum* are identical in content.

#### Sales Below Cost

We disregarded sales below cost for both POSCO and DMC during the course of the review.

#### Changes Since the Preliminary Results

Based on our analysis of comments received, we have made changes in the margin calculations for POSCO and DMC. The changes to the margin calculations are listed below:

#### POSCO

- We revised the calculation of indirect selling expenses ("ISEs") in the United States to include housing income. *See Comment 4.*
- We reclassified POSCO's income and loss with respect to money market funds as financing expenses and used the short-term income earned on monetary instruments to offset interest expense for the final results of review. *See Comment 6.*
- We revised our calculation of general and administrative ("G&A") expenses to associate POSCO's reversal of bad debt to both export and domestic sales. *See Comment 7.*
- We revised the computer program to merge COP and constructed value ("CV") files in the initial phases of the cost calculation in order to prepare data for those models sold exclusively in the United States for the assignment of the revised variable cost of manufacturing ("VCOM") or total cost of manufacturing ("TCOM"). *See Comment 10.*
- We revised the computer program to apply the L-grade adjustment to the variable cost of manufacturing ("VCOM") and total cost of manufacturing ("TCOM") used in determining the difference-in-merchandise adjustment for sales to the United States. *See Comment 11.*

#### DMC

- We recalculated DMC's net interest expense in the home market using the actual amount of short-term interest income as an offset to interest expense. *See Comment 12.*
- We revised our calculation of ISE in the U.S. market to offset OMC's interest expense by the imputed credit reported in the sales database. *See Comment 13.*

<sup>4</sup> "Gilphy 36" is a trademark of Imphy, S.A.

<sup>5</sup> "Durphynox 17" is a trademark of Imphy, S.A.

<sup>6</sup> This list of uses is illustrative and provided for descriptive purposes only.

<sup>7</sup> "GIN4 Mo," "GIN5" and "GIN6" are the proprietary grades of Hitachi Metals America, Ltd.