

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 less than 0.002 or greater than 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."³

Certain electrical resistance alloy steel is also excluded from the scope of this review. 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."⁴

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."⁵

Also excluded are three specialty stainless steels typically used in certain industrial blades and surgical and medical instruments. These include stainless steel strip in coils used in the production of textile cutting tools (e.g., carpet knives).⁶ 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."⁷ 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"⁸ 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."⁹

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

⁵ "Durphynox 17" is a trademark of Imphy, S.A.

⁶ This list of uses is illustrative and provided for descriptive purposes only.

⁷ "GIN4 Mo" is the proprietary grade of Hitachi Metals America, Ltd.

⁸ "GIN5" is the proprietary grade of Hitachi Metals America, Ltd.

⁹ "GIN6" is the proprietary grade of Hitachi Metals America, Ltd.

Shirzad, Assistant Secretary for Import Administration, dated February 3, 2003, which is hereby adopted by this notice. A list of the issues which parties have raised and to which we have responded, are in the *Decision Memorandum*, which 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 the *Decision 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/frn/index.html>. The paper copy and electronic version of the *Decision Memorandum* are identical in content.

Sales Below Cost

We disregarded sales below cost for TKAST 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 TKAST. The changes to the margin calculations are listed below:

1. The Department disallowed TKAST's insurance revenue allocation claim for certain sales which were ultimately returned to TKAST. However, the Department made a sales-specific insurance revenue adjustment for certain sales because the information necessary for calculating this adjustment was submitted on the record of this administrative review. See Comment 1.
2. The Department is adding home market interest revenue to the home market gross unit price in accordance with section 773(a)(6)(C) of the Act. See Comment 2.
3. The Department made certain changes based on TKAST's reported U.S. commissions. See *Commissions Memorandum from Stephen Bailey to Edward C. Yang dated February 3, 2003*.
4. The Department is adjusting U.S. price to account for the incurred cost of skids and additional U.S. freight. See Comment 7.
5. The Department made certain changes to TKAST's interest expenses. See Comment 5.
6. The Department is adjusting CEP profit to account for an affiliate's further manufacturing in the U.S. See Comment 9.

Final Results of Review

We determine that the following percentage margin exists for the period July 1, 2000, through June 30, 2001:

³ "Arnokrome III" is a trademark of the Arnold Engineering Company.

⁴ "Gilphy 36" is a trademark of Imphy, S.A.