



Ottawa, Wednesday, March 5, 2003

Interim Review No. RD-2002-004

IN THE MATTER OF an interim review, under subsection 76.01(1) of the *Special Import Measures Act*, of the finding made by the Canadian International Trade Tribunal on September 4, 1998, in Inquiry No. NQ-98-001, concerning:

CERTAIN STAINLESS STEEL ROUND BAR PRODUCTS ORIGINATING IN OR EXPORTED FROM THE FEDERAL REPUBLIC OF GERMANY, FRANCE, INDIA, ITALY, JAPAN, SPAIN, SWEDEN, CHINESE TAIPEI (FORMERLY DESIGNATED AS TAIWAN) AND THE UNITED KINGDOM

ORDER

The Canadian International Trade Tribunal, under the provisions of subsection 76.01(1) of the *Special Import Measures Act*, has conducted an interim review of its finding made on September 4, 1998, in Inquiry No. NQ-98-001.

Pursuant to paragraph 76.01(5)(b) of the *Special Import Measures Act*, the Canadian International Trade Tribunal hereby amends its finding concerning stainless steel round bar of sizes 25 mm diameter up to 570 mm diameter inclusive, originating in or exported from the Federal Republic of Germany, France, India, Italy, Japan, Spain, Sweden, Chinese Taipei (formerly designated as Taiwan) and the United Kingdom.

The finding is amended to exclude the following product:

Staballoy AG17 (trade name), or equivalent, non-magnetic drilling components (Collars); nominal chemical composition: C 0.03 / Si 0.30 / Mn 20.00 / Cr 17.00 / N₂ 0.50 / Mo 0.05; mechanical and magnetic properties to API 7 over the full length; material to be tested from 1 inch below outer surface or mid-wall (whichever is the smaller value); 120 ksi minimum tensile strength; 110 ksi minimum yield; elongation 18 percent; tensile test to BS EN 10002 Part 1 or ASTM A370; Brinell hardness to 277 minimum; Charpy impact values to minimum 60 ft. lbs.; impact tests to BS EN 10045 Part I or ASTM E23. All material to be certified free from magnetic hot spots and measured over the full length (longitudinal). Maximum deflection +/- 0.50 UT/100 mm, grain

size 2-3, and Magnetic Permeability below 1.005; intergranular/transgranular (chloride-induced) stress corrosion cracking tested to ASTM A262; practice E.

Richard Lafontaine

Richard Lafontaine
Presiding Member

Patricia M. Close

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Member

Meriel V.M. Bradford

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Michel P. Granger

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Secretary



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TRIBUNAL: RICHARD LAFONTAINE, Presiding Member
PATRICIA M. CLOSE, Member
MERIEL V.M. BRADFORD, Member

STATEMENT OF REASONS

BACKGROUND

On December 4, 2002, the Canadian International Trade Tribunal (the Tribunal) received a request for an interim review of its finding made on September 4, 1998, in Inquiry No. NQ-98-001, concerning stainless steel round bar of sizes 25 mm diameter up to 570 mm diameter inclusive, originating in or exported from the Federal Republic of Germany, France, India, Italy, Japan, Spain, Sweden, Chinese Taipei (formerly designated as Taiwan) and the United Kingdom. If not continued, the finding will expire on September 3, 2003. The applicant, Corus Metals, Division of Corus CIC Inc. (Corus), requested an interim review to exclude “Staballoy”, which was described by Corus as a unique stainless steel specialty product.

The Tribunal decided that the request was properly documented and, accordingly, pursuant to subrule 70(2) of the *Canadian International Trade Tribunal Rules*,¹ on December 23, 2002, provided the parties to the 1998 inquiry with a copy of Corus’s request. On January 15, 2003, Slater Steel Inc. (Slater), the sole Canadian producer of certain stainless steel round bar, consented to the request for exclusion as described by Corus. At the same time, the Tribunal requested the views of Corus and Slater on a generic description of Staballoy that would avoid any potential trade distortions and unfair competitive advantages. Both Corus and Slater concurred with the revised description of the product.

Section 76.01 of the *Special Import Measures Act*² gives the Tribunal the jurisdiction to conduct an interim review if the applicant satisfies the Tribunal that the review is warranted. Based on the submissions on the record, the Tribunal decided that an interim review was warranted. The purpose of the interim review was to determine if the finding should be amended to exclude the product for which exclusion had been requested. The Tribunal issued a notice of commencement of interim review on January 31, 2003.³ Submissions already filed by parties were placed on the record of the interim review. Interested parties were

1. S.O.R./91-499 [hereinafter Rules].
2. R.S.C. 1985, c. S-15 [hereinafter SIMA].
3. C. Gaz. 2003.I.417.

invited to make submissions no later than February 21, 2003. In accordance with paragraph 25(c) of the Rules, the Tribunal decided to proceed with a hearing by way of written submissions.

REASONS FOR DECISION

The Tribunal received no further submissions in the interim review other than a proposal by Corus on February 12, 2003, to make a minor technical change in the description of the product as set out in the notice. The evidence indicates that Slater, the only domestic producer of certain stainless steel bar, does not manufacture Staballoy or an equivalent product. Moreover, there is no evidence that it intends to do so. The Tribunal also takes into account the fact that Corus was not involved with the product at the time of the finding.

For the foregoing reasons, the Tribunal determines that, pursuant to paragraph 76.01(5)(b) of SIMA, the finding in Inquiry No. NQ-98-001 should be amended to exclude the following product:

Staballoy AG17 (trade name), or equivalent, non-magnetic drilling components (Collars); nominal chemical composition: C 0.03 / Si 0.30 / Mn 20.00 / Cr 17.00 / N2 0.50 / Mo 0.05; mechanical and magnetic properties to API 7 over the full length; material to be tested from 1 inch below outer surface or mid-wall (whichever is the smaller value); 120 ksi minimum tensile strength; 110 ksi minimum yield; elongation 18 percent; tensile test to BS EN 10002 Part 1 or ASTM A370; Brinell hardness to 277 minimum; Charpy impact values to minimum 60 ft. lbs.; impact tests to BS EN 10045 Part I or ASTM E23. All material to be certified free from magnetic hot spots and measured over the full length (longitudinal). Maximum deflection +/- 0.50 UT/100 mm, grain size 2-3, and Magnetic Permeability below 1.005; intergranular/transgranular (chloride-induced) stress corrosion cracking tested to ASTM A262; practice E.

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