



Ottawa, Monday, January 26, 2004

Interim Review No. RD-2003-001

IN THE MATTER OF an interim review, under subsection 76.01(1) of the *Special Import Measures Act*, of the order made by the Canadian International Trade Tribunal on September 3, 2003, in Expiry Review Nos. RR-2002-003 and RR-2002-004 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, THE UNITED
KINGDOM AND THE REPUBLIC OF KOREA**

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 order made on September 3, 2003, in Expiry Review Nos. RR-2002-003 and RR-2002-004 concerning stainless steel round bar of sizes 25 mm up to 570 mm in diameter inclusive originating in or exported from the Federal Republic of Germany, France, India, Italy, Japan, Spain, Sweden, Chinese Taipei, the United Kingdom and the Republic of Korea (the Order).

Pursuant to paragraph 76.01(5)(b) of the *Special Import Measures Act*, the Canadian International Trade Tribunal hereby amends the Order to exclude the following product:

RoyAlloy (trade name), or equivalent, having a chemical composition within the following limits (percentage by weight): C 0.040 min. 0.050 max. / Mn 1.20 min. 1.35 max. / P 0.025 max. / S 0.11 min. 0.17 max. / Si 0.35 min. 0.55 max. / Cr 12.25 min. 12.65 max. / Ni 0.30 max. / Cu 0.50 min. 0.70 max. / V 0.02 min. 0.06 max. / N 0.040 min. 0.060 max.; and the following unspecified residual elements not to exceed the following limits (percentage by weight): Mo 0.25 max. / Cb 0.05 max. / Ti 0.05 max. / Co 0.20 max. / Al 0.05 max. / Sn 0.03 max. / O Lap max. / W 0.15 max.; for use in building mould bases for plastic injection mould tooling produced in the range of 0.5 to 14 in. in diameter (12.5 to 360 mm) in lengths of up to 192 in. (4,875 mm); electric furnace melted, ladle refined, followed by AOD, VOD, NOD or similar processing prior to ingot pouring or slab casting; calcium treatment for sulfide shape and reduced oxygen levels must be used for this material; melter shall strive to meet the requested aim levels listed above; combined %C + %N level of 0.095 is ideal for this material; produced to a Brinell hardness level of 293 - 340 BHN (equivalent of 31 - 37 HRC); minimum ultimate tensile strength of 125 ksi (862 MPa) and minimum yield strength of 105 ksi (724 MPa) @ .2% offset; room temperature density of 0.283 pounds per cubic in. (7.83 gr per cubic cm); modulus of elasticity of 29.0×10^6 psi (200×10^3 MPa); measured thermal conductivity of 117.62 Btu.in/hr ft²F @300°F;

exhibits excellent corrosion resistance when exposed to water or steam, similar to AISI 410 and 416 stainless steels.

Richard Lafontaine
Richard Lafontaine
Presiding Member

Zdenek Kvarda
Zdenek Kvarda
Member

Meriel V.M. Bradford
Meriel V.M. Bradford
Member

Michel P. Granger
Michel P. Granger
Secretary

Date of Order and Reasons: January 26, 2004

Tribunal Members: Richard Lafontaine, Presiding Member
Zdenek Kvarda, Member
Meriel V.M. Bradford, Member

Director of Research: Peter Welsh

Research Manager: Richard Cossette

Counsel for the Tribunal: Dominique Laporte

Registrar: Susanne Grimes

Participants: Michael Guscott
Edro Speciality Steels Inc.

(Exporter)

Benjamin P. Bedard
for Atlas Specialty Steels Inc.

(Domestic Producer)



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OR EXPORTED FROM THE FEDERAL REPUBLIC OF GERMANY, FRANCE,
INDIA, ITALY, JAPAN, SPAIN, SWEDEN, CHINESE TAIPEI, THE UNITED
KINGDOM AND THE REPUBLIC OF KOREA**

TRIBUNAL: RICHARD LAFONTAINE, Presiding Member
ZDENEK KVARDA, Member
MERIEL V.M. BRADFORD, Member

STATEMENT OF REASONS

BACKGROUND

On November 19, 2003, the Tribunal received a request for an interim review of its order made on September 3, 2003, in Expiry Review Nos. RR-2002-003 and RR-2002-004 concerning stainless steel round bar of sizes 25 mm up to 570 mm in diameter inclusive originating in or exported from the Federal Republic of Germany, France, India, Italy, Japan, Spain, Sweden, Chinese Taipei, the United Kingdom and the Republic of Korea (the Order). Edro Speciality Steels Inc. (Edro) requested an interim review to exclude RoyAlloy, which it described as a unique stainless steel specialty product.

On December 1, 2003, the Tribunal requested that Edro provide additional details and a more generic description of the product for which it requested an exclusion. After having received the additional information, 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 8, 2003, provided interested parties with a copy of Edro's request. In a submission received on December 17, 2003, Atlas Specialty Steels Inc. (Atlas), the sole Canadian producer of certain stainless steel round bar, stated that it did not oppose the request subject to a slight modification to the product definition. Edro concurred with the revised description of the product as submitted by Atlas.

Section 76.01 of the *Special Import Measures Act*² gives the Tribunal the jurisdiction to conduct an interim review if it is satisfied that a review is warranted. Based on the submission received, the Tribunal decided, on December 23, 2003, that an interim review was warranted and issued a notice of commencement of interim review. The purpose of the interim review was to determine if the Order should be amended to exclude the product for which an exclusion had been requested. Submissions already filed by parties were placed on the record of the interim review. Interested parties were invited to make submissions no later than January 12, 2004. In accordance with paragraph 25(c) of the *Rules*, the Tribunal decided to proceed by way of a hearing by way of written submissions. No additional submissions, other than those already placed on the record, were received by the Tribunal.

1. S.O.R./91-499 [*Rules*].
2. R.S.C. 1985, c. S-15 [*SIMA*].

REASONS FOR DECISION

The evidence indicates that Atlas, the only domestic producer of certain stainless steel round bar, does not manufacture RoyAlloy or an equivalent product, nor does it have the manufacturing capability to do so. Atlas stated that, while it can produce pre-hardened free-machining 400-series martensitic stainless steel round bar, it has not supplied material for use in building mould bases for plastic injection mould tooling. The Tribunal also takes into account Edro's statement that it has only recently come to its attention that certain customers were interested in using RoyAlloy stainless steel round bar. In light of this evidence, the Tribunal finds it appropriate to exclude RoyAlloy or an equivalent product from the Order.

For the foregoing reasons, the Tribunal determines that, pursuant to paragraph 76.01(5)(b) of *SIMA*, the Order should be amended to exclude the following product:

RoyAlloy (trade name), or equivalent, having a chemical composition within the following limits (percentage by weight): C 0.040 min. 0.050 max. / Mn 1.20 min. 1.35 max. / P 0.025 max. / S 0.11 min. 0.17 max. / Si 0.35 min. 0.55 max. / Cr 12.25 min. 12.65 max. / Ni 0.30 max. / Cu 0.50 min. 0.70 max. / V 0.02 min. 0.06 max. / N 0.040 min. 0.060 max.; and the following unspecified residual elements not to exceed the following limits (percentage by weight): Mo 0.25 max. / Cb 0.05 max. / Ti 0.05 max. / Co 0.20 max. / Al 0.05 max. / Sn 0.03 max. / O Lap max. / W 0.15 max.; for use in building mould bases for plastic injection mould tooling produced in the range of 0.5 to 14 in. in diameter (12.5 to 360 mm) in lengths of up to 192 in. (4,875 mm); electric furnace melted, ladle refined, followed by AOD, VOD, NOD or similar processing prior to ingot pouring or slab casting; calcium treatment for sulfide shape and reduced oxygen levels must be used for this material; melter shall strive to meet the requested aim levels listed above; combined %C + %N level of 0.095 is ideal for this material; produced to a Brinell hardness level of 293 - 340 BHN (equivalent of 31 - 37 HRC): minimum ultimate tensile strength of 125 ksi (862 MPa) and minimum yield strength of 105 ksi (724 MPa) @ .2% offset; room temperature density of 0.283 pounds per cubic in. (7.83 gr per cubic cm); modulus of elasticity of 29.0×10^6 psi (200×10^3 MPa); measured thermal conductivity of 117.62 Btu.in/hr ft²°F @300°F; exhibits excellent corrosion resistance when exposed to water or steam, similar to AISI 410 and 416 stainless steels.

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