



Canadian International
Trade Tribunal

Tribunal canadien du
commerce extérieur

CANADIAN
INTERNATIONAL
TRADE TRIBUNAL

Dumping and Subsidizing

ORDER AND REASONS

Interim Review No. RD-2006-006

Carbon Steel Pipe Nipples,
Threaded Couplings and Adaptor
Fittings

*Order and reasons issued
Friday, June 8, 2007*

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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 July 16, 2003, in Inquiry No. NQ-2002-004, concerning:

**THE DUMPING OF CARBON STEEL PIPE NIPPLES, THREADED
COUPLINGS AND ADAPTOR FITTINGS, IN NOMINAL DIAMETERS UP TO
AND INCLUDING 6 INCHES OR THE METRIC EQUIVALENTS,
ORIGINATING IN OR EXPORTED FROM THE PEOPLE'S REPUBLIC OF
CHINA**

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 July 16, 2003, in Inquiry No. NQ-2002-004 concerning carbon steel pipe nipples, threaded couplings and adaptor fittings.

Pursuant to paragraph 76.01(5)(b) of the *Special Import Measures Act*, the Canadian International Trade Tribunal hereby amends its finding made on July 16, 2003, to exclude threaded couplings.

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

Zdenek Kvarda
Zdenek Kvarda
Member

James A. Ogilvy
James A. Ogilvy
Member

Hélène Nadeau
Hélène Nadeau
Secretary

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|---------------------------|---|
| Tribunal Members: | Meriel V. M. Bradford, Presiding Member Zdenek Kvarda, Member James A. Ogilvy, Member |
| Research Director: | Rose Ritcey |
| Senior Research Officer: | Sheena France |
| Research Officer: | Shawn Jeffrey |
| Counsel for the Tribunal: | Georges Bujold |
| Assistant Registrar: | Marija Renic |

Please address all communications to:

The Secretary
Canadian International Trade Tribunal
Standard Life Centre
333 Laurier Avenue West
15th Floor
Ottawa, Ontario
K1A 0G7

Telephone: 613-993-3595
Fax: 613-990-2439
E-mail: secretary@citt-tcce.gc.ca

STATEMENT OF REASONS

BACKGROUND

1. On December 28, 2006, the Canadian International Trade Tribunal (the Tribunal) received a request from NCI Marketing Inc. (NCI) for an interim review of the Tribunal's finding made on July 16, 2003, in Inquiry No. NQ-2002-004, with respect to carbon steel pipe nipples, threaded couplings and adaptor fittings, in nominal diameters up to and including 6 inches or the metric equivalents, originating in or exported from the People's Republic of China (China). In its request, NCI sought the rescission of the finding as it relates to pipe nipples and threaded couplings, on the basis that they are no longer available from any Canadian producer. Furthermore, NCI claimed that the pipe nipples and threaded couplings produced by CapProducts of Canada, Ltd. (CapProducts) are exported for sale in the United States and are not commercially available to Canadian purchasers. NCI did not request an interim review of adaptor fittings.
2. On January 19, 2007, the Tribunal notified the parties in Inquiry No. NQ-2002-004 that it had received a properly documented request for an interim review filed pursuant to section 76.01 of the *Special Import Measures Act*.¹
3. On February 12, 2007, CapProducts and CANIP Industries Ltd. (CANIP) responded to NCI's request and indicated that they each produced and sold carbon steel pipe nipples in Canada and provided evidence in confidential appendices. They responded to NCI's request only to the extent that it relates to carbon steel pipe nipples.
4. On February 16, 2007, NCI requested that CapProducts and CANIP withdraw the confidential appendices to their reply submissions or, in the alternative, that the Tribunal refuse to accept the confidential appendices in light of the legislative requirements to provide a non-confidential version or summary to the Tribunal. On March 9, 2007, CapProducts and CANIP filed non-confidential versions of the evidence.
5. On March 19, 2007, NCI filed its reply brief and indicated that the silence of parties as regards threaded couplings indicated agreement with NCI's statement that threaded couplings are not commercially available in Canada. NCI further argued that the Tribunal should accept this uncontradicted evidence as establishing a change in circumstances that warrants a review and the rescission of the finding as it relates to threaded couplings. With respect to pipe nipples, NCI argued that the evidence submitted by the parties set out new facts that demonstrated a significant change in circumstances since the date of the finding.
6. On April 3, 2007, the Tribunal requested that CapProducts and CANIP provide their views in relation to threaded couplings and specifically asked whether they accepted the relief proposed in respect of threaded couplings. On April 5, 2007, NCI objected to the Tribunal's request on the grounds that the parties had already made submissions on all the issues raised in the request for interim review and that it was improper to seek further submissions at this point in the proceedings. On April 11, 2007, having considered NCI's objection, the Tribunal determined that it was appropriate to request a clarification on a point that had already arisen from the exchange of submissions by the parties and informed them that it expected to receive the clarification requested. The Tribunal also notified the parties that NCI would be given an opportunity to respond, should CapProducts and CANIP file additional relevant information in their responses to the Tribunal's request.

1. R.S.C. 1985, c. S-15 [SIMA].

7. On April 13, 2007, CapProducts and CANIP indicated that they did not produce threaded couplings in Canada and had no basis for accepting or objecting to NCI's request. They reiterated that an interim review of the Tribunal's finding in Inquiry No. NQ-2002-004 in relation to carbon steel pipe nipples was not warranted. NCI responded the same day and requested that the Tribunal rescind its finding in relation to threaded couplings forthwith and maintained its position that the Tribunal should also rescind the finding as it relates to carbon steel pipe nipples.

8. On May 3, 2007, the Tribunal issued its notice of commencement of interim review as regards the request to exclude threaded couplings.² The submissions already filed by the parties prior to the commencement of the interim review were placed on the record of the interim review. In accordance with paragraph 25(c) of the *Canadian International Trade Tribunal Rules*,³ the Tribunal decided to proceed with a hearing by way of written submissions. Any further submissions by interested parties and any subsequent reply submissions were requested by May 17 and 31, 2007, respectively.

9. On May 18, 2007, the Tribunal received a submission in support of the exclusion request from Emco Electric International/Electrical Resource International (Emco/ERI), a non-resident importer located in the United States that has imported into Canada electrical conduit nipples and couplings from China. Emco/ERI submitted that, based on its knowledge of the Canadian market, it is aware of no current production of threaded couplings. In the alternative to the Tribunal granting NCI's request to exclude threaded couplings from the finding, Emco/ERI requested that the Tribunal exclude electrical conduit couplings. Emco/ERI requested that the Tribunal exclude electrical conduit couplings retroactively to the date of the original finding, July 16, 2003, or the date of the last known Canadian production of electrical conduit couplings, whichever was more recent. Finally, Emco/ERI requested that electrical conduit nipples also be excluded from the scope of the finding on the grounds that there is no Canadian production of electrical conduit nipples.

10. On May 31, 2007, the Tribunal received a reply submission from CapProducts, which reiterated that it does not produce threaded couplings in Canada. CapProducts opposed the request by Emco/ERI to exclude electrical conduit nipples, submitting that the Tribunal had already determined not to conduct an interim review in relation to this product.

REASONS FOR DECISION

11. The evidence indicates that CapProducts and CANIP do not currently manufacture threaded couplings. Accordingly, the Tribunal is persuaded that imports of threaded couplings are not likely to cause or threaten to cause injury to the domestic industry, and, therefore, the Tribunal finds it appropriate to exclude threaded couplings from the finding.

12. With respect to the request to amend its finding retroactively, the Tribunal finds that this request is unsupported by evidence. Therefore, the Tribunal has not considered the request.

13. With respect to the request that electrical conduit nipples also be excluded from the scope of the finding, the Tribunal notes that these products fall within the definition of pipe nipples and that, on May 3, 2007, it made an order indicating its decision not to conduct an interim review of the finding as it relates to carbon steel

2. On the same date, the Tribunal issued its decision not to conduct an interim review of the finding in relation to carbon steel pipe nipples.

3. S.O.R./91-499.

pipe nipples. Therefore, the Tribunal finds that Emco/ERI's request that electrical conduit nipples be excluded is outside the scope of this interim review.

CONCLUSION

14. For the foregoing reasons, the Tribunal determines that, pursuant to paragraph 76.01(5)(b) of *SIMA*, the finding made on July 16, 2003, should be amended to exclude threaded couplings.

Meriel V. M. Bradford
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Presiding Member

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Member

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Member