

MEMORANDUM TO: Ronald K. Lorentzen  
Acting Assistant Secretary  
for Import Administration

FROM: John M. Andersen  
Acting Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations

SUBJECT: Issues and Decision Memorandum for the Changed-Circumstances  
Antidumping Duty Review: Certain Carbon Steel Butt-Weld Pipe  
Fittings from Thailand

### Summary

We have analyzed the comments filed by interested parties in the changed-circumstances review of the antidumping duty order on certain carbon steel butt-weld pipe fittings from Thailand. We recommend that you approve the position described in this memorandum concerning the effective date of our final results. Awaji Materia (Thailand) Co., Ltd. (AMT) is a producer of certain carbon steel butt-weld pipe fittings from Thailand. Silbo Industries Inc. (Silbo) is an importer of certain carbon steel butt-weld pipe fittings produced by AMT.

### Background

On January 14, 2009, the Department of Commerce (the Department) published Notice of Initiation and Preliminary Results of Changed-Circumstances Antidumping Duty Review: Certain Carbon Steel Butt-Weld Pipe Fittings From Thailand, 74 FR 2048 (January 14, 2009) (Preliminary Results), in the Federal Register. We invited interested parties to comment on the Preliminary Results. On January 26, 2009, we received comments from AMT. On January 28, 2009, we received comments from Silbo. On December 4, 2008, as explained in the Preliminary Results, we received a letter from Weldbend Corporation (Weldbend), a domestic producer of carbon steel butt-weld pipe fittings. Id. In its letter, Weldband stated that it had no objection to AMT's request that the Department initiate a changed-circumstances review and treat AMT as a successor-in-interest to Awaji Sangyo (Thailand) Co., Ltd. (AST). See Letter from Weldbend Corporation titled "Consent to Changed Circumstances Review for Awaji Materia (Thailand) Co., Ltd. (A-549-807)," dated December 4, 2008. In its letter, Weldband stated that it understood the Department's determination would be applied retroactively.

*Application of the Final Results Retroactively*

Comment 1: AMT states that, in changed-circumstances reviews, the Department distinguishes between successors to predecessor companies with their own cash-deposit rates and successors to predecessor companies that had been excluded from the order previously. Specifically, citing Certain Hot-Rolled Lead and Bismuth Carbon Steel Products From the United Kingdom: Final Results of Changed-Circumstances Antidumping and Countervailing Duty Administrative Reviews, 64 FR 66880 (November 30, 1999) (Hot-Rolled Lead), AMT asserts that, when a successor company is determined to be a successor-in-interest to its predecessor's cash deposit rate, the determination is effective as of the date of the final results. Citing among others Stainless Steel Wire Rod from Italy: Notice of Final Results of Changed Circumstances Antidumping Duty Review, 71 FR 24643, 24644 (April 26, 2006) (Italy SSWR) and Hot-Rolled Lead, 64 FR at 66881, AMT and Silbo state that in cases where the successor company is determined to be the successor-in-interest to a predecessor company that had been excluded from the order, the Department applies the exclusion retroactively to the date of the changed circumstance that prompted the review.

Citing Antidumping Duty Order: Certain Carbon Steel Butt-Weld Pipe Fittings From Thailand, 57 FR 29702 (July 6, 1992), AMT argues that it is undisputed that the predecessor company, AST, was excluded from the antidumping duty order. AMT and Silbo argue that, to the extent that the Department continues to find that AMT is the successor-in-interest to AST, the Department should confirm that the determination will be applied retroactively and confirm that it will instruct U.S. Customs and Border Protection to liquidate, without regard to antidumping duties, all unliquidated entries of subject merchandise produced and exported by AMT and entered, or withdrawn from warehouse for consumption on or after August 1, 2006, which is the date of the name change. No other party submitted a case brief on this issue.

Department's Position: In changed-circumstances reviews where the Department has determined that a successor company is a successor-in-interest to a predecessor company that had been excluded from the antidumping order, the Department's practice is to apply the determination retroactively to the date of the occurrence that prompted the changed-circumstances review. See Italy SSWR, 71 FR at 24644 and Hot-Rolled Lead, 64 FR at 66881. In the current proceeding, the record evidence demonstrates that the name change occurred on August 1, 2006. See "Certain Carbon Steel Butt-Weld Pipe Fittings From Thailand: Request for Changed Circumstances Review for Awaji Materia (Thailand) Co., Ltd. (A-549-807)," dated November 18, 2008 at 2. Because the Department has determined that AMT is the successor-in-interest to AST, a company that had been excluded from the antidumping duty order, we determine that it is appropriate to apply the determination retroactively to August 1, 2006.

Recommendation

Based on our analysis of the comments received, we recommend adopting the above position. If this recommendation is accepted, we will publish the final results of the review in the Federal Register.

Agree \_\_\_\_\_ Disagree \_\_\_\_\_

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Ronald K. Lorentzen  
Acting Assistant Secretary  
for Import Administration

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Date