



A-201-830  
Administrative Review  
POR: 10/1/2017 – 9/30/2018  
**PUBLIC DOCUMENT**  
E&C/OIII: JL

June 24, 2020

**MEMORANDUM TO:** Jeffrey I. Kessler  
Assistant Secretary  
for Enforcement and Compliance

**FROM:** James Maeder  
Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations

**SUBJECT:** Decision Memorandum for the Final Results of Antidumping Duty  
Administrative Review: Carbon and Certain Alloy Steel Wire Rod  
from Mexico; 2017-2018

## I. SUMMARY

On December 19, 2019, the Department of Commerce (Commerce) published the preliminary results of the administrative review of the antidumping duty (AD) order on carbon and certain alloy steel wire rod (wire rod) from Mexico.<sup>1</sup> The period of review (POR) is October 1, 2017 through September 30, 2018.

This review covers the following producers/exporters of the subject merchandise: Deacero S.A.P.I. de C.V. (Deacero), Ternium Mexico S.A. de C.V. (Ternium), ArcelorMittal Las Truchas, S.A. de C.V. (AMLT) and its successor-in-interest ArcelorMittal Mexico, S.A. de C.V. (AMM),<sup>2</sup> Grupo Villacero S.A. de C.V. (Grupo Villacero), and Talleres y Aceros S.A. de C.V. (Talleres y Aceros).

We analyzed the case and rebuttal briefs that interested parties submitted on the record. After analyzing the comments, we made certain modifications to the *Preliminary Results*. We determine that, during the POR, Deacero made sales of subject merchandise at less than normal

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<sup>1</sup> See *Carbon and Certain Alloy Steel Wire Rod from Mexico: Preliminary Results of Antidumping Duty Administrative Review; 2017–2018*, 84 FR 69722 (December 19, 2019) (*Preliminary Results*) and accompanying Preliminary Decision Memorandum.

<sup>2</sup> See *Final Results of Changed Circumstances Review: Antidumping Duty Order on Carbon and Certain Alloy Steel Wire Rod from Mexico*, 82 FR 53456 (November 16, 2017), in which Commerce determined that AMM is the successor-in-interest to AMLT.

value (NV). We recommend that you approve the positions described in the “Discussion of the Issues” section of this memorandum.

## II. LIST OF COMMENTS

**Comment 1:** Whether Commerce Properly Adjusted Deacero’s Costs to Exclude Yield Loss Reporting

**Comment 2:** Whether Commerce used the Correct Financial Expense Ratio for the Calculation of Further Manufacturing Costs

**Comment 3:** Whether Commerce Should Correct Ministerial Errors Contained in its Preliminary Margin Calculation and Account for U.S. Inland Freight Expenses

## III. BACKGROUND

On December 19, 2019, Commerce published the *Preliminary Results* in the *Federal Register*.<sup>3</sup> In accordance with 19 CFR 351.309(b), we invited interested parties to comment on our *Preliminary Results*. On January 21, 2020, Commerce received case briefs from Nucor Corporation (Nucor)<sup>4</sup> and Deacero.<sup>5</sup> On January 27, 2020, we received a rebuttal brief from Nucor.<sup>6</sup>

On March 12, 2020, Commerce extended the deadline for the final results of the administrative review until June 16, 2020.<sup>7</sup> On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days, thereby extending the deadline for the final results of the administrative review until August 5, 2020.<sup>8</sup>

Commerce has conducted this administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

## IV. SCOPE OF THE ORDER<sup>9</sup>

The merchandise subject to the *Order* is certain hot-rolled products of carbon steel and alloy steel, in coils, of approximately round cross section, 5.00 mm or more, but less than 19.00 mm, in solid cross-sectional diameter.

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<sup>3</sup> See *Preliminary Results*, 84 FR 69722.

<sup>4</sup> Nucor is a domestic producer of wire rod and is a domestic interested party in this review.

<sup>5</sup> See Nucor’s Letter, “Carbon and Alloy Steel Wire Rod from Mexico: Case Brief,” dated January 21, 2020 (Nucor Case Brief); see also Deacero’s Letter, “Carbon and Certain Alloy Steel Wire Rod from Mexico – Case Brief,” dated January 21, 2020 (Deacero Case Brief).

<sup>6</sup> See Nucor’s Letter, “Carbon and Certain Alloy Steel Wire Rod from Mexico: Rebuttal Brief,” dated January 27, 2020 (Nucor Rebuttal Brief).

<sup>7</sup> See Memorandum, “Antidumping Duty Administrative Review: Carbon and Certain Alloy Steel Wire Rod from Mexico: Extension of Time Limit for Final Results,” dated February 12, 2019.

<sup>8</sup> See Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19,” dated April 24, 2020.

<sup>9</sup> See *Notice of Antidumping Duty Orders: Carbon and Certain Alloy Steel Wire Rod from Brazil, Indonesia, Mexico, Moldova, Trinidad and Tobago, and Ukraine*, 67 FR 65945 (October 29, 2002) (*Order*).

Specifically excluded are steel products possessing the above-noted physical characteristics and meeting the Harmonized Tariff Schedule of the United States (HTSUS) definitions for (a) stainless steel; (b) tool steel; (c) high nickel steel; (d) ball bearing steel; and (e) concrete reinforcing bars and rods. Also excluded are (f) free machining steel products (*i.e.*, products that contain by weight one or more of the following elements: 0.03 percent or more of lead, 0.05 percent or more of bismuth, 0.08 percent or more of sulfur, more than 0.04 percent of phosphorus, more than 0.05 percent of selenium, or more than 0.01 percent of tellurium).

Also excluded from the scope are 1080 grade tire cord quality wire rod and 1080 grade tire bead quality wire rod. This grade 1080 tire cord quality rod is defined as: (i) grade 1080 tire cord quality wire rod measuring 5.0 mm or more but not more than 6.0 mm in cross-sectional diameter; (ii) with an average partial decarburization of no more than 70 microns in depth (maximum individual 200 microns); (iii) having no non-deformable inclusions greater than 20 microns and no deformable inclusions greater than 35 microns; (iv) having a carbon segregation per heat average of 3.0 or better using European Method NFA 04-114; (v) having a surface quality with no surface defects of a length greater than 0.15 mm; (vi) capable of being drawn to a diameter of 0.30 mm or less with 3 or fewer breaks per ton, and (vii) containing by weight the following elements in the proportions shown: (1) 0.78 percent or more of carbon, (2) less than 0.01 percent of aluminum, (3) 0.040 percent or less, in the aggregate, of phosphorus and sulfur, (4) 0.006 percent or less of nitrogen, and (5) not more than 0.15 percent, in the aggregate, of copper, nickel and chromium.

This grade 1080 tire bead quality rod is defined as: (i) grade 1080 tire bead quality wire rod measuring 5.5 mm or more but not more than 7.0 mm in cross-sectional diameter; (ii) with an average partial decarburization of no more than 70 microns in depth (maximum individual 200 microns); (iii) having no non-deformable inclusions greater than 20 microns and no deformable inclusions greater than 35 microns; (iv) having a carbon segregation per heat average of 3.0 or better using European Method NFA 04-114; (v) having a surface quality with no surface defects of a length greater than 0.2 mm; (vi) capable of being drawn to a diameter of 0.78 mm or larger with 0.5 or fewer breaks per ton; and (vii) containing by weight the following elements in the proportions shown: (1) 0.78 percent or more of carbon, (2) less than 0.01 percent of soluble aluminum, (3) 0.040 percent or less, in the aggregate, of phosphorus and sulfur, (4) 0.008 percent or less of nitrogen, and (5) either not more than 0.15 percent, in the aggregate, of copper, nickel and chromium (if chromium is not specified), or not more than 0.10 percent in the aggregate of copper and nickel and a chromium content of 0.24 to 0.30 percent (if chromium is specified).

For purposes of the grade 1080 tire cord quality wire rod and the grade 1080 tire bead quality wire rod, an inclusion will be considered to be deformable if its ratio of length (measured along the axis - that is, the direction of rolling - of the rod) over thickness (measured on the same inclusion in a direction perpendicular to the axis of the rod) is equal to or greater than three. The size of an inclusion for purposes of the 20 microns and 35 microns limitations is the measurement of the largest dimension observed on a longitudinal section measured in a direction perpendicular to the axis of the rod. This measurement methodology applies only to inclusions on certain grade 1080 tire cord quality wire rod and certain grade 1080 tire bead quality wire rod that are entered, or withdrawn from warehouse, for consumption on or after July 24, 2003. The

designation of the products as “tire cord quality” or “tire bead quality” indicates the acceptability of the product for use in the production of tire cord, tire bead, or wire for use in other rubber reinforcement applications such as hose wire. These quality designations are presumed to indicate that these products are being used in tire cord, tire bead, and other rubber reinforcement applications, and such merchandise intended for the tire cord, tire bead, or other rubber reinforcement applications is not included in the scope. However, should the petitioners or other interested parties provide a reasonable basis to believe or suspect that there exists a pattern of importation of such products for other than those applications, end-use certification for the importation of such products may be required. Under such circumstances, only the importers of record would normally be required to certify the end use of the imported merchandise.

All products meeting the physical description of subject merchandise that are not specifically excluded are included in this scope.

The products subject to the order are currently classifiable under subheadings 7213.91.3000, 7213.91.3010, 7213.91.3011, 7213.91.3015, 7213.91.3020, 7213.91.3090, 7213.91.3091, 7213.91.3092, 7213.91.3093, 7213.91.4500, 7213.91.4510, 7213.91.4590, 7213.91.6000, 7213.91.6010, 7213.91.6090, 7213.99.0030, 7213.99.0031, 7213.99.0038, 7213.99.0090, 7227.20.0000, 7227.20.0010, 7227.20.0020, 7227.20.0030, 7227.20.0080, 7227.20.0090, 7227.20.0095, 7227.90.6010, 7227.90.6020, 7227.90.6050, 7227.90.6051, 7227.90.6053, 7227.90.6058, 7227.90.6059, 7227.90.6080, and 7227.90.6085 of the HTSUS.

Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this proceeding is dispositive.

On October 1, 2012, Commerce determined that wire rod with an actual diameter of 4.75 mm to 5.00 mm (hereinafter referred to as narrow gauge wire rod) produced in Mexico and exported to the United States by Deacero was circumventing the *Order*.<sup>10</sup> Specifically, Commerce determined that Deacero’s shipments to the United States of narrow gauge wire rod constitute merchandise altered in form or appearance in such minor respects that it should be included within the scope of the *Order*.<sup>11</sup> Commerce’s affirmative finding in the *Final Circumvention Determination* applied solely to Deacero. The U.S. Court of Appeals for the Federal Circuit (Federal Circuit) upheld Commerce’s finding in the *Final Circumvention Determination* that wire rod with an actual diameter of 4.75 mm to 5.00 mm produced in Mexico and exported to the United States by Deacero was circumventing the *Order*.<sup>12</sup> As a result, we have treated Deacero’s sales of narrow gauge wire rod to the United States as subject merchandise.

On March 13, 2019, Commerce determined that, effective February 7, 2018, wire rod with an actual diameter less than 4.75 mm produced in Mexico and exported to the United States by

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<sup>10</sup> See *Carbon and Certain Alloy Steel Wire Rod from Mexico: Affirmative Final Determination of Circumvention of the Antidumping Order*, 77 FR 59892 (October 1, 2012) (*Final Circumvention Determination*) and accompanying Issues and Decision Memorandum.

<sup>11</sup> *Id.*, 77 FR at 59893.

<sup>12</sup> See *Deacero S.A. de C.V. v. United States*, 817 F. 3d 1332, 1339 (Fed. Cir. 2016) (*Deacero*).

Deacero was circumventing the *Order*.<sup>13</sup> Specifically, Commerce determined that Deacero's shipments to the United States of such wire rod constituted merchandise altered in form or appearance in such minor respects that it should be included within the scope of the *Order*.<sup>14</sup> Commerce's affirmative finding in the *Final Circumvention Determination II* applied solely to Deacero. Because the effective date of this determination was during the POR, for purposes of this review, we treated Deacero's entries of less-than-4.75 mm wire rod as subject to the *Order* if the entries were made on or after February 7, 2018.

## V. NON-SELECTED RATE

Commerce did not select the following companies for individual examination: AMLT/AMM, Grupo Villacero, Talleres y Aceros, and Ternium.

The Act and Commerce's regulations do not address the establishment of a rate to be applied to respondents not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, when determining the rate for such respondents in an administrative review, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a market economy investigation. Section 735(c)(5)(A) of the Act instructs Commerce to use the weighted average of the individually calculated rates as the all-others rate, excluding rates which are zero, *de minimis*, or based entirely on facts available. Accordingly, Commerce's usual practice in administrative reviews for determining the rate for respondents not selected for individual examination has been to average the weighted-average dumping margins for the selected companies, excluding rates that are zero, *de minimis*, or based entirely on facts available.

In this review, we have calculated a weighted-average dumping margin for Deacero, the sole mandatory respondent in this review, that is not zero, *de minimis*, or determined entirely on the basis of facts available. Therefore, for purposes of these final results, we assigned to AMLT/AMM, Grupo Villacero, Talleres y Aceros, and Ternium the weighted-average dumping margin calculated for Deacero.

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<sup>13</sup> See *Carbon and Certain Alloy Steel Wire Rod from Mexico: Final Affirmative Determination of Circumvention of the Antidumping Duty Order*, 84 FR 9089 (March 13, 2019) (*Final Circumvention Determination II*) and accompanying Issues and Decision Memorandum.

<sup>14</sup> *Id.*, 84 FR at 9090.

## VI. DISCUSSION OF COMMENTS

### **Comment 1:** Whether Commerce Properly Adjusted Deacero's Reported Costs to Reflect the Yield Losses from Deacero's Normal Books and Records

#### *Deacero's Case Brief*<sup>15</sup>

- Commerce should not adjust Deacero's costs to eliminate the product-specific yield losses reported in the cost database.
- Commerce's explanation in the *Preliminary Results* does not justify revising Deacero's reported costs because there is no evidence on the record indicating that Deacero's reported costs are incorrect.
- Commerce was obligated to provide an opportunity for Deacero to explain the reasons for any deficiencies in reported costs; thus, Commerce's adjustment is not warranted. Deacero's reported costs are in full accordance with Commerce's practice and Commerce's instructions contained in the initial questionnaire that state "{i}f a physical characteristic identified by the Department is not tracked by the company's normal cost accounting system, calculate the appropriate cost differences for that physical characteristic using a reasonable method based on available company records (e.g., production records, engineering statistics)."<sup>16</sup>
- The adjustment made by Commerce in the preliminary calculations effectively negates product-specific yield losses that Deacero based on actual scrap consumption and wire rod production.
- Commerce should have used Deacero's reported costs because they properly accounted for product-specific yield losses.
- There is no evidence on the record indicating that Deacero's reported costs are inaccurate. Thus, Commerce should not increase Deacero's reported costs for the final results of this review.

#### *Petitioners' Rebuttal Brief*<sup>17</sup>

- Commerce properly adjusted Deacero's costs to eliminate Deacero's yield losses that were not based on Deacero's normal books and records, but rather on an alternative source.
- Deacero shifted costs away from its subject merchandise by using the results from the other source and Commerce properly corrected this issue by using the information from the cost accounting system that is tied to Deacero's financial reporting.
- Deacero failed to explain why it is reasonable to use Deacero's reported costs for the final results. The yield losses for each billet should be similar.
- Commerce properly explained in the *Preliminary Results* that it is more appropriate to rely on the total costs calculated in the cost accounting system for determining the total costs associated with wire rod products, while relying on the other source of costs for purposes of allocating the total wire rod costs on a product-specific basis.
- Accordingly, in the final results, Commerce should continue to rely on the total costs and yield losses from Deacero's cost accounting system.

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<sup>15</sup> See Deacero Case Brief at 1-5.

<sup>16</sup> *Id.* at 9 (citing Commerce Letter, "Issuance of Initial Questionnaire," dated April 1, 2019, at D-11).

<sup>17</sup> See Nucor Rebuttal Brief at 2-3.

**Commerce Position:** For the final results we have continued to adjust Deacero's reported costs to reflect the total wire rod costs from its financial and cost accounting systems, *i.e.*, Deacero's normal books and records. Deacero claims that Commerce erred in the *Preliminary Results* by revising Deacero's total costs upward to eliminate the impact of the product-specific yield losses from an alternative source. Deacero asserts that the product costs from Deacero's normal books and records do not account for all of Commerce's physical characteristics; thus, Deacero contends that to comply with Commerce's request for product-specific costs, Deacero merely adjusted the average yield losses from its cost accounting system to reflect the product-specific yield losses from an alternative source. While Deacero presents its argument as a question of product-specific costs and yield losses, Deacero is essentially arguing that Commerce should use the total wire rod costs from this alternative source<sup>18</sup> instead of the total wire rod costs from the cost accounting system used in its normal books and records. Stated another way, Deacero used the information from its alternative source to reallocate costs from wire rod products to non-subject merchandise through its analysis of yield losses.<sup>19</sup> We disagree that this is appropriate.

Section 773(f)(1)(A) of the Act provides that costs shall normally be calculated based on a producer's normal books and records if those records are kept in accordance with the generally accepted accounting principles (GAAP) of the exporting country and reasonably reflect the costs associated with the production and sale of the merchandise. It is undisputed that the costs calculated in Deacero's GAAP-based normal books and records do not account for all of Commerce's physical characteristics.<sup>20</sup> Therefore, for purposes of reporting costs in these proceedings, Deacero has consistently relied on information from an alternate source to derive product-specific costs.<sup>21</sup> However, in the current review, the total of the per-unit costs from the alternative source does not reconcile to the total costs in Deacero's normal books and records.<sup>22</sup> Deacero reduced the total wire rod costs from its cost accounting system to equal the total cost of wire rod from the alternative source.<sup>23</sup> Thus, at issue, is whether the total reported costs, *i.e.*, the aggregate of the per-unit costs multiplied by the production quantities from the cost database, should agree with the total wire rod costs in Deacero's normal books and records or to the total wire rod costs in the alternative source.

Unlike the alternative source, Deacero's cost accounting system is fully integrated with its financial accounting system and reconciles to Deacero's audited financial statements.<sup>24</sup> Further, the costs calculated in the cost accounting system are used to value the ending inventory balances in the financial accounting system.<sup>25</sup> Although certain information in the alternative source is derived from the financial and cost accounting systems for the calculation of product-specific costs, the total costs from this source as a whole do not reconcile to Deacero's normal books and records, *i.e.*, the costs in the alternative source do not reconcile to the cost accounting

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<sup>18</sup> The name of this cost system is business proprietary.

<sup>19</sup> See Deacero's May 28, 2019 DQR at 20, exhibit D-18; see also Deacero's September 25, 2019 SDQR at exhibit SD-1.

<sup>20</sup> See Deacero's May 28, 2019 DQR at 18 and 20.

<sup>21</sup> *Id.* at 18 and 20.

<sup>22</sup> *Id.* at exhibit D-18.

<sup>23</sup> *Id.* at 20, exhibit D-18; see also Deacero's September 25, 2019 SDQR at exhibit SD-1.

<sup>24</sup> See Deacero's May 28, 2019 DQR at 16-18 and exhibit D-18.

<sup>25</sup> *Id.* at 13 and 18.

system, to the financial accounting system, or to the audited financial statements.<sup>26</sup>

As the total costs of wire rod from the cost accounting system are based on Deacero's normal books and records and reconcile to Deacero's GAAP-based financial statements, in accordance with section 773(f)(1)(A) of the Act, we find for these final results that it is appropriate to rely on the total wire rod costs from the cost accounting system. We recognize, however, that the costs calculated in Deacero's normal books and records do not account for all of Commerce's physical characteristics. Therefore, we find it reasonable to use the product-specific costs that account for all of Commerce's physical characteristics from the alternative source as an allocation base with which to allocate the total costs of wire rod from the cost accounting system to the per-unit CONNUM specific costs.

Therefore, for the final results, we have continued to rely on the total wire rod costs from the cost accounting system. Specifically, in our preliminary adjustment, which we have not changed for these final results, we reversed Deacero's adjustments to the overall cost reconciliation that reduced the costs related to wire rod yield losses recorded in its normal books and records (*i.e.*, where Deacero essentially re-assigned the yield losses to non-subject products). We then allocated the difference to the per-unit costs of manufacturing reported for wire rod products. As such, we preserved the product-specific cost differences associated with each unique product's physical characteristics. Thus, contrary to Deacero's assertions, our *Preliminary Results* adjustments do not negate the product-specific yield losses, but rather ensure that the total costs from Deacero's normal books and records have been accounted for in the calculation of the reported product-specific costs.

**Comment 2:** Whether Commerce used the Correct Financial Expense Ratio for the Calculation of Further Manufacturing Costs

*Deacero's Case Brief*<sup>27</sup>

- In the *Preliminary Results*, Commerce incorrectly used the financial expense ratio (INTEX) from Deacero's 2018 consolidated financial statements instead of its 2017 consolidated financial statements.
- Because Mid Continent did not have any further manufacturing costs during the POR, Commerce instructed Deacero to report the further manufacturing costs from the immediately preceding POR (*i.e.*, October 1, 2016 through September 30, 2017), which included a financial expense ratio based on Deacero's 2017 consolidated financial statements.<sup>28</sup>
- For the final results, Commerce should base all of Mid Continent's further manufacturing expenses on a consistent period. Thus, if Commerce continues to rely on the prior review data for further manufacturing, the financial expenses for further manufacturing should likewise be based on the 2017 rather than 2018 consolidated financial expense ratio.

*Nucor's Rebuttal Brief*<sup>29</sup>

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<sup>26</sup> *Id.* at 20, exhibit D-18; *see also* Deacero's September 25, 2019 SDQR at exhibit SD-1.

<sup>27</sup> *See* Deacero Case Brief at 5-7.

<sup>28</sup> *Id.* at 5 (citing Commerce's Letter "Initial Questionnaire Deacero S.A.P.I. de C.V. Request for Guidance," dated May 15, 2019 (Guidance Letter)).

<sup>29</sup> *See* Nucor Rebuttal Brief at 3-4.

- Commerce’s initial questionnaire instructed Deacero to report the financial expenses for the fiscal period that most closely corresponds to the POR. Therefore, in the *Preliminary Results*, Commerce correctly used the financial expenses from fiscal year 2018 and should continue to do so for the final results.

**Commerce’s Position:** We agree with Deacero and have relied on the fiscal year 2017 consolidated financial statements as the basis for the further manufacturing financial expenses in the final results.

Commerce normally uses a respondent’s costs for the POR, which includes the period expenses, *i.e.*, general and administrative (G&A) and financial expenses, from the fiscal period that most closely corresponds to the POR.<sup>30</sup> However, on April 12, 2019, Deacero notified Commerce that, during the current POR, Deacero did not sell or ship any wire rod to Mid Continent during the POR, and Mid Continent did not further process any Deacero-produced wire rod during the POR.<sup>31</sup> Thus, according to Deacero, Mid Continent did not have any further manufacturing cost data for Deacero wire rod for the current POR to be reported. Accordingly, since all further manufactured merchandise sold during the POR was further manufactured prior to the POR of the current review, Commerce instructed Deacero to report Mid Continent’s further manufacturing data from the immediately preceding POR (*i.e.*, October 1, 2016 through September 30, 2017).<sup>32</sup> However, despite the instructions in the Guidance Letter, in the *Preliminary Results*, we mistakenly revised the reported further manufacturing financial expenses, which were appropriately based on the 2017 consolidated financial statements, to reflect the current review financial expense ratio, which is based on the 2018 consolidated financial statements.

In light of Deacero’s unique circumstances in the instant review, we have determined that the appropriate period for reporting its further manufacturing expenses is the 2016-2017 POR (*i.e.*, October 1, 2016 through September 30, 2017), which appropriately includes G&A and financial expenses from fiscal year 2017. Thus, for the final results, we have relied on the financial expenses reported in the further manufacturing file which, in accordance with our instructions, reflects the 2016-2017 POR data.<sup>33</sup>

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<sup>30</sup> See, *e.g.*, *Granular Polytetrafluoroethylene Resin from Italy: Final Results of Antidumping Duty Administrative Review*, 74 FR 14519 (March 31, 2009) and accompanying Issues and Decision Memorandum at Comment 2; see also *Certain Stainless Steel Butt-Weld Pipe Fittings from Taiwan: Final Results and Final Rescission in Part of Antidumping Duty Administrative Review*, 67 FR 78417 (December 24, 2002) and accompanying Issues and Decision Memorandum at Comment 8.

<sup>31</sup> See Deacero’s Letter, “Carbon and Certain Alloy Steel Wire Rod from Mexico – Request for Guidance,” dated April 12, 2019.

<sup>32</sup> See Guidance Letter.

<sup>33</sup> See Memorandum, “Final Sales and Cost Calculation Memorandum for Deacero S.A.P.I. de C.V. and Deacero USA, Inc.,” at 5 dated concurrently with this final decision memorandum (Final Calculation Memorandum).

**Comment 3:** Whether Commerce Should Correct Ministerial Errors Contained in its Preliminary Margin Calculation and Account for U.S. Inland Freight Expenses

*Nucor's Case Brief*<sup>34</sup>

- Commerce should correct a ministerial error contained in its preliminary antidumping margin calculation.
- Specifically, in its final results, Commerce should include U.S. inland freight expenses that Deacero reported in a supplemental questionnaire response in the final margin calculations.
- To correctly revise late payment field in the home market database, Commerce should use certain SAS programming language.

Deacero did not comment on this issue.

**Commerce's Position:** We agree with Nucor. We inadvertently did not include U.S. inland freight expenses in our margin calculations. Therefore, we have included these expenses in our final margin calculations.<sup>35</sup>

**VII. RECOMMENDATION**

Based on our analysis of the comments received, we recommend adopting the above positions. If these recommendations are accepted, we will publish the final results of this review and the final weighted-average dumping margins in the *Federal Register*.

\_\_\_\_\_  
Agree

\_\_\_\_\_  
Disagree

6/24/2020

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Signed by: JEFFREY KESSLER

\_\_\_\_\_  
Jeffrey I. Kessler  
Assistant Secretary  
for Enforcement and Compliance

<sup>34</sup> See Nucor Case Brief at 1-2.

<sup>35</sup> See Final Calculation Memorandum at 5.