

requested of the final countervailing duty determination made by Commerce. Given the ITC's negative final determination, these requests were subsequently withdrawn.

On December 3, 1997, the ITC made a negative final determination and the investigation was terminated.

In the ITC determination, Canadian imports were cumulated with subsidized and dumped imports from Venezuela and Trinidad and Tobago, and dumped imports from Germany. In light of the lack of significant volume of subject imports and significant price effects, the consistently high level of investments by the domestic industry, and the improving trend in the industry's financial condition (which began well before the petition was filed), the ITC did not find that the subject imports had an adverse impact on the domestic industry. Although the domestic industry had lost over 3.0 percentage points of market share from 1994 to 1995, the subject imports' market share remained constant during that period. From 1995 to 1996, when subject imports made their greatest gains in volume, the domestic industry's market share remained virtually the same. The subject imports captured sales and market share at the expense of other imports, rather than the domestic like product. Moreover, the domestic industry was not able to satisfy all of the domestic demand for steel wire rod during this period.

With respect to price issues, in light of the absence of evidence supporting a correlation between subject import volumes or prices and declines in domestic steel wire rod prices, the ITC decided it could not conclude that subject import prices prevented, to a significant degree, domestic price increases that would otherwise have occurred.

With regard to threat of material injury, the interim 1997 data and the full year 1996 data led the ITC to conclude that a substantially increased volume of subject imports was not imminent and that no material injury would occur by reason of subject imports. Subject imports decreased throughout 1997 according to the interim data, and were at lower levels during that period than during either the first or second half of 1996. Foreign producers of the subject merchandise had generally been operating at or near full capacity throughout the period of investigation, with no plans for expansion. There was no basis for concluding that imports were likely to have a significant adverse effect on prices for the U.S. domestic like product in the imminent future.

7.2 Key Issues

The Government of Quebec owned 100% of Sidbee's stock, and Sidbee owned 100% of Sidbee-Doseco, Inc.'s stock, until privatization in 1994. On August 17, 1994, Sidbee-Doseco, Inc. was sold to Beheer-en Beleggingsmaatschappij Brohenco B.V. (Brohenco), which is wholly owned by Ispat-Mexicana, S.A. de C.V. (Ispat Mexicana). It became known as Sidbee-Doseco (Ispat) Inc. Sidbee, the holding company, continued to be 100% owned by the Government of Quebec.