IMPORTER QUESTIONNAIRE

PRECISION PIPE AND TUBE STEEL

EXPORTED TO AUSTRALIA FROM THE PEOPLE’S REPUBLIC OF CHINA, THE REPUBLIC OF KOREA, TAIWAN, AND THE SOCIALIST REPUBLIC OF VIETNAM

This questionnaire seeks information in relation to your imports and sales of precision pipe and tube steel exported to Australia from the People’s Republic of China (China), the Republic of Korea (Korea), Taiwan, and the Socialist Republic of Vietnam (Vietnam).

This information will be used to assist in determining export prices and non-injurious prices, to construct the Australian market for the goods, and in the assessment of the applicant’s injury claims.

The attached Australian Dumping Notice No. 2020/030 provides details of the goods under consideration, the application and the investigation procedures.

|  |  |  |
| --- | --- | --- |
| **Part A** | **Company and overseas supplier information** | **Return as quickly as possible but no later than**  **Tuesday 7 April 2020** |
| **Part B** | **Imports and forward orders** | **Return as soon as possible after receiving the Commission’s detailed spreadsheets but no later than Tuesday 21 April 2020** |
| **Part C** | **Sales and expenses** |
| **Part D** | **Australian market** |

The timeliness of your response is important. The Commissioner must consider the direction from the Minister for Industry, Innovation and Science as set out in the *Customs (Extensions of Time and Non-cooperation) Direction 2015* (the Direction). More details on this direction are explained in Anti-Dumping Notice 2015/129, available on the Commission’s website at [www.adcommission.gov.au](http://www.adcommission.gov.au).

**Return address**

E-mail: [investigations3@adcommission.gov.au](mailto:investigations3@adcommission.gov.au)

Part A – Company and overseas supplier information

**A.1 Your company**

|  |  |
| --- | --- |
| Company Name |  |
| ABN: |  |
| Contact name: |  |
| Position: |  |
| Mailing address: |  |
|  |  |
|  |  |
|  |  |
|  |  |
| Telephone: |  |
| Facsimile: |  |
| E-mail address: |  |

Provide details on the ownership of your company and major shareholders:

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Describe the role of your company in the Australian market for precision pipe and tube steel – for example, buying or selling agent, importer/distributor, importer/wholesaler, importer/retailer or importer/end-user.

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At what level of trade is each of your customers – for example, distributor, wholesaler, retailer or end-user?

|  |  |
| --- | --- |
| **Customer** | **Level of trade** |
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**A.2 Your overseas supplier(s) of the goods under consideration**

Please complete the below information for each of your overseas supplier of precision pipe and tube steel (using a new box for each supplier).

If you source precision pipe and tube steel from a country other than the five countries/regions subject to the application, please provide details of the supplier(s) of this precision pipe and tube steel.

|  |  |
| --- | --- |
| Commodity: | Precision pipe and tube steel |
| Supplier name: |  |
| Is the supplier the manufacturer?  If ‘no’, please also answer question A.3 in relation to this supplier. |  |
| Finish(es) supplied: |  |
| Country of origin: |  |
| Contact name: |  |
| Position: |  |
| Mailing address: |  |
|  |
|  |
|  |
|  |
| Telephone: |  |
| Facsimile: |  |
| E-mail address: |  |

**A.3 Overseas manufacturer(s) of the goods under investigation**

If the supplier(s) listed in your response to question A.2 above is not the manufacturer of the precision pipe and tube steel supplied, please complete the below for each manufacturer of the precision pipe and tube steel supplied (using a new box for each supplier).

|  |  |
| --- | --- |
| Commodity: | Precision pipe and tube steel |
| Supplier name (from A.2): |  |
| Manufacturer name: |  |
| Country of origin: |  |
| Manufacturer contact name: |  |
| Position: |  |
| Mailing address: |  |
|  |
|  |
|  |
|  |
| Telephone: |  |
| Facsimile: |  |
| E-mail address: |  |

**A.4 Verification of data by the Commission**

The Commission will seek to ensure that data submitted is complete, relevant and accurate and that such data can be used by the Commission in the making of its findings. At some stage, the Commission may seek to visit importers to verify the data submitted within import questionnaire responses and discuss the investigation.

The Commission will contact importers on the process for verification after receipt of questionnaire responses.

Address for proposed visit (the address at which your accounting records are held):

|  |  |
| --- | --- |
| Street address: |  |
|  |
|  |
|  |
|  |
| Telephone: |  |
| Facsimile: |  |

Part B – Imports and forward orders

Please complete this part after the Commission has provided you with your detailed spreadsheets of imports, and return this part, along with your response to Parts C and D no later than Tuesday 21 April 2020.

To assist with the identification of imports of the precision pipe and tube steel under investigation, the Commission will shortly provide you with spreadsheets of your imports of precision pipe and tube steel from **1 January 2019 to 31 December 2019**.

This information will be provided from the Commission’s import database.

Within this spreadsheet, the Commission will select several shipments (by highlighting them) that it wishes to examine in more detail.

**B.1 Import details**

Please complete the “Part B – Cost to import and sell” spreadsheet included in the “Importer Questionnaire Spreadsheets” workbook, with details for the highlighted selected shipments.

The spreadsheet should contain costs and sales data for the selected shipments of precision pipe and tube steel **exported** from China, Korea, Taiwan, and Vietnam since 1 January 2019. The completed spreadsheet should be returned as part of your Part B response, along with details of your forward orders (see B.3 below).

(Please note that that you cannot complete this part of the questionnaire until the Commission provides you with the respective listing of your imports. The Commission will contact you shortly in this regard after receiving Part A of the questionnaire).

**B.2 Documents required at the visit**

In relation to the shipments selected by the Commission for verification (i.e. those shipments highlighted in the spreadsheet which will be provided by the Commission), please prepare copies of the commercial invoice, bill of lading, packing list and any other documents supporting post exportation costs including:

* overseas freight and insurance;
* customs duties;
* landing and wharfage charges;
* freight forwarding fees;
* cartage/delivery fees and
* any other charges between the FOB point and the landed, duty paid into-store point.

It would be appreciated if these documents could be assembled into one bundle for each shipment selected. Please retain these copies for presentation at the Commission’s visit.

**B.3 Forward orders**

Please complete the “Part B – Forward Orders” spreadsheet within the “Importer Questionnaire Spreadsheets” workbook. The completed spreadsheet should be returned as part of the Part B response, along with details of your selected shipments as discussed in B.1 above.

Part C – Sales and selling expenses

Please return your responses to Part C along with your response to Parts B and D no later than Tuesday 21 April 2020.

**C.1 Your sales**

Please provide details of all your sales in the Australian market of precision pipe and tube steel exported from China, Korea, Taiwan, and Vietnam from 1 January 2019 to 31 December 2019.

If possible, and where appropriate, the following data should be provided in Microsoft Excel format (a suggested spreadsheet “Part C – Sales” is provided within the “Exporter Questionnaire Spreadsheets” workbook).

Please include:

* + Customer name;
  + Customer level of trade (Distributor, End user etc.);
  + Location – state;
  + Location – city;
  + Invoice number;
  + Invoice date;
  + Delivery terms (e.g. FIS, Ex-warehouse);
  + Credit terms (days);
  + Finish/dimensions/wall thickness;
  + Quantity;
  + Packing;
  + Total invoiced price;
  + Unit invoiced price;
  + Off invoice discount/rebate amount (if applicable, list each type of discount/rebate individually);
  + Net unit sales price;
  + Your supplier of the goods;
  + Purchase order number to supplier; and
  + Country of origin.

**Model Control Code**

The sales spreadsheet requires the identification of the type of model sold to your customer using the model control code (MCC) structure detailed **Appendix A**. At a minimum, the category listed as mandatory must be reported in the sales spreadsheet.

**C.2 Selling, general and administration expenses**

Please calculate your selling, general and administration costs for precision pipe and tube steel for the period **1 January 2019** to **31 December 2019** and enter this information into the “Part B – Cost to import and sell” spreadsheet included in the “Importer Questionnaire Spreadsheets” workbook on the disk in this package.

These expenses are normally derived from profit and loss statements or other management records and are typically expressed as a percentage of sales revenue. Where precision pipe and tube steel is only a part of overall company sales, allocations of selling, general and administrative expenses may have to be made.

The Commission will seek to verify your sales data, and your estimate of selling, general and administrative expenses at the importer visit.

Part D –Australian Market

Please return your responses to Part D along with your response to Parts B and C no later than Tuesday 21 April 2020.

**D.1 Prevailing conditions of competition in the Australian market**

1. Describe the Australian market for the goods and the prevailing conditions of competition within the market, including:
2. Provide an overall description of the market for the goods in Australia which explains its main characteristics and trends over the past five years;
3. Provide the sources of demand for the goods in Australia, including the categories of customers, users or consumers of the product;
4. Provide the proportion (%) of sales revenue from each of those sources of demand listed in (b);
5. Describe the factors that influence consumption/demand in Australia, such as seasonal fluctuations, factors contributing to overall market growth or decline, government regulation, and developments in technology affecting either demand or production;
6. Describe any market segmentations in Australia; such as geographic or product segmentations;
7. Provide the proportion of sales revenue from each of the market segments listed in (e);
8. Describe the way in which Australian manufactured and other imported goods compete in the Australian market;
9. Describe the ways that the goods are marketed and distributed in the Australian market; and
10. Describe any other factors that are relevant to characteristics or influences on the market for the goods in Australia.

Provide documentary evidence to support the responses made to questions 1(a) to (i).

1. Provide a diagram which describes the market for the goods in Australia, ensuring that all the categories of participants are included. In this diagram use linkages to illustrate the different levels of trade and distribution channels within the Australian market.
2. Describe the commercially significant market participants in the market for the goods in Australia at each level of trade over the investigation period. Include in your description:

* names of the participants;
* the level of trade for each market participant (e.g., manufacturer, reseller, original equipment manufacturer (EOM), retailer, corporate stationer, importer, etc.);
* a description of the degree of integration (either vertical or horizontal) for each market participant; and
* an estimation of the market share of each participant.

1. Identify the names of commercially significant importers in the market for the goods in Australia over the investigation period and estimate their market share. Specify the country each importer imports from and their level of trade in the Australian market, if known.
2. Describe the regulatory framework of the market for the goods in Australia as it relates to competition policy, taxation, product standards and the range of the goods. Provide a copy of any regulation described, if available.
3. Describe any entry restrictions for new participants into the market for the goods in Australia. Your response could include information on:

* resource ownership;
* patents and copyrights;
* licenses;
* barriers to entry;
* Import restrictions; and
* government regulations (including the effect of those government regulations).

In responding to question 6 ensure that relevant regulations are referenced.

**D.2 Products in the Australian market**

1. Generally describe the range of the goods offered for sale in the Australian market. The description should include all goods under consideration including those produced by your company. Your description could include information about:

* quality differences;
* price differences;
* supply/availability differences;
* technical support differences;
* the prevalence of private labels/customer brands;
* the prevalence of generic or plain labels;
* the prevalence of premium labels; and
* product segmentation.

1. Describe the end uses of the goods in the Australian market from all sources.
2. Describe the key product attributes that influence purchasing decisions or purchaser preferences in the Australian market. Rank these preferences or purchasing influencers in order of importance.
3. Identify if there are any commercially significant market substitutes in the market for the goods in Australia.
4. Identify if there are any commercially significant market complements in the market for the goods in Australia.
5. Have there been any changes in market or consumer preferences in the market for the goods in Australia in the last five years? If yes, provide details including any relevant research or commentary on the industry/sector that supports your response.

**D.3 Relationship between price and cost in Australia**

1. Describe the importance of the Australian market to your company’s operations. In your response describe:
2. The proportion of your company’s sales revenue derived from sales of the goods in Australia; and
3. The proportion of your company’s profit derived from sales of the goods in Australia.

In responding to question 1 please provide evidence supporting calculations.

1. Is your organisation/business entity the price leader of the goods in the Australian market? If no, please explain the reasons behind your response and specify the name(s) of the price leaders.
2. Describe the nature of your pricing for the goods (e.g. market penetration, inventory clearance, product positioning, price taker, price maker, etc.) and your price strategies (e.g., competition-based pricing, cost-plus pricing, dynamic pricing, price skimming, value pricing, penetration pricing, bundle pricing, etc.) in Australia. If there are multiple strategies applied, please rank these by importance. If there are different strategies for different products, please specify these. Provide copies of internal documents which support the nature of your product pricing.
3. Explain the process for how the selling prices of the goods for the Australian market by your business are determined. Provide copies of internal documents which support how pricing is determined.
4. How frequently are your Australian selling prices reviewed? Describe the process of price review and the factors that initiate and contribute to a review. Provide the names and positions of all persons involved.
5. Rank the following factors in terms of their influence on your pricing decisions in the Australian market, with the most important factor ranked first and the least important factor ranked last:

* Competitors’ prices;
* Purchase price of raw materials;
* Cost to make and sell the goods;
* Level of inventory;
* Value of the order;
* Volume of the order;
* Value of forward orders;
* Volume of forward orders;
* Customer relationship management;
* Supplier relationship management;
* Desired profit;
* Brand attributes;
* Other [please define what this factor is in your response].

1. Describe the relationship between selling price and your costs in the Australian market. Does your company maintain a desired profit margin for the goods? If not, does your company seek to maintain a desired profit margin for the goods?
2. Do you offer price reductions (e.g. commissions, discounts, rebates, allowances or credit notes) in the Australian market? If yes, provide a description and explain the terms and conditions that must be met by the customer to qualify. Explain how your costs are considered in establishing these price reductions. Provide copies of internal documents which support your claims in response to this question.
3. Do you offer bundled pricing in the Australian market? If yes, explain how the pricing for bundled sales is determined. Explain how your costs for the goods are considered in establishing these bundled prices. Provide copies of internal documents which support your claims in response to this question.
4. Does the volume of sales to a customer or the size of an order influence the selling price? If yes, advise how volume is used to determine selling prices. Explain how your costs are considered in establishing volume based prices for the goods. Provide copies of internal documents which support your claims in response to this question.
5. Does your organisation/business entity use sales contracts in the Australian market? If yes:
6. What proportion of your sales revenue would come from contracted sales versus uncontracted sales?
7. Do you offer exclusivity contracts? If yes, what proportion of your sales revenue would come from exclusivity contracts?
8. How frequently are sales contracts renegotiated?
9. How frequently are price reviews conducted between contracts?
10. Do you provide opportunities for price reviews for customers within contracts? If yes, provide a description of the process and an explanation of the circumstances that might lead to a price review.
11. Do changes in your costs enable you to review prices for customers within contracts?
12. Provide a list of the customers under contract during the investigation period and copies of the two largest contracts in terms of sales revenue. Provide a complete translation of the documents.
13. Provide copies of any price lists for the goods used in the Australian market during the investigation period. If you do not use price lists, describe the transparency of your prices in the Australian market.
14. How do you differentiate pricing for different goods in the Australian market? Describe how your products are grouped for price differentiation and the methodology used. Describe any cost differences between differentiated products. Describe how these cost differences (if any) influence pricing decisions. Provide copies of internal documents which support your claims in response to this question.
15. Do you tier or segment your customers for the goods in terms of pricing? If yes, provide:
16. a general description of how this is done;
17. list the factors that influence pricing differentiation in different tiers or segments; and
18. explain how your costs are considered in making pricing decisions for different tiers or segments.

Provide copies of internal documents which support your claims in response to this question.

1. Do you sell the goods to related entities in Australia? If yes, describe how prices are set for related party transactions and specify what proportion of your sales in terms of sales revenue are to related party entities. If available, provide a copy of any internal document relevant to establishing pricing to related parties.

**D.4 Marketing and sales support in the Australian market**

1. How does your company market the goods in the Australian market? Include in your response the value proposition used (e.g., competitive price, superior quality, reliability, availability, etc.).
2. Does your company conduct brand segmentation in the Australian market for the goods? If yes, describe the brand segmentation used and provide the proportion of sales revenue derived from each brand segment.
3. Provide examples of your Australian advertising of the goods over the past five years. If you have not used advertising in Australia, provide examples of any other promotion campaigns for the goods you have conducted over the investigation period.
4. How many people are in your Australian sales team and where are they located? In general terms, how are they remunerated? If they are offered performance pay based on sales, describe the performance indicators used to establish the performance pay. Provide copies of internal documents which support your claims in response to this question.
5. Describe what parameters are provided to sales staff to assist in establishing pricing for the goods when negotiating sales with customers. Provide copies of internal documents which support your claims in response to this question.

Checklist

* Return by **Tuesday 7 April 2020**
* Part A response
  + Your company details
  + Supplier/manufacturer details
  + Suitable dates for verification meeting with the Commission
* Return by **Tuesday 21 April 2020**
* Part B response
* Sales Route spreadsheet of imports
  + Information on forward orders
* Part C response
  + Sales spreadsheet of sales
  + Selling, General and Administration expenses
* Part D response
* During verification meeting (may be required to assist verification)
  + Copies of source documents of post-exportation costs for shipments
  + Financial statements
  + Bank records
  + Import and post-exportation documents for other shipments
  + Sales invoices
  + Documentation to support selling costs (e.g. freight, warehousing)
  + Documentation to support SG&A expenses

**Appendix 1**

**Proposed model control code (MCC) structure**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Category** | **Sub-Category** | **Identifier** | **Sales Data** | **Cost Data** |
|  | **Prime** | Prime | P | Mandatory | Not applicable |
| Non-Prime | N |
|  | **Steel Base/Type**  \* Batch Hot Dipped Galvanised abbreviated as ‘Batch HDG’; Electro Galvanised abbreviated as ‘EG’; Continuously Galvanised abbreviated as ‘CG’; Mild Steel Galvabond as ‘MSGB’. | Hot Roll | H | Mandatory | Mandatory |
| Cold roll (Semi Bright) | C |
| Galvanised (Batch HDG,EG,CG or MSGB) | G |
| Other (e.g. alloy steel) | A |
|  | **Steel Grade** | C200 | 1 | Mandatory | Mandatory |
| C250 | 2 |
| C350 | 3 |
| C450 | 4 |
| Other | 5 |
|  | **Surface Protection** | Oiled | O | Mandatory | Mandatory |
| Clear or painted | P |
| No oil or paint | N |
|  | **Coating Mass** | <20 g/m2 (including none) | 1 | Mandatory | Mandatory |
| ≥20 g/m2 to <100 g/m2 | 2 |
| ≥100 g/m2 to <275 g/m2 | 3 |
| ≥275 g/m2 | 4 |
|  | **Shape** | Circular | C | Mandatory | Mandatory |
| Rectangular or Square | R |
|  | **Circular size**  \* outside diameter  \*\* Circular products with an outside diameter between >21 mm to ≤101.6 mm which are not air heater tubes are not the goods. | Not circular | N | Mandatory | Mandatory |
| ≤16 mm | 1 |
| >16 mm to ≤21 mm | 2 |
| >21 mm to ≤101.6 mm (Air Heater Tubes) | 3 |
|  | **Rectangular/Square size**  \* outside perimeter | Not rectangular/square | N | Mandatory | Mandatory |
| ≤40 mm | 1 |
| >40 mm to ≤80 mm | 2 |
| >80 mm to ≤260 mm | 3 |
|  | **Thickness** | <1.6 mm | A | Mandatory | Mandatory |
| ≥1.6 mm to <3.2 mm | B |
| ≥3.2 mm | C |
|  | **Length** | ≤4 m | 1 | Mandatory | Optional |
| >4m to ≤8 m | 2 |
| >8 m to ≤12.0 m | 3 |
| >12.0 m | 4 |
|  | **End configuration** | Plain end | P | Optional | Optional |
| Threaded/flanged/swaged | T |
| Other (e.g. square faced) | O |