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MELEWAR STEEL TUBE SDN BHD (111059-D)
(A Subsidiary of Mycron Steel Berhad) (622819-D)



CERTIFIED TO ISO 9001:2008
CERT. NO. : AR0994



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Head Office: Lot 53, Persiaran Selangor, 40200 Shah Alam, Selangor, Malaysia.

P.O. Box 7018, 40700 Shah Alam, Selangor, Malaysia.

• Tel: 03-5519 2455 (12 lines) • Fax: 03-5519 2033 (Admin), 03-5510 6410 (Sales), 03-5519 4017 (Sales), 03-5510 8618 (Account)
• e-mail: enquiry@melewar-mig.com • website: www.melewar-mig.com • GST NO: 002031828992

15th May, 2017

Mr Dale Seymour
Commissioner
Anti-Dumping Commission
Level 35, 55 Collins Street
Melbourne VIC 3001

Dear Sir,

**APPLICATION FOR AN ACCELERATED REVIEW OF THE EXPORT OF HOLLOW STRUCTURAL SECTIONS INTO AUSTRALIA BY MELEWAR STEEL TUBES SDN BHD (MST)
ADDITIONAL HISTORICAL INFORMATION CASE NUMBER: AR406**

I refer to our Application letter dated 30th March, 2017, the follow up letter dated 10th April, 2017 and the continuing correspondences with the Anti-Dumping Commission, Australia on MST's intention of selling its steel tube products in the Western Australia market.

Under the advice of Ms Melissa Guilfoyle, who has been assisting us in the application process, I hereby re-submit my application on behalf of the company. I am in hopes that I have complied with the requirements of the application for the Accelerated Review of the Anti-Dumping Measures.

Background information:

MST had in 2007 exported steel tubes to the Australian market. Unfortunately, this was short lived due to quality problems. Malaysia had a fledgling Hot Rolled Coil (HRC) Industry consisting of a single player, namely Megasteel Sdn Bhd. It was a protected industry where local companies are forced to buy their HRC needs from this company. This company produces its HRC from scrap. Thus, the resulting product is of basic quality. For Steel Tube manufacturers who wish to import higher grade HRC, an application has to be made to the Ministry of Industry and International Trade (MITI) with an accompanying letter of approval from Megasteel.

When the ADC, Australia conducted a survey in Malaysia on the affected products in 2012, MST decided that we were not participating since the likelihood of MST exporting to the Australian Market was quite remote. We later understand from ADC documents that failure to be included in the survey resulted MST being grouped in the Non-participating Company who were assessed with the Anti-Dumping Duty of 20%.

The local HRC market has since changed. Megasteel has ceased production and is in financial trouble with no remedies in sight. As such, MITI has allowed steel tube manufacturers to import

HRC. MST has taken full advantage of this move and have started producing large quantities of high quality Steel tubes. MST now has products that it can export to international markets. We are currently exporting to the ASEAN markets, The UK and intend to export to Australia.

MST is an ISO 9001:2015 certified steel tube manufacturer based in Selangor, Malaysia. We are a wholly owned subsidiary of Mycron Steel Berhad (MSB), a Blue Chip, Public Listed Company on the Malaysian Stock Exchange.

Please find below our Company address:

Melewar Steel Tube Sdn Bhd

Lot 53, Persiaran Selangor
40200 Shah Alam
Selangor
Malaysia

Contact person: Mohd Silahuddin Bin Jamaluddin
E-mail: msj@melewar-mig.com
Mobile phone: +6017 820 8666

Tariff Classification of the goods:

The goods are currently classified to the following tariff subheading of Schedule 3 to the Customs Tariff Act 1995:

- 7306.30.00 (Statistical codes 31, 32, 33, 34, 35, 36 and 37)
- 7306.61.00 (Statistical codes 21, 22, and 25)
- 7306.69.00 (Statistical code 10)
- 7306.50.00 (Statistical code 45)

Statement of essential facts:

1. MST did not participate in the investigation initiated by The Australian Customs and Border Protection Service in 2012 as mentioned in the Australian Customs Dumping Notice No. 2012/31. As mentioned in the introduction above, MST was concentrating our sales efforts to the domestic and regional markets. Now that we are ready to market our products to the Australian market, we note that a participating (Co-operating) company, namely Alpine Pipe Manufacturing Sdn Bhd (our main competitor in the Malaysian Domestic market), was rated with a Dumping Margin (at 3%).
2. As touched on in the Introduction paragraph above, also, the steel industry has changed considerably since the demise of the monopoly company, Megasteel. The raw material market is now a free market and tube manufacturers are free to purchase their raw materials from international sources. This does have its pros and cons. While we can now buy the best quality Hot and Cold Rolled Coils, we are also subject to market prices as well as Forex exposure. With tighter margins, we look for high volumes, thus exploring International markets, with higher quality goods.

3. In as far as actual Dumping, we intend to supply the Western Australia (WA) Market with our goods on the basis as follows:
 - i **Selling Price:** The proposed selling price to the WA market would be the Malaysian Domestic Market price plus shipping charges to WA (additional documentation to our selling price to the Malaysian Domestic market shall be made available with the questionnaire to be submitted).
 - ii **Target Market:** Wholesale level to retailers and distributors (per our current target market);
 - iii **Presence:** We intend to set up a warehouse in WA to cut down on lead time for our goods to get to our target market.

Type of Review:

We respectfully request an Accelerated Review on the basis of a revision of the level of the measures because of a variable factor. This factor is in relation of being a non-cooperating exporter during the initial investigation mentioned above. We believe that the price of our goods is non-injurious to the Australian Steel Tube industry. We are very keen to participate and become a co-operating company with regard to any inquiry and/or further investigation.

Thank you.

Yours Sincerely,



Mohd Sitahuddin Bin Jamaluddin
VP Business Development
MELEWAR STEEL TUBE SDN BHD
E-mail: msj@melewar-mig.com
Mobile: +6017 820 8666