

RE: Review of Measures Applying to Aluminium Extrusions Exported to Australia from The People's Republic of China.

Dear Anti-dumping Commission,

The problem with Anti-Dumping Tax imposed on importers of the named products (Aluminium Extrusions, or Profiles), themselves being a local Australian LED Lighting manufacturer is that it works against the manufacturing in Australia in favour of manufacturing in China.

Here's why this is happening:

A particular type of LED Lighting Product, generally called "Linear LED Lighting" uses aluminium extrusion (profile) as an enclosure and a heat transfer media for sensitive electronics incorporating Light Emitting Diodes (LEDs).

If a **Linear LED Light** product is made in China from aluminium profile and then imported into Australia, it enters duty free according to ChAFTA or attracts a very little duty.

If the same aluminium profile is imported into Australia by an Australian company in order to perform subsequent **Linear LED lighting** product assembly in Australian factory, it is a subject of dumping duties.

The measure intended to protect interest of manufacturers of Aluminium Profiles in Australia works against other Australian manufacturer of a sophisticated product in favour of Chinese manufacturer, effectively encouraging manufacturing company to move offshore.

The reason for using companies in China is the small scale of production runs and also often not available mechanical post-processing which aluminium extrusion companies in Australia do not provide.

All aluminium extrusions used in production of Linear LED Lighting products by Coolon are designed by our engineers. We select our contract manufacturers of aluminium extrusion in China according to their capabilities and quality control.

We do not specifically look for "cheaper" manufacturer, and in most cases the price we pay for a particular aluminium extrusion from China is actually higher than what we would have paid in Australia.

Here's one of the examples, showing quotation from Capral Aluminium compared with what we pay for the same Aluminium Extrusion made in China.

Capral Aluminium (Australia)

Sketch #	Your Part number	Black Anodised \$/m	Upfront tool cost
TS56068/A	00109-01-106	\$5.40+GST	\$3152+GST
TS56068/A	00114-01-112	\$3.96+GST	\$2831+GST

Price from China (excluding shipping costs):

00109-01-106 \$USD 5.55 per meter
00114-01-112 \$USD 6.11 per meter
00114-01-112 cut to size 704 mm long and milled \$USD 9.50 per meter.

The nature of our LED Lighting products and requirements of our customers together with limitations of storage facilities impose restrictions on the overall quantity of individual aluminium extrusions we can afford and fit. Many of these aluminium extrusions have to be specifically custom designed to satisfy the needs of a project. Project that we sometimes work for over one year often required at the end at a very short notice, as you never know if your product has been outpriced or substituted by the "Design and Build" contract company.

It is very common for Architectural project to be lost after a lengthy design work and multiple submissions as a result of someone (Importer of Chinese Manufactured product) offering "almost the same for a fraction of the price". Our volumes are mostly too small for Australian Aluminium Extrusion manufacturers and in addition most of them lack the mechanical post-processing that we need.

We do understand that for example, in building industry aluminium profiles and anti-dumping policy could make sense, but in our case we are deeply disappointed.

At present being busy with our main activities we can't afford to spend time fighting the unfair regulation. We pay taxes in order for Australian Government to do their job in creating a fair regulation and fixing unforeseen mistakes.

It is obvious that an extra tax on Aluminium profiles that we use for production of Linear LED lighting products is not fair and is an equivalent of subsidizing LED lighting manufacturers in China.

It does not help local employment, does not provide fair grounds for competing against importers and is highly discouraging.

Examples of Linear LED Lights imported into Australia as a complete product are here:

<http://www.superlight.com.au/linear-led-lighting-modules/>

<http://www.gentechlighting.com.au/products/pendants/metal-pendants/led-26w-linear-pendant/>

<http://www.gentechlighting.com.au/products/extrusions/recessed-extrusions/large-recessed-extrusion-to-suit-24w-m-led-strip/>

<http://www.tec-ledlighting.com.au/led-products/linear-led-pendant-lights/>

We are offering anyone who is interested to see what's involved in LED Light manufacturing, come and visit our factory. Internet can offer countless imported products based on Aluminium profiles that do not attract any additional duty and are in direct competition with us.

I believe the issue is pretty basic and easy to fix, providing someone in position is interested to look closely.

Thank you in advance.

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