



31 March 2014

Ms Kerry Taylor
Director Operations 3
Anti-Dumping Commission
1010 La Trobe Street,
Docklands Vic 3008
Australia

Operations3@adcommission.gov.au

Attention: Kerry Taylor

Public File

Dear Ms Taylor,

Re: Investigation into the alleged dumping of Quenched and Tempered Steel Plate exported from Finland, Japan and Sweden – Submission by Bisalloy Steel Pty Ltd re Related Parties

I refer to Bisalloy Steels Pty Ltd ('Bisalloy') application (ADA) for anti-dumping measures against certain imports of Quenched and Tempered ("Q&T") steel plate exported from Finland, Japan and Sweden. In the application, Bisalloy stated that it did not consider that the export prices published by the Australian Bureau of Statistics ("ABS") were reliable.

Bisalloy pointed to the export prices of the Swedish exporter and its related party Australian importer as evidence that selling prices in the market place were not reflective of the declared export prices for Q&T steel plate originating in Sweden. Bisalloy further argued that exports from Japan and Finland must compete with the Swedish export prices and that the declared FOB prices from Japan and Finland were also unreliable on the basis that the declared prices did not reflect market offers for Q&T plate steel sold into the Australian market from Japan and Finland.

In Consideration Report No. 234 the Anti-Dumping Commission ("the Commission") confirmed that export prices for Q&T steel plate from Sweden were higher than the declared FOB export prices from Japan and Finland and that *"Bisalloy provided details of market intelligence gathered by its staff of prices of Swedish Q&T steel plate being offered in the Australian market. Those prices, if accurate, are significantly different from declared prices of imports from Sweden."*

The Commission was satisfied that there was *"sufficient evidence available"* to establish that the Swedish declared FOB export prices *"may not be arm's length"* and that it was appropriate to use deductive export prices to estimate export prices for Q&T steel plate exported from Sweden.

Bisalloy had also argued that the declared export prices for Q&T from Japan and Finland were not reflected in the market selling prices for the nominated imports. Bisalloy considered that the exporters in Japan and Finland were matching the selling prices for Swedish Q&T steel plate in Australia and similarly the export prices for exports from Japan and Finland did not reflect the low selling prices of their Q&T steel plate in Australia.

The Commission considered that Bisalloy had not provided sufficient information in support of the assertions that ABS export prices for exports from Japan and Finland were unreliable and did not revert to deductive export prices for exports from both countries.

Subsequent to the commencement of the investigation, Bisalloy has obtained company details for two key exporters of the alleged dumped Q&T steel plate to Australia. Specifically, Bisalloy has obtained Australian Securities and Investment Commission ("ASIC") company extract information for the following two importers of Q&T steel plate:

- Total Steel of Australia Pty Ltd; and
- ASM Corporation Pty Ltd.

The ASIC information confirms that Total Steel of Australia Pty Ltd and ASM Corporation Pty Ltd are owned respectively by Marubeni Itochu Steel Inc. and Metal One Corporation. Both of these parent companies are exporters of Q&T steel plate to Australia from Japan.

Copies of the ASIC company extract information for the above two companies is included in the Confidential Attachment.

It is Bisalloy's contention that the FOB prices for Q&T steel plate exported by Marubeni Itochu and Metal One Corporation of Japan are related party transactions and cannot be relied upon for establishing actual export prices for the goods under consideration in the current investigation. As indicated, the market intelligence available to Bisalloy confirms that market selling prices for Q&T steel plate do not reflect declared FOB export prices as published by ABS.

Bisalloy requests the Commission to examine the declared export prices for Q&T steel plate from Japan and contrast these with selling prices obtained from Bisalloy market intelligence. Bisalloy submits that exports by Marubeni Itochu and Metal One Corporation should be treated in the same manner as exports from SSAB Sweden and that it is appropriate to consider deductive export prices as reflective of actual export prices to Australia.

If you have any questions concerning this authority, please do not hesitate to contact either myself on (02) 4272 0407 Mob: 0406317671 or Bisalloy's Consultant John O'Connor on (07) 3342 1931 Mob: 0411 252 451.

Yours faithfully,



Tom Matinca
Business Development and Strategy Manager
Bisalloy Steel Group Limited