



Anti-Dumping Commission  
Director Operations 3  
1010 Latrobe Street  
Docklands, Vic, 3008  
Australia

1/04/2014

Dear Sir or Madam,

This letter is in reference to your investigation “ADC234” into Q&T steel plate dumping.

The majority of steel used within the manufacture of our product is Q&T plate. [REDACTED]

[REDACTED] (*Confidential Commercial Information as it relates to privileged and specific manufacturing usage data and supply information*). Due to Q&T plate representing a major component of our product, Drake Trailers strives to ensure supply of this material exceeds key criteria of quality, competitive market pricing, product size compatibility and reliability of supply.

Across a long standing business relationship, our existing suppliers have proven to meet expectations of supply required for us to maintain our position as an Australian market leader in specialised transport equipment. Their consistent supply of quality material can be largely attributed to the ability of Drake Trailers to manufacture superior product whilst ensuring our customers are not subject to major price or supply fluctuations during periods of Q&T plate shortages.

We understand the Bisalloy product Bis-80 to be partially Australian made Q&T plate and in honour of our company wide policy to support Australian industry and product, where fit for purpose, we have regularly re-examined the feasibility of sourcing it as an alternative. The primary reason for the continued failure in negotiations of this product has been a rejection on the part of Drake Trailers due to shortcomings we perceive in respect to their capability of consistently supplying flat plate as per our specific requirements.

In addition, plate quality is vital to Drake’s ability to satisfy market demand and maintain its reputation of leading manufacturers of high quality product. Bis-80 plate was deemed unfit to satisfy Drake’s production standards due to a critical disconnect between its tolerances, as defined by Bisalloy’s technical specifications, and the technical plate specifications required by Drake Trailers to meet its current production and customer needs. Limitations on plate sizes and thicknesses, particularly 12 metre long plate and 5mm thick plate were also a contributing factor.

Whilst we believe Bisalloy have been aware of our issues for many years we have seen little evidence they are willing or able to supply to meet those needs, rather we get the impression they expect we should take on their standard.

Consequently, we believe an adoption of Bis-80 plate at this time would require an unacceptable compromise on the part of Drake Trailers in respect to its business practices and quality of output.

We would like to express concern that this application for anti-dumping, as we see it, may cause detriment to our business in forcing us to pay higher prices for a product that is essentially currently unavailable to us in Australia. Furthermore, the burden of what we deem to be an unreasonable cost increase may place unfair constraints on our business practices and standards and in so doing make us increasingly vulnerable to overseas competition.

We welcome further discussion should you require additional information or verification.

Should there be a tariff imposed we would appreciate any advice you may be able to offer as to actions we may take that could help us mitigate the tariff.

Your support in this matter is highly appreciated.

Sincerely,

Khali Lake  
General Manager  
Drake Trailers Pty Ltd.