



## Public Record

3 March 2014

Mr Matthew Williams  
The Director  
Operations 3  
Anti-dumping Commission  
1010 La Trobe Street  
Docklands, Vic  
3008

By email.

Dear Mr Williams

### **Australian Dumping Notice (ADN) No. 2014/01 – Investigation into the Alleged Dumping of Quench & Tempered Steel Plate Steel exported to Australia from Finland, Japan and Sweden**

I refer to the Australian Dumping Notice (AND) No. 2014/01 and in particular to the preliminary findings relating to exports from Japan.

#### Background

Vulcan Steel Limited is a New Zealand-based limited liability company that operates PCD Steel in Yatala, Queensland. PCD Steel is an Australian based wholly owned subsidiary of Vulcan Steel. Vulcan Steel imports a range of steel plate that it supplies exclusively to PCD Steel for further processing and value-adding prior to selling to Australian customers.

#### Material Injury

We refer to Consideration Report 234 and note in particular on page 18 the advice that Bisalloy provide where they confirm that 80% of their sales is via a network of distributor and companies and 20% directly to large end user OEM's.

In our view it is critical to understand that the product that Bisalloy sells through these channels is full plate. Vulcan Steel does not sell full plate into the open market and does not compete with Bisalloy.



All of the Q&T plate that Vulcan imports is sold directly to PCD Steel for our own internal use and further downstream processing. PCD Steel provides an essential service to the general engineering and fabrications markets where it processes and adds value to the steel plate prior to selling the steel components to a myriad of smaller companies.

Clearly the argument that Bisalloy is forced to match an import price is irrelevant to any consideration of Vulcan's imports as is any suggestion that Vulcan is a competitor of Bisalloy.

Vulcan Steel's policy of importing steel plate for further processing at PCD Steel is an imperative arising out of the fact that Bisalloy cannot manufacture sufficient Q&T plate to satisfy the Australian market. Further, the channel to market that Bisalloy has adopted effectively excludes any sale of Q&T plate to Vulcan Steel. Our only option is to purchase from one of Bisalloy's distributors who are the competitor of PCD Steel. In this commercially threatening situation, Vulcan Steel have no option but to develop reliable business relationships with overseas suppliers and import plate. In the absence of adopting this business response we believe that our business would no longer be viable.

During the period of investigation, Vulcan Steel imported [REDACTED] Tonnes of Q&T plate which could be considered as like goods. These minimal volumes are completely inconsistent with any finding that they are the cause of material injury to the applicant.

We submit that the minimal volume of imports by Vulcan Steel, and the absence of any evidence that those imports have caused any detriment to Bisalloy, provide grounds for the Minister to exclude from the goods description of any dumping notice, plate steel that is imported for further processing before resale.

#### Exemptions

We understand that the Commissioner has no authority to exempt goods but that the Minister does have such a power. Consequently we request, that if the final report recommends the publication of dumping notice that apply to imports of plate steel by Vulcan Steel, the following recommendations for exemption be made to the Minister:

1. All imports by Vulcan Steel on the ground that by selling via a limited distributorship, Bisalloy is not offering their product for sale 'to all purchasers on equal terms under like conditions'
2. Imports of plate steel by Vulcan that are entirely used for further internal processing and value adding and not in direct competition with Bisalloy's full plate sales.

Yours sincerely

Russell Kroon  
Vulcan Steel Pty Ltd