



INVESTIGATION 249

**ALLEGED DUMPING OF
CERTAIN ZINC COATED (GALVANISED) STEEL
EXPORTED FROM INDIA AND THE SOCIALIST REPUBLIC OF
VIETNAM**

VERIFICATION REPORT - IMPORTER

COMMERCIAL METALS PTY LTD

**THIS REPORT AND THE VIEWS OR RECOMMENDATIONS CONTAINED THEREIN
WILL BE REVIEWED BY THE CASE MANAGEMENT TEAM AND MAY NOT REFLECT
THE FINAL POSITION OF THE ANTI-DUMPING COMMISSION**

November 2014

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ABBREVIATIONS

ACBPS	Australian Customs and Border Protection Service
The Act	<i>Customs Act 1901</i>
AUD	Australian dollars
BlueScope	BlueScope Steel Limited
████	████████████████
Commercial Metals	Commercial Metals Pty Ltd
the Commission	the Anti-Dumping Commission
████	████████████████
████	████████████████
FOB	free on board
FY	financial year
the goods	the goods the subject of the application (also referred to as the goods under consideration)
PAD	Preliminary Affirmative Determination
Parliamentary Secretary	the Parliamentary Secretary to the Minister for Industry
SEF	Statement of Essential Facts
SG&A	Selling, general and administrative expenses
████	████████████████

1 BACKGROUND AND PURPOSE

1.1 Background

On 8 May 2014, BlueScope Steel Limited (BlueScope) lodged an application with the Anti-Dumping Commission (the Commission) requesting that the Parliamentary Secretary to the Minister for Industry (the Parliamentary Secretary)¹ publish a dumping duty notice in respect of certain zinc coated (hereafter referred to as galvanised) steel² exported to Australia from India and the Socialist Republic of Vietnam (Vietnam).

In this application, BlueScope alleges that the Australian industry has suffered material injury caused by galvanised steel exported to Australia from India and Vietnam at dumped prices.

BlueScope claims the industry has been injured through:

- price suppression;
- reduced profit and profitability;
- reduced return on investment;
- reduced employment numbers; and
- reduced ability to raise capital for re-investment.

Following consideration of the application, the Commission decided not to reject the application. Public notification of initiation of the investigation was made on 11 July 2014 in *The Australian* newspaper and Anti-Dumping Notice No. 2014/55.

Prior to initiation of the investigation, Commercial Metals Pty Ltd (Commercial Metals) was identified in the Australian Customs and Border Protection Service (ACBPS) database as a large importer of galvanised steel from India and Vietnam during the investigation period (being 1 July 2013 to 30 June 2014).

The Commission contacted Commercial Metals on 11 July 2014 advising the company of the initiation of the investigation and requesting co-operation with the investigation, and provided the company with a copy of the importer questionnaire and associated spreadsheets to complete. Commercial Metals was subsequently contacted by the Commission on 11 July 2014 to advise that the investigation had been initiated, to request its cooperation with the investigation and to provide it with a copy of the importer questionnaire for completion.

Following this, Commercial Metals was provided with a list of its imports during the investigation period that was extracted from the ACBPS import database. The Commission selected 12 shipments from this list for further examination and verification.

¹ Responsibility for anti-dumping matters was transferred to the Minister for Industry on 25 September 2013. The Minister for Industry subsequently delegated responsibility for anti-dumping matters to the Parliamentary Secretary to the Minister for Industry.

² Refer to the full description of the goods in Section 2.1 of this report.

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Commercial Metals completed the importer questionnaire, providing:

- Part A – details regarding the company, overseas suppliers and identification of its Australian customers;
- Part B (the ‘importer transaction form’) – details of the costs to import and sell, including selling, general and administrative (SG&A) expenses, for the 12 selected importations and details of forward orders;
- Part C (the ‘sales spreadsheet’) – a detailed listing of sales to Australian customers during the investigation period.

These documents are provided at **Confidential Attachment 1** (Part A) and **Confidential Attachment 2** (Part B and C). Commercial Metals also submitted an updated sales spreadsheet (**Confidential Attachment 9**). This is discussed further in Section 6.2.1 of this report.

In acknowledging that Commercial Metals (previously registered as CMC Australia Pty Ltd) had been visited by the Commission to undertake verification on a number of occasions in the past three years (including in October 2012 for the zinc coated steel and aluminium zinc coated steel investigation – case 190), the Commission considers that it is appropriate to carry out an abbreviated verification process in the current instance and has chosen to conduct a remote verification.

To conduct this verification, the Commission requested that Commercial Metals prepare packages of source documents to verify the data within the importer transaction form for each of the 12 selected shipments identified as being the goods. As requested, Commercial Metals prepared and supplied these documents to the Commission (**Confidential Attachment 3**).

1.2 Purpose of verification

The purpose of this verification was to:

- confirm that Commercial Metals is an importer of galvanised steel from India and Vietnam (as attributed to it within the ACBPS import database);
- obtain information to assist in establishing the identity of exporters of galvanised steel from India and Vietnam;
- verify information on exports of galvanised steel from India and Vietnam to assist in the determination of export prices (section 269TAB of the *Customs Act 1901*)³ (the Act);
- establish whether the purchases of galvanised steel from India and Vietnam were arms-length transactions (section 269TAA);

³ All references in this report to sections of legislation, unless otherwise specified, are to the *Customs Act 1901*.

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- establish post-exportation costs; and
- identify sales and customers and verify sales volume, selling prices and selling costs.

1.3 Investigation process and timeframes

The investigation process and timeframes are as follows:

- the investigation period is 1 July 2013 to 30 June 2014;
- the injury analysis period is from 1 July 2008 for the purpose of analysing the condition of the Australian industry;
- a preliminary affirmative determination (PAD) may be made no earlier than day 60 of the investigation (9 September 2014) and provisional measures may be imposed at the time of the PAD or at any time after the PAD has been made;
 - the Commission will not make a PAD until (and if) it becomes satisfied that there appears to be, or that it appears there will be, sufficient grounds for the publication of a dumping duty notice;
 - securities would only be issued for goods exported after the PAD is released publicly and would only be collected if the Commission determines that dumping has occurred;
- the Statement of Essential Facts (SEF) for the investigation is due to be placed on the public record by 18 March 2015⁴, or such later date as the Parliamentary Secretary allows under section 269ZHI of the Act;
 - the SEF will set out the material findings of fact on which the Commission intends to base its recommendations to the Parliamentary Secretary, and will invite interested parties to respond, within 20 days, to the issues raised therein;
 - interested parties are encouraged to make submissions within 20 days of the SEF's release;
- following receipt and consideration of submissions made in response to the SEF, the Commission will provide its final report and recommendations to the Parliamentary Secretary;
 - this final report is due no later than 2 May 2015,⁵ although any extension to the SEF will result in a subsequent extension to the final report;

⁴ The SEF was originally due to be published by 29 October 2014; however, on 22 October 2014, the Parliamentary Secretary approved an extension to 18 March 2015 (refer ADN No. 2014/117).

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- the Parliamentary Secretary has 30 days from receipt of the final report to make a decision on the report's recommendations.

1.4 Importer report

Commercial Metals was advised that the Commission would prepare an importer report (this report) and provide it to Commercial Metals for review of its factual accuracy and to identify those parts of the report it considers confidential.

It was explained that, in consultation with Commercial Metals, the Commission would prepare a non-confidential version of the report and place this on the public record.

⁵ This report was originally due 15 December 2014, prior to approval of the extension to the SEF.

2 THE GOODS

2.1 Goods description

The goods the subject of the application (the goods) are defined as follows:

'flat rolled iron or steel products (whether or not containing alloys) that are plated or coated with zinc exported to Australia from India and Vietnam'.

These goods are generically called galvanised steel. Galvanised steel of any width is included in this application.

Exclusions

These goods do not include painted galvanised steel, pre-painted galvanised steel, electro-galvanised steel, corrugated galvanised steel or aluminium zinc alloy coated or plated steel.

2.1.1 Additional information

The applicant also provided additional information to support its description of the goods, as follows:

'the goods include the same categories of goods as identified in Trade Measures Report No. 190 and 193, however, this application also includes goods that are alloyed (i.e. with minor additions, e.g. boron, chromium, etc.). The goods the subject of this application include all zinc coated product options, including all grades/models of zinc coated steel, all coating mass classes and all surface treatments.

Trade or further generic names often used to describe the goods the subject of the application include:

- *"GALVABOND®" steel*
- *"ZINCFORM®" steel*
- *"GALVASPAN®" steel*
- *"ZINCHITEN®" steel*
- *"ZINCANNEAL" steel*
- *"ZINCSEAL" steel*
- *Galv*
- *GI*
- *Hot Dip Zinc coated steel*
- *Hot Dip Zinc/Iron alloy coated steel*
- *Galvanneal*

The amount of zinc coating on the steel is described as its coating mass and is nominated in grams per meter squared (g/m²) with the prefix being Z (Zinc) or ZF (Zinc converted to a Zinc/Iron alloy coating). The common coating masses used for

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zinc coating are: Z350, Z275, Z200/Z180, Z100, and for zinc/iron alloy coatings are ZF100, ZF80 and ZF30 or equivalents based on international standards and naming conventions.

Surface treatments can include but not be limited to; passivated or not passivated (often referred to as chromated or unchromated), oiled or not oiled, skin passed or not skin passed, phosphated or not phosphated (for zinc iron alloy coated steel only).

There are a number of relevant International Standards for zinc coated products that cover their own range of products via specific grade designations, including the recommended or guaranteed properties of each of these product grades.

These relevant standards are noted below in Table A-3.1 “Relevant international standards for zinc coated steel”.

Table A-3.1 - Relevant International Standards for zinc coated steel

International Standards	Product Grade Names
General and Commercial Grades	
AS/NZS 1397	G1, G2
ASTM A 653/A 653M	CS type A, B and C
EN10346	DX51D, DX52D
JIS 3302	SGCC, SGHC
Forming, Pressing & Drawing Grades	
AS/NZS 1397	G3
ASTM A 653/A 653M	FS, DS type A and B
EN10346	DX53D, DX54D
JIS 3302	SGCD, SGCDL
Structural Grades	
AS/NZS 1397	G250, G300, G350, G450, G500, G550
ASTM A 653/A 653M	33 (230), 37 (255), 40 (275), 50 (340), 55 (380), 80 (550)
EN10346	S220GD, S250GD, S280GD, S320GD, S350GD, S550GD
JIS 3302	SGC340, SGC400, SGC440, SGC490, SGC570 SGH340, SGH400, SGH440, SGH490, SGH570

Please refer to Non-Confidential Attachment A-3.1 for a comparison of AS/NZ 1397 with other International Standards for zinc coated steel.’

2.2 Tariff classification

The application states that galvanised steel is classified to the following tariff subheadings in Schedule 3 to the *Customs Tariff Act 1995*:

- 7210.49.00 (statistical codes 55, 56, 57 and 58);
- 7212.30.00 (statistical code 61);
- 7225.92.00 (statistical code 38); and
- 7226.99.00 (statistical code 71).

Based on the information provided in the application, it has been confirmed by the Trade Policy and Advice section of the ACBPS that galvanised steel is correctly classified to these tariff subheadings.

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The general rate of duty is currently 5 per cent for goods imported under these tariff subheadings. Imports from India and Vietnam, however, are subject to a DCS duty rate which is free for non-alloy steel under 7210.49.00 and 7212.30.00 and is 4 per cent for 'other alloy' steel under 7225.92.00 and 7226.99.00⁶.

Details of the tariff concession orders (TCOs) that are current for galvanised steel are provided at **Attachment 1**.⁷

2.3 Previous investigation

An investigation into the dumping and subsidisation of galvanised steel and aluminium zinc coated steel exported to Australia from the People's Republic of China (China), the Republic of Korea (Korea) and Taiwan was finalised on 30 April 2013 (refer Trade Measures Report No. 190) (REP 190). As a result of this investigation, a dumping duty notice was published for all exports of galvanised steel from:

- China by all exporters;
- Korea by all exporters, other than Union Steel Co., Ltd;⁸ and
- Taiwan by all exporters, other than Sheng Yu Co., Ltd and Ta Fong Steel Co., Ltd.⁹

It is observed that the goods in REP 190 were limited to zinc coated products of iron and *non-alloy* steel only.

⁶ 'DCS' is a code applied to classes of countries and places in relation to which special rates apply as specified in Part 4 of Schedule 1 to the Customs Tariff Act 1995.

⁷ In identifying the TCOs applicable to the tariff subheadings in this section, the Commission does not comment on their relevance to the goods the subject of the application.

⁸ On 26 April 2013 the dumping investigation was terminated, in so far as it related to galvanised steel exported by Union Steel Co., Ltd, Sheng Yu Co., Ltd and Ta Fong Steel Co., Ltd, based on a finding that the dumping margins for goods exported by those companies during the investigation period were less than 2 per cent (refer Termination Report No. 190A).

⁹ See above.

3 COMPANY DETAILS

3.1 Company background

According to previous verification visit reports, Commercial Metals is an importer and marketer of long and flat steel products for the Australian market.

Commercial Metals is a subsidiary of US based Commercial Metals Company Ltd, which is publicly listed on the New York stock exchange. The Commercial Metals Group operates offices in North America, Europe, Asia and Australasia.

Commercial Metals operates three divisions across Australia: steel trading, steel distribution and raw materials; and is one of the largest marketers of imported steel in Australia. It has sales offices in Melbourne, Sydney, Perth and Brisbane and primarily sells to the distribution and reseller network.

Prior to June 2013, Commercial Metals Pty Ltd was registered as CMC (Australia) Pty Ltd.

3.2 Accounting period

According to previous verification visit reports, Commercial Metals' financial year runs from 1 September to 31 August as its headquarters are based in the United States.

3.3 Relationship with suppliers

During the investigation period, Commercial Metals imported galvanised steel from:

[REDACTED]

No information has been identified by the Commission to indicate that Commercial Metals is related to any of its suppliers, nor of any discounts or rebates being provided to Commercial Metals by any of its suppliers.

3.4 Relationship with customers

From Commercial Metals' response to Part C (refer to **Confidential Attachment 2**) of the importer questionnaire, we were able to identify that the largest proportion of sales were made by Commercial Metals to [REDACTED]. These sales represent [REDACTED] per cent of Commercial Metals' overall sales volume of galvanised steel during the investigation period.

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The Commission's analysis of the sales data, however, indicated that prices to [REDACTED] [REDACTED] were similar to [REDACTED] customers. On average, selling prices to [REDACTED] were [REDACTED] than Commercial Metals' weighted average selling price. Therefore, we are satisfied that the sales transactions between Commercial Metals and [REDACTED] were arms length transactions.

No further information has been identified by the Commission to indicate that Commercial Metals is related to any of its customers, nor of any discounts or rebates being provided by Commercial Metals to its customers.

4 IMPORTS

4.1 Volume of imports

The ACBPS import database indicates that Commercial Metals imported galvanised steel from a number of suppliers in India and Vietnam during the investigation period, as shown in **Table 4.1** below.

Table 4.1 – Volume of galvanised steel imports – 1 July 2013 to 30 June 2014

Country	Supplier	Quantity (tonnes)
TOTAL		

The complete list of Commercial Metals' imports of galvanised steel over the investigation period is at **Confidential Attachment 4**.

4.2 Verification of imports

As discussed in Section 1.1 of this report, the Commission selected 12 shipments from the ACBPS import database to examine in further detail.

For the 12 shipments, Commercial Metals completed an importer transaction form (**Confidential Attachment 2**) detailing the costs to import and sell for each selected shipment, and provided documentation (refer to **Confidential Attachment 3**) to verify the data in its importer transaction form for the selected shipments.

These source documents included:

- purchase and sales contracts;
- commercial invoices from overseas suppliers;
- packing lists and mill test certificates;
- country of origin certificates;
- bills of lading;
- email evidence of the foreign exchange cover (i.e. forward cover rate);
- customs broker invoices;
- port service charges invoices;
- ocean freight invoices (for shipments invoiced on XXXXXX terms); and
- invoices from transport providers.

For each shipment, Commercial Metals also supplied proof of payment (remittance advice and/or bank transaction statements) of the post-exportation costs.

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These source documents were used to confirm the exporting entity, quantity, invoice value (in [REDACTED]), ocean freight and insurance (where applicable), the exchange rate and importation costs recorded for each shipment in the importer transaction form.

In addition to the above, Commercial Metals also provided documentation for the corresponding Australian sale of each selected shipment, including:

- sale orders;
- commercial invoices;
- bank statements and/or remittance advice confirming payment by the Australian customer.

Verification of this documentation is discussed further in Section 6.2.1 of this report.

4.2.1 Supplier invoice details

Commercial Metals provided copies of supplier invoices for each shipment.

We matched the values, quantities and supplier details recorded for each selected shipment in the importer transaction form to the supplier invoices.

We confirmed that six of the 12 shipments were invoiced on [REDACTED] terms and the other six on [REDACTED] terms. We also confirmed that the recorded payment terms ([REDACTED]) were accurate.

All supplier invoices were in [REDACTED]. Within the importer transaction form, Commercial Metals converted invoice prices (and relevant importation costs) to AUD using the exchange rate it hedged at the time of placing the order. We were able to reconcile the exchange rates recorded in the importer transaction form to an email from Commercial Metals' treasury department confirming the exchange rate for each of the selected shipments (**Confidential Attachment 3**).

Commercial Metals also provided proof of payment for each shipment demonstrating payment to each supplier (**Confidential Attachment 3**). We are satisfied that the invoiced price was the price paid.

4.2.2 Shipment costs

Under the heading of 'shipment costs' in the importer transaction form, Commercial Metals recorded amounts for ocean freight (for shipments invoiced on [REDACTED] terms) and marine insurance.

Ocean freight

Shipments 1, 2, 4, 5, 6 and 9 (all from [REDACTED]) were on [REDACTED] terms. Commercial Metals provided invoices for ocean freight (in [REDACTED]) for each of these six shipments which were used to verify the ocean freight costs recorded in the importer transaction form.

The supporting documentation provided for ocean freight costs also included proof of payment.

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We are satisfied that the recorded amounts for ocean freight are accurate.

Marine insurance

In the importer transaction form, marine insurance was calculated at a rate of [REDACTED] per cent (for the period 1 October 2012 to 30 September 2013) and [REDACTED] per cent (for the period 1 October 2013 to 30 September 2014) of the sales revenue for each shipment. To substantiate these rates, Commercial Metals provided copies of its marine insurance policy for the two years which matched these rates (**Confidential Attachment 5**).

4.2.3 Importation costs

Under the heading of 'Australian importation costs' in the importer transaction form, Commercial Metals recorded amounts for customs entry and broker fees, port service charges, transport and delivery costs, bank charges and credit insurance.

Customs entry and broker fees, and port service charges

Commercial Metals provided customs broker invoices that listed all relevant charges relating to customs entry and brokers fees for each of the 12 selected shipments (**Confidential Attachment 3**). We obtained proof of payment for each of the 12 invoices and were satisfied that the values recorded in the importer transaction form were accurate.

Transport and delivery

Commercial Metals [REDACTED] and therefore provided copies of invoices to support the delivery charges recorded in the importer transaction form for each selected shipment (**Confidential Attachment 3**). The invoiced charges reconciled to the costs recorded in the importer transaction form.

Bank charges

Commercial Metals recorded its bank charges for each of the 12 selected shipments in the importer transaction form. These bank charges relate to the costs associated with establishing the letters of credit and drawing on them.

In the importer transaction form, Commercial Metals noted that each shipment's letter of credit may relate to a number of shipments (not just the selected shipment); therefore, the letter of credit charges were apportioned over the shipments on a pro-rata basis (by quantity) in the importer transaction form.

No source documents had been provided to enable us to reconcile the recorded bank charges in the importer transaction form. Nevertheless, the Commission considers the recorded costs relating to bank charges to be reasonable and consistent with other reported bank charges during previous verification visits to Commercial Metals.

Credit insurance

Commercial Metals included in its importer transaction form an amount for credit insurance. To support these costs, Commercial Metals supplied copies of its trade credit insurance policies for the period 1 October 2012 to 30 September 2013 and 1 October 2013 to 30 September 2014 (refer to **Confidential Attachment 6**). These policies confirmed that the rate applied from 1 October 2012 to 30 September 2013 was [REDACTED] per cent of the insured sales value, and the rate applied from 1 October 2013 to 30 September 2014 was [REDACTED] per cent.

To calculate credit insurance costs in the importer transaction form, the relevant insurance rate was applied to the sales revenue (invoiced during the relevant insurance policy period) for each shipment.

[REDACTED]

[Confidential information – commercial arrangement]

Commissions

Commercial Metals initially did not record [REDACTED] in its importer transaction form. During review of the source documentation, the Commission noted that, for each shipment, Commercial Metals had provided copies of commercial agreements that outlined the terms and conditions of the commercial arrangements with non-affiliated [REDACTED] (**Confidential Attachment 7**).

In particular, Commercial Metals provided a copy of a commercial agreement (dated 1 September 2012) between [REDACTED] and an [REDACTED]. The agreement outlines the [REDACTED] terms, which includes a [REDACTED] in the purchase of steel products in [REDACTED] for CMC Australia (now registered as Commercial Metals). Commercial Metals also provided a copy of the amended commercial agreement, which indicated that the agreement had been renewed for a subsequent one year term commencing 1 September 2013.

Further, for shipments from [REDACTED], Commercial Metals provided a copy of a commercial agreement (dated 1 November 2005) with an agent based in [REDACTED]. Commercial Metals also provided a copy of the amended agreement (dated 14 January 2010), which outlines the updated [REDACTED] terms, including [REDACTED] of galvanised steel purchased in [REDACTED].

As a result, for each selected shipment, the Commission included [REDACTED] in the importer transaction form.

4.3 Shipment and importation costs summary

Using the verified data in the importer transaction form, weighted average post-shipment and importation costs (in AUD per tonne) have been calculated and are shown in **Table 4.3** below.

Table 4.3 – Summary of post-shipment and importation costs (excluding GST)

Cost	Weighted average cost (AUD per tonne) – India	Weighted average cost (AUD per tonne) - Vietnam
Marine insurance		
Customs entry and broker fees		
Port service charges		
Transport and delivery		
Bank charges		
Credit insurance		
Commissions		

For shipments on terms, additional costs incurred are summarised in **Table 4.3.1** below.

Table 4.3.1 – Summary of post-shipment costs (excluding GST)

Cost	Weighted average cost (AUD per tonne)
Ocean freight ()	

4.4 Selling, general and administrative (SG&A) costs

In its importer transaction form, Commercial Metals calculated SG&A costs for each of the selected shipments based on an SG&A estimate of [REDACTED] per cent of sales revenue.

Commercial Metals estimated SG&A based on its profit and loss statement for the steel division for the year ending August 2013. Commercial Metals included a copy of this profit and loss statement in its response to the importer questionnaire. This profit and loss statement forms part of **Confidential Attachment 8**.

The profit and loss statement shows a detailed breakdown of revenue and costs, including SG&A costs, for the steel division. This statement shows Commercial Metals' actual year to date SG&A expenses were [REDACTED] per cent of sales revenue.

We observed that this SG&A estimate reflects Commercial Metals' actual SG&A expenses for its most recent financial year (ending August 2013), which only covers two months of the investigation period. Nevertheless, we consider this to be a reasonable estimate of SG&A costs and it is consistent with previous estimates for Commercial Metals.

Using the verified data in the importer transaction form, we calculated weighted average SG&A costs of [REDACTED] per tonne.

4.5 Forward orders

Commercial Metals provided a list of its forward orders from India and Vietnam over the period July 2014 to October 2014 (refer to **Confidential Attachment 2**). The volume of these forward orders is summarised in **Table 4.5** below.

Table 4.5 – Summary of forward orders – July to October 2014

Supplier	Quantity (tonnes)				
	July	August	September	October	Total
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
TOTAL	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

The volume of these forward orders represents approximately [REDACTED] per cent of the total volume of galvanised steel imported by Commercial Metals during the investigation period.

5 WHO IS THE IMPORTER AND EXPORTER

5.1 Who is the importer?

We reviewed the documents provided by Commercial Metals in respect of the 12 selected shipments and noted that, for imports from all suppliers, Commercial Metals:

- negotiates with the suppliers through its affiliated offices and independent agents;
- is named as the customer on supplier invoices;
- is named as the consignee on the bill of lading;
- arranges and pays for ocean freight (where applicable) and marine insurance;
- has an insurable interest in the goods while they are on the water;
- arranges Customs clearance and logistics of the goods after they are delivered to the Australian port;
- retains ownership of the goods until they are delivered to its customers; and
- bears the risk of its customers defaulting on purchase agreements with Commercial Metals.

We consider Commercial Metals to be the beneficial owner of the goods at the time of importation and therefore the importer.

5.2 Who is the exporter?

The Commission will generally identify the exporter as:

- a principal in the transaction, located in the country of export from where the goods were shipped, who gave up responsibility by knowingly placing the goods in the hands of a carrier, courier, forwarding company, or their own vehicle for delivery to Australia; or
- a principal in the transaction, located in the country of export, who owns, or previously owned, the goods but need not be the owner at the time the goods were shipped.

It is common for traders and other intermediaries to play a role in the exportation of the goods. These parties will typically provide services such as arranging transportation, conducting price negotiations, arranging contacts with the producer, etc.

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In such cases, the trader typically acts as an intermediary who, although one of the principals, is essentially a facilitator in the sale and shipment of the goods on behalf of the manufacturer. Typically the manufacturer as a principal who knowingly sent the goods for export to any destination will be the exporter.

Therefore, depending on the facts, the Commission considers that only in rare circumstances would an intermediary be found to be the exporter. Typically this will occur where the manufacturer has no knowledge that the goods are destined for export to any country and the essential role of the intermediary is that of a distributor rather than a trader.

Based on information to date, we are satisfied that the following entities are exporters of galvanised steel:



To our knowledge, these entities are principals in the country of export, which manufactured the goods and gave up the goods for shipment directly to Commercial Metals.

Subject to further inquiries, [REDACTED] may also be an exporter of galvanised steel. This company was not selected as part of the original selected shipments due to the goods being entered in the ACBPS import database at a later date and therefore only appeared in this database after the date of initiation of this investigation.

6 AUSTRALIAN MARKET AND SALES

6.1 Sales

In its response to **Part C – Sales** (sales spreadsheet) of the importer questionnaire, Commercial Metals provided a detailed sales listing of its sales of galvanised steel to Australian customers during the investigation period.

Commercial Metals also included sales transaction ‘reversals’ that identify the goods that have been returned by customers due to the goods allegedly being faulty. For the purpose of analysing total sales volume during the investigation period, goods that allegedly have been returned by customers and the sales transactions reversed in the sales spreadsheet have not been excluded from analysis as excluding these volumes would give an incomplete account of total sales over the investigation period.

Table 6.1 (refer below) summarises Commercial Metals’ quarterly sales volumes (including goods that have subsequently been returned), values and weighted average unit prices for FY2014.

**Table 6.1 – Summary of Commercial Metals’ sales volume and value –
1 July 2013 to 30 June 2014**

Quarter	Quantity sold (tonnes)	Total invoiced value (AUD)	Weighted average unit price (AUD per tonne)
Sep-2013			
Dec-2013			
Mar-2014			
Jun-2014			
Total			

6.1.1 Distribution and selling arrangements

From Commercial Metals’ sales spreadsheet, it is apparent that all sales to Commercial Metals’ customers are in AUD with varying credit terms ranging from [REDACTED]. Further, all sales are made on [REDACTED] delivery terms, and predominantly to [REDACTED].

6.1.2 Rebates and discounts

We reviewed all sales invoices relating to the selected sales and were provided with proof of payment that confirmed that the invoiced price was the price paid.

It does not appear that Commercial Metals offers rebates, settlement discounts or volume discounts to its customers. This is consistent with findings during previous verification visits.

6.2 Sales verification

6.2.1 Accuracy – reconciliation to source documents

In its response to **Part C – Sales** of the importer questionnaire, Commercial Metals initially provided the Commission with a spreadsheet listing all sales transactions relating to its steel division, including zinc coated steel, hot-rolled coil and other steel products (**Confidential Attachment 2**). Commercial Metals also did not identify the origin of the goods.

As a result, we requested that Commercial Metals revise its sales spreadsheet to include galvanised steel sourced from India and Vietnam only. Following this request, Commercial Metals provided the Commission with an updated sales spreadsheet that only included sales transactions relating to zinc coated and aluminium-zinc coated steel sourced from India and Vietnam over the investigation period (**Confidential Attachment 9**). We were able to filter for the zinc coated steel products only and therefore we were satisfied with the revised sales listing.

Commercial Metals had provided copies of commercial invoices for sales related to the 12 shipments selected for verification (**Confidential Attachment 3**). These related sales were also recorded in the sales spreadsheet.

We were able to reconcile the invoice details (including quantity, value, customer names and product specifications) with the relevant sales transaction details provided by Commercial Metals in its response to the importer questionnaire.

We also received proof of customer payment (including remittance advice and bank statement extracts) for the invoiced goods examined (**Confidential Attachment 3**). This confirmed that Commercial Metals had been paid the invoiced amounts and that the invoice price was the price paid for the goods.

Based on Commercial Metals' sales invoices, we are satisfied that the sales data provided in the sales spreadsheet is accurate.

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6.2.2 Relevance and completeness – reconciliation to ACBPS import database

To test the relevance and completeness of the sales transactions listed in the sales spreadsheet, the volume of sales in Commercial Metals' sales spreadsheet was compared with the volume of imports as recorded in the ACBPS import database (**Confidential Attachment 4**).

In conducting this comparison, individual entries in the ACBPS import database were cross-referenced with individual sales transactions listed in the sales spreadsheet by using the purchase order numbers as they appeared in the sales spreadsheet and matching these numbers with the importer reference numbers as they appeared in the import database.

Further, in reviewing Commercial Metals' imports listed in the ACBPS import database and Commercial Metals' sales spreadsheet, it was found that the invoice date (as recorded in the sales spreadsheet) can lag the valuation date (as recorded in the ACBPS import database) by up to two months. There were some shipments listed in the ACBPS import database that were not included in the sales spreadsheet because these were invoiced at a later date (i.e. invoiced after 30 June 2014). Therefore, these transactions were not included in this reconciliation exercise.

Once the purchase order numbers and importer reference numbers were matched, the quantities recorded in the sales spreadsheet and ACBPS import database were compared.

This comparison indicated that:

- for goods sourced from [REDACTED], the sales quantities recorded in Commercial Metals' sales spreadsheet reconciled exactly to the quantities recorded in the ACBPS import database;
- for goods sourced from [REDACTED], the sales quantities recorded in Commercial Metals' sales spreadsheet did not reconcile to the quantities recorded in the ACBPS import database. There were two shipments in the ACBPS import database (importer reference numbers [REDACTED] and [REDACTED]) that were unaccounted for in the sales spreadsheet. In removing these unaccounted for shipments from the reconciliation, there was an overall variance of [REDACTED] per cent between the quantities recorded in the ACBPS import database and the sales spreadsheet. This variance was due to two sales transactions (purchase order numbers [REDACTED] and [REDACTED]); and

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- for goods sourced from [REDACTED], the sales quantities recorded in Commercial Metals' sales spreadsheet did not reconcile to the quantities recorded in the ACBPS import database. Overall, there was a variance of approximately [REDACTED] tonnes (or [REDACTED] per cent) between the quantities recorded in the ACBPS import database and the sales spreadsheet. In particular, there were two sales transactions (purchase order numbers [REDACTED] and [REDACTED]) where the quantity recorded in the sales spreadsheet did not match the quantity recorded in the import database. It was noted, however, that for these particular sales transactions, some of the sales invoices were dated as at June 2014 and therefore the variances between the quantities recorded in the import database and sales spreadsheet could be due to some of the imported goods awaiting invoicing.

Notwithstanding these variances, we are satisfied that Commercial Metals' sales spreadsheet is a complete and relevant list of all of the company's sales of galvanised steel during the investigation period.

6.3 Profitability of sales

We calculated the profitability for each of the 12 selected shipments in the importer transaction form (**Confidential Attachment 2**).

This demonstrated that all of the selected shipments were profitable. The range of profit for the selected transactions was between [REDACTED] and [REDACTED] per cent, with an average profit of [REDACTED] per cent.

7 ARMS LENGTH

In determining export prices under paragraph 269TAB(1)(a) and normal values under subsection 269TAC(1), the Act requires that the relevant sales are arms length transactions.

Section 269TAA outlines the circumstances in which the price paid or payable shall not be treated as arms length. These are where:

- there is any consideration payable for in respect of the goods other than price;
- the price is influenced by a commercial or other relationship between the buyer, or an associate of the buyer, and the seller, or an associate of the seller; and
- in the opinion of the Parliamentary Secretary, the buyer, or an associate of the buyer, will, directly or indirectly, be reimbursed, be compensated or otherwise receive a benefit for, or in respect of, the whole or any part of the price.

We reviewed the documentation for the selected shipments and did not find any evidence that, in respect of the purchase of galvanised steel:

- there was any consideration payable for, or in respect of, the goods other than price;
- the price was influenced by a commercial or other relationship between Commercial Metals, or an associate of Commercial Metals, and its suppliers, or an associate of the supplier; and/or
- Commercial Metals, or an associate of Commercial Metals, was directly or indirectly reimbursed, compensated or otherwise received a benefit for or in respect of the whole or any part of the price.

Further, we found that all of the selected shipments were profitable.

We are satisfied that transactions between Commercial Metals and its suppliers are at arms length in terms of section 269TAA.

8 RECOMMENDATIONS

Based on the information available, we are of the opinion that, for the goods imported by Commercial Metals from [REDACTED]:

- the goods have been exported to Australia otherwise than by the importer (Commercial Metals);
- the goods have been purchased by the importer from the exporters; and
- the purchases of the goods by the importer were arms length transactions.

Subject to further inquiries with these exporters, we recommend that the export price for galvanised steel exported by [REDACTED] can be established under paragraph 269TAB(1)(a) of the Act, using the invoiced price, less deductions to the FOB level as required.

We are of the opinion that, for the goods imported by Commercial Metals from [REDACTED], the goods have been exported to Australia otherwise than by the importer. However, we do not have sufficient information to determine whether the goods have been purchased from the exporter.

Subject to further inquiries in relation to these shipments, we recommend that the export price for galvanised steel imported by Commercial Metals from [REDACTED] could be established under paragraph 269TAB(1)(c) or subsection 269 TAB(3) of the Act.

9 ATTACHMENTS

Attachment 1	Table of TCOs applicable to tariff subheadings
Confidential Attachment 1	Response to Part A – importer questionnaire
Confidential Attachment 2	Response to Part B and C – importer questionnaire (including analysis)
Confidential Attachment 3	Copies of source documents for 12 selected shipments
Confidential Attachment 4	List of Commercial Metals' galvanised steel imports over the investigation period (extracted from the ACBPS import database)
Confidential Attachment 5	Copies of marine insurance policies
Confidential Attachment 6	Copies of credit insurance policies
Confidential Attachment 7	Copies of commercial agreements with agents
Confidential Attachment 8	Profit and loss statement for year ending August 2013
Confidential Attachment 9	Revised sales spreadsheet – response to Part C – importer questionnaire (including analysis)

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TCOs applicable to 7210.49.00	
TC 1404843	<p>COILS, non-alloy steel, flat-rolled, hot dipped galvanized zinc coated, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 195 MPa; (b) tensile strength NOT less than 340 MPa; (c) elongation NOT less than 34%; (d) coating mass NOT less than 30 g/m² on each side; (e) thickness 0.70 mm AND width 1 565 mm. <p>For the purposes of this Order, tolerances allowable for specification (e) are as follows:</p> <ul style="list-style-type: none"> (i) thickness +/- 10%; (ii) width +/- 1%.
TC 1404844	<p>COILS, non-alloy steel, flat-rolled, hot dipped zinc coated, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 240 MPa and NOT greater than 300 MPa; (b) tensile strength NOT less than 340 MPa; (c) elongation NOT less than 34%; (d) coating mass NOT less than 50 g/m² and NOT greater than 80 g/m² on each side; (e) thickness 0.65 mm AND width 1 475 mm. <p>For the purposes of this Order, tolerances allowable for specification (e) are as follows:</p> <ul style="list-style-type: none"> (i) thickness +/- 10%; (ii) width +/- 1%.
TC 1341633	<p>STEEL, flat rolled, non-alloy, hot dipped galvanized zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 160 MPa and NOT greater than 325 MPa; (b) tensile strength NOT less than 270 MPa; (c) elongation NOT less than 35% and NOT greater than 50%; (d) coating mass NOT less than 45 g/m² and NOT greater than 65 g/m² each side; (e) thickness 1.20 mm and width 793 mm. <p>For the purposes of this order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.

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TC 1341634	<p>STEEL, flat rolled, non-alloy, hot dipped galvannealed zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 235 MPa and NOT greater than 400 MPa; (b) tensile strength NOT less than 390 MPa; (c) total elongation NOT less than 28%; (d) total coating mass NOT less than 35 g/m² and NOT greater than 65 g/m² each side; (e) thickness 2.30 mm and width 940 mm. <p>For the purposes of this order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.
TC 1342242	<p>STEEL, flat rolled, non-alloy, hot dipped zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 340 MPa and NOT greater than 420 MPa; (b) tensile strength NOT less than 410 MPa; (c) elongation NOT less than 21%; (d) coating mass NOT less than 60 g/m² and NOT greater than 90 g/m² on each side; (e) thickness 2.00 mm and width 1 045 mm. <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.
TC 1342243	<p>STEEL, flat rolled, non-alloy, hot dipped zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 180 MPa and NOT greater than 240 MPa; (b) tensile strength NOT less than 300 MPa; (c) elongation NOT less than 33%; (d) coating mass NOT less than 60 g/m² and NOT greater than 90 g/m² on each side; (e) thickness 1.20 mm and width 1 020 mm. <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.

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TC 1328432	<p>COILS, non-alloy steel, hot rolled, zinc coated, complying with American Society for Testing and Materials Standard A653/A653M- 11 (ASTM A653/A653M-11), having ALL of the following:</p> <ul style="list-style-type: none"> (a) thickness NOT less than 2.75 mm and NOT greater than 6.0 mm; (b) width NOT less than 784 mm and NOT greater than 1 263 mm; (c) minimum yield strength NOT less than 330 Mpa; (d) minimum tensile strength NOT less than 430 Mpa; (e) inside diameter NOT less than 711 mm and NOT greater than 813 mm; (f) zinc coating mass NOT less than 0.080 kg/m² per side; (g) weight NOT less than 14 metric tonnes; (h) chemical composition by weight of ALL of the following: <ul style="list-style-type: none"> (i) carbon content NOT greater than 0.20%; (ii) manganese content NOT less than 0.30% and NOT greater than 0.90%; (iii) phosphorus content NOT greater than 0.03%; (iv) sulphur content NOT greater than 0.03%; (v) chromium content less than 0.30%; (vi) molybdenum content less than 0.08%; (vii) aluminium content NOT greater than 0.10%; (viii) copper content NOT greater than 0.25%; (ix) nickel content NOT greater than 0.25%; (x) titanium content NOT greater than 0.04%; (xi) vanadium content less than 0.10%; (xii) silicon content NOT greater than 0.45%.
TC 1330458	<p>STEEL, flat rolled, non-alloy, hot dipped galvanized zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT greater than 250 MPa; (b) tensile strength NOT less than 270 MPa; (c) elongation NOT less than 36%; (d) coating mass on each side NOT less than 30 g/m² and NOT greater than 70 g/m²; (e) thickness 1.15 mm and width 1 105 mm <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.

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TC 1330276	<p>STEEL, flat rolled, non-alloy, hot dipped galvanized zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 115 MPa and NOT greater than 305 MPa; (b) tensile strength NOT less than 270 MPa; (c) elongation NOT less than 37% and NOT greater than 57%; (d) total coating mass NOT less than 35 g/m² and NOT greater than 65 g/m² on each side; (e) thickness 1.00 mm and width 997 mm. <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.
TC 1329958	<p>STEEL, flat rolled, non-alloy, hot dipped galvanized zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 155 MPa and NOT greater than 295 MPa; (b) tensile strength NOT less than 340 MPa; (c) total elongation NOT less than 34%; (d) total coating mass NOT less than 35 g/m² and NOT greater than 65 g/m² on each side; (e) thickness 0.75 mm and width 810 mm. <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.
TC 1318527	<p>STEEL, flat rolled, non-alloy, hot dipped galvanized, zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 120 MPa and NOT greater than 180 MPa; (b) tensile strength NOT less than 260 MPa and NOT greater than 350 MPa; (c) elongation NOT less than 37%; (d) total coating mass NOT less than 90 g/m²; (e) in ANY of the following sizes: <ul style="list-style-type: none"> (i) thickness 0.75 mm and width 1 535 mm; (ii) thickness 0.80 mm and width 1 640 mm; (iii) thickness 0.90 mm and width 1 530 mm. <p>For the purposes of this order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.

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TC 1317486	<p>STEEL, flat rolled, non-alloy, hot dipped galvannealed zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 235 MPa and NOT greater than 400 MPa; (b) tensile strength NOT less than 390 MPa; (c) elongation NOT less than 28%; (d) coating mass NOT less than 35 g/m² and NOT greater than 65 g/m² on each side; (e) thickness 2.00 mm and width 785 mm. <p>For the purposes of this order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.
TC 1316841	<p>STEEL, flat rolled, non-alloy, hot dipped zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 110 MPa and NOT greater than 280 MPa; (b) tensile strength NOT less than 260 MPa; (c) elongation NOT less than 37%; (d) coating mass NOT less than 45 g/m² and NOT greater than 100 g/m² on each side; (e) in ANY of the following sizes: <ul style="list-style-type: none"> (i) thickness 0.60 mm and width 1 670 mm; (ii) thickness 0.65 mm and width 960 mm; (iii) thickness 0.65 mm and width 1 075 mm; (iv) thickness 0.65 mm and width 1 160 mm; (v) thickness 0.65 mm and width 1 240 mm; (vi) thickness 0.65 mm and width 1 425 mm; (vii) thickness 0.65 mm and width 1 430 mm; (viii) thickness 0.65 mm and width 1 445 mm; (ix) thickness 0.65 mm and width 1 630 mm; (x) thickness 0.65 mm and width 1 730 mm; (xi) thickness 0.70 mm and width 810 mm; (xii) thickness 0.70 mm and width 840 mm; (xiii) thickness 0.70 mm and width 850 mm; (xiv) thickness 0.70 mm and width 890 mm; (xv) thickness 0.70 mm and width 896 mm; (xvi) thickness 0.70 mm and width 1 390 mm; (xvii) thickness 0.70 mm and width 1 400 mm; (xviii) thickness 0.70 mm and width 1 410 mm; (xix) thickness 0.70 mm and width 1 440 mm; (xx) thickness 0.70 mm and width 1 460 mm; (xxi) thickness 0.70 mm and width 1 540 mm; (xxii) thickness 0.70 mm and width 1 590 mm; (xxiii) thickness 0.70 mm and width 1 650 mm; (xxiv) thickness 0.70 mm and width 1 655 mm;

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	<p>(xxv) thickness 0.75 mm and width 1 600 mm; (xxvi) thickness 0.75 mm and width 1 695 mm; (xxvii) thickness 0.75 mm and width 1 760 mm; (xxviii) thickness 0.80 mm and width 680 mm; (xxix) thickness 0.80 mm and width 1 185 mm; (xxx) thickness 0.80 mm and width 1 300 mm; (xxxi) thickness 0.80 mm and width 1 370 mm; (xxxii) thickness 0.80 mm and width 1 325 mm; (xxxiii) thickness 0.80 mm and width 1 545 mm; (xxxiv) thickness 0.80 mm and width 1 600 mm; (xxxv) thickness 0.80 mm and width 1 695 mm; (xxxvi) thickness 0.80 mm and width 1 760 mm; (xxxvii) thickness 0.80 mm and width 1 840 mm; (xxxviii) thickness 0.90 mm and width 950 mm; (xxxix) thickness 0.90 mm and width 1 530 mm; (xl) thickness 0.90 mm and width 1 800 mm; (xli) thickness 1.20 mm and width 1 730 mm; (xlii) thickness 1 20 mm and width 1 770 mm.</p> <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <p>(a) thickness +/- 10%; (b) width +/- 1%.</p>
TC 1312163	<p>STEEL, flat rolled, non-alloy, hot dipped galvanized zinc coated, in coils, having ALL of the following:</p> <p>(a) yield strength NOT greater than 250 MPa; (b) tensile strength NOT less than 270 MPa; (c) elongation NOT less than 36%; (d) coating mass on each side NOT less than 30 g/m² and NOT greater than 70 g/m²; (e) in ANY of the following sizes:</p> <p>(i) thickness 0.75 mm and width 890 mm; (ii) thickness 0.75 mm and width 970 mm; (iii) thickness 0.75 mm and width 1 450 mm; (iv) thickness 0.76 mm and width 1 220 mm; (v) thickness 0.95 mm and width 820 mm; (vi) thickness 1.15 mm and width 740 mm; (vii) thickness 1.20 mm and width 955 mm.</p> <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <p>(a) thickness +/- 10%; (b) width +/- 1%.</p>

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TC 1310746	<p>STEEL, flat rolled, non-alloy, hot dipped galvanized zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT greater than 250 MPa; (b) tensile strength NOT less than 270 MPa; (c) elongation NOT less than 36%; (d) coating mass on each side NOT less than 30 g/m² and NOT greater than 70 g/m²; (e) in ANY of the following sizes: <ul style="list-style-type: none"> (i) thickness 0.65 mm and width 1 640 mm; (ii) thickness 1.00 mm and width 1 588 mm; (iii) thickness 1.15 mm and width 1 628 mm; (iv) thickness 2.20 mm and width 910 mm. <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.
TC 1309160	<p>STEEL, flat rolled, non-alloy, hot dipped galvanized zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 120 MPa and NOT greater than 180 MPa; (b) tensile strength NOT less than 260 MPa and NOT greater than 350 MPa; (c) total elongation NOT less than 37%; (d) total coating mass NOT less than 90 g/m²; (e) thickness 0.80 mm and width 1 640 mm. <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.
TC 1308125	<p>STEEL, flat rolled, non-alloy, hot dipped galvanized zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 155 MPa and NOT greater than 295 MPa; (b) tensile strength NOT less than 340 MPa; (c) elongation NOT less than 34%; (d) coating mass NOT less than 35 g/m² and NOT greater than 65 g/m² on each side; (e) thickness 0.75 mm and width 1 600 mm. <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.

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TC 1308121	<p>STEEL, flat rolled, non-alloy, hot dipped galvanized zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 160 MPa and NOT greater than 325 MPa; (b) tensile strength NOT less than 270 MPa; (c) elongation NOT less than 35% and NOT greater than 50%; (d) coating mass NOT less than 45 g/m² and NOT greater than 65 g/m² on each side; (e) in ANY of the following sizes: <ul style="list-style-type: none"> (i) thickness 1.00 mm and width 878 mm; (ii) thickness 1.20 mm and width 801 mm; (iii) thickness 1.20 mm and width 1 049 mm; (iv) thickness 1.40 mm and width 1 030 mm; (v) thickness 1.60 mm and width 870 mm; (vi) thickness 1.60 mm and width 1 172 mm; (vii) thickness 1.80 mm and width 960 mm; (viii) thickness 1.80 mm and width 1 175 mm; (ix) thickness 2.00 mm and width 1 070 mm. <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.
TC 1308073	<p>STEEL, flat rolled, non-alloy, hot dipped galvanized zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 235 MPa and NOT greater than 400 MPa; (b) tensile strength NOT less than 390 MPa; (c) elongation NOT less than 28%; (d) coating mass NOT less than 35 g/m² and NOT greater than 65 g/m² on each side; (e) in ANY of the following sizes: <ul style="list-style-type: none"> (i) thickness 1.00 mm and width 1 150 mm; (ii) thickness 1.00 mm and width 1 225 mm; (iii) thickness 1.20 mm and width 940 mm; (iv) thickness 1.20 mm and width 970 mm; (v) thickness 1.20 mm and width 1 050 mm; (vi) thickness 1.40 mm and width 930 mm; (vii) thickness 1.40 mm and width 960 mm; (viii) thickness 1.40 mm and width 975 mm; (ix) thickness 1.40 mm and width 1 110 mm; (x) thickness 1.60 mm and width 1 080 mm; (xi) thickness 1.60 mm and width 1 165 mm; (xii) thickness 1.60 mm and width 1 300 mm; (xiii) thickness 1.60 mm and width 1 318 mm; (xiv) thickness 1.80 mm and width 1 082 mm; (xv) thickness 2.00 mm and width 792 mm;

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	<p>(xvi) thickness 2.00 mm and width 850 mm; (xvii) thickness 2.00 mm and width 990 mm; (xviii) thickness 2.00 mm and width 1 020 mm; (xix) thickness 2.00 mm and width 1 280 mm; (xx) thickness 2.00 mm and width 1 282 mm; (xxi) thickness 2.00 mm and width 1 310 mm.</p> <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <p>(a) thickness +/- 10%; (b) width +/- 1%.</p>
TC 1308115	<p>STEEL, flat rolled, non-alloy, hot dipped galvanized zinc coated, in coils, having ALL of the following:</p> <p>(a) yield strength NOT less than 115 MPa and NOT greater than 305 MPa; (b) tensile strength NOT less than 270 MPa; (c) elongation NOT less than 37% and NOT greater than 57%; (d) coating mass NOT less than 35 g/m² and NOT greater than 65 g/m² on each side; (e) in ANY of the following sizes:</p> <p>(i) thickness 0.55 mm and width 1 117 mm; (ii) thickness 0.55 mm and width 1 201 mm; (iii) thickness 0.60 mm and width 1 473 mm; (iv) thickness 0.65 mm and width 895 mm; (v) thickness 0.65 mm and width 1 275 mm; (vi) thickness 0.65 mm and width 1 595 mm; (vii) thickness 0.70 mm and width 870 mm; (viii) thickness 0.75 mm and width 1 090 mm; (ix) thickness 0.75 mm and width 1 450 mm; (x) thickness 0.80 mm and width 1 214 mm; (xi) thickness 0.80 mm and width 1 700 mm; (xii) thickness 1.00 mm and width 815 mm; (xiii) thickness 1.00 mm and width 1 180 mm; (xiv) thickness 1.40 mm and width 933 mm; (xv) thickness 1.40 mm and width 1 070 mm; (xvi) thickness 1.80 mm and width 835 mm; (xvii) thickness 1.80 mm and width 1 022 mm.</p> <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <p>(a) thickness +/- 10%; (b) width +/- 1.</p>

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TC 1307948	<p>STEEL, flat rolled, non-alloy, hot dipped galvanized zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 190 MPa; (b) tensile strength NOT less than 340 MPa; (c) elongation NOT less than 32%; (d) coating mass NOT less than 30 g/m² and NOT greater than 70 g/m² on each side; (e) in EITHER of the following sizes: <ul style="list-style-type: none"> (i) thickness 0.70 mm and width 1 740 mm; (ii) thickness 1.00 mm and width 1 225 mm. <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.
TC 1304297	<p>STEEL, flat rolled non-alloy, hot dipped galvanized zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 275 MPa and NOT greater than 380 MPa; (b) tensile strength NOT less than 440 MPa; (c) elongation NOT less than 30%. (d) coating mass NOT less than 45 g/m² and NOT greater than 65 g/m² on each side; (e) thickness 2.00 mm and width 792 mm. <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.
TC 1248929	<p>STEEL, flat rolled, non-alloy steel, hot dipped galvanized zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT greater than 210 MPa; (b) tensile strength NOT less than 270 MPa; (c) total elongation NOT less than 40%; (d) total coating mass NOT less than 30 g/m² and NOT greater than 70 g/m² on each side; (e) in ANY of the following sizes: <ul style="list-style-type: none"> (i) thickness 0.75 mm and width 1 390 mm; (ii) thickness 0.75 mm and width 1 450 mm; (iii) thickness 0.75 mm and width 1 475 mm; (iv) thickness 0.75 mm and width 1 530 mm; (v) thickness 0.75 mm and width 1 565 mm; (vi) thickness 0.75 mm and width 1 640 mm; (vii) thickness 0.76 mm and width 1 220 mm; (viii) thickness 0.80 mm and width 1 350 mm; (ix) thickness 0.95 mm and width 820 mm;

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	<p>(x) thickness 1.00 mm and width 624 mm.</p> <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <p>(a) thickness +/- 10%;</p> <p>(b) width +/- 1%.</p>
TC 1248930	<p>STEEL, flat rolled, non-alloy steel, hot dipped galvanized zinc coated, in coils, having ALL of the following:</p> <p>(a) yield strength NOT less than 190 MPa;</p> <p>(b) tensile strength NOT less than 340 MPa;</p> <p>(c) total elongation NOT less than 32%;</p> <p>(d) total coating mass NOT less than 30 g/m² and NOT greater than 70 g/m² on each side;</p> <p>(e) in ANY of the following sizes:</p> <p>(i) thickness 0.70 mm and width 865 mm;</p> <p>(ii) thickness 0.70 mm and width 980 mm;</p> <p>(iii) thickness 0.70 mm and width 1 225 mm;</p> <p>(iv) thickness 0.70 mm and width 1 244 mm;</p> <p>(v) thickness 0.70 mm and width 1 300 mm;</p> <p>(vi) thickness 0.70 mm and width 1 350 mm;</p> <p>(vii) thickness 0.70 mm and width 1 370 mm;</p> <p>(viii) thickness 0.70 mm and width 1 400 mm;</p> <p>(ix) thickness 0.70 mm and width 1 410 mm;</p> <p>(x) thickness 0.70 mm and width 1 455 mm;</p> <p>(xi) thickness 0.70 mm and width 1 500 mm;</p> <p>(xii) thickness 0.70 mm and width 1 585 mm;</p> <p>(xiii) thickness 0.70 mm and width 1 710 mm;</p> <p>(xiv) thickness 0.70 mm and width 1 720 mm;</p> <p>(xv) thickness 0.65 mm and width 865 mm;</p> <p>(xvi) thickness 0.65 mm and width 1 800 mm;</p> <p>(xvii) thickness 1.00 mm and width 1 160 mm.</p> <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <p>(a) thickness +/- 10%;</p> <p>(b) width +/- 1%.</p>
TC 1349350	<p>STEEL, flat rolled, non-alloy steel, hot dipped galvanized zinc coated, in coils, having ALL of the following:</p> <p>(a) yield strength NOT less than 165 MPa and NOT greater than 325 MPa;</p> <p>(b) tensile strength NOT less than 270 MPa;</p> <p>(c) total elongation NOT less than 35% and NOT greater than 50%;</p> <p>(d) total coating mass NOT less than 45 g/m² and NOT greater than 65 g/m² on each side;</p> <p>(e) thickness 2.00 mm and width 1 070 mm.</p>

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	<p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.
TC 1349351	<p>STEEL, flat rolled, non-alloy steel, hot dipped galvanized zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 115 MPa and NOT greater than 305 MPa; (b) tensile strength NOT less than 270 MPa; (c) total elongation NOT less than 37% and NOT greater than 57%; (d) total coating mass NOT less than 35 g/m² and NOT greater than 65 g/m² on each side; (e) in ANY of the following sizes: <ul style="list-style-type: none"> (i) thickness 0.65 mm and width 870 mm; (ii) thickness 0.65 mm and width 930 mm; (iii) thickness 0.65 mm and width 1 150 mm; (iv) thickness 0.65 mm and width 1 640 mm; (v) thickness 0.65 mm and width 1 645 mm; (vi) thickness 0.65 mm and width 1 680 mm; (vii) thickness 0.65 mm and width 1 710 mm; (viii) thickness 0.70 mm and width 925 mm; (ix) thickness 0.70 mm and width 930 mm; (x) thickness 0.70 mm and width 1 000 mm; (xi) thickness 0.70 mm and width 1 005 mm; (xii) thickness 0.70 mm and width 1 010 mm; (xiii) thickness 0.70 mm and width 1 045 mm; (xiv) thickness 0.70 mm and width 1 455 mm; (xv) thickness 0.70 mm and width 1 485 mm; (xvi) thickness 0.70 mm and width 1 550 mm; (xvii) thickness 0.75 mm and width 1 135 mm; (xviii) thickness 0.75 mm and width 1 140 mm; (xix) thickness 0.75 mm and width 1 625 mm; (xx) thickness 0.75 mm and width 1 670 mm; (xxi) thickness 0.80 mm and width 1 060 mm; (xxii) thickness 0.80 mm and width 1 150 mm; (xxiii) thickness 0.80 mm and width 1 200 mm; (xxiv) thickness 1.00 mm and width 1 610 mm; (xxv) thickness 1.20 mm and width 1 595 mm; (xxvi) thickness 2.30 mm and width 985 mm. <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1.

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TC 1349352	<p>STEEL, flat rolled, non-alloy steel, hot dipped galvannealed zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 155 MPa and NOT greater than 295 MPa; (b) tensile strength NOT less than 340 MPa; (c) total elongation NOT less than 34%; (d) total coating mass NOT less than 35 g/m² and NOT greater than 65 g/m² on each side; (e) in ANY of the following sizes: <ul style="list-style-type: none"> (i) thickness 0.70 mm and width 830 mm; (ii) thickness 0.70 mm and width 855 mm; (iii) thickness 0.75 mm and width 840 mm; (iv) thickness 0.75 mm and width 855 mm; (v) thickness 0.75 mm and width 1 630 mm; (vi) thickness 0.75 mm and width 1 645 mm; (vii) thickness 0.75 mm and width 1 683 mm; (viii) thickness 0.75 mm and width 1 700 mm; (ix) thickness 1.20 mm and width 1 170 mm; (x) thickness 1.20 mm and width 1 175 mm; (xi) thickness 1.20 mm and width 1 198 mm; (xii) thickness 1.60 mm and width 1 160 mm. <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.
TC 1349354	<p>STEEL, flat rolled, non-alloy steel, hot dipped galvannealed zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 235 MPa and NOT greater than 400 MPa; (b) tensile strength NOT less than 390 MPa; (c) total elongation NOT less than 28%; (d) total coating mass NOT less than 35 g/m² and NOT greater than 65 g/m² on each side; (e) in ANY of the following sizes: <ul style="list-style-type: none"> (i) thickness 2.00 mm and width 975 mm; (ii) thickness 2.30 mm and width 948 mm; (iii) thickness 2.30 mm and width 1 030 mm; (iv) thickness 2.30 mm and width 1 190 mm; (v) thickness 2.60 mm and width 1 230 mm. <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.

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TC 1242989	<p>COILS, non-alloy steel, hot rolled, zinc coated, complying with American Society for Testing and Materials Standard ASTM A 653/A 653M - 05a, having ALL of the following:</p> <ul style="list-style-type: none"> (a) coil thickness NOT less than 3.5 mm and NOT greater than 6.0 mm; (b) coil width NOT less than 784 mm and NOT greater than 1 263 mm; (c) minimum yield strength NOT less than 330 Mpa; (d) minimum tensile strength NOT less than 430 Mpa; (e) coil inside diameter NOT less than 711 mm and NOT greater than 813 mm; (f) zinc coating mass NOT less than 0.080 kg/m² per side; (g) each coil weighing NOT less than 14 metric tonnes; (h) chemical composition by weight of ALL of the following: <ul style="list-style-type: none"> (i) carbon content NOT greater than 0.20%; (ii) manganese content NOT less than 0.30% and NOT greater than 0.90%; (iii) phosphorus content NOT greater than 0.03%; (iv) sulphur content NOT greater than 0.03%; (v) chromium content less than 0.30%; (vi) molybdenum content less than 0.08%; (viii) aluminium content NOT greater than 0.10%; (ix) copper content NOT greater than 0.25%; (x) nickel content NOT greater than 0.25%; (xi) titanium content NOT greater than 0.04%; (xii) vanadium content less than 0.10%; (xiii) silicon content NOT greater than 0.45%.
TC 0939596	<p>STEEL, COIL, hot dip zinc coated, complying with Japanese Industrial Standard JIS G 3302:2007, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 275 N/mm² and NOT greater than 380 N/mm²; (b) tensile strength NOT less than 440 N/mm²; (c) elongation NOT less than 29% and NOT greater than 41%; (d) coating mass NOT less than 45 g/m² and NOT greater than 65 g/m²; (e) thickness NOT less than 1.14 mm and NOT greater than 1.26 mm; (f) width NOT less than 1 590 mm and NOT greater than 1 605 mm.

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TCOs applicable to 7225.92.00	
TC 1316844	<p>STEEL, flat rolled, alloy, hot dipped zinc coated, in coils, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 340 MPa and NOT greater than 700 MPa; (b) tensile strength NOT less than 590 MPa; (c) elongation NOT less than 10%; (d) coating mass NOT less than 60 g/m² and NOT greater than 120 g/m² on each side; (e) in ANY of the following sizes: <ul style="list-style-type: none"> (i) thickness 1.20 mm and width 615 mm; (ii) thickness 1.20 mm and width 623 mm; (iii) thickness 1.20 mm and width 1 115 mm; (iv) thickness 1.20 mm and width 1 240 mm; (v) thickness 1.20 mm and width 1 256 mm; (vi) thickness 1.40 mm and width 900 mm; (vii) thickness 1.80 mm and width 970 mm; (viii) thickness 2.00 mm and width 889 mm; (ix) thickness 2.00 mm and width 970 mm; (x) thickness 2.00 mm and width 992 mm. <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.
TC 1309154	<p>STEEL, flat rolled, alloy, hot dipped zinc coated, having ALL of the following:</p> <ul style="list-style-type: none"> (a) yield strength NOT less than 700 MPa and NOT greater than 900 MPa; (b) tensile strength NOT less than 980 MPa and NOT greater than 1 200 MPa; (c) total elongation NOT less than 10%; (d) total coating mass NOT less than 60 g/m² and NOT greater than 90 g/m² on each side; (e) thickness 0.90 mm and width 1 020 mm. <p>For the purposes of this Order, tolerances allowable for specification (e) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.

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TCOs applicable to 7226.99.00	
TC 1330258	<p>STEEL, flat rolled, alloy, having ALL of the following:</p> <ul style="list-style-type: none"> (a) hot dipped coating of NOT less than 85% aluminium; (b) hot dipped coating silicon content NOT less than 5% and NOT greater than 11%; (c) total coating mass NOT less than 50 g/m² and NOT greater than 110 g/m² on each side; (d) yield strength NOT less than 300 MPa; (e) tensile strength NOT less than 500 MPa; (f) total elongation NOT less than 12%; (g) in BOTH of the following sizes: <ul style="list-style-type: none"> (i) thickness 1.00 mm and width 232 mm; (ii) thickness 1.40 mm and width 454 mm. <p>For the purposes of this Order, tolerances allowable for specification (g) are:</p> <ul style="list-style-type: none"> (a) thickness +/- 10%; (b) width +/- 1%.
TC 0826920	<p>STEEL PLATE, having BOTH of the following:</p> <ul style="list-style-type: none"> (a) nickel content greater than 34%; (b) width less than 600 mm.
TC 9304094	<p>BARS, flat, to specification AISI-01, having a thickness NOT exceeding 100 mm or a width NOT exceeding 300 mm.</p>
TC 9504060	<p>FLATS, high alloy, to specification DIN 100MnCrW4, BS B01 or AISI01.</p>
TC 9804815	<p>STRIP, STEEL, in coils, hardened, sharpened on one or both edges, thickness 1.5 mm to 4 mm, width 19 mm to 50 mm.</p>