



The Director
Operations 3
Anti-Dumping Commission
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Docklands VIC 3008

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19th May, 2014

Dear Sir or Madam

NON-CONFIDENTIAL – FOR PUBLIC RECORD

Submission by ASM Corporation

Dumping investigation ADC 234 - Quenched and tempered steel plate exported from Finland, Japan and Sweden

I am writing on behalf of ASM Corporation (**ASM**) in relation to the consideration by the Anti-Dumping Commission (**Commission**) of an application lodged by Bisalloy Steel (**Bisalloy**) for the publication of a dumping duty notice in respect of Quenched and Tempered steel plate (**Q and T steel**) from Finland, Japan and Sweden.

The Position of ASM in the Q and T Steel Market

ASM is a wholly owned subsidiary of Metal One Corporation and operates as an independent distributor of Q and T steel in Australia. ASM purchases raw Q and T steel plate from [redacted] [country] from [redacted] [manufacturer] and sells to a variety of end-user level customers in the Australian market.

ASM operated two different supply channels for procuring Q and T steel exported from [redacted] [country] to Australia by [redacted] [manufacturer] during the investigation period. The first of these supply channels involved sourcing Q and T Steel from [redacted] [manufacturer] through [redacted] [importer] as the relevant Australian importer (for approximately the first [redacted] [period] of the investigation period). The second of these supply channels (the method adopted for approximately the last [redacted] [period] of the investigation period) involves ASM sourcing Q and T Steel as the Australian importer from [redacted] [country] from [redacted] [manufacturer] through [redacted] [exporter].

Accordingly, ASM acted as an Australian importer for approximately [redacted] [period] of the investigation period. Whilst the Commission has not directly invited ASM to provide data and or assistance to the Commission for the purposes of its investigation, ASM is nonetheless an entity with detailed knowledge of the Australian market for Q and T steel, and offers the following observations in order to assist the Commission with its investigation.

The Australian Q and T Steel Market

Demand in the Q and T steel market is largely driven by the Australian energy and resources sector. This is because Q and T steel is predominantly used in the manufacture of heavy machinery requiring high strength steel plate and wear plate. The demand for Q and T steel in Australia is greater when the energy and resources sector is performing well. Demand in Australia for Q and T steel peaked in 2011 and 2012 due to heightened activity in the energy and resources sector.

The decline in the energy and resources sector in Australia over the past 18 months has impacted the market for Q and T steel. The lack of new projects in the sector means that demand for Q and T steel is predominantly driven by maintenance/repair needs connected with existing projects.

It has been ASM's experience that the price achievable on Q and T steel in the Australian market has declined by roughly [REDACTED] [percent] over the past 18 months.

Reduction in demand in the Australian Q and T steel market has had an impact on the revenue and profitability of all players in the market.

The decline in the Australian energy and resources sector is consistent with global downturns which also have affected demand for Q and T steel globally. There has been a glut of global supply and a related reduction in the market price obtainable in relation to Q and T Steel sales globally.

Fluctuations in the Australian market have required all manufacturers and re-sellers to adjust to dynamics of demand with a commensurate adjustment to the market price for Q and T steel. Accordingly, any injury or harm suffered by Australian manufacturers of Q and T steel is a product of market conditions that are likely to have impacted on all market participants, Australian manufacturers and importers alike.

Please contact me if I can be of any further assistance.



Mitsuhiro Fujita
ASM Corporation Pty Ltd