

18<sup>th</sup> April 2013

Ms Joanne Reid  
Director, Operations 3  
International Trade Remedies Branch  
Australian Customs and Border Protection  
Customs House  
5 Constitution Avenue  
Canberra ACT 2601

Dear Ms Reid,

**Public File**

**Application for Anti-Dumping Duties - Hot Rolled Steel Plate: Redefining Alloyed Q&T Greenfeed as "Not like Goods"**

Bisalloy Steel Group Limited, on behalf of Bisalloy Steels, provides the following information to further support the redefining of Alloyed Q&T Greenfeed as "Not like Goods" to non-alloyed Steel Plate by Australian Customs and Border Protection Service in your consideration of the BlueScope Steel Application for Anti-Dumping Duties (ADA) – Hot Rolled Plate Steel, including BlueScope Steel's recent letter dated 10<sup>th</sup> April 2013.

In reference to the Australian Customs and Border Protection Service's interpretation of the like goods legislation, Bisalloy Steels provides information set out below in support of redefining Alloy Q&T Greenfeed as compared to Non-alloyed Steel Plate with reference to the key criteria for 'Like Goods', as defined within the Australian Customs and Border Protection Service's Instruction and Guidelines Dumping and Subsidies Manual – August 2012 Section 2.0:-

**Physical likeness**

Q&T Greenfeed is "not like goods" in terms of Physical likeness in the following respects:-

1. Q&T Greenfeed has a different chemical "content" due to its requirement for precise portions of alloying elements such as Nickel, Boron, Chromium and Molybdenum that are generally not materially present or required by non-alloyed steel plate.
2. Q&T Greenfeed is manufactured to a different "standard" or "specification" compared to non-alloyed steel plate due to the precise addition of alloying elements. After heat treatment of Q&T Greenfeed at Bisalloy Steels manufacturing facility the mechanical properties of the finished Q&T product grades differ significantly to the mechanical properties of non-alloyed steel plate grades.
3. If non-alloyed steel plate received the same heat treatment as Q&T Greenfeed the resultant mechanical properties would again be markedly different due to the different steel microstructure that results from the precise addition of alloying elements uniquely associated with Q&T Greenfeed i.e. one use cannot use non-alloyed steel plate to make Q&T finished product.

4. Q&T Greenfeed is classified under a different tariff classification (7225.4000.22) compared to non-alloyed steel plate (7208.XXXX.XX) clearly recognising and establishing it to be a different product type to non-alloy steel plate.

### **Commercial likeness**

Q&T Greenfeed is "not like goods" in terms of Commercial likeness in the following respects:-

1. Q&T Greenfeed does not materially compete with non-alloyed steel plate as the goods are not sold into the same market sector.
2. Q&T Greenfeed is ordered against a specific chemical composition, physical size and outer surface presentation whereas non-alloyed steel plate is ordered against a set of mechanical properties (usually defined in a pre-determined standard either set by the manufacturer or a suitably recognised standards authority), physical size and surface presentation. Q&T Greenfeed is not ordered with any required mechanical properties as the subsequent Q&T heat treatment process undertaken by Bisalloy Steels on Q&T Greenfeed is designed to produce the mechanical properties required for Q&T alloyed steel plate i.e. the finished product.
3. Customers cannot switch between Q&T Greenfeed and non-alloyed steel plate.
4. There is no price competition between Q&T Greenfeed and non-alloyed steel plate.

### **Functional likeness**

Q&T Greenfeed is "not like goods" in terms of Functional likeness in the following respects:-

1. Q&T Greenfeed does not have the same end use applications as non-alloyed steel plate as >99% of Q&T Greenfeed is used as input feed material into Bisalloy Steels heat-treatment finished Q&T manufacturing facility at Unanderra NSW. Whereas, non-alloyed steel plate is sold directly into end-use markets applications for building, construction and other non-high strength equipment manufacture.
2. Finished Q&T steel plate is utilised in different applications compared to non-alloy steel plate where higher strength, higher abrasion and impact resistance in steel plate is required such as in mining by heavy earth moving and processing equipment, defence equipment and high-strength building and infrastructure applications e.g. bridges.
3. End-Users of finished Q&T and non-alloyed steel plate will not substitute the use of one for another due to the fact the quality/performance of the two types of steel plate are significantly different in terms of each of their abilities to deliver the required functional service.

### **Production likeness**

Q&T Greenfeed is "not like goods" in terms of Production likeness in the following respects:-

1. The Q&T Greenfeed manufacturing process requires the precise addition of critical alloying elements at very specific quantities (amount determined by the different Q&T Greenfeed grades) which are not required for non-alloyed steel plate.
2. The steel making, refining and product rolling processes utilised in making Q&T Greenfeed vary among steel makers and are more complex compared to non-

alloyed steel plate manufacture and significantly influence the resulting quality/performance of Q&T Greenfeed and hence the finished Q&T Product.

Bisalloy Steels submits that the above information clearly supports that Q&T Greenfeed is "not like goods" as compared to non-alloyed Steel plate and would highlight that this is furthermore supported by Australian Customs and Border Protection Service in applying different tariff classifications (to differentiate imported product types) to the Goods under Consideration (GUC) within the Hot Rolled Steel Plate ADA.

Bisalloy Steels would be pleased to assist with any queries that Australian Customs and Border Protection Service may have in relation to this submission and its further investigations.

Yours faithfully



Robert Terpening  
**Managing Director**  
**Bisalloy Steel Group Limited**