



7 August 2014

Ms Kerry Taylor
 Director Operations 3
 Anti-Dumping Commission
 1010 La Trobe Street,
 Docklands Vic 3008
 Australia

Operations3@adcommission.gov.au

Attention: Kerry Taylor

For Public File

Dear Ms Taylor,

Re: Quenched & Tempered Steel Plate exported from Sweden, Japan and Finland – Submission by Clayton Utz dated 4 August 2014 on behalf of Japanese Mills

I refer to the submission by Clayton Utz dated 4 August 2014 on behalf of Nippon Steel & Sumitomo Metal Corporation, JFE Steel Corporation and Kobe Steel, Limited – the “Japanese Mills”.

Bisalloy Steel Group Limited (“Bisalloy”) provides the following comments in relation to matters raised in the submission on behalf of the Japanese Mills.

Re: Bisalloy's restructuring announcements of 20 May 2014

On page 19 of the PAD relating to the Commission's Anti-Dumping Investigation No. 234, it stated:

“Bisalloy submitted in its application that material injury caused by the importation of dumped Q&T steel plate has been occurring for a number of years, with an increased impact on profits and profitability being experienced during the 12 month period ending 30 September 2013. As specified in Consideration Report 234, the Commission has set the investigation period as 1 January 2013 to 31 December 2013, and the period for assessing the condition of the Australian industry from 1 January 2010. Charting and analysis has been completed on a calendar year basis for the four years 2010 to 2013.”

Bisalloy Steel Group Limited contends the charting and analysis of its financial results supports its belief that material injury had been occurring for a number of years and that during the 12 month period ending 30 September 2013 the impact of this injury had increased. With nothing limiting or preventing the actions of exporters of Q&T steel plate into Australia, this situation continued through to May 2014. Without wishing to pre-empt the Commission's final determinations, in May 2014 Bisalloy Steel Group Limited implemented a prudent restructuring of its Australian operations “to more closely align its capabilities with the forecast market requirements” based on what was known by its management at that particular time.

Re: Bisalloy's announcements of 21 and 26 November 2013

1. Bisalloy Steel Group Limited's announcement on 21 November 2013 related to a ‘Dividend Reinvestment Plan Issue Price’ and we fail to see the relevance of the announcement to the Commission's Anti-Dumping Investigation No 234.
2. Bisalloy Steel Group Limited's announcement on 26 November 2013 contained the following statement on page 5 of the announcement - *“Throughout FY13 Bisalloy Steels had been under pressure from overseas Q&T steel producers who have continued to target the Australian Q&T market. Pricing is*

often highly competitive because Australia is used as an outlet for surplus production due to weak demand in their own domestic markets. While not publicly claiming Bisalloy's competitors were dumping before the Commission had the opportunity to investigate the matter, the language used by Bisalloy Steel Group Limited in the subject announcement was clearly a veiled reference to dumping and unfair competition.

Nowhere in the announcement of 26 November 2013 did Bisalloy Steel Group Limited state to have retained its domestic market share.

On page 5 of the announcement dated 26 November 2013 Bisalloy Steel Group Limited stated – *"In this environment some overseas steel suppliers appear to have unfairly under-priced steel plate imports into the Australian market. BlueScope Steel Limited successfully sought the imposition of dumping and countervailing duties on a number of North Asian manufacturers of hot rolled steel plate, including manufacturers from Japan, Korea and the People's Republic of China. There is some commonality between the suppliers covered by recent Australian Anti-Dumping Commission investigations into hot rolled steel plate and the overseas suppliers of Q&T steel plate, and Bisalloy will explore its own options against alleged dumping by various overseas Q&T suppliers."*

This paragraph referenced Anti-Dumping Investigation No 198 instigated by BlueScope Steel Limited and was ongoing at the time of the announcement. Korea and the People's Republic of China were not included in Bisalloy Steel Group Limited's anti-dumping application (i.e. Case No 234) because exports into Australia from either country were below the 3% threshold necessary to be considered by the Commission. Further, the commentary on page 1 of the latest submission by Clayton Utz on behalf of Japanese mills stating, *"Bisalloy's relationship with PRC firms and its joint venture may possibly explain the reason"* is both malicious and incorrect. Bisalloy Steel Group Limited has only one relationship with a business in the PRC, being its Co-operative Joint Venture partner, Shandong Iron and Steel Company Limited, Jinan Company (JIGANG), which was not subject to any additional effective rate of duty as a result of the Commission's Anti-Dumping Investigation Case No 198.

Bisalloy respectfully disagrees with the author's representations that Bisalloy's position in the application and throughout the investigation has shifted. Bisalloy has maintained its view that it has experienced injury from dumping over recent years and that the dumping and consequent injury is observable as material during the investigation period.

If you have any questions concerning this letter please do not hesitate to contact either myself on (02) 4272 0407 Mob: 0406317671 or Bisalloy's Consultant John O'Connor on (07) 3342 1931 Mob: 0411 252 451.

Yours faithfully,



Tom Matinca
Business Development and Strategy Manager
Bisalloy Steels Group Limited