

PUBLIC RECORD

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Received
28 Feb 2013

February 28, 2013

BY E-MAIL

**International Trade Remedies Branch
Australian Customs and Border Protection Service
5 Constitution Avenue
Canberra act 2601
Australia
Attention: Director Operations 2**

Re: Anti-Dumping Investigations on Zinc Coated (Galvanized) Steel (Inv. No. 190a) and Aluminium Zinc Coated Steel (Inv. No. 190b) from the People's Republic of China, the Republic of Korea and Taiwan

Dear Sir or Madam:

On behalf of Yieh Phui Enterprise Co., Ltd. ("Yieh Phui"), a producer/exporter of the goods under consideration originating in Taiwan, we hereby submit our comments on the anti-dumping margin calculations disclosed by the Customs Service to Yieh Phui on February 26, 2013 (the "AD Margin Disclosure") for the above-captioned proceedings.

1. Galvanized Steel

In calculating the anti-dumping duty margin for the galvanized steel in the AD Margin Disclosure, the Customs Service selected a domestic model to match with the export model that had sufficient quantities of domestic sales made in the ordinary course of trade ("OCOT"). Where there were no sufficient OCOT domestic sales of the equivalent

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thickness in that quarter, the Customs Service then matched similar model with sufficient volume. Where the exact base metal thickness and/or coating mass did not match, the Customs Service made adjustments based on Yieh Phui's domestic price extras. In making the coating mass adjustment by using the domestic price extras, there was a clerical error made by the Customs Service with regard to the product of "Z60" coating mass.

Specifically, we note that the coating mass adjustment includes a proportional price extra calculated by Customs Service for "[REDACTED]"¹. However, in the normal course of business, Yieh Phui does not have a separate set of price extras for "[REDACTED]" and therefore, there was no reference to "[REDACTED]" coating mass in the domestic price extra table. For the purpose of quick reference, we have provided in Exhibit 1 a copy of the domestic price extra tables for galvanized steel (i.e., the "GI" products) and aluminium-zinc-coated steel (i.e., the "GL" and "GF" products), as previously submitted to the Customs Service.

In the ordinary course of business, Yieh Phui applies price extras set for galvanized steel of coating mass "[REDACTED]" for those of coating mass "[REDACTED]" because "[REDACTED]" is rarely ordered by domestic customers and that the "[REDACTED]" product does not have significant cost difference from "[REDACTED]" products. Thus, there is no reference of "[REDACTED]" coating mass in the domestic price extra table for the galvanized steel. In making the coating mass adjustment, therefore, the Customs Service should apply the price extras set for "[REDACTED]" for "[REDACTED]" products in consistence with Yieh Phui's domestic sales practice conducted in its ordinary course of business.

¹ Please see the Excel spreadsheet named "adjustments" in the file entitled "Appendix 4. NV - GAL" of the AD Margin Disclosure.

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As there was no “[REDACTED]” product sold in the domestic market during the investigation period, we have attached in Exhibit 2 two sample internal order memos of sales made outside of the investigation period to show that the price extras applied to “[REDACTED]” were based on those set for “[REDACTED]” products. The first internal order memo shows that there was an extra of [REDACTED] NTD/Kg applied to the “[REDACTED]” product, which is exactly the same as the coating mass extra applied to a “[REDACTED]” product identified on the second internal order memo provided in Exhibit 2.

In light of the foregoing, we respectfully request the Customs Service to correct the coating mass adjustment for the “[REDACTED]” product by using the price extras set for the “[REDACTED]” coating mass in consistence with Yieh Phui’s domestic sales practice conducted in its ordinary course of business.

2. Aluminium-zinc Coated Steel

While reviewing the AD Margin Disclosure, we found that some of the coating mass codes reported by Yieh Phui for the column “Model” of the domestic and Australian sales databases were incorrect. This error occurred to the products with coating mass of [REDACTED] g/m², [REDACTED] g/m² and [REDACTED] g/m². Below we explain in greater detail on this error.

The coating mass coding system defined for the reporting purpose of the column “Model” in the sales databases for the aluminium-zinc coated steel was originally set as follows:

Code	Coating Range (g/m ²)
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

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[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Thus, for products with a coating mass of [REDACTED] g/m², the coating mass code should have been correctly reported as “[REDACTED]” rather than “[REDACTED]” for the purpose of the column “Model”. Similarly, the products with a coating mass of [REDACTED] g/m² should have been correctly reported as “[REDACTED]” rather than “[REDACTED]”, and [REDACTED] g/m² should have been reported as “[REDACTED]” instead of “[REDACTED]”.

To demonstrate this error, we have provided in Exhibit 3 a table showing the coating mass codes originally reported and the correct coating mass codes after revisions. This table covers all the coating mass types reported in the column “TOP_COATMASS” of both the domestic and Australian sales databases. The coating mass identified in this table are based on the international standards and it has demonstrated that the coating mass codes for products with the coating mass of [REDACTED] g/m², [REDACTED] g/m² and [REDACTED] g/m² were inadvertently reported by Yieh Phui as “[REDACTED]”, “[REDACTED]” and “[REDACTED]”, respectively. As a result of this error, the model codes reported in the column “Model” did not reflect the accurate product characteristics for some sales, and has caused inaccurate match between sales and the cost to make and sell (“CTMS”). It also led to the incorrect match for the purpose of coating mass adjustment that the Customs Service made to the domestic sales.

To correct this error, we would suggest the Customs Service to replace the coating mass codes in the sales databases as follows:

Coating mass = [REDACTED] g/m²: replace “[REDACTED]” with “[REDACTED]”
 Coating mass = [REDACTED] g/m²: replace “[REDACTED]” with “[REDACTED]”
 Coating mass = [REDACTED] g/m²: replace “[REDACTED]” with “[REDACTED]”

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We note that this error affects only the sales and would not affect the CTMS because the above-mentioned programming error occurred only to the sales databases previously submitted for the aluminium-zinc coated steel.² Thus, we believe this correction can be easily done in the Excel spreadsheets used by the Customs Service for the dumping margin calculations without jeopardising the Customs Service's obligation to meet the deadline of this investigation. We would re-submit the domestic and Australian sales databases with the above-mentioned corrections if the Customs Service considers necessary.

Finally, we apologize for figuring out this error late and respectfully request the Customs Service to allow Yieh Phui with the opportunity to correct this error so that an accurate dumping margin can be reached for the purpose of this anti-dumping investigation.

Please let us know if you have any questions regarding this submission.

Very truly yours,



Jay Y. Nee

² To correct this error, we would suggest the Customs Service to insert a column next to the column "TOP_COATMASS" to identify the coating mass for each coating type by using the table provided in Exhibit 3. Then for the coating mass of "[REDACTED] g/m²", "[REDACTED] g/m²" and "[REDACTED] g/m²", amend the coating mass codes with the correct ones identified above.

Exhibit 1

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DOCUMENT(S) INCAPABLE OF
SUMMARY

Exhibit 2

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DOCUMENT(S) INCAPABLE OF
SUMMARY

Exhibit 3

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Australian Sales

"TOP_COAT MASS"	Coating Mass (g/m2)	Previously Reported Coating Mass Code	Correct Coating Mass Code
[REDACTED]			

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