PUBLIC VERSION

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Director Operations 3
Anti-Dumping Commission
GPO Box 1632
Melbourne VIC 3001

Investigation into Steel Reinforcing Bar exported from the Republic of Korea

Dear Director,

This submission is made on behalf of Daehan Steel Co., Ltd. (Daehan) in response to the Anti-Dumping Commission's (the Commission) Statement of Essential Facts Report No. 264 (SEF 264) published on 2 September 2015.

Range of like goods produced by the applicant

It is noted that SEF 264 confirms at table 2, that the applicant does not possess the capability to produce 20 mm diameter rebar coils at any of its current production facilities. For this reason, it is Daehan's understanding that the applicant has imported 20mm diameter rebar coils from countries subject to this investigation on an exclusive basis and continued to do so following the imposition provisional measures (either directly or through their group rebar processing companies). The Commission would be able to confirm this through its examination of the import database.

The decision to import these goods even after provisional measures had been imposed clearly supports the view that 20mm diameter rebar straights cannot replace and be substituted for 20mm diameter rebar coils, otherwise there would be no need for the applicant to have imported rebar coils in 20mm diameter. In the event then that the Commission recommends the imposition of interim dumping duties on exports of rebar from Korea, Daehan requests the Commission to also recommend that the Parliamentary Secretary to the Minister for Industry commence an exemption inquiry into 20mm diameter rebar coils on the grounds that there are no directly competitive goods produced by the local industry.

Analysis of applicant's data

SEF 264 highlights that the injury analysis undertaken by the Commission excluded imports of rebar by the applicant. For the purposes of analysing movements in volume and market

share, it has been the Commission's long-standing policy and practice to include imports by the Australian industry and attribute them to the industry's volume and market share.

However in this particular investigation, the Commission has excluded imported rebar from the injury analysis, '*despite not representing a materially significant proportion of the Australian rebar market.*' Daehan submits that the purpose of the statement of essential facts report is to expose the preliminary facts of the investigation to interested parties, so that they may be have opportunity to properly review and comment on those facts.

By excluding goods imported by the applicant from its injury analysis, the Commission is limiting the scope of interested parties to comment on the impact of those imports on the applicant's material injury claims and the Commission's preliminary material injury findings. In Daehan's view, it simply isn't sufficient for the Commission to highlight that the import volumes by the applicant aren't significant and to expect interested parties to accept that statement without proper analysis.

For example, SEF 264 highlights that the applicant's market share fell by 4% in the investigation period. Interested parties should be properly informed whether that fall in market share is 2%, 1% or an increase when the applicant's imports are included in the analysis. Likewise with the decline in the applicant's sales volumes in the investigation period which excludes its volume of imports, but may highlight a different trend if those imports were included in the analysis.

Therefore, Daehan requests the Commission to include the volume of goods imported by the Australian industry in its injury analysis by accurately attributing those imports to the applicant's volumes and market share over the entire injury analysis period.

Price suppression

Daehan is concerned by the lack of attention and contemplation of the observed trends in the relationship between the applicant's selling prices and its corresponding costs for the purposes of assessing whether prices are suppressed. The Commission's analysis is far too simplistic and rests entirely on the view that '*although OneSteel has not sold rebar at a unit price exceeding its unit CTMS during the injury analysis period, OneSteel is a profit seeking entity that would normally strive to be profitable.*'

Given all of the relevant commentary made in submissions to the investigation regarding the applicant's structural and operational inefficiencies, it was expected that the Commission would undertake a more thorough assessment of the reasons that would explain the applicant's historical loss-making position.

Whilst it may be correct that the applicant would 'normally strive to be profitable', Daehan submits that the structure of the applicant's operations does not reflect normal circumstances that would necessarily require it to strive for profitability within its rebar manufacturing business. For example, as noted in its application, visit report and SEF 264, the vast majority of the applicant's sales are inter-party transactions to its downstream processing and distribution business. Given the integrated nature of the applicant's

operations, the respective profits to be achieved at each key stage of production and sale is not as important as the overall consolidated group profits.

Hence, the ability of an integrated producer, processor and distributor to shift profits within its operational structure is a far more important and relevant consideration in the Commission's injury assessment. In that context, simply observing that the applicant has not achieved profitable sales over the past four years, neglects the critical issue that ought to have been more closely examined by the Commission.

In addition, it is worth highlighting that striving for profitability and achieving profitability are two separate scenarios. It is generally accepted that all companies strive to be profitable. Whether a company can actually trade profitably depends on numerous factors, with the primary being its cost competitiveness against its competitors in the market. Paul O'Malley, CEO of BlueScopeSteel, recently stated that 'Success is about being low cost. It is the only way we can justify having a commodity business."[1]

To that extent, the Commission would have sufficient information to establish whether the applicant's selling prices would continue to remain unprofitable when compared to an import parity price based on non-dumped imports in the market. Or to put it another way, whether the into-store selling prices of non-dumped imports and the into-store selling prices of dumped imports, adjusted for the corresponding margin of dumping, continued to be less than the applicant's equivalent costs for corresponding products. In effect, this form of analysis is simply comparing non-injurious into-store export prices against the applicant's equivalent into-store costs.

This is particularly important in this case given the Commission's preliminary finding at page 70 that:

> *… the Commission's analysis shows that throughout the injury analysis period, OneSteel's CTMS exceeded its selling prices of the goods and that during the investigation period, the margin between unit revenue and unit costs increased.*
>
> *The Commission considers that, without the presence of dumping, it is likely that OneSteel as a profit seeking entity would be more likely to maintain pricing at levels necessary to recover at least its CTMS. The market for rebar is highly price sensitive, and the Commission is satisfied that during the investigation period, in the absence of dumping, prices achieved in the market, including OneSteel's, would have been higher.*

As explained, Daehan considers that the Commission has all the necessary sales and costing information from exporters, importers and the applicant to be able to properly assess whether the non-injurious prices of dumped and non-dumped rebar would have continued to be less than the applicant's costs. This type of analysis would allow the Commission to more accurately conclude whether the applicant would have been able to achieve import parity prices which were profitable.

[1] SMH – "The do-or-die decision facing Port Kembla's steelworks", 18 September 2015.

This form of analysis has been utilised previously by the Commission as a secondary test to assessing whether injury in the form of price suppression can reasonably be attributed to export prices. This analysis was also envisaged and considered relevant by the Productivity Commission in its review of Australia's Anti-dumping and Countervailing System published in the Productivity Commission Inquiry Report No. 482.

The Productivity Commission recommended that anti-dumping or countervailing measures should not automatically be imposed where one of five criteria met satisfied. The Productivity Commission's report[3] highlights three specific circumstances:

> *'where measures would not be effective in removing injury being experienced by the applicant industry, and hence where the ensuing costs for others in the community would be needlessly incurred:*
>
> - *The imposition of measures equivalent to the assessed dumping margin (or the benefit from a countervailable subsidy) would result in an import price still well below local suppliers' costs to make and sell.*
> - *'Like goods' could be readily obtained from an un-dumped source at a comparable price, meaning that the imposition of measures would simply lead to substitution into un-dumped imports with little or no benefit for competing local suppliers.*
> - *Dumped or subsidised imports may be a contributing factor to the material injury being experienced by a local industry, but are not the major cause*

In June 2011[4], the Australian Government announced reforms to the anti-dumping system and in response to this particular issue raised by the Productivity Commission, the Government explained[5] that the Commission '*already examines the effect on the market in determining the causes of injury to the industry and in determining the non-injurious price, and it is now proposed the Branch will provide the Minister with information specifically on these matters.*'

Therefore Daehan requests that the Commission undertake the type of analysis preferred by the Productivity Commission and accepted by the Government, which would involve examining whether non-injurious export prices remain below the applicant's costs. In Daehan's view, all three of the circumstances highlighted by the Productivity Commission are applicable in this case and warrant closer examination than the analysis outlined in SEF 264.

Finally, the Commission makes the preliminary finding in SEF 264 that inter-party sales by the applicant are at arm's length by relying predominantly on a comparison with prices from the applicant to unrelated parties. Daehan submits that the Commission's assessment of the arm's length nature of these inter-related transactions is severely limited in scope and does not properly capture the important principle of 'real bargaining'.

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[2] Productivity Commission Inquiry Report No. 48 – 18 December 2009.
[3] Productivity Commission Inquiry Report No. 48 – 18 December 2009, pages 72-73.
[4] Streamlining Australia's Anti-dumping System – June 2011.
[5] Ibid, page 26.

In *Castle Bacon Pty Ltd v Comptroller-General of Customs* [1995], Lockhart J expressly agreed with Hill J's statement in *Trustee for Estate of A W Furse No 5 Will Trust v Commissioner of Taxation (Cth)* (1990) on page 21 that:

> *what is required in determining whether parties dealt with each other in respect of a particular dealing at arm's length is an assessment of whether in respect of that dealing they dealt with each other as arm's length parties would normally do, so that the outcome of their dealing is a matter of real bargaining.*

There are a range of factors that the Federal Court has identified as being relevant to the assessment of whether or not a transaction is the result of real bargaining. These include:

- whether or not negotiation has taken place between the parties (see *Granby Pty Ltd v the Commissioner of Taxation of the Commonwealth of Australia* [1995] and *Trustee for Estate of A W Furse No 5 Will Trust v Commissioner of Taxation (Cth)* (1990);
- whether prices reflect actual cost and include a reasonable profit (see *Castle Bacon Pty Ltd v Comptroller-General of Customs* (1995);
- whether prices are comparable to those arrived at by parties that are at arm's length (see *Trustee for Estate of A W Furse No 5 Will Trust v Commissioner of Taxation (Cth)* (1990); and
- whether the margins made by the parties to the transaction are comparable to those made by parties that are at arm's length (see *Metal Manufacturers Limited v the Comptroller-General of Customs* [1995].

Therefore, Deahan requests that the Commission undertake a proper examination of the arm's length nature of the applicant's inter-party transactions and in particular assess whether profits have been shifted to the downstream reinforcing distribution business.

<u>Theoretical vs actual weight comparisons</u>

It is noted that there is no explanation in SEF 264 on whether the Commission has made necessary adjustment to relevant import volumes and importer's unit selling prices which are made on the basis of theoretical weight. This is necessary to ensure a proper comparison with the applicant's volumes and prices which are known to be made on an actual weight basis. This issue impacts on the following areas of the Commission's material injury analysis:

i) market share – the share of the Australian market attributed to imports reported on a theoretical weight basis is overstated relative to the applicant's market share. Import volumes confirmed by the Commission as being reported on a theoretical weight basis require adjustment to reflect actual weights. This adjustment is easily made to the extent that the Commission has been able to verify the difference between the exporter's reported theoretical and actual weights. This can significantly impact the Commission's preliminary assessment of market

share given that any reduction in market share held by dumped imports results in an increase in the market share held by the applicant;

ii) price undercutting – it is important that importer's unit selling prices are appropriately adjusted where they are made on a theoretical weight basis, before they can be properly compared to the applicant's unit selling prices which are made on an actual weight basis. To highlight by example, where an importer's sales value reflects a theoretical volume sold which is 3% greater than the actual volume sold, the corresponding unit selling price for an actual tonne will be 3% higher. It is this unit selling price of an actual tonne that must be compared to the applicant's equivalent actual unit selling prices.

Daehan requests the Commission to clearly explain in its final report whether or not the analysis in SEF 264 incorporated these necessary adjustments. If the adjustments were not made, Daehan contends that they are critical to ensuring an accurate or robust analysis, and requests that the final report to the Parliamentary Secretary properly take account of the difference in the reported theoretical and actual weights.

Local price premium

The Commission acknowledges in SEF 264 that the applicant's prices '*are set based on benchmarked import prices plus a local premium to account for the benefits of local supply.*' Yet the price undercutting analysis outlined in SEF 264 does not indicate whether the applicant's selling prices were adjusted to remove the effect of the local premium, a factor that cannot in any way be attributed to dumped imports.

Daehan submits that it is clearly a relevant consideration to the Commission's assessment of the effects of other known factors, to understand the impact that the local price premium had on the degree of undercutting found during the investigation period. This is particularly relevant given the degree of inter-party transactions made by the applicant reinforcing distribution business.

The relevance of price premiums in the examination of price undercutting was addressed by the Panel in EC — Salmon (Norway). In considering the argument by the European Communities that the existence of a price premium was irrelevant to the analysis of price undercutting and could only be taken into account when considering the injury margin, the Panel concluded:

> *Merely that the price premium was taken into account in calculating the injury margin does not demonstrate that it was considered and deemed irrelevant to the evaluation of price undercutting. Having identified the existence of a price premium for the domestic product over the imports, we consider that an unbiased and objective investigating authority could not conclude, without explanation, that such price premium had no bearing on the issue of whether there was significant*

> *price undercutting. Thus, the investigating authority's finding of significant price undercutting is not consistent with the requirements of Articles 3.1and 3.2.*[6]

Therefore, Daehan requests that the Commission clarify whether the price undercutting analysis outlined in SEF 264 did take account of and adjust for the local price premium identified by the Commission. If not, Daehan contends that the Commission must properly consider and examine the impact of the price premium on the degree of undercutting in meeting its obligations pursuant to subsection 269TAE(2A) of the Act.

Price undercutting – period of comparison

It is noted that in the Commission's visit report following its verification at the applicant's premises, the following statements are made in relation to the applicant's pricing system:

- *OneSteel provides individual price lists to its customers applicable to the month of delivery and negotiation can take place around this price and the import prices offered in the market.*
- *OneSteel negotiates a monthly unit price with customers, typically based on a delivered price.*
- *OneSteel explained that monthly pricing [redaction – pricing detail applying to related & non-related entities].*

SEF 264 also confirms that the applicant's selling prices are negotiated with customers on a monthly basis.

Daehan considers it contradictory and illogical then for the Commission to undertake its price comparisons on a quarterly basis. This is particularly so in light of the declining steel prices during the nominated investigation period. A quarterly comparison of unit selling prices may be unfairly distorted by the seller's respective sales volumes in each of the three months within the quarter.

Daehan requests the Commission to compare prices for assessing undercutting on a monthly basis, consistent with the applicant's method of negotiating and setting prices.

Greenstar certification

Daehan is particularly disappointed with the lack of proper investigation and examination of claims raised in respect of the applicant's sales of rebar conforming to the 'Greenstar' certification. Daehan and Stemcor raised the issue of Greenstar products not being substitutable and inclusive of a price premium on day 6 of this investigation (22 October 2014), and after a further 315 days which included numerous extensions to the investigation, the Commission have simply formed the view that there is insufficient information to support the claims made.

[6] Panel Report, European Communities – Anti-Dumping Measure on Farmed Salmon from Norway, WT/DS337/R, para 7.640, pages 273.

To avoid confusion, Daehan requests that the Commission clearly outline in its report to the Parliamentary Secretary whether an examination of evidence provided to the Commission by the applicant refuted the claims made, or whether the Commission considers that the information presented to support the claims was not sufficiently compelling to warrant further investigating.

In its view, the Commission's role as investigating authority is exactly that, the governing authority tasked with carrying out the investigatory function. As such, there is a legitimate expectation that the Commission would examine and investigate claims made by interested parties, where the evidence provides a supporting basis to the claims made. With regards to this particular issue, evidence has been provided from independent third parties which confirmed the view that non-Greenstar certified rebar could not be substituted where Greenstar certified rebar products were specified.

It is noted that the applicant has not refuted the claim that non-Greenstar rebar products cannot be substituted where Greenstar certified rebar is specified. This particular claim by Daehan and Stemcor can be easily addressed by the Commission requesting the applicant to clearly state on the public record that non-Greenstar certified rebar products can be substituted where Greenstar rebar certification is specified. In the absence of any such statement, the Commission must accept Daehan's claim as fact and amend its analysis to ensure that only non-Greenstar certified products are compared with each other.

In respect of the additional claim that GreenStar certified rebar products are inclusive of a price premium, Daehan expects that the applicant has provided its detailed sales information at Appendix A4 to its application in sufficient detail to allow the Commission to be able to identify Greenstar certified products. On the assumption that the applicant has done so, Daehan requests the Commission to undertake a pricing analysis that compares Greenstar certified rebar monthly unit prices with non-Greenstar certified rebar monthly unit prices to the same customers.

In the absence of any such analysis, it can only be assumed that the applicant has not provided sales information in sufficient detail to allow a proper price comparison, in which case the Commission's final report should clearly state that there has been insufficient information provided by the applicant to properly assess claims made by interested parties. In that case, the Commission is obliged to accept Daehan's claim given that it was raised very early in the investigation and there has been ample opportunity for the Commission to request and the applicant to provide the necessary information to properly assess the claim.

Inefficiency of operations

The Commission states in SEF 264 that it was not provided with any specific documentary evidence to support claims made by interested parties in respect of operational inefficiencies such as structural problems, high labour costs, high energy costs, inefficient production practices and over capacity. The Commission concludes that the submissions were speculative in nature.

Daehan again considers that the Commission, as the investigating authority, is tasked with carrying out the investigatory function. This invariably requires testing claims and counter-claims against available information, and where considered appropriate, by requesting additional information from interested parties that have access to relevant information.

As such, Daehan rejects the Commission's view that there is insufficient documentary evidence available to make an assessment on these claims. It is noted that Appendix A7 of the approved application form requests and requires the applicant to submit detailed information in respect to the following performance indicators:

- Asset values;
- Capital investment levels;
- R&D expense;
- Revenue;
- Return on investment;
- Capacity;
- Capacity utilisation;
- Employment;
- Productivity;
- Stock levels;
- Cash flow measures; and
- Total and average wages

Daehan contends that there is sufficient information within Appendix A7 of the application to enable the Commission to assess whether there was any basis to the claims presented by interested parties, and if so, for the Commission to request additional information from the applicant.

Form of measures

Daehan reiterates its previously submitted view that in the event that the imposition of measures is to be recommended, the Commission should opt with the least onerous form of duty that adequately addresses the effects of dumping and does not go further than is necessary to attain it. For the reasons identified by the Commission, Daehan submits that the ad valorem form of duty achieves that objective.

Understandably, the applicant has and will continue to propose the combination method of duty as the preferred form of measure, as it introduces a minimum price control which works as an effective barrier to entry into the Australian market. This is especially so in the case of rebar which is a commodity product subject to global fluctuations in steel prices. The imposition of a minimum floor price in this case would go well beyond addressing the effects of dumping.

Cancellation of securities

On 13 March 2015, pursuant to s.269TD(5) of the Act, the Commissioner gave public notice of his decision to make a preliminary affirmative determination on the basis that he was

satisfied that there appears to be sufficient grounds for the publication of a dumping duty notice.

In the public notice, the Commission also advised that pursuant to s.269TD(4)(b) of the Act, he was satisfied that it was necessary to require and take securities in order to prevent material injury occurring to the Australian industry while the investigation continues. The public notice advised that the Australian Customs and Border Protection Service will require and take securities under section 42 of the Act in respect of interim dumping duty that may become payable in respect of the goods exported from Korea, Malaysia, Singapore, Spain, Taiwan, Thailand and Turkey, entered for home consumption on or after 13 March 2015.

On 2 September 2015, the Commissioner published his preliminary findings in SEF 264. Following revisions to preliminary dumping margins outlined in SEF 264, the Commissioner advised by public notice that:

- he remained satisfied that there appeared to be sufficient grounds for the publication of a dumping duty notice;
- he remained satisfied that it was necessary to require and take securities in respect of interim dumping duty that may become payable, and
- Customs continue to require and take securities pursuant to Section 42 of the Act, at revised rates specified in the notice.

Section 45(2) of the Act requires that:

> A security taken in respect of any interim duty that may become payable on goods under section 8, 9, 10 or 11 of the *Customs Tariff (Anti-Dumping) Act 1975* (Dumping Duty Act), being a security taken before the publication under Part XVB of this Act of a notice declaring that section to apply to those goods, shall be cancelled before the expiration of the prescribed period after the date the security is taken.

Section 45(3) of the Act defines 'prescribed period' to mean:

> (a) in relation to a security in respect of any interim duty that may be payable on goods under section 8 or 9 of the Customs Tariff (Anti-Dumping) Act 1975—a period described in subsection (3A) of this section; or
>
> (b) in any other case—a period of 4 months.

Section 45(3A) of the Act makes clear that:

> For the purposes of paragraph (3)(a), the period is:
>
> (a) unless paragraph (b) of this subsection applies:
>
> (i) a period of 4 months; or

(ii) if an exporter of goods of the kind referred to in paragraph (3)(a) requests a longer period—a period (not exceeding 6 months) that the Commissioner determines to be appropriate; or

(b) if the security was taken in connection with an investigation under Part XVB and the non-injurious price of goods the subject of the investigation as ascertained, or last ascertained, for the purposes of the investigation is less than the normal value of such goods as so ascertained, or last so ascertained: (i) a period of 6 months; or (ii) if an exporter of goods of the kind referred to in paragraph (3)(a) requests a longer period—a period (not exceeding 9 months) that the Commissioner determines to be appropriate.

It is clear that securities must be cancelled within four months of the decision to require and take securities and can only be extended beyond this period if one of two exceptions applies. The first exception allows a two-month extension for a total period of six months, if an exporter requests an extension.

The second exception also allows an additional two-month extension for a total period of six months, if the Commission imposes a lesser duty as a result of the ascertainment of the non-injurious price, or a maximum nine months if an exporter additionally requests a longer period.

Since no such exporter has requested an extension to the provisional measures and the Commission's PAD report and SEF 264 state that *'[a]s the NIP is set at the same price as the normal value and is not less than the normal value, the Parliamentary Secretary is not required to have regard to the lesser duty rule.'*,

Given then that neither of the two exceptions outlined in section 45 of the Act are applicable, the securities are required to be cancelled within four months of the decision to take securities and no later than 11 July 2015. Daehan contends that the Commissioner is obliged to advise the Australian Border Force to cancel securities applying to importations entered prior to 11 July 2015.

Further support for the limitation on the period of imposition of provisional measures is found in Article 7.4 of the World Trade Organization (WTO) Anti-Dumping Agreement. It states:

> The application of provisional measures shall be limited to as short a period as possible, not exceeding four months or, on decision of the authorities concerned, upon request by exporters representing a significant percentage of the trade involved, to a period not exceeding six months. When authorities, in the course of an investigation, examine whether a duty lower than the margin of dumping would be sufficient to remove injury, these periods may be six and nine months, respectively.

The WTO Dispute Panel concluded in Mexico – Corn Syrup[7] that '*[t]he language of Article 7.4 is clear and explicit on the question of the allowable duration of a provisional measure.*' The Panel added, '*[t]he AD Agreement contains specific rules for the implementation of Article VI of GATT 1994 with respect, inter alia, to the period of application of provisional measures. Those rules are binding on all Members…*'.

More recently, the WTO Dispute Panel in China - High Performance Stainless Steel Seamless Tubes from Japan and the European Union[8] concurred with the views expressed by the previous Panel.

Therefore, it is without doubt that the imposition of provisional measures on exports of steel reinforcing bar on 13 March 2015 must be cancelled within four months and no later than 11 July 2015. As such, Daehan requests the Commissioner to authorise the cancellation of the securities immediately in accordance with the requirements of the Act.

For importations occurring after 11 July 2015, Daehan considers that the expiry of the relevant four month period for the taking of securities prevents the Commissioner from advising Australian Border Force to require and takes securities on importations of rebar from Daehan.

The power of the Parliamentary Secretary to publish a retrospective dumping duty notice under subsection 269TG(1) of the Act is subject to section 269TN of the Act. Section 269TN deals with retrospective notices and subsection 269TN(2) of the Act empowers:

> *the publication of a notice under subsection 269TG(1), 269TH(1), 269TJ(1) or 269TJ(1) in respect of goods that have been entered for home consumption in relation to which security has been taken under section 42 in respect of any interim duty that might become payable under section 8, 9, 10 or 11 of the Dumping Duty Act, as the case may be (not being security that has been cancelled), by reason of the publication of such a notice or in relation to which the Customs had the right to require and take such security (not being security that would have been cancelled under this Act if it had been taken).* [emphasis added]

Accordingly, Daehan submits that the Commissioner must recommend that the Parliamentary Secretary is prevented from publishing a retrospective notice under subsection 269TG(1) of the Act due to the operation of subsection 269TN(2) of the Act.

If the Commissioner does not interpret Section 45 of the Act as requiring securities to be cancelled within four months of his decision to require and take securities, Daehan requests that the Commissioner clearly outline his interpretation of the relevant provisions in the final report. This would provide interested parties with a clearer understanding of the Commission's reasoning for not cancelling securities and allow

[7] Panel report, Mexico – Anti-dumping Investigation of High Fructose Corn Syrup from the United States, WT/DS132/R, para 7.182, page 225.
[8] Panel reports, China — Measures Imposing Anti-Dumping Duties on High Performance Stainless Steel Seamless Tubes from Japan and the European Union, WT/DS454/R and WT/DS460/R, para 7.334.

them to properly address the issue in any subsequent appeal to the Anti-Dumping Review Panel.

Conclusion

In conclusion, Daehan considers that SEF 264 lacks thorough analysis and proper reasoning to support the Commission's preliminary findings. The material injury assessment falls well short of the objective examination required to be undertaken by an investigating authority. Of particular concern is the ease with which the Commission has dismissed the numerous claims raised by interested parties as simply speculative or without supporting evidence. Dahean contends that the role of the Commission as the investigating authority is to objectively assess and investigate legitimate claims made by parties.

Therefore, Daehan respectfully requests that the Commission re-examine its preliminary findings in the context of the issues raised in this submission.

Yours sincerely

John Bracic