



AUSTRALIAN
FOUNDRY
INSTITUTE

Australian Foundry Institute

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Mr Bill Davidson
General Manager
ROH Automotive

7 May 2012

Dear Mr Davidson

The AFI wishes to thank you for the information on the status of anti-dumping proceedings for Aluminium Road Wheels being imported from China.

The AFI stands solidly behind Australian manufacturers. We in the Australian Metal Casting Industries, have a proud history of manufacturing world class, high quality and cost effective products made under world best practice processes.

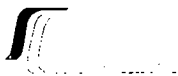
Over a number of years it has been seen that castings of various types and applications, including Aluminium Road Wheels, have been imported into Australia at prices that are astonishingly low. These imports have without question adversely impacted our local industry.

The AFI is encouraged with the release by Australian Customs of the Statement of Essential Facts No:181 on Aluminium Road Wheels Exported to Australia from the People's Republic of China.

The AFI supports ROH Automotive in their proceedings and looks forward to news of a positive determination.

Yours sincerely

Janice Collett
National Secretary
Australian Foundry Institute



9 May 2012

Bill Davidson
General Manager, ROH Automotive

Dear Bill,

ANTI-DUMPING AND COUNTERVAILING MEASURES ON ALUMINIUM ROAD WHEELS FROM CHINA

I am writing to offer CAST's support for restoration of Australian industry's ability to compete fairly for contracts with Australian motor vehicle producers and ensure a level playing field for suppliers of aftermarket road wheels.

CAST conducts industry-driven research in metals technology with the objective to assist Australian companies to innovate, stay competitive and increase their market share. Our research capabilities include the processing of liquid metals, alloying procedures, casting and forming, heat treatment, surface engineering and manufacture.

ROH has a strong commitment to the retention of manufacturing capability in Australia, a commitment demonstrated by the willingness of your company to invest in innovation. Over the last few years, CAST has assisted your engineering team to introduce process improvements that address quality issues and improve manufacturing productivity. ROH also worked closely with CAST in product development of new light-weight alloy wheels that bettered the customer's target weights.

We were very pleased that ROH was a participant in our application last year for an extension of our CRC program activities. Our proposal sought to address the challenges facing Australian manufacturers through the development and introduction of innovative technologies to reduce emissions, conserve energy, add value to products, increase manufacturing efficiency and meet emerging market demands.

Although the application was unsuccessful, ROH has remained committed to these goals and was the first of our industry partners to agree to fund a joint R&D plan with CAST for activities that will continue as we exit the CRC program in July 2012. Our joint activities are aligned with the *Automotive Australia 2020 Technology Roadmap* which identified Lightweight Road Wheels as one of the short-term opportunity areas for Australia to be a strategic player in global supply chains and where significant gains can be made in energy efficiency.

However, the return on investment in innovation and process/product development can only be realised if suppliers can compete equally in the market. In regards to aluminium road wheels, CAST notes the *Statement of Essential Facts No 181 on Aluminium Road Wheels Exported to Australia from the People's Republic of China* which was released by Australian Customs last month. Its findings on dumping and the subsidies offered to Chinese exporters were similar to those that, in October 2010, led the Council of the European Union to impose a duty of 22.3% to imports of aluminium road wheels from China.

Subsidised exports and dumping of aluminium products from China are a major threat to the Australian aluminium industry and severely restrict its ability to compete in both local and export markets. Despite the significant steps they have taken to innovate, reduce costs and improve productivity, Australian businesses across the aluminium value chain struggle to match the prices that their Chinese competitors offer into their markets. This is a challenge that business cannot address alone but needs the support of the Australian government, itself a strong advocate for free trade. Our partners in the extrusion sector are taking similar action to yours in relation to imports of aluminium building products.

We wish you every success in your request for immediate imposition of antidumping and countervailing measures so that Australian suppliers of aluminium road wheels can compete fairly with Chinese imports.

Yours sincerely

George Collins
Chief Executive Officer, CAST CRC Limited

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