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17 May 2012

The Director
Operations 2
International Trade Remedies Branch
Australian Customs and Border Protection Service
Customs House
5 Constitution Avenue
CANBERRA ACT 2601

Our ref: ATH Matter no: 9552593

By email: tmops2@customs.gov.au

Dear Director

Aluminium Road Wheels exported from the People's Republic of China Initiation of an investigation into alleged dumping and subsidisation Submission by Jayco on Statement of Essential Facts

We act on behalf of Jayco Corporation Pty Ltd ("Jayco").

We refer to the Statement of Essential Facts ("SEF") 2012/181 issued by the Australian Customs and Border Protection Service ("Customs").

Our client has now instructed us to raise the following issues regarding the findings, conclusions and proposed recommendations contained in the SEF. For these purposes, unless otherwise defined, we have adopted defined terms as set out in the SEF.

We look forward to discussing these matters with you.

#### Background

- Our client operates in the recreational vehicle industry. Our client currently holds approximately 48% of the recreational vehicle market in Australia.
- On or around 2006 2007, our client decided to implement ARW as a standard on all Jayco manufactured recreational vehicles ("RVs").
- The ARW imported by our client for its RVs are primarily 4WD ARW. Our client requires 4WD ARW to accommodate larger hub and bearing sizes and performance requirements of its RVs.
- Our client has never purchased ARW form Arrowcrest.
- Arrowcrest does not produce ARW of specifications, type, quality and style which would have satisfied the requirements of our client's RVs.





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#### Submission

Based on the abovementioned facts, our client has further instructed us to make the following submissions.

- Arrowcrest does not market directly to the recreational vehicle industry.
- The most common rim size imported by our client is a 4WD 14x6 ARW. Arrowcrest does not offer and or market ARW of this size.
- The ARW imported by our client do not compete with the ARW products offered for sale by Arrowcrest.
- Any findings and recommendations by Customs in the SEF ignore the fact that the ARW used by the RV industry do not correspond with the ARW offered for sale by Arrowcrest.
- 5. The imposition of measures on ARW by Customs and the Minister would have the entirely unintended consequence of making the goods imported by our client untairly and unreasonably expensive when there is no injury to the Australian industry in the size of ARW imported by our client for the manufacture of its RVs. The imposition of measures would have no redress any injury alleged by Arrowcrest and would only serve the purpose of making the cost of RVs more expensive for no reason.
- 6. This consequence would arise from the unreasonably broad description of the goods the subject of the investigation which encompasses goods other than those produced by Arrowcrest and goods used in areas where Arrowcrest has no presence.
- 7. To the extent that Arrowcrest may consider it has suffered "injury" by not selling into the RV industry, then that arises from a number of factors including, without limitation:
  - the fact that Arrowcrest does not produce and or market 4WD ARW of a size or type required by our client; and
  - (b) Arrowcrest has never been interested in producing such items.
- 8. As a consequence of the issues described above then our client is of the view that:
  - (a) the ARW imported by our client are not "like goods" to those produced by the Australian industry adopting the tests set out in Customs' dumping and subsidy manual as they have no physical likeness, commercial likeness, functional likeness or production likeness to those produced by the Australian industry; and
  - (b) even if Customs believes that the ARW imported by our client are "like goods" to those manufactured by the Australian industry, our client also believes that the Australian industry does not manufacture and offer for sale in Australia like goods to a particular and clearly identifiable subset of those imported by our client and, as a consequence, the Minister should exclude that subset from any dumping duty notice and countervailing notice as contemplated by paragraph 3.7 of the SEF. For these purposes, our client believes that the appropriate subset should be described as "Recreational Vehicle Subset". The Recreational Vehicle Subset meeting the size requirements to accommodate larger hub and bearing sizes and performance requirements of RVs.

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We look forward to discussing these matters with you.

Yours faithfully Hunt & Hunt

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