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NON - CONFIDENTIAL

Ms Joanne Reid
Director, International Trade Remedies Branch
Australian Customs and Border Protection Service
Customs House
5 Constitution Avenue
Canberra ACT 2600

Dear Ms Reid,


**STATEMENT OF ESSENTIAL FACTS NO. 181 - ALUMINIUM ROAD WHEELS
FROM CHINA**

Our submission of 14 May 2012 on behalf of Mullins Wheels demonstrates that Arrowcrest's loss of substantial sales volume to Toyota during the IP because of Toyota's substantial reduction of its passenger motor vehicle production had a material negative impact on Arrowcrest's profit and profitability during the IP.

Another factor which had a negative impact on Arrowcrest's profit and profitability during the IP is its increased capital investment in the production of ARWs as reported in sections 10.7 and 11.1.1 of Customs' visit report re Arrowcrest. As was the case with the injurious effect of Arrowcrest's substantial loss of sales volume to Toyota, Customs did not take the effect of increased production costs because of increased capital investment into account in reaching its preliminary finding of material injury in the form of loss of profit and profitability because of dumped or subsidised imports from China.

As required by s269TAE(2A) of the Act and Article 3.5 of the Agreement, injury caused by these other factors must not be attributed to dumped or subsidised imports. Consequently, in determining whether dumping or subsidisation has, of itself, caused material injury in the form of loss of profit and profitability, Customs must separate the **known and assessable** injury caused by Arrowcrest's substantial loss of sales volume to Toyota and increased capital investment during the IP. Otherwise there is no rational basis upon which it can be concluded that dumping or subsidisation has caused injury which is material.

Yours sincerely,



Roger Simpson