

ARROWCREST
GROUP

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29 May 2012

Ms. Joanne Reid
Director, Operations 2
International Trade Remedies Branch
Australian Customs and Border Protection Service
Customs House
5 Constitution Avenue
CANBERRA ACT 2601

Dear Joanne,

Reference : Arrowcrest reply to Hunt & Hunt Lawyers submission on behalf of Samad Tyres Pty Ltd (trading as Motor Sport Wheels & Tyres), dated 16 May 2012.

I refer to the SEF181 response from Hunt & Hunt Lawyers (Hunt&Hunt) on behalf of Motor Sport Wheels & Tyres (Motor Sport) dated 16 May 2012.

Motor Sport Wheels has submitted its "H.R. Racing" brochure which contains a predominance of LPDC ARWs of the kind that the Australian industry produces. Many of the styles are either similar to the Australian industry's styles or similar to the available styles imported from China by other interested parties.

Motor Sport suggests that the bolt circle (or PCD) is unique, for example 5 studs on a 112mm (5/112) bolt circle and 5 studs on a 120mm (5/120) bolt circle. However the Australian industry can and does produce ARWs with 5/112 and 5/120 bolt circles. 5/120 fits GM-Holden's vehicles as well as imported brands including BMW and the 5/112 bolt circle fits Volkswagen and Mercedes, for example, and is also produced by the Australian industry. The 5/112 bolt circle is achievable in a casting that would otherwise be drilled with a 5/114.3 bolt circle to suit fitment to Ford vehicles.

Motor Sport also suggests that the Australian industry has never produced AM ARWs of quality which would have satisfied the requirements of our client or its customers. However Arrowcrest's own brochures (submitted to Customs) clearly show Arrowcrest's AM ARWs on European vehicles. The claims relating to quality are unfounded and not supported by any evidence.

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It is however entirely possible that if the ARWs imported from China by Motor Sport were exempt from measures then Motor Sport could quickly (and at no tooling cost) import a much expanded range of ARWs - in a multitude of fitments for non-European makes including Japanese, Korean and Australian models - thereby continuing an unfair advantage in the market with ARWs imported at dumped and subsidized prices.

The subset suggested by Motor Sport is not unique and the Australian industry can and does produce ARWS of the kind (styling, quality and fitment) to suit European passenger motor vehicles (PMVs) such as Mercedes, Audi, BMW, Porsche and Ferrari. Arrowcrest has provided Customs with copies of its product brochures from as early as 2003 which include the styles, sizes, fitments and photographs of its ARWS fitted to these European models.

Arrowcrest also notes that Motor Sport imports a range of "BLANKS" which are simply ARWs that have not been finished machined with a specific bolt circle, centre bore diameter or offset. These blanks can be machined in Australia to suit a multitude of vehicle applications - not just the European brands. Arrowcrest has included "BLANKS" in its application to prevent circumvention of measures.

Arrowcrest therefore requests Customs to reject the claims made on behalf of Motor Sport and to apply the appropriate level of anti-dumping and countervailing measures on ARWs imported at dumped and subsidized prices from China by Motor Sport Wheels.

Yours sincerely,

Bill Davidson
General Manager