



14 March 2025

Director
Investigations
Anti-Dumping Commission
Department of Industry, Science and Resources
215 Soring Street
MELBOURNE VIC 3000

By email: investigations@adcommission.gov.au

Dear Director

**Investigation 653 – Ceiling Steel Framing Members from China
Like Goods Submission**

We act for Armstrong Ceiling Solutions Australia Pty Ltd (**Armstrong**).

The purpose of this letter is to make submissions regarding the extent to which certain goods imported by Armstrong are included in the Goods Under Consideration (**GUC**) or are like goods to the GUC (**Like Goods**).

Armstrong is an importer of goods used to produce a steel suspended ceiling grid. This letter concerns the extent to which a steel suspended ceiling grid are the GUC or Like Goods.

1. Steel suspended ceiling grid

The goods imported and supplied by Armstrong are the components used to produce a steel suspended ceiling grid (**SSCG**). A SSCG is a type of ceiling systems used exclusively in commercial buildings. Images of an installed SSCG are below.

The left image shows the SSCG installed and supporting ceiling panels, lights and vents. The right image shows the SSCG installed prior to the installation of any ceiling coverings.



As can be seen from the above images, a SSCG has the following features:

- It is comprised of intersecting main bars and cross bars that form a grid. The SSCG is never supplied or installed as parallel bars without the intersecting bars.
- The grid is exposed once the ceiling panels are installed. The bars of the ceiling grid are prefinished with a precoated roll formed capping.
- The ceiling is comprised of the grid and tiles that are suspended on top of the grid.
- The SSCG is suspended from the structure it is attached to. In most instances, the SSCG will be suspended from a concrete slab and there will not be joists or rafters.
- The most common type of ceiling material used with a SSCG are acoustic ceiling tiles. Occasionally, plasterboard will be cut into tiles and suspended on the grid. Plasterboard is never screwed onto, and suspended from, the bottom of the SSCG.

Detail information about the SSCG imported by Armstrong is set out in the enclosed Peakform Suspension System brochure (**Brochure**). As set out in the Brochure:

- The system is comprised of main bars and cross runners.
- Main bars are supplied in lengths of 3600 mm with the following dimensions:
 - H 43mm x W 24mm
 - H 43 mm x W 15 mm
 - H 45 mm and W 15mm
- Cross runners are supplied in lengths of 1200 mm or 600mm with the following dimensions
 - H 35 mm x W 24 mm
 - H 30 mm x W 24 mm
 - H 43 mm x W 15 MM
- All SSCG are made from double-web galvanised steel with a surface finish of baked polyester paint.
- The cross runners are connected to the main bars by being pushed into pre-engineered slots in the main bars. Main bars are joined to each other through secure bulb-to-bulb connections. All connections are confirmed by an audible click.

The SSCG is designed to work with ceiling tiles, lighting and vents that are placed on top of the SSCG. Ceiling tiles do not need to be attached in any way to the SSCG. Rather, they are held in place by their own weight and are intended to be easily moveable. No materials are screw fixed into the SSCG.

2. The GUC and SSCG

The GUC in investigation 653 are described below:

Ceiling steel framing members, metallic coated, whether or not containing alloys, with a height of up to and including 45 millimetres, a width (face) up to and including 60mm, of a base metal thickness of up to and including 0.65 millimetres of varying steel grades.

Further information

A ceiling steel framing member is a horizontal structural member used to support ceiling linings or other internal ceiling systems. Further worked from either zinc coated (galvanised) steel or aluminium zinc coated steel as the raw material (including all variants thereof, for example whether or not containing magnesium or other alloys), ceiling steel framing members are installed perpendicular to the ceiling joists or rafters and are fixed into place using screws or

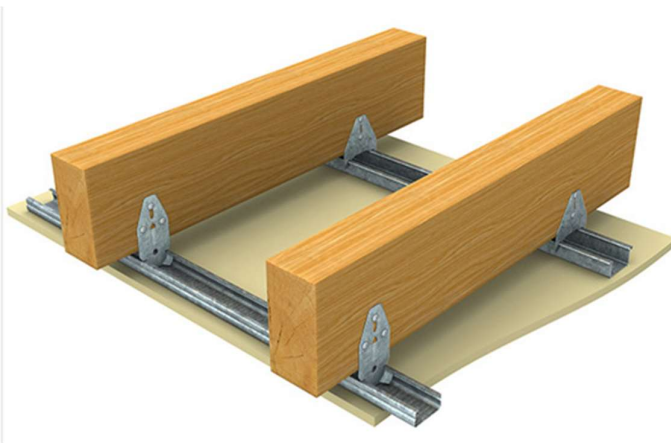
other fasteners. Ceiling steel framing members come in various sizes and profiles depending on the specific requirements of the ceiling system and the load it needs to support. The goods provide a framework onto which ceiling materials such as plasterboard, gypsum board, or metal panels can be attached. Trade or common/generic names and terminology often used to describe the subject goods include, but are not limited to:

- steel ceiling battens;
- steel furring channels; and
- steel top hats.

Exclusions

Excluded from the application are the direct fix clips used to install ceiling steel framing members. Excluded also are ceiling steel framing members made from stainless steel.

It is understood that a ceiling frame member is a beam installed perpendicular to ceiling joists or rafters to which plasterboard is commonly attached by screws. We understand that the GUC described in the GUC is the type of goods shown below:



The term “ceiling steel framing member” is not one of ordinary industry usage and may be a laymen’s term. It does not appear that the applicant uses the term to describe their own products. Rather, the products are described by the applicant on their website as “ceiling battens” or “top hats”.

Given that the term “ceiling steel framing member” does not have an ordinary or trade meaning, the content of the term must be taken from the further information provided by the applicant. That further information includes:



- the member is used horizontally;
- the member is used to support ceiling linings or other internal ceiling systems;
- members are installed perpendicular to the ceiling joists or rafters;
- members are fixed into place using screws;
- ceiling materials such as plasterboard, gypsum board or metal panels are attached to the members; and
- terminology to describe the members are steel ceiling battens, steel furring channels and steel top hats.

The GUC are not designed to work as a grid system and are not designed to have ceiling material sit on top of them.

The further information makes clear that the GUC are steel beams attached perpendicular to ceiling joists or rafters to which the ceiling material is hung from and which are generally known as steel ceiling battens, steel furring channels and steel top hats. These are products primarily used in residential dwelling where plasterboard is the most prominent ceiling type.

Consistent with this, at section 2.5.1 of the applicant's application (**Application**), the market size for the GUC is based on Housing Industry Australia data on Australian dwelling commencements and its understanding of the volume of the GUC used per dwelling.

Framing the market in this way completely excludes SSCG which are never used in domestic dwellings.

If SSCG were intended to be included in the GUC, the applicant (and the ADC) would need to reframe the Australian market to include SSCG's used in non-residential dwellings.

3. Difference between the GUC and SSCG

SSCG, or components thereof, are not the GUC.

As a starting point, components of SSCG can only work as a grid comprising of intersecting main bars and cross runners. They are not appropriately identified as "framing members". They do not form a frame, but rather an exposed ceiling grid. An "exposed ceiling grid" is a common term that would not be understood to be covered by the term "ceiling steel framing member".

The SSCG does not run perpendicular to ceiling joists or rafters. Rather, a SSCG is more often used in structures that do not include ceiling joists and rafters. The most common structure from which they are suspended is a cement slab. If a SSCG is used in structure with ceiling joists and rafters, the components of the SSCG will run both parallel and perpendicular to the joists and rafters. This is the consequence of the SSCG being a grid rather than a series of parallel members.

Ceiling material is never hung from, or attached to, a SSCG. Rather, ceiling tiles are suspended on the supporting grid.

SSCG, or parts thereof, would never be described as steel ceiling battens, steel furring channels and steel top hats. The applicant describes components of its own SSCG as "main tees" or "cross tees".

A SSCG would never be used to support another internal lining system.

For the reasons set out above, it is submitted that SSCG were not intended to be included in the GUC and do not fall within the terms of the product described in the GUC.



4. Like Goods

A dumping investigation, and any measures made following that investigation, will apply to the GUC and “like goods”. The terms “like goods” is defined in section 269T of the *Customs Act 1901* as:

“like goods”, in relation to goods under consideration, means goods that are identical in all respects to the goods under consideration or that, although not alike in all respects to the goods under consideration, have characteristics closely resembling those of the goods under consideration.

It is clear that SSCG are not identical to the GUC. In considering whether SSCG have characteristics closely resembling those of the GUC, the Dumping and Subsidy Manual sets out that the ADC will consider:

- Physical likeness
- Commercial likeness
- Functional likeness
- Production likeness

Each of these is considered below.

a. Physical likeness

The main bars and cross runners that comprise a SSCG have many differences from the GUC (being goods commonly known as steel ceiling battens, steel furring channels and steel top hats). These differences include:

- The cross runners are designed to clip into the main bars. To facilitate this both the main bars and the cross runners have pre-engineered holes punch into them along the length of the item;
- The cross runners and main bars have a visible face that will be exposed in the finished ceiling. To this end, the face is always a flat smooth surface and is always prefinished;
- The exposed face of cross runners and main bars must extend horizontally to act as a supporting ledge for the ceiling tiles to be suspended upon;
- By contrast, the GUC are commonly U shaped without hole punching; and
- The ends of the main bar and runners are highly engineered joiner clips.

b. Commercial likeness

The GUC and SSCG have no commercial likeness. The goods compete in very different markets. The GUC is primarily used for buildings (primarily residential dwellings) where plaster board will be used as the primary ceiling material. By contrast, SSCG is always used for non-residential dwellings and ceiling tiles are the primary form of ceiling material. A SSCG is by design “modular” and demountable.

A party in the supply chain would never consider switching between the GUC and SSCG. Rather, the type of building would dictate the type of ceiling to be installed and by extension, whether the GUC, SSCG or some other system was used.

Similarly, if the price of SSCG was to change, it would not alter demand for the GUC and vice versa.

The primary purpose of the SSCG is to create a ceiling covering system where access remains to the ceiling plenum. This is achieved by easy removal and replacement of tiles. This is crucial for multi-story commercial buildings where plenum access cannot be gained from the roof or floor above. Plenum access is needed for the purpose of servicing equipment such as air conditioning, sprinklers, lighting and

other electricals. The system with which the GUC are used involves the fixed attachment of a covering (such as plasterboard) and there is no possibility of plenum access via the ceiling covering.

c. Functional Likeness

At a very broad level the goods have a functional likeness in that they both are used in conjunction with other materials to produce a ceiling. However, this likeness is superficial. It is similar to saying a bus and car have functional likeness in that they both transport people.

The end use of the GUC is to be attached to beams as a member from which plasterboard and other ceiling materials can be attached and hung. By contrast, the components of a SSCG have the function of combining to form a grid onto which ceiling panels can be placed. Items are not attached to the SSCG and the SSCG is not well designed to be an item from which ceiling material can be suspended by screws. For instances, there is not an area of the SSCG that is designed to received screws.

The GUC is not designed to be exposed following the installation of ceiling material whereas the components of SSCG are designed and finished in a manner so as to have exposed base.

The components of the GUC are designed to clip into each other to form a grid. Goods known as steel ceiling battens, steel furring channels and steel top hats are never designed to clip into one another to form a grid. There would be no utility in such products forming a grid and they are not designed to support products suspended on top of the grid and a grid structure is not needed for the affixing of plasterboard.

d. Production likeness

The GUC and the components of SSCG are made of similar materials, with the exception that SSCG will usually be prefinished. However, there are production differences between the products. The components of a SSCG are much more intricate than goods describes as steel ceiling battens, steel furring channels and steel top hats.



A comparison of the two types of products is above.

As a guide, the cost of purchasing SSCG to be imported into Australia exceeds [REDACTED] [PRICE OF IMPORTED SSCG] per tonne. We note that on page 14 of the Consideration Report, the ADC, when attempting to identify importations of the GUC, excluded consignments with a value greater than AU\$2000 per tonne. [COMPARISON OF COSTS OF THE DIFFERENT PRODUCTS AND SUGGESTED REASONS FOR THE PRICE DIFFERENCE] [REDACTED]

In the circumstances, we do not believe that SSCG are like goods to the goods described in the GUC.



5. Conclusion

It is clear that SSCG are not the GUC or like goods to the GUC. We request that the ADC record a finding to this affect in either a GUC file note, the statement of essential facts and/or the final report. Making such a finding will provide clarity regarding:

- a) The definition of the Australian market for the purpose of assessing injury;
- b) The identification of the imported GUC for the purpose of assessing whether any goods have been exported at dumped prices;
- c) The applicant's claims as to material injury in terms of which parts of its business involve the production and sale of the GUC;
- d) The identification of the Australian industry producing like goods;
- e) The determination of model control codes;
- f) Any connection between the importation of GUC and the alleged injury; and
- g) If dumping duties are imposed, whether components of SSCG are subject to those dumping duties.

The Application, Consideration Report and conduct of the investigation to date has been on the premise that the GUC does not include SSCG. It is clear that the applicant and the ADC have only treated the GUC as covering steel ceiling battens, steel furring channels and steel top hats used in residential dwellings and not SSCG. Armstrong agrees with this approach. If the ADC adopts a contrary approach, it must as a matter of procedural fairness inform interested parties of the changed scope of the investigation and reassess the merits of the Application and claims made by the applicant.

Please feel free to contact us with any questions.

Yours faithfully

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