



Australian Government
Department of Industry,
Science and Resources

Anti-Dumping
Commission

Australian industry verification report

Verification and case details

Initiation date	30/06/2025	ADN	2025/053
Case number	679		
The goods under consideration	Light Gauge Steel Stud and Track		
Case type	Dumping and Subsidy Investigation		
Australian industry	Studco Australia Pty Ltd		
Location	130/140 Merrindale drive, Croydon South, VIC 3136		
Investigation period	1/04/2024	to	31/03/2025

The Anti-Dumping Commission will review this report, including its views and recommendations.

This report may not reflect the Anti-Dumping Commission's final position.

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1 Introduction

Studco Australia Pty Ltd (Studco) provided information to the Anti-Dumping Commission (the commission) in relation to Dumping and Subsidy Investigation 679 (case 679) into light gauge steel stud and track (LGST or the goods) exported from the People's Republic of China (China).

A verification (team) compared Studco's information with Rondo Building Services Pty Ltd (Rondo or the Applicant) and Etex Australia Pty Ltd (Etex), to assess whether the information by Studco submitted is complete, relevant and reliable for use in case 679.

This report explains the team's key findings, including the evidence considered and material issues identified. Where Studco or the team materially revised the submitted data, this report outlines the nature, extent and outcomes of these revisions.

The commission prepared this report to publish on the electronic public record for case 679.

Verification teams are authorised to conduct verifications under sections 269SMG and 269SMR of the *Customs Act 1901* (Cth) (the Act).¹

¹ All legal citations in this report are to the Act unless otherwise stated.

2 Company background

2.1 Corporate structure and ownership

Studco has been in operation for the last 40 years. Studco is a privately owned company operating within the Australian construction industry. Along with other products, Studco manufactures light gauge steel stud and track used across a range of building applications.

2.2 Related parties

The team examined the relationships between Studco, and parties involved in the production and sale of the goods.

2.2.1 Related suppliers

Studco does not have any related suppliers.

2.2.2 Related customers

Studco does not have any related customers.

3 Like goods manufactured in Australia

3.1 Manufacturing in Australia

Studco manufactures LGST at its production facility in Croydon, Victoria.

Two other Australian manufacturers of the goods are Rondo and Etex. The verification team is satisfied that the Australian industry producing like goods consists of these manufacturers.

3.1.1 Production process

Studco operates several roll-forming machines, with some dedicated exclusively to LGST products. Additionally, one of these lines can produce medium-gauge goods alongside LGST items.

The production process consists of de-coiling the rolled steel, passing the steel strip through a roll-forming machine that gradually bends and shapes the steel into the desired shape, punching or drilling holes in the steel, possibly creating other cuts or slots, cutting the steel to the desired length, followed by bundling and packaging.

Once the goods have been manufactured, the finished goods are packed for protection during storage and shipping. They are then shipped to Australian distributors, construction sites, or other end users.

3.2 Model control codes

The sales and costs data Studco submitted complies with the model control code (MCC) structure detailed in ADN 2025/053 and is reproduced below.

Category	Sub-category	Identifier	Sales data	Cost data
Stud / Track	Stud	S	Mandatory	Mandatory
	Track	T		
Coating type	Zinc coated	Z	Mandatory	Mandatory
	Zinc Aluminum coated	ZA		
	Zinc Magnesium coated	ZM		
	Aluminum Zinc coated	AZ		
	Aluminum Zinc Magnesium coated	AM		
	Other	B		
Coating mass	≤ 100 g/m ²	1	Mandatory	Mandatory
	> 100 g/m ² – ≤ 200 g/m ²	2		
	> 200 g/m ² – ≤300 g/m ²	3		
	> 300 g/m ²	4		

Category	Sub-category	Identifier	Sales data	Cost data
Base Metal Thickness (BMT)	≤0.45mm	1	Mandatory	Mandatory
	>0.45mm – ≤ 0.55mm	2		
	>0.55mm – ≤ 0.69mm	3		
Width	≤ 51 mm	A	Mandatory	Mandatory
	> 51 mm – ≤ 66 mm	B		
	> 66 mm – ≤ 81 mm	C		
	> 81 mm – ≤ 100 mm	D		
	> 100 mm – ≤ 170 mm	E		
Height	≤ 51 mm	A	Mandatory	Mandatory
	> 51 mm – ≤ 66 mm	B		
	> 66 mm – ≤ 81 mm	C		
	> 81 mm – ≤ 100 mm	D		
	> 100 mm – ≤ 170 mm	E		

Table 1 – MCC sub-category determination

3.2.1 Amendments to model control codes

After comparing prices of different models of the goods, the team does not recommend amending the MCC structure.

3.3 Verification of model control codes

Table 2 below provides detail on the model control code (MCC) sub-categories were determined and verified to source documents.

Category	Determination of the sub-category
Stud / Track	MCC sub-categories were reconciled to: <ul style="list-style-type: none"> • Product code information • Commercial invoices • Despatch/delivery advice
Coating type	
Coating mass	

Table 2 – MCC sub-category determination

3.4 Like goods

Like goods are defined under section 269T(1) of the Act as:

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.

The team considers that LGST manufactured by Studco are identical to, or have characteristics closely resembling, the goods exported to Australia, as they:

- **Physical likeness:** Studco manufactured LGST are alike in physical appearance to the imported goods.
- **Production likeness:** LGST produced in Australia are manufactured in a similar manner to the imported goods. Liquid steel is cast into flat rolled steel, which is then metallic coated, then roll-formed to produce the required LGST shape.
- **Commercial likeness:** The locally produced LGST compete directly with imported LGST in the Australian market.
- **Functional likeness:** The imported and Australian-produced LGST are used interchangeably in the same or comparable end-uses.

3.5 List of all model control codes

Studco produced and sold and produced goods with the following MCCs during the investigation period:

Studco Australian sales MCC
S-Z-3-2-A-A
S-Z-3-2-B-A
S-Z-3-2-C-A
S-Z-3-2-D-A
T-Z-3-2-A-A
T-Z-3-2-B-A
T-Z-3-2-C-A
T-Z-3-2-D-A

Table 3: List of MCCs produced and sold by Studco

3.6 Like goods assessment

The team is satisfied that:

- LGST produced by Studco are like to the goods²
- at least one substantial process of manufacture of LGST is carried out in Australia³
- the like goods were, therefore, wholly or partly manufactured in Australia by Studco⁴
- there is an Australian industry, consisting of Etex, Rondo and Studco, who produce like goods in Australia.⁵

² Section 269T(1) (definition of 'like goods').

³ Section 269T(3).

⁴ Section 269T(2).

⁵ Section 269T(4).

4 Australian market

4.1 Australian market background

As discussed above, the Australian LGST market is supplied by Studco and two other Australian producers who manufacture and distribute the goods to the Australian market. In addition, Studco claims that there are emerging importers who are increasingly active in the LGST market.

4.2 Australian market structure

4.2.1 Marketing segmentation and end uses

LGST is primarily used in commercial and residential construction. LGST are used in many markets, including installation in medium to high density residential, due to preferred construction methods of builders and contractors in erecting walls and ceilings.

Australian manufactured LGST is designed specifically for local standards, project conditions, and installer preferences. Profile tolerances, hole configurations, and section depths are tailored to suit the requirements and the practical needs of local contractors.

Studco claims that importers sourcing the goods predominantly from China at lower prices are directly competing with Australian industry and is causing injury. Some installers and contractors, particularly those purchasing larger volumes, may purchase directly from importers and / or from Australian manufacturers, effectively bypassing the traditional wholesale/retail structure. Australian manufactured goods and imported goods are inter-changeable.

Studco stated that the market perception is that Australian manufactured LGST is of higher 'quality' compared to the imported goods. Imported LGST is perceived as being less consistent in terms of steel thickness, zinc coating quality and lacks technical support and warranty.

Some Australian manufacturers do not produce plasterboard and rely on distributor partners who also supply plasterboard manufactured by related companies. In addition to standardised product sales, a smaller part of the market involves Australian manufacturers producing light gauge steel framing tailored to the specific requirements of individual construction projects.

4.2.2 Distribution arrangements

Studco claims that the resellers of the goods purchase light gauge steel framing materials to sell alongside plasterboard products. Plasterers then install the LGST and attach plasterboard to create walls in residential buildings.

4.2.3 Supply

Australian manufactured LGST supplied by the major domestic manufacturers is available nationwide, supported by local warehousing and established delivery networks. Studco's distribution infrastructure enables consistent, reliable supply across a wide range of projects. Studco operates multiple distribution centres across major metropolitan areas, ensuring a broad range of product types and sizes are readily available, often with short lead times.

By contrast, Studco claims that imported LGST is typically supplied by third-party distributors rather than manufacturers. These distributors tend to focus on high-volume, fast-moving product sizes and actively promote substitution where possible. This approach leaves Australian manufacturers servicing lower-volume, specialised and slower-moving sizes to maintain a complete product range for the market. As a result, volume is diverted away from local manufacturers, placing pressure on margins and impacting long-term profitability and industry viability.

In recent years, there has been a noticeable increase in imported goods entering the Australian market. Rising input costs following COVID-19 have encouraged local importers and distributors to source materials from lower-cost manufacturing regions predominantly from China. This trend has intensified competitive pressure on Australian manufacturers, who operate with a higher cost base in order to comply with Australian Standards, provide a full product range, and offer technical support, service continuity and supply reliability.

Despite these challenges, Australian manufacturers have continued to meet market demand over the past five years. Studco claims that its performance has been maintained through periods of significant disruption, including COVID-related shutdowns, raw material supply constraints, input cost volatility and sustained inflationary pressures. Studco's ability to consistently supply the market highlights the resilience and importance of the domestic manufacturing base.

4.2.4 Demand

Market demand is influenced by a range of economic, regulatory and industry-specific factors. Government housing incentives, including first home buyer schemes and stamp duty concessions, continue to play a role in supporting residential construction activity. Population growth, driven largely by migration levels, also contributes to ongoing housing demand and broader construction requirements.

Regulatory changes, particularly amendments to Australian Standards and the National Construction Code, can affect both construction activity and the specification of building materials. Interest rate movements is another significant factor, influencing borrowing capacity for new home builds and shaping investment decisions across the property sector. In addition, the availability of skilled trades has a direct impact on the industry's ability to deliver projects within the existing construction pipeline, which in turn affects demand timing.

At the visit, Studco stated that the demand for LGST is primarily linked to medium and high-density residential building including apartment blocks and extends to the non-residential construction, with a strong concentration in commercial ceiling installations across hospitals, education facilities, retail developments and office fit-outs. As a result, demand trends closely align with broader levels of commercial construction activity.

Variations in demand are largely cyclical and reflect changes in construction activity, interest rates and overall developer confidence. Seasonal factors also influence project commencements and completion schedules. In the period following COVID-19, government

stimulus programs led to increased public sector construction, which partially offset reduced private sector investment. Private sector activity was constrained by cost escalation and inflationary pressures, contributing to project delays and cancellations. These conditions collectively continue to shape demand variability across the market.

4.3 Australian market pricing

Studco negotiates pricing directly with customers on a case-by-case basis, considering a range of commercial considerations. Customers are typically provided with an internal price list setting out recommended retail prices, which forms the baseline for commercial discussions. Pricing outcomes, including agreed discounts and rebates, are then finalised through the tendering process.

The company applies a market-driven pricing approach to support its competitive position within the Australian construction and building materials sector. While pricing is primarily influenced by prevailing market conditions, it also incorporates a percentage margin model to ensure commercial sustainability. This approach provides flexibility while maintaining alignment with market benchmarks and commercial objectives.

4.4 Australian market size

In its response to the industry questionnaire, Studco has identified the key Australian manufacturers of LGST are Rondo, Studco and Etex who would have a combined market share exceeding 80% of the Australian market.

4.4.1 Domestic suppliers

Prior to the increase in imports, the domestic market was characterised by one large supplier and two other smaller established manufacturers. While domestic supply remains significant, the increased presence of imported goods has reduced the relative shares of local manufacturers of the goods.

4.4.2 Australian industry

Studco claims that historically, Rondo was regarded as the dominant supplier in the domestic market. However, Studco's market observations suggest that growth in imports has exerted downward pressure on Rondo's relative market share, notwithstanding its continued position as a leading participant.

4.4.3 Imports

Imports have grown from a previously minor volumes to a level that materially influences market dynamics and procurement decisions across Australia. Intex International is regarded as a dominant importer with an established presence. Other smaller importers collectively comprise the remainder of imported volumes and have expanded their participation in recent years.

5 Comparative Analysis

The team compared information submitted by Studco with both Rondo and Etex's verified information to assess if Studco's information is complete, reliable and relevant for use in case 679.

In assessing the sales data submitted by Studco, the team identified the issues outlined below. The team's detailed analysis is at **Confidential Attachment 1**.

5.1 Sales accuracy exceptions

Exception 1: MCC to include Stud and Track, width and height

Description: Studco MCC did not include stud and track, width and height in its A4 sales listing

Resolution: The commission asked and Studco included stud and track MCC, width and height and resubmit updated A4 sales data.

Exception 1: Include a new column for Length (Lineal Meters)

Description: Studco is to include a new column for Length (Lineal Meters) in its A4 sales listing

Resolution: The commission asked Studco included a new column for length (lineal meters) and resubmit updated A4 sales data.

5.2 Method used to compare Studco's data

The verification team compared Studco's sales and cost data with corresponding data from the applicant Rondo and Etex. The commission:

- compared unit selling price for the goods over 4 comparative years including the investigation period;
- compared unit cost to make and sell (CTMS) for the goods over 4 comparative years including the investigation period; and
- compared profitability for the goods over 4 comparative years including the investigation period

The team's comparative analysis is at **Confidential Attachment 2**.

5.3 Unit sales price

The team compared Indexed Studco's unit selling prices with those of Rondo and Etex, across the injury analysis period as shown in Figure 1 below.

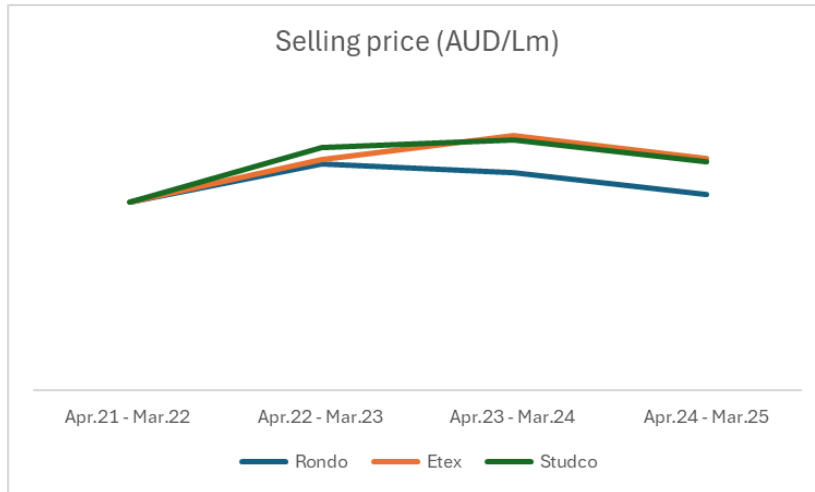


Figure 1 – Index unit selling prices (AUD/Lm)

The graph shows that unit selling prices generally trended upward over the first three years for Studco and Etex before declining during the investigation period. While Rondo’s unit selling prices increased in YE2023 March compared to YE March 2022, the unit selling prices declined gradually thereafter. As shown in figure 1, Studco and Etex unit selling prices trend closely together and consistently above Rondo’s prices, with Studco marginally higher in the first three years before declining slightly below Etex in the investigation period. The team noted that Studco’s unit selling prices over the injury analysis period generally followed Rondo and Etex trends.

5.4 unit cost to make and sell (CTMS)

The verification team compared Indexed Studco’s cost to make and sell information with those of Rondo and Etex, across the injury analysis period, as depicted in Figure 2 below.

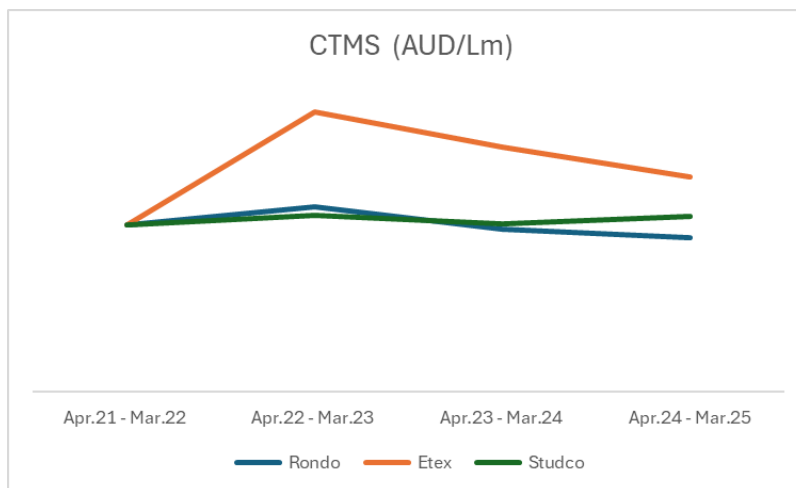


Figure 2 – Index unit CTMS

The graph shows that Studco and Rondo both exhibit relatively consistent and comparable cost to make and sell price with minor fluctuations across the four years. In contrast, Etex’s CTMS rises sharply to a peak in Apr.22–Mar.23 before steadily declining over the remaining periods, remaining above the other two industry members throughout.

As shown in Figure 2, Studco’s costs appear reasonably reflective of the expenses incurred in manufacturing and selling the goods, with its unit cost to make and sell broadly aligned with Rondo and Etex’s on a per-unit basis.

5.5 Profit and Profitability

The Commission compared indexed Studco’s profit and profitability with that of Rondo and Etex as shown in figure 3 below.

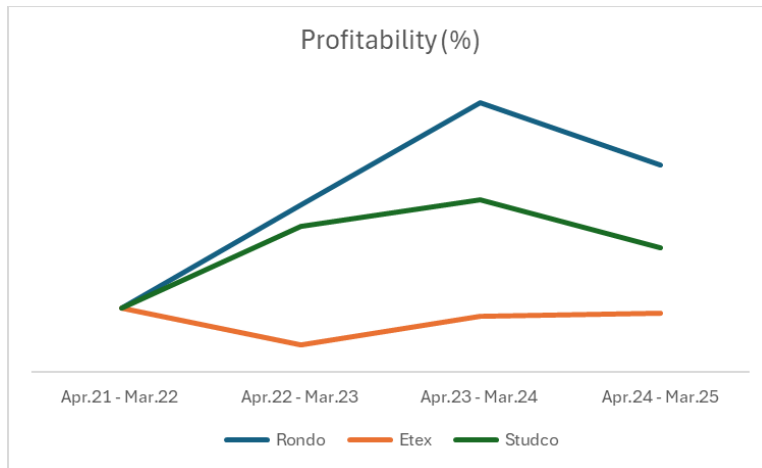


Figure 3 – Index profitability (%)

Both Rondo and Studco follow similar pattern as shown in Figure 3, with profitability rising steadily from Apr.21–Mar.22 to a peak in Apr.23–Mar.24, followed by a decline in the investigation period. A slightly different trend was noted for Etex when Etex’s profitability first declined in YE March 2023 compared to YE 2022, then followed similar trend to the other two Australian industry members. Overall, the profitability trends demonstrate similar pattern, indicating decline in profitability in the investigation period. The verification team considers that Studco is influenced by similar market conditions and factors as Rondo and Etex.

6 Economic condition

In its response to the Australian Industry Member Market Questionnaire, Studco claimed that it has experienced injury in the form of:

- loss of sales volume
- lower production volumes
- reduced market share
- price depression
- price suppression
- loss of profit
- reduced profitability
- other economic factors.

6.1 Injury during the investigation period

During the visit, the team discussed injury factors relevant to Studco. Studco claims that it is facing increased competition from cheaper Chinese imports of the goods.

Studco has experienced price undercutting and has responded by lowering its prices to compete with low-priced Chinese imports. Studco provided information to the team where it directly responded by reducing prices for specific customers. Overall, the team observed that Studco adopts both proactive and reactive pricing strategies to adjust to competitive pressure in the market. The team’s assessment of Studco’s economic condition is at **Confidential Attachment 3**.

The commission will continue to examine Studco’s claims of material injury and the evidence provided during the course of the investigation.

6.1.1 Market share

Figure 4 shows the relative market share of the Australian industry, imports of like goods from China and imports from all other countries over the injury analysis period.

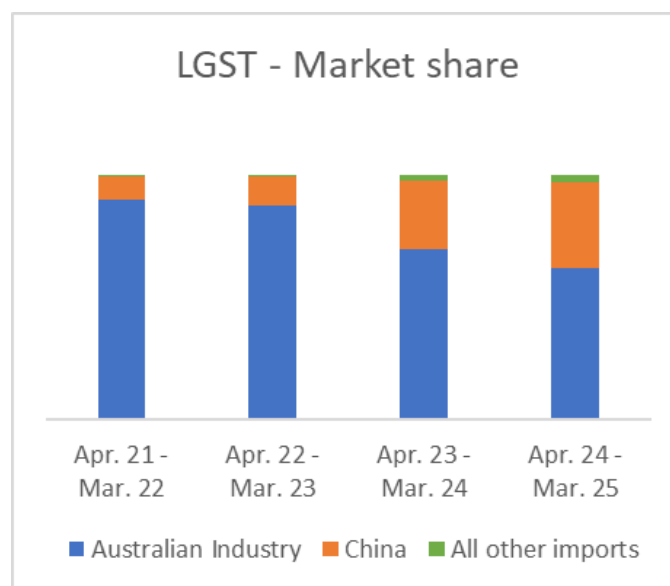


Figure 4: LGST market share

Figure 4 illustrates that the Australian industry market share commenced declining from April 2021, with a further decline in the period April 2023 to March 2024. During the same period, there has been an increase in market share for the goods, with imports from China displacing the Australian industry’s market share.

6.2 Revenue Effects

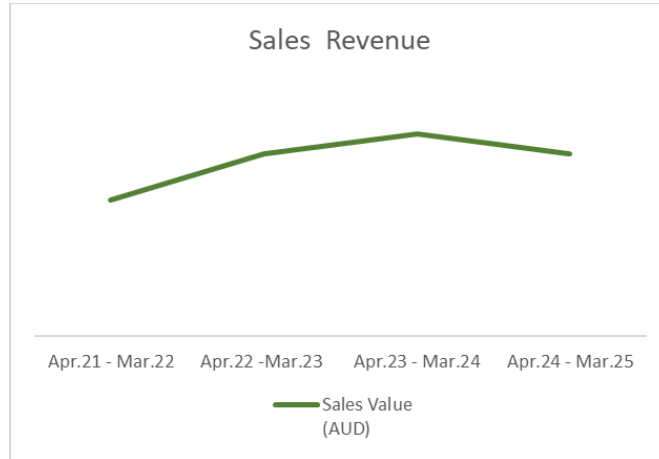


Figure 5 – Studco’s sales revenue

Figure 5 shows that Studco’s sales increased steadily from 2022 to 2024, peaking in 2024, before declining in 2025. The trend shows a period of sustained revenue growth over the first three years, followed by a downturn in the most recent year.

As part of Studco’s questionnaire response, Studco stated that there is no single identifiable price leader among Australian LGST producers. Instead, market pricing is increasingly influenced by importers, who are setting prevailing price points due to their comparatively lower cost bases. As a result, domestic producers tend to respond to imported product pricing rather than leading pricing movements within the market.

6.3 Volume Effects

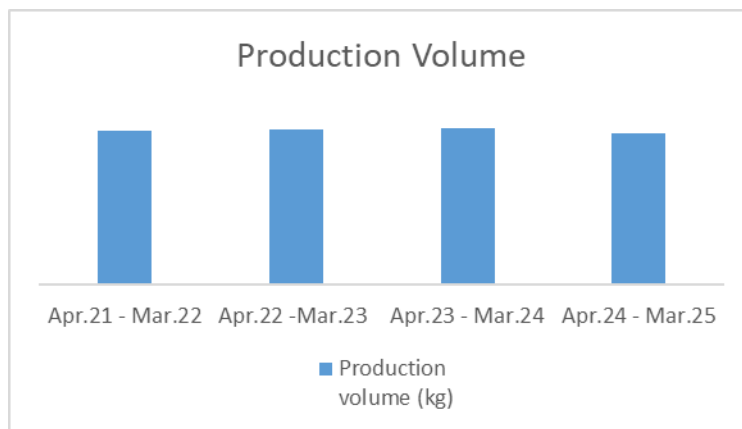


Figure 6 – Studco’s production volume

Figure 6 shows that production volume increased steadily from 2022 to 2024, reaching its peak in 2024, before declining sharply in 2025. This indicates a period of growth over the first three years, followed by a contraction in the investigation period.

6.4 Injury factors

The team discussed the claims of material injury which were relevant to Studco. Studco claims that it is facing increasing competition from cheaper Chinese imports of the goods.

Studco stated that operates within a fixed-cost structure, while competing against importers who can supply low-cost goods without comparable costs is challenging. This imbalance places additional pressure on domestic manufacturers.

Studco stated that its raw materials are sourced from a common supplier within Australia, creating competitive disadvantages when domestic producers compete with importers that benefit from substantially lower cost structures. In contrast, Studco noted that competitive conditions within the Australian manufacturing industry are comparatively fairer, as local manufacturers operate under similar regulatory requirements and within the same operational environment.

As part of its strategy, Studco promotes its use of the 'Australian Made' logo, which requires an ongoing upfront investment in trademark branding.

The company faces ongoing pressure from low-priced competitors, particularly in products such as studs, which generate very low margins. To remain commercially viable, Studco is therefore dependent on higher-margin for other products to help sustain overall profitability.

During the site visit, Studco advised there has been some minor investments made in LGST but is reluctant to invest heavily in this area due to the low margins available. Instead, investment has largely been directed towards other segment of the business, which is not part of the goods. This diversion and focus of investment represents a contributing injurious factor for Studco, as investment has been focused on other areas of the business rather than the production of the goods.

The commission will continue to examine Studco's claims of material injury and the evidence provided during the investigation.

6.5 Other economic factors

Studco claims that stronger import controls or increased compliance enforcement, pressure from imported LGST is expected to intensify. Excess capacity from overseas, particularly from low-cost manufacturing countries, is likely to continue entering the Australian market, placing local manufacturers at business risk. This will further reduce domestic production capacity and increased compliance and delivery risks for construction projects.

In the near to medium term, demand is expected to remain stable, supported by government investment in regulated sectors such as healthcare, education and infrastructure. However, as private investment increases, low-cost imports are likely to gain share, particularly on smaller projects with limited oversight. Continued growth in imports may further erode local manufacturing capability unless effective safeguards are implemented.

Overall, the market is likely to become increasingly competitive and commoditised, with greater exposure to offshore influences. Without stronger industry safeguards, there is a long-term risk of a structural shift away from locally manufactured goods, which would be challenging to reverse once domestic capability is lost.

6.6 Injury caused by factors other than dumping and subsidisation

Studco did not identify any factor other than alleged dumped and subsidised goods from China causing injury to the Australian Industry. Studco claims that the material injury caused to the Australian industry is by the dumped and subsidised imports from China.

7 Appendices and attachments

Confidential attachment 1	Verification work program
Confidential attachment 2	Comparative analysis
Confidential attachment 3	Economic condition of the Australian industry