

26 July 2018

The Director
Operations 2
Anti-Dumping Commission

EMAIL operations2@adcommission.gov.au

Dear Director,

Resumed Dumping Investigation No. 384 concerning alloy round steel bar exported from China: Australian industry member response to submission of Moly-Cop (EPR Folio No. 384/068)

OneSteel Manufacturing Pty Ltd, now trading as *Liberty OneSteel (OneSteel)*, refers to the submission of Commonwealth Steel Company Pty Ltd, trading as 'Moly-Cop' (**Moly-Cop**) dated 9 July 2018.¹

In its latest submission, Moly-Cop describes the "May 2018" supply negotiations between Donhad and OneSteel as:

"[OneSteel] provided Donhad with an initial **unsolicited** offer (May 2018) to supply grinding bar"² [emphasis added]

A full extract of those negotiations suggest that OneSteel's offer to Donhad was **not** unsolicited, but entirely initiated by Donhad. A full extract of the exchange is contained in CONFIDENTIAL ATTACHMENT A.

However, even if OneSteel had initiated the enquiry, then if Donhad was genuinely not interested in further supply from OneSteel, why did Donhad proceed to write to OneSteel in the terms they did seeking confirmation of price, quantity and delivery offer details of the grinding bar?

Therefore, the question for the Commission is not (as Moly-Cop urges) whether "*there is no longer a grinding bar customer for [OneSteel]*"³, but whether OneSteel will continue to lose sales volume to Donhad's purchases of imported, dumped grinding bar. Therefore, in this resumed investigation, the Commission is requested to closely scrutinise Donhad's purchases of imported goods since the conclusion of the original investigation period up to the present day.

In terms of Moly-Cop's assurances to the Commission that Donhad's options for steel procurement "*does not extend to any medium to long-term arrangements outside of Moly-Cop internal supply (i.e. no [OneSteel] supply*"⁴, with respect, these are currently mere assertions and conjectural. On the other hand, the facts and evidence (since the end of the original investigation period) support the conclusion that OneSteel remains a participant in the Australian grinding bar market, albeit having sustained material injury in the form of lost sales volume caused by the importation of like goods from the verified exporters found to be dumping.

FOR AND ON BEHALF OF THE AUSTRALIAN INDUSTRY APPLICANT

ONESTEEL MANUFACTURING PTY LTD (trading as LIBERTY ONESTEEL)

¹ EPR Folio No. 384/068 (published 11 July 2018).

² *Ibid.*, pp. 1-2.

³ *Ibid.*, p. 1.

⁴ *Ibid.*