



B&R Enclosures Pty Ltd
A.B.N. 97 007 587 082

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15th October 2012

Director of Operations 2
International Trade Remedies Branch
Australian Customs and Border Protection Service
Customs House
5 Constitution Avenue
Canberra ACT 2601

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Investigation No: 190A

Dear Sirs,

B&R Enclosures wishes to make a submission on this investigation because we are an Australian owned and managed business with over 500 employees directly involved in the production in Australia of metal enclosures in three manufacturing locations, Brisbane, Adelaide and Sydney.

Should this interim tariff be applied to imported steel as we understand maybe the case it will have significant damaging impact on our business and ability to sustain the profitable operations of our local manufacturing facilities and the subsequent continuous employment of our staff.

B&R Enclosures are the only remaining specialist manufacturer of enclosure products in Australia for the supply into electrical, electronics, data and communications markets. We have been in business since 1955 when my father Dick Bridges started our operations from very small beginnings in South Australia. We have been servicing customers in the building, mining, industrial process automation, telecommunications, and infrastructure and data centre markets since the inception of the company and are recognised as the market leader in Australia with developing markets in Asia.

Please refer to our web site for more information on our company, products and services offered - www.brenclosures.com.au

We have sustained and grown our business continuously over this period of time through investment in R&D, modern manufacturing technology and the adoption of lean manufacturing management principles within a design lead driving business philosophy. We have engaged in the global market ensuring we have an internationally competitive supply chain from both Australian based suppliers and overseas based supply partners. We believe that in our industry sector we are equal to or better than any other manufacturer of enclosures systems anywhere in the world.

However, with steel constituting 30-40% of our manufacturing cost base any cost increases in steel that is not reflective of movements in the global market price will guarantee the destruction of our business.

For 50 years out of the 57 years we have been in business we have exclusively used only Australian made steel from BHP and subsequently BlueScope Steel. However in recent years to remain internationally competitive we have been forced to source material from suppliers from outside Australia.

In addition to much higher selling prices than their equivalent international competitors BlueScope have not been able to provide the full extent of our requirements and in fact the requirements of the Australian market for coil steel.

In particular:

- 1. B&R require material equivalent to BlueScope 'Zincanneal G2S Z100' 1.95mm thick by 1500mm wide coil. In the last 12 months we have consumed over [REDACTED] of this material which cannot be produced and supplied by BlueScope. The maximum width available from BlueScope is 1400mm.
- 2. BlueScope are currently operating at 120% capacity utilisation (Bluescope Steel)
The Australian market for Galvanised coils is approximately 685,000t and approximately 218,000 tonnes for AluZinc material (Australian Steel Association)
We estimate that 320,000t is imported being 35% of the total market requirement (Australian Steel Association)

In addition, in recent times we have been offered by [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

B&R Enclosures respectfully requests an opportunity to challenge any intention to apply a tariff to imported zinc coated coil material fundamentally on the basis of the likely damage to the B&R Enclosure business and the impact this will have on our capacity to maintain employment within Australia and that Bluescope either do not have the capacity or capability to manufacture certain products that will otherwise be included in a possible dumping or countervailing duty application.



Ken Bridges
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