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16 January 2019

The Director
Investigations 3
Anti-Dumping Commission
By email: investigations3@adcommission.gov.au

Dear Mr Matthew Williams,

Exemption Inquiry No EX0069 concerning Aluminium Extrusions exported from China: Applicant's response to submissions made

This submission is made in response to the three Australian industry questionnaire responses from Capral, Ullrich and Alushapes .

I have attached the relevant non-confidential versions of the emails that were sent and received to these parties when requesting quotation prior to the exemption application being submitted (attachments 1-3). Also I have attached the drawings that were supplied (attachments 4-5).

Further to our response on Ullrich Aluminium's comments on B.A.T Trims I have attached a submission to the Anti-Dumping Commission from B.A.T Trims itself, from public record where they express Australian industry's inability to produce these types of extrusions (attachment 6). I am obviously not privy to all Ullrich Aluminium's & B.A.T Trims business workings since the submission (by B.A.T trims) but the questionnaire responses from the industry is at odds with the evidence supplied.

An explanation is needed from Industry members Capral, Ullrich and Alushapes as to why they now claim they can supply the extrusions when they had previously stated in their reply emails to my requests that they could not.

We have the following comments in response to the individual questionnaire responses.

Ullrich Aluminium's questionnaire response:

- B.A.T Trims are suppliers of tile trim, not aluminium extrusions. The measures are on aluminium extrusions, not tile trim and B.A.T Trims are not a manufacturer of aluminium extrusions. The most relevant parts of Ullrich Aluminium's questionnaire response are their answers to Parts C and D where they state that they don't make identical goods, or like or directly competitive goods to those the subject of the exemption application.
- B.A.T Trim's 2009 submission (attachment 6) notes that they have been "*forced to deal with companies that import product from China*" because "*...no Australian extruder, including Capral has been able to produce the section successfully without excessive bending and reject product*". This supports the fact that B.A.T Trims purchase aluminium extrusions for further working, and are not an Australian Industry member manufacturing aluminium extrusions.

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AluShapes questionnaire response:

- AluShapes response to the quotation request was *"this is too small for our press"* and no quotation was provided to us.
- AluShapes questionnaire response states that they can make identical goods and are willing to accept orders of this kind. Why then did AluShapes not accept an order when requested by us?
- AluShapes questionnaire response to C.1 is essentially No, they do not produce goods identical to those on which the exemption is sought.
- Question D.1 in the questionnaire is whether or not AluShapes produce and sell goods that are like or directly competitive to the goods subject to the exemption application. AluShapes have not answered this question directly, but provided a response that they are *"able to produce identical products"*. In the absence of a Yes response, it seems likely the answer is No.
- Regarding AluShapes response to D.2, if the wall thickness is *"within the industry's comfortable technical range"* then why did AluShapes respond to a request for quotation with the response that *"this is too small for our press"*?
- The products AluShapes has referred to in its response to question D.2 about goods produced by AluShapes that are like or directly competitive to the goods the subject of the application are fridge door handles and fridge shelving trim, that are *"no longer being produced by AluShapes"*.
- AluShapes response to question D.3 that *"all customer enquiries for products which are within the technical capability of AluShapes to produce are responded to with pricing and terms which are equal under like conditions"*, in conjunction with AluShapes' response to our request for quotation (*"this is too small for our press"* and no quotation provided), indicates that it is not within AluShapes technical capability to produce the goods the subject of the application. The questionnaire response further notes that they do not currently manufacture identical goods, or those that are like or directly competitive.
- AluShapes questionnaire response E.3 *"we have not in recent times received customer enquiries to produce such products"* is at odds with the evidence in the request for quotation sent to AluShapes and their response back that they cannot make the goods (attachment 1).

Capral questionnaire response:

- Capral's response to C.1. about whether it DOES produce identical goods appears to be a No – it mentions that it 'can manufacture', rather than it 'does manufacture'.
- Capral's response to D.1 that it *"does offer from local production goods that are alike and compete directly with the goods the subject of (the) Exemption Application"*, is at odds with its email response to our request for quotation, where despite repeated requests a quote was not provided, and we were told *"We currently buy all our showerscreen and wardrobe material pre finished from overseas."*
- In its response to D.3 Capral refers to its Aluminium Extrusions catalogue. This is not evidence of Capral having manufactured and supplied the goods. The strongest evidence

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regarding Capral's production of the goods the subject of the exemption application is Capral's email trail to us where a quote has not been provided, and Capral notes *"We currently buy all our showerscreen and wardrobe material pre finished from overseas. Capral are Australia's largest extruder of aluminium and we just cannot get polished silver done in Australia to the quality that is required."*

- Capral's response to E.1 and E.2 states that they are capable of producing the subject goods. This is at odds with its refusal to provide a quotation, noting that they currently import the goods and cannot produce the specific finish to an acceptable quality.
- Capral's response to E.3 states that *"Capral is willing to accept a commercial order for the goods that are within the specification of its production facilities"*. This is at odds with Capral's emails in response to our request for a quote.
- As per Capral's request at F.1 of the questionnaire response we have now submitted the emails between us and Capral, showing that they did not provide a quote for the goods the subject of the exemption application.
- Capral's below statement from F.1 of its questionnaire response is completely at odds with its response to our request for quotation.

Questionnaire response F.1:

"It is Capral's understanding that the subject goods are available from local manufacture, including in the requested bright silver finish as described. Capral understands that bright silver finish is available from Extrusions Australia and Capral would outsource the goods for finishing as nominated by the applicant."

Note that we requested a quote from Extrusions Australia who did not provide a quote and provided contact details for AAF.

Further statements from Capral's email are *"We used to out source it to another Australian company for a time, but the quality was too poor (very dull). Australian Aluminium Finishing (AAF) then advised us that will no longer be doing polished silver as they could not guarantee the finish."*

Should the Commission have any questions regarding the above, or any other matters relevant to this exemption please contact us.

Yours sincerely

Regards

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