

Comments on the Statement of Essential Facts of the Investigation into Alleged Dumping of Aluminium Extrusions From 3o Limited

I find myself disagreeing with many of the derived conclusions in the SEF. I feel at odds to write an extensive analysis, as others have done, because it will only repeat points already noted. None-the-less there are two core points I feel compelled to make:

1. Misrepresentation of statements made by 3o Limited and then used to make conclusions that are contrary to the statement made by 3o Limited. This has been done by selective editing of information to support a contrary position which I do not agree with.
 - a. 3o Limited's questionnaire response stated:

If a trade remedy is imposed I would expect the entirety of it to be passed on to the upstream prices of goods concerned unless some means can be achieved to avoid the impact as described in my answer above. I believe this because all of the customers we support have passed on all of the cost increases that have been incurred from increases in freight prices over the last year, and many of them have broken with the tradition of annual price reviews to make those changes with immediate effect. Last year one customer whom we did work with chose to stop buying imports through us and now buy from Turkey.
 - b. SEF states:

If a guarantee is required from importers, the impact on them would depend upon their ability to pass on any cost increase to their customers in downstream industries. It is anticipated that costs flowing from the guarantee will be passed on to customers. 3o Limited's questionnaire response states that such increases could be passed on in full through the downstream and on to consumers, which has been their experience when freight costs have increased previously. In this case, the impact on importers of the measures would be negligible.

If a guarantee is not required, it is unlikely that importers would be impacted as the circumstances for them would not change.
 - c. The effects 3o Limited have seen from rising freight costs is significant resourcing away from China; indeed, your SEF data illustrates that there has been an increase in imports under your category of imports from ROW. Through the POI ROW imports have increased from 24 to 42% share of the UK market, whilst Chinese imports have fallen from 27 to 19%. 3o Limited lost substantial volume of business from a former customer when imports made by us were terminated in favour of now buying from Turkey (ROW).
 - d. Clearly the statement that the effect on importers is negligible is not founded in any fact, if the statement from 3o Limited is relied on. I have not seen any alternative statement from another importer to support the SEF.
2. I fail to see how a dumping can be demonstrated whilst share in a market from the country said to be dumping falls from 27 to 19%, showing a catastrophic fall of 30% share or 34.9% in volume of material; whilst ROW increases its share by 75% from 24 to 42% of UK market share. Clearly the fall in domestically produced product has been lost to ROW. The abject failure to explain this position, in the context of the SEF, terminally flaws the whole report.