

# Register as a contributor to the case

# Safeguard measures on certain steel products

Case: TF0006

Period of Investigation (POI):	2013 - 2017
Most Recent Period (MRP):	1 January 2018 to 30 June 2020
Deadline for response:	15 October 2020
Case Team Contact:	Imogen Yapp, Lead Investigator, TF0006@traderemedies.gov.uk
Completed on behalf of:	

When you have completed this form, indicate the **confidentiality status** of this document by placing an X in the relevant box below:

### **X** Confidential

Please note that you will have to provide **two copies of your response** – a **Confidential** and a **Non-Confidential version**. Both copies should be returned to TRID using the Trade Remedies Service (www.trade-remedies.service.gov.uk) by 15 October 2020.

For further information regarding the POI or MRP, please see the Notice of initiation on the <u>public</u> <u>file</u>.

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## Section A – Your organisation's interest in the case

To register your organisation's interest in this case, please complete the text boxes below. You should use this form if you are not a UK producer, UK importer or overseas exporter of the goods subject to review, like goods or directly competitive goods. For a definition of goods subject to review/ like goods/ directly competitive goods, please refer to the Notice of Initiation.

1. Please describe the role of your organisation in relation to the goods subject to review, like goods or directly competitive goods:

Tinsley Bridge are a SME manufacturing supplying high volume engineering components to the Automotive Industry. 95% of sales are exported, the majority to EU locations.

The specialist engineering bars used to manufacture vehicle suspension components are not currently available in the UK and are being procured in the EU. These specialist engineering bars are imported under Steel Safeguarding category 12 tariff code 7228 and incur a 25% duty tariff when the quarter quota is exhausted.

2. Please describe your interest in this case:

Our company is an importer of engineering steels subject to Category 12 steel safeguarding measures.

Tinsley Bridge are concerned about protecting the UK steel industry against unfair practices from non UK steel manufacturers. However as a downstream user we recognise this is a complex situation as our business has no alternative in the medium term to import raw material from EU steel mills.

- Tinsley Bridge import about 350 tonnes per month at a cost of xx per tonne. These specialist engineering bars are imported under category 12 tariff codes
- In quarter 1 (July to September 2021) we have incurred xx duty to HMRC for tariff costs after the Category 12 quota exhausted.
- The quarter 2 (October to December) Category 12 is "critical" at the time of writing which means HMRC will start charging tariffs again and it looks likely that Category 12 will be exhausted very soon
- Once the category is exhausted we will pay 25% tariffs again at xx cost. We see no reason to believe that there is any reduction in demand over the next 12 months so duty tariffs will potentially be a very significant new annualised cost of xx which is challenging profitability.
- Passing duty costs to customers will reduce competitiveness against EU suppliers and result in loss
  of business with EU customers. There is already a question mark with European customers that it
  is more difficult and costly in the UK due to Brexit. This tariff is entirely the making of the UK
  Government.

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The combination of these issues is quickly evolving the reputation that the UK is not a competitive place to do business with our Automotive customers.

#### **Short Term Solution**

To facilitate a short term solution there has been a lot of contact between DIT/BEIS, MakeUK and Confederation of British Metal Forming (CBM) to find an urgent solution. Tinsley Bridge are members of both MakeUK and the CBM who jointly submitted a proposal to DIT that is fully supported by both UK Steel (part of MakeUK) and the CBM. We fully support these proposal which are intended to facilitate the TRA and Government time to reconsider the longer term mechanism that protects the UK steel industry but not to penalise UK manufacturers whilst this process is concluded.

### **Long Term Solution**

The Trade Remedies Investigative Directorate (TRID) had previously issued its Statement of Intended Final Determination in the Safeguard Measures on Certain Steel Products case (TF0006).

We consider in producing this report TRID had carried out a thorough and detailed investigation accepting evidence from UK producers, importers, steel users and trade bodies. CBM submitted evidence to this investigation. As members of CBM we fully support their submission, being in favour of the development of a strong and sustainable UK steel manufacturing industry capable of competitively supporting companies like ourselves. However, while this is achieved, it is essential to have flexibility to import the materials that are required to maintain production and profitability, without jeopardy of punitive tariffs.

We recall the TRID report recommended revoking safeguarding measures on 135 tariff codes (including category 12), which it either identified as not being produced in the UK, or where it has determined there is not a substantive risk of an import surge. Both CBM and Tinsley Bridge support these conclusions. As you know this recommendation was overturned by the UK government. Tinsley Bridge wish to register as an interested party in the Trade Remedies Authority reconsideration of its Steel Safeguarding recommendations.

## Section B - Additional information

Use the box below to provide any other relevant information which you think would be useful to help our review.

## This may include:

- other parties which you think should be invited to register an interest in the case;
- scope of the review, including product categories and/or custom codes you think should be added or removed, and reasons why; or
- anything else you consider relevant.

### Please answer here

There is a sister company in the Tinsley Bridge Group, Tyzack Machine Knives. Tyzack are importing engineering steels for the manufacture of precision heat treated industrial cutting blades and machine knives for the scrap, demolition and steel processing industries. 60% of Tyzack sales are to USA and a significant proportion of the balance supplied to other export customers, primarily in the EU.

Tyzack import using category 12 tariff codes 7228 and 7216. These steel grades are imported from EU suppliers for the same reasons affecting Tinsley Bridge.

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# **Section C - Certification**

The undersigned certifies that the information supplied herein is correct and complete to the best of their knowledge and belief.

The undersigned certifies that they have the authority to supply the information contained herein on behalf of Tinsley Bridge Limited.

Signature (including e-signature):
Name:
Position at the organisation:
Date: 29 November 2021