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September 6, 2023

Via Trade Remedies Service

Trade Remedies Authority
North Gate House
21-23 Valpy Street
Reading
Berkshire
RG1 1AF

NON-CONFIDENTIAL

Dear Madam/Sir,

Re: SC0039 – Scope Review into continuous filament glass fibre products (GFR) originating in Egypt

Our client: Jushi Egypt for Fiberglass Industry S.A.E.

This submission is made on behalf of Jushi Egypt for Fiberglass Industry S.A.E. (hereinafter "Jushi Egypt") as a response to the Trade Remedies Authority's August 9, 2023 Request for Information ("RFI").

As indicated in the RFI and in the final recommendation in transition review no. TS009, the UK GFR industry produces single-end rovings and wet-chopped strands, and mats are not substitutable for chopped strands or rovings.

In the present submission, Jushi Egypt wishes to clarify that there are no areas of interchangeability between mats and the GFR goods produced in the UK. In this respect, Jushi Egypt is available to provide the Trade Remedies Authority with any clarifications or additional information it may require.

1. Background

Jushi Egypt is an Egyptian GFR exporting producer and one of the production bases of China Jushi Co., Ltd. ("China Jushi"). China Jushi is a global leader in the fiberglass industry with its leadership position in terms of scale, research and development, technology, market, and quality

for years. China Jushi owns proprietary core technologies in E-glass fiber, high performance glass fiber, green manufacturing and many more. China Jushi offers a wide range of fiberglass products of over 150 categories and more than 3,000 specifications including E-glass rovings, chopped strands, chopped strand mats, woven rovings and electronic fabrics.

With its leadership position in the fiberglass industry and the wide range of fiberglass products it offers, Jushi Egypt believes that it can provide the Trade Remedies Authority with the information necessary to determine that there are no areas of interchangeability between mats and the GFR goods produced in the UK, and accordingly mats should not be subject to the current countervailing duties on continuous filament glass fiber products originating in Egypt.

2. Distinctive Production Sub-process of Mats

Although mats and the GFR products produced in the UK belong to the group of continuous filament glass fiber products, the distinctive production sub-process defines the physical feature of mats.

(figure #1)

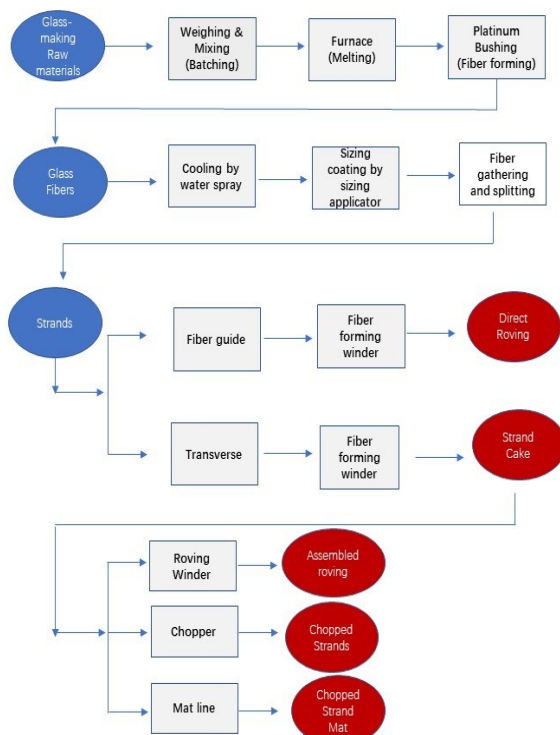
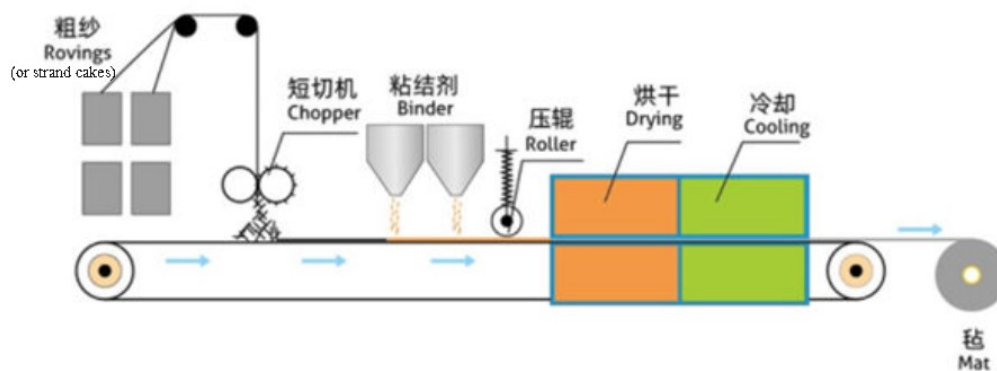


Figure #1 is a general production flowchart of continuous filament glass fiber products, which describes Jushi Egypt's production process. To manufacture glass fibers, raw materials, including silica sands, limestone, kaolin, are weighed and mixed and then melted in a furnace up until the melting point is reached. These melt glass liquid is subsequently extruded through platinum bushings that contain up to several thousand individual orifices. The resulting fibers are rapidly drawn to a fine diameter and solidify. Individual filaments are combined into multi-

filament strand by glass forming winders. In the meantime, glass sizing will be coated and wound onto tubes or forming package. At this point, strands will be either made into direct roving or strand cake. Then, strand cake will go through one of the three sub-processes and be further produced into assembled roving, chopped strand or chopped strands mat. As indicated in figure #1, these distinctive sub-processes are paralleled. Because of the division of strands and the distinctive sub-processes thereafter, final products are put into four categories: direct roving, assembled roving, chopped strand, and chopped strands mat. It is worth noting that direct roving cannot be "reversed" into strands to produce assembled roving, chopped strand or chopped strands mat.

In addition, to Jushi Egypt's knowledge, some producers manufacture mats with assembled roving, rather than with strands cake. In either case, the complete production process of mat is distinctive from that of the remaining GFR products.

(figure #2)



Special machinery equipment is used in the production of chopped strands mat when we take a closer look at the sub-process of chopped strands mat. Figure #2 is an overview of the sub-process of chopped strands mat. As indicated in figure #2, assembled roving or strand cake are chopped to a specified length, and then fall into a conveyor randomly. Here, chopper is the defining machinery equipment in this sub-process. Subsequently, these chopped strands are bonded together by either an emulsion binder or a powder binder. After heating, cooling and winding, a chopped strand mat is formed.

To Jushi Egypt's knowledge, the single-end rovings and wet-chopped strands produced in the UK are direct roving and chopped strand, respectively. As explained above, the production process of mats is distinctive from that of single-end roving and wet-chopped strand, with special machinery equipment involved. Further, single-end roving and wet-chopped strand cannot be used for the production of chopped strands mat. The paralleling sub-processes determines that there are no areas of interchangeability between chopped strands mat and the GFR goods produced in the UK.

3. Distinctive Physical Feature of Mats

The paralleling sub-processes define the physical features of the four categories of the GFR products.

(figures 3-6: assembled roving, direct roving, mat, chopped strands, in clockwise direction)



In layman's terms, direct roving and assembled roving are one dimensional, as both can extend up to several kilometers in length. Chopped strand is loosely considered as "zero dimensional" because of the granular size. Mat, however, is two dimensional, because it is a "surface" that can come in different width and length.

(figure #7)

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End-Use Markets

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It is the two-dimensional feature that sets the applications of mats from those of direct rovings,

assembled rovings and chopped strands. As a "surface" product, mats can be used for headliners, especially automotive headliners, or other large area parts. Figure #7 is an illustration of the end-use markets of mats. It is not possible to substitute mats with single-end rovings or wet-chopped strands, as they are not two-dimensional and therefore cannot be applied onto headliners or other large area parts.

4. Distinctive Customer Perception of Mats

During the period of investigation ("POI"), Jushi Egypt sold a certain amount of GFR products to the UK, including direct rovings, assembled rovings, mats and chopped strands. To Jushi Egypt's knowledge, the UK customers have distinctive perception of each of the four categories of GFR products. They purchase different GFR products for specific applications. During the POI, the mats exported to the UK by Jushi Egypt were for applications concerning large surfaces, such as vessels and rooftops. During the same period, the direct rovings and the chopped strands sold to the UK were mainly for the production of fabrics used in wind turbines and for nylon reinforcement, respectively. It is expected that that these UK customers will continue to purchase different GFR products for specific applications in the future. It is obvious that there is no overlapping in customer perception and applications between mats and the other GFR products, especially those produced in the UK.

5. Conclusion

In light of the above, Jushi Egypt considers that it is clear that there are no areas of interchangeability between mats and the GFR goods produced in the UK. Indeed, the distinctive sub-process, feature and customer perception separate mats from other GFR products, including those GFR goods produced in the UK. Furthermore, Jushi Egypt submits that duties should be lifted in respect of mats originating in Egypt, for the same reasoning set out in the Trade Remedies Authority's review no. TS009 concerning the same products originating in China.

Jushi Egypt is available to provide any clarifications or additional information that the Trade Remedies Authority may consider necessary or useful.

* * *

Best regards,

Xiang Dong

Emily Pan

Xinxin Chen