



**Steel Processing (Midlands) Ltd.**

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Trade Remedies Authority  
North Gate House  
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23<sup>rd</sup> May 2025

**Re Tariff Quota Review – TQ0066**

To whom it may concern,

Further to your recommendation dated 13<sup>th</sup> May 2025, I specifically write in respect of recommending a 40% maximum cap that any individual country can supply within the other countries quota for Category 4 (Metallic Coated Sheet) products.

Although this is higher than UK Steel's proposed 15% cap, I still strongly feel that UK Independent service centres and downstream customers will be harmed if **any** cap is imposed.

We must remember that whilst Tata Steel UK is the domestic producer of these products (excluding the ones they cannot make, which seems to be consistently overlooked), Tata Steel Distribution is a direct competitor to us in many Category 4 sectors. Our customers invariably need multiple supply options to mitigate risk of single sourcing and require high quality alternative supply routes to allow them to fulfil demand and remain competitive on a domestic and global stage. An introduction of any single country cap within the quota, will hamper the supply chain for us and others giving Tata Distribution a massive advantage over Independent Service Centres on the basis that existing commitments may be affected and there will now be a scramble to find alternative suppliers from different countries to fill this void.

This disruption may introduce suppliers that are not fully versed in the quality requirements needed for our customers, potentially reducing quality on products that, in some instances, Tata Steel UK cannot produce.

The quota system, prior to any investigation, was restrictive enough to protect domestic supply, whilst offering independent SSC's the opportunity to compete fairly with Tata Steel Distribution, who will have the advantage of parent mill prices that independents will never have access to.

We share many of our key accounts with Tata Steel Distribution and I would argue that price levels are largely dictated by them, as their market share in our sector dwarfs that of the 65-70,000 tonnes per annum of Category 4 products we supply. The investigation alone has given Tata Steel Distribution an advantage over independents as we cannot fully confirm that our existing orders will be available for already contracted time periods, so it is difficult to secure further orders with customers using traditional supply routes whilst this uncertainty remains.

UK Steel Director-General, Gareth Stace quoted to Argus Media “The outcome of the TRA’s safeguard quota review does little to effectively defend the UK steel industry from the vast amounts of surplus steel looking to be offloaded onto our shores”. This comment was a paragraph after a statement that there is 602MT of overcapacity in the global steel industry. Other countries quota in Category 4 represents less than 0.06% of this global number. This doesn’t seem to suggest ‘vast amounts’ are being ‘offloaded onto our shores’ under the current quota mechanism. I think this statement is intended to stir up an emotive response by the UK government who may not be aware of the real fact that the quota is sufficient in their current format to protect domestic supply, whilst also offering free and fair choice for us and our customers.

We have to be careful that this investigation is not part of an underlying plan to reduce competition at a service centre level under the guise of domestic mill protection. Please remember that Tata Steel UK and distribution are not the only employer in the UK. Over 30,000 people are employed in the Steel Service Centre, Stockholder and Steel Trader sector and we need to be mindful not to overlook the importance of our sector on the economy in favour of a single employer, who by default seems to have the single biggest voice.

I trust TRA will consider this perspective and urge you to revisit your initial proposal.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Nick Liggins', with a stylized flourish at the end.

Nick Liggins  
Managing Director