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16 July 2015

Mr Reuben McGovern
Investigator, Operations 3,
Anti-Dumping Commission
Level 35, 55 Collins Street
MELBOURNE VICTORIA 3000

Public File Copy

Dear Mr McGovern

Application for the continuation of a dumping duty notice on preserved mushrooms exported from the People's Republic of China – addendum to Letter of 15 July

I refer to my letter of 15 July 2015 detailing an appropriate *prima facie* normal value for preserved mushrooms exported from the People's Republic of China ("China").

In the absence of domestic selling prices and producer's costs of production for preserved mushrooms in China, Simplot Australia Pty Ltd must rely upon the information available to it for the purposes of establishing dumping margins on exports of preserved mushrooms to Australia. The Dumping and Subsidy Manual is silent on the appropriate information for an Australian industry to rely on for normal value purposes in the absence of information on domestic selling prices and production costs in the exporting country. However, it is noted that under s.269TAC(6) the preferred methodology for determining normal values for uncooperative exporters is to use production costs and a margin sourced from a cooperative exporter.

As indicated, in the current circumstances for preserved mushrooms, there is an absence of relevant "in country" information.

Simplot therefore proposes that the Commission use Simplot's production costs and selling and administration data for the May 2014 to April 2015 period (refer Confidential Attachment 4 – Appendix 6.1 *name*) as the basis for *prima facie* normal values for preserved mushrooms in China.

The CTM&S preserved mushrooms for Simplot in 2014/15 was as follows:

- 220g cans - \$xxxx per case of 12 x 220g (or \$xxxx per kg); and
- 410g cans - \$xxxx per case of 12 x 410g cans (or \$xxxx per kg).

It is proposed that Simplot's CTM&S preserved mushrooms in 220g and 410g cans in the May 2014 to April 2015 period be used as the basis for *prima facie* normal values for establishing dumping margins on the goods exported to Australia from China. [*Commercially sensitive assessment re profit of Chinese producers*].

[*information concerning export prices for preserved mushrooms to Australia*].

Contrasting the normal value information with weighted average ABS import data confirms the following dumping margins:

- 220g can - \$xxxx - \$xxxx = \$xxxx (or xx per cent margin); and
- 410g can - \$xxxx less \$xxxx = \$xxxx (or xx per cent margin).

Conclusion

Simplot submits that the prima facie dumping margin for preserved mushrooms exported to Australia during 2014/15 (based upon Simplot CTM&S data considered the most reliable information available) is in the range xx to xx per cent.

If you have any questions concerning the above information addressing your concerns as detailed in your letter of 13 July 2015, please do not hesitate to contact me.

Yours sincerely

John O'Connor
On behalf of Simplot Australia Pty Ltd

Cc: Danny Mellon
General Manager – Procurement, Simplot Australia Pty Ltd