

EMAIL RECEIVED ON 17 FEBRUARY 2017 FROM ADVANTAGE CONTROLS

Greetings Mick Kenna:

My name is Dan Morris. I am the President, CEO, and majority owner of Advantage Controls, LLC, located in Muskogee, OK, USA. We were recently notified by your office regarding a “dumping” allegation in your country. I have reviewed the Exporter Questionnaire, and find it to be very detailed. Many of the questions seem to bear little relevance to the allegations. I would like to request that we be granted an extension so that we can prepare a thorough and thoughtful response.

To be honest, this has taken me completely by surprise. Our company is a small (\$16 million US), family owned manufacturer. I have faced numerous challenges in the 22 years since the founding of our company, but never anything like this. Competitive challenges usually come in the form of new product or service offerings, not frivolous lawsuits. Having read the application, I am convinced that we are in fact being targeted, not the other way around. Our business is based on dealing fairly with everyone. Our primary operating principle is the “Golden Rule”, or, do unto others as you would have them do unto you. This guiding principle applies to all of our dealings, be they with customers, team members, suppliers, bankers, community, and even competitors.

Our products are sold extensively in the US, and to a lesser degree, throughout the world. In the US, we use company employed sales and service people. In many non-US areas we sell through a distributor/integrator company, for example Waterdos in Australia. The distributor then becomes responsible for the sales service, invoicing, customs, freight, and currency exchange expenses associated with our product. As a result, our distributor, (non-US) prices will generally be lower, as our costs are lower. I believe that Dave Venemore with Waterdos is providing detailed pricing information to you. At the end of the day, that seems like the most important information you could use to evaluate the validity of this allegation.

Much of the information requested is either something that I do not currently have or, cannot easily produce in the format you require. Some of the information has already been provided by Waterdos, and some of it seems irrelevant. We do not micromanage our business by spread sheet. Our measure of success is sales growth and profitability. Were we to make such calculations, I believe that our profitability as a percentage of sales is close to the same, regardless of what continent products are sold.

I have been in contact with our US Department of Commerce. They informed me that these types of cases are extremely rare considering our favorable trade relationship with your country. Unfortunately, the only help they offered was for me to make an economic decision as to how much money I was willing to spend fighting this, and that I should hire an Australian Trade attorney. I found that advice to be as disturbing as the allegation itself. I have done nothing wrong and yet am being forced to use valuable resources to defend myself. Please provide some relief by at least providing an extension for the Questionnaire.

Best wishes,

Dan Morris
President / CEO
Advantage Controls
800-743-7431