



SUNBEAM FOODS PTY LTD
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15 November 2013

Mr An Chew
Manager, Operations 2
Anti-Dumping Commission
C/o Australian Customs and Border Protection Service
Customs House
5 Constitution Avenue
CANBERRA ACT 2601

Received
19 November 2013

Dear Mr Chew

Sunbeam Foods Pty Ltd response to Statement of Essential Facts No. 213 and 220 – Processed currants exported from Greece

I refer to the recently published Statement of Essential Facts (“SEF”) No. 213 and 220 concerning the continuation of measures and the review of variable factors on processed currants exported from Greece.

SEF No. 213

Sunbeam Foods Pty Ltd (“Sunbeam Foods”) is the largest processor of dried currants in Australia and for the purposes of the above investigations is considered by the Anti-Dumping Commission (“the Commission”) to represent the Australian processing industry for dried currants.

Sunbeam Foods has reviewed SEF No. 213 and 220 and supports the proposed recommendation to the Minister to not allow the measures to expire on 14 January 2014. Further, Sunbeam Foods welcomes the Commission’s findings that the variable factors applicable to processed currants exported from Greece have changed and that revised variable factors should apply.

Following review of SEF No. 213 and 220 Sunbeam Foods’ considers that the Commission’s findings endorse the company’s assertions contained in its application for the continuation of measures that if the measures are allowed to expire the Australian industry would suffer, or be threatened with, material injury that the measures were intended to prevent.

The Commission’s investigation has established:

- exports of Greek processed currants to Australia were dumped prices (at levels between 3.3 and 8.1 per cent of export prices);
- Aeghion’s normal values increased during the investigation period, whereas Aeghion’s export prices decreased;
- the 2013 Greek currant crop is forecast to be 20 per cent higher than in 2012;

- there was a 2-3,000 tonne surplus of processed currants available from the 2012 season;
- exporters have maintained supply channels on the Australian market;
- the Australian industry experienced injury during 2012/13 in the form of price suppression (and reduced profit and profitability); and
- in the absence of anti-dumping measures it is likely that the Australian industry would experience material injury.

Sunbeam Foods endorses the Commission's findings as supportive of the claims made in its application for the continuation of the measures beyond 14 January 2014. Sunbeam Foods agrees with the Commission that in the absence of anti-dumping measures, Greek exports of processed currants to Australia would be dumped and that the Australian industry manufacturing processed currants would suffer material injury from the dumping.

Sunbeam Foods requests that the Commission recommend to the Minister that the measures not be allowed to expire on 14 January 2014 and that the measures continue for a further five-year period.

SEF No. 220

The Commission has conducted a review of the variable factors applicable to exports of processed currants from Greece (i.e. SEF No. 220) over the period 1 July 2012 to 30 June 2013. The Commission has concluded that the normal values, export prices and the non-injurious prices have altered following the last review (for exports by Aeghion only) and all remaining exporters (original measures).

It has been Sunbeam Foods experience that Greek export prices have declined during the 2012/13 year, placing pressure on Sunbeam Foods' prices into the industrial segment of the market. Sunbeam Foods has evidence examples where its price offers have been undercut by suppliers of imported Greek currants. This has resulted in the depression of Sunbeam Foods selling prices, and contributed to price suppression and reduced profits and profitability.

The revised variable factors would arrest the decline in export prices brought about by dumping. Sunbeam Foods welcomes the Commission's proposed recommendations to revise applicable normal values and export prices.

By earlier submission dated 11 October 2013, Sunbeam Foods has addressed the issue of an appropriate unsuppressed selling price ("USP") exports of Greek processed currants to Australia. It is not proposed to repeat the reasons for recommending a USP based upon the Australian industry's cost-to-make-and-sell ("CTM&S") plus profit, however, Sunbeam Foods would highlight the following Commission findings identified in SEF No. 213 and 220 in support of a USP based upon CTM&S as opposed to one determined on selling prices:

- Greek exports of processed currants to Australia during 2012/13 were at dumped prices (by between 3.3 and 8.1 per cent);
- Greek export prices declined across the investigation period;
- the Australian processing industries prices were suppressed during this period; and
- the Australian industry experienced injury during the investigation period.

It is Sunbeam Foods' view that the local industry's selling prices for processed currants during 2012/13 were impacted by the Greek exports at dumped prices (as stated by the Commission) rendering them unsuitable for the purposes of determining a USP.

Sunbeam Foods does not agree with the Commission's statement that the anti-dumping measures in effect during the investigation period can be "assumed" to remove the injurious effects of dumping. The Commission has established that Sunbeam Foods experienced further injury and that its prices were suppressed, coinciding with the dumping by Aeghion and other Greek exporters during the investigation period. It therefore cannot be concluded that the selling prices throughout the investigation period were unaffected by the exports at dumped prices.

Sunbeam Foods reaffirms its earlier representations that the USP should be determined upon the industry's 2012/13 CTM&S plus an appropriate amount of profit.

Request

Sunbeam Foods requests the Commission to recommend to the Minister that the anti-dumping measures applicable to processed currants exported from Greece not be allowed to expire on 14 January 2014.

It is also requested that the variable factors be reviewed to reflect the changed normal values and export prices for Greek processed currants during the 2012/13 investigation period. Additionally, Sunbeam Foods urges the Commission to reconsider the basis for a USP as the proposed methodology in SEF No 213 and 220 is based upon market selling prices in 2012/13 is flawed in light of the Commission's finding that the Australian industry's prices were suppressed at this time.

If you have any questions concerning this document, please do not hesitate to contact me.

A handwritten signature in black ink, appearing to read "Chris Ellis", with a small dot at the end.

Mr Chris Ellis
General Manager Fruit Supply