

22 May 2014

The Director
Operations 2
Anti-Dumping Commission
Customs House
5 Constitution Avenue
CANBERRA ACT 2601

BY EMAIL: operations2@adcommission.gov.au

Dear Director,

CONSIDERATION REPORT NUMBER 238
Application For Dumping Duty Notice And Countervailing Duty Notice
Certain Deep Drawn Stainless Steel Sinks Exported From The People's Republic Of China
Submission – Nonconfidential

1. BACKGROUND

Shriro Australia is a an importer and distributor of kitchen appliances including ovens, cooktops, dishwashers, range hoods, sinks, taps and kitchen accessories, sold under the Blanco brand.

Shriro Australia does not manufacture deep drawn stainless steel sinks in Australia nor does it import such sinks except as part of its commitment with Blanco. The majority of sinks are manufactured in Germany, with a small proportion manufactured in China. It is not clear that the sinks purchased from Blanco and manufactured in China are the same standard or quality of the sinks manufactured by Tasman.

This submission relates to the interest of Shriro Australia as an importer and purchaser of deep drawn stainless steel sinks. Arrangements regarding importing and purchasing of deep drawn stainless steel sinks as part of the Blanco range are, typically, made well in advance of the production and delivery of the product. The potential application of a countervailing duty represents a significant commercial disadvantage to Shriro Australia.

Shriro Australia also submits that the imposition of an interim measure at any stage prior to the Commission's final report is not justified in the circumstances that the Commission's report concludes the difficulty of "assessing the veracity of several pieces of evidence submitted by Tasman" (at paragraph 8.4) of the Report. Clearly, substantial further investigation is required. As noted by the Commission "The impact of factors other than dumping that may have caused material injury to the Australian industry will be assessed throughout the investigation."

Shriro Australia considers that has standing pursuant to the Customs Act 1901 to make this submission.

SHRIRO AUSTRALIA PTY LTD

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Shriro Australia confirms that it was not invited to participate in the Commission's investigation by way of questionnaire apparently issued by the commission on 18 March 2014. We note further that this submission is provided to you beyond the original deadline, but that we sought, and were granted, an informal extension of time to lodge this submission.

2. SHRIRO'S POSITION

Shriro Australia's rejects any assertion that the limited Australian industry in manufacture/production of deep drawn stainless steel sinks has suffered material injury from importation of such product at artificially low prices from the People's Republic of China. As an importer and distributor of such product Shriro Australia finds that the price charged for the product is subject to margins already built into the cost base, and thus the sale of the product as imported does not compete with or displace Tasman's product, which may well be of a different quality and style in any event. Shriro Australia considers that factors quite separate to price setting factors in China have contributed to the decline in production in Australia. Shriro Australia believes that there has been insufficient production capacity in Australia to serve the market for some decades. It understands that the applicant has itself shifted production to Thailand and China for reasons that go well beyond any potential dumping of product out of China in the review period. Tasman identified itself as representing 100% of the Australian industry in respect of the product under review. Shriro does not comment on this, but if it is correct it potentially leaves Tasman in a monopoly position in Australia subject only to the availability of imports.

3. APPLICANT'S DATA

Shriro Australia notes that the Commissioner has, at least in part, relied on claims and evidence submitted by Tasman in relation to price undercutting, suppression and depression. Given the comments in clause 8.4 of the Consideration Report Shriro wishes to consider its position in respect to those comments and to lodge objections to that information so far as may be relevant.

4. OTHER FACTORS

A close review of the shift in currency exchange rates shows that it has had a greater impact on the Australian market than any other factor. For example the price of the product increased in the period 2010 - 2012 and has been stable in the period 2012 - 2013. That is to say there has been no marked decrease in price over the relevant period, and in fact there appears to have been an increase in price which has only recently levelled off.

In all circumstances Shriro Australia sees no reason why a countervailing duty should be imposed on the product. Shriro Australia welcomes the opportunity to expand on this in due course.

Yours faithfully,

SHRIRO AUSTRALIA PTY LIMITED



Mike Westrup

CHIEF EXECUTIVE OFFICER