



Australian Independent Glass

28 July 2016

Non-confidential

Mr George Katsoulis
Anti-Dumping Commission
Level 35
55 Collins Street
Melbourne VIC 3000
george.katsoulis@adcommission.gov.au

Dear Mr Katsoulis

**Australian Independent Glass
Continuation Inquiry No. 335 — Clear float glass (CFG)**

This submission responds to the Statement of Essential Facts published in this Continuation Inquiry. We note that the Anti-Dumping Commission did not invite AIG to make a submission.

Australian Independent Glass (AIG)

AIG is a glass manufacturer, processor and wholesaler located in South Australia. We employ 22 people in a state-of-the-art 3000m² facility that produces a range of glass products, including 3mm–12mm CFG. Our products are used in new residential and commercial buildings in Australia and for glass replacement.

Application for continuation of anti-dumping measures

AIG has observed with concern the progress of Continuation Inquiry No 335. The prospect of continued anti-dumping measures on CFG imports threatens our small business and other local fabricators for the reasons given below.

CSR Viridian

AIG is particularly concerned about the possible continuation of anti-dumping measures because we cannot, having regard to our size and market force wielded by Viridian, purchase glass products from it. This is due to Viridian's manipulative and predatory market conduct and the way in which it abuses its market dominance. In particular:

- (a) AIG does not consider that it can purchase from a supplier who is also AIG's competitor in the downstream market;
- (b) By purchasing from upstream Viridian, AIG risks giving downstream Viridian information about AIG that would unfairly advantage downstream Viridian in competing with AIG; and
- (c) Downstream Viridian abuses its market position by refusing to supply AIG. Generally, Viridian refuses to supply AIG by using petty excuses. It is nonetheless clear that Viridian's true motive is to force its small competitors to purchase CFG at prices that are inflated by anti-dumping measures.

These factors prevent AIG from purchasing from Viridian and make the anti-dumping measures a tax on Australian business. They show that injury to Viridian's sale volumes and market share are caused not by dumping, but by customers such as AIG protecting themselves against Viridian's conduct.

AIG can also confirm that Viridian commands a price premium as a consequence of its dominant position in the market.

Xinyi



The Chinese exporter Xinyi imports very large quantities of 3mm–12mm CFG and has the lowest prices in the market. These are incontrovertible facts that are commonly known in the market.

Any price suppression or depression in Australia has in fact been caused by Xinyi and not by other importers. Further, Xinyi's imports supplement Viridian's limited production capacity, which the Anti-Dumping Commission wrongly found not to exist. It is unclear from Part 8.4.4 of the Statement of Essential Facts whether the Anti-Dumping Commission accepted Viridian's contention that it *'does not supplement its sales with imports'*. That contention was false: Viridian imports large quantities of glass from Xinyi in aid of its limited production capacity.

Conclusion

It is critical for AIG to be able to purchase imported CFG as Viridian's conduct has precluded AIG from being able to purchase Viridian products. The viability of AIG's business depends on a level playing field that allows AIG to purchase CFG at fair market prices.

Viridian has inflicted injury on itself by abusing its dominance in the market and alienating its customers. We note that the Anti-Dumping Commission did not properly consider this injurious factor in the Statement of Essential Facts, remarking only that *'[t]he Commission has identified no evidence that would suggest that Viridian is more likely to experience material injury as a result of other factors.'* AIG trusts that this submission constitutes such evidence and that the Anti-Dumping Commission will reconsider whether material injury to Viridian is legally attributable to dumping.

Yours sincerely

Kenneth Chong

CFO

Australian Independent Glass

ken@independentglass.com.au