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

**Anti-Dumping Investigation No. 238 of Certain Deep Drawn Stainless Steel Sinks  
Exported from China  
Komodo Submission on Preliminary Determination**

This submission is filed on behalf of Komodo Hong Kong Limited and Guangzhou Komodo Kitchen Technology Co., Ltd. (herein after referred as “Komodo”) to make comments on the Anti-Dumping Commission’s preliminary determination of the dumping and subsidization investigation of deep drawn stainless steel sinks exported to Australia from the People’s Republic of China (China).

**I. Komodo shall be looked on as exporter**

Komodo noticed that, in the preliminary determination, the Commission considered that Komodo was not the exporter of the goods subject to investigation, but rather acted as intermediary in the export transaction. So no dumping margin was calculated for Komodo.

Komodo thinks that according to the responses to the Exporter Questionnaire filed by Komodo, it can be seen that Komodo is not just an intermediary in the export transaction for the following reasons:

1. The Australian importer is Komodo’s customer; the cooperation relationship concerning sink products was developed by Komodo; Zhongshan Xintian Hardware Co., Ltd (Xintian) has no contact with the Australian customer.
2. The export transactions of subject products was negotiated by Komodo and the Australian importer, Komodo and importer finally confirmed the product type,

quantity and price of the transaction and signed the purchasing contract; the Commercial invoice were also issued by Komodo. Xintian did not participate in the transaction negotiation.

3. The subject products exported to Australia were designed by Komodo and not Xintian. Komodo provided all the design drawings to Xintian.
4. Most accessories were purchased by Komodo from other companies and provided to Xintian to pack with the sinks.
5. Komodo arranged and paid for the inland transportation from Xintian to harbor.
6. The profit margin of Komodo shows that Komodo is not just acting as an intermediary.

In addition, the Australian importer also looks on Komodo as the exporter and not just an intermediary. If necessary, the importer can also provide a statement to prove that Komodo is the exporter.

So Komodo sincerely request the Commission to treat Komodo as an exporter and grant the dumping margin to Komodo in the final determination.

## **II. Chinese stainless steel sheet market is a fully competitive market**

In the submission filed by Komodo on 22nd July, Komodo has proved from many aspects that the Chinese Stainless steel market is a fully open and competitive market. There's no distorting government influence on the market prices. The Chinese suppliers' selling prices reasonably reflect competitive market costs. So, Komodo propose the Commission fully consider the opinion stated by Komodo in the previous submission and do not replace the cost of stainless steel sheet of Chinese sink producers with other market cost to determine the production cost of stainless steel sinks.

## **III. Appropriate Benchmark for Stainless Steel Raw Material**

In the submission filed by Komodo on 22nd July, Komodo also proposed that: if the Commission decide that stainless steel sheet price in Chinese market is distorted by Government's involvement, then the Commission shall consider the economic development condition and market condition of China to choose benchmark of competitive market costs for stainless steel sheet. Komodo also provided appropriate benchmark prices in that submission, i.e. supplying prices of stainless steel sheet of non-government-owned enterprise in China, or surrogate prices of country that has similar market condition and macroeconomic indicators with China; or the Australian industry's cost of stainless steel.

Komodo noticed that the Commission used the world composite data (excluding Asian prices) from MEPS (International) Ltd as benchmark cost for stainless.

Komodo thinks that the benchmark price used by the Commission in the preliminary determination is unfair to the Chinese exporters:

Firstly, the stainless steel prices in North America and EU are higher than that in Asia for many normal market factors not just for the reasons of Chinese government's influences in Chinese market. Even the country that has not accepted the Market Economy Status of China (e.g. US) will choose a country has similar economic development level with China to find the surrogate value. In the condition that Australia has accepted the Market Economy Status of China, there is no reason for the Commission to impose worse treatment on benchmark price to Chinese Exporter.

Third, it is unfair to use benchmark prices higher than the cost of stainless steel of Australian industry to calculate the dumping margin of Chinese exporter, in considering the injury remedy purpose of antidumping investigation. That will lead to an excessive remedy in the case.

So Komodo sincerely request the Commission to consider the proposals presented by Komodo in the previous submission and adopt appropriate benchmark prices of stainless steel sheet in the final determination.

Yours faithfully,  
Great Wall Law Firm

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Lawyer