Email submission from International Research & Marketing regarding investigation 238

From: International Research & Marketing Corp Pty Ltd [mailto: Redacted: personal email address] Sent: Tuesday, 26 August 2014 12:07 PM To: STONE Andrea Cc: HALPIN Carl Subject: Tight Radius Sinks

Hello Andrea

We feel we must express our thoughts on the response by Australian Industry Group on behalf of Tasman Sinkware regarding the tight radius sinks as raised by Abey Australia.

Whilst in the broad sense, the tight radius sinks fall into the goods description as per the public notice published under subsection 269T(4), these sinks along with other modern styled/shaped sinks are not produced by Tasman.

As we understand it, the basis of the initiation of investigation into alleged dumping and subsidisation was that Tasman Sinkware considers that some deep drawn stainless steel sinks exported from China to Australia caused them:

- Lost sales volumes
- Reduced market share
- Price depression
- Price suppression
- Loss of profits and profitability
- Reduced return on investments
- Reduced capacity utilisation, and
- Reduced employment numbers.

If Tasman has not invested in sink moulds with modern styling for many years (although they do import some sinks themselves we understand), their locally made sinks cannot compete against other modern sinks in the market.

A comparison could be drawn with other items that change over time in style and where styling is of considerable importance. A vehicle manufacturer with a vehicle with 10 - 20 year old styling could not expect to compete with a modern stylish 2014 model whether imported or not, likewise whitegoods with the styles from 10 - 20 years ago would not even be considered by homemakers. Sinks are purchased by the public and builders/plumbers for installation into new homes and also purchased by renovators who want to update their home. In neither case would an older style be considered unless it was offered at very attractive prices.

May we suggest that Tasman is suffering from being uncompetitive with their dated products rather than from opposition from those of us who have taken the time and expense to design and have new sink moulds made to meet today's markets. Yes this is very expensive but necessary to keep up with latest trends and supply modern products to customers.

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A worrying outcome from an affirmative determination and imposition of securities is that exports of sinks and troughs from China would most likely reduce dramatically as importers seek alternative countries for supply. This would be a regrettable outcome for our major trading partner and for us.

We import tight radius sinks as our top range and a middle range that has modern styling like nothing else in this market and sold on an exclusive basis. It is difficult to see how these lines could reasonably be considered to compete with Tasman's current locally produced sinks.

We look forward to hearing from you.

Kind regards Ann

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