



**RECORD OF MEETING**

<b>DATE</b> 6 June 2011	<b>TIME</b> 11:00	<b>AM</b> AM	<b>FILE NO.</b> 2010/045029-04
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**SUBJECT: RESUMED DUMPING INVESTIGATION –CLEAR FLOAT GLASS FROM CHINA, INDONESIA & THAILAND CASE REFERENCE NO. 159C**

<b>ATTENDEES</b>	
<b>NAME</b>	<b>FIRM/ORGANISATION</b>
Joanne Reid	Customs and Border Protection
David Turner	Customs and Border Protection
Carl Halpin	Customs and Border Protection
Jeff Petek	Guardian
Gilbert Chamoun	Guardian
Stephen Klotz	Norton Rose
Adrian Honnery	Norton Rose
Christopher Marsh	Norton Rose

**DETAILS OF DISCUSSION**

**1. Introduction**

- o Resumption process.
- o General background on Guardian Industries:
  - o Australian export volumes and customer base: ~~xxxxxxxx~~ [comments made by Guardian]
  - o Pricing: ~~xxxxxxxx~~ [comments made by Guardian]
- o General background on the Australian market:
  - o Viridian operates the only two float lines in Australia;
  - o Viridian cannot produce enough clear float glass to satisfy the Australian market and therefore the market must be supplied by imports;
  - o Viridian's downstream business competes with customers of Viridian's upstream business; and
  - o most large glass fabricators buy clear float glass from Viridian and importers.

**2. Review of investigation to date**

- o Customs determined a dumping margin for Guardian of 3.5 percent:
  - o This dumping margin is close to de minimis.
  - o Customs and Border Protection included a sales commission of x percent in its calculation of the dumping margin:

- the commission is transferred by Guardian to an affiliated company; and
- Guardian submitted during the original investigation that the commission should not be included in the calculation of Guardian's dumping margin.

○ ~~XXXXXXXXXX~~ [comment on dumping margin made by Guardian]

### 3. Causation/Materiality of injury

- Guardian submitted during the original investigation that given its low dumping margin and the impact of other significant factors, exports from Guardian and Thailand could not have caused material injury to the Australian industry.
- The other factors include:
  - global contraction of the building and construction market due to the ongoing effects of the global financial crisis:
    - most glass manufacturers suffered a contraction in sales and production in 2008-09 and 2009-10 corresponding with the downturn in the building and construction industry;
  - refurbishment of the Dandenong plant;
  - Viridian has been struggling with significant internal factors since 2008:
    - integration of the Viridian glass business with CSR;
    - the performance of Viridian's downstream business;
  - Viridian downstream's business competes with Viridian upstream's major customers;
  - strength of the Australian dollar:
    - makes imported float glass more price competitive.
- Despite those factors, Viridian's performance has improved as evidenced by CSR Limited's recent financial reports and publications.
- Customs and Border Protection advised that the TMRO has requested that a further assessment, albeit a qualitative assessment, be conducted of the impact of other factors on the Australian industry.

### 4. Country by country analysis

- Guardian referred to the termination provisions of the Customs Act in particular s269TDA(13) which requires the CEO to terminate an investigation in relation to a particular country if goods exported from that country at dumped prices cause no injury or negligible injury to the Australian industry.