

22 February 2017

Mr Gavin Crooks
Case Manager
Operations 3
Anti-Dumping Commission
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Melbourne Victoria 3000

Received 28 February 2017

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Public File

Dear Mr Crooks

Investigation No. 362 – Superb Aluminium Industries SDN BHD Exporter Verification Report

Introduction

I refer to the exporter verification report for Superb Aluminium Industries Sdn Bhd (“Superb”).

Capral Limited (“Capral”) notes that the Anti-Dumping Commission (“the Commission”) did not conduct an exporter visit with Superb due to “Superb’s exports relative to the total export volume from Malaysia and Vietnam during the investigation period”. Capral has identified Superb as an increasing supplier of aluminium extrusions to the Australian market.

Superb’s packing costs

Capral further observes that Superb had notified the Commission that “packaging costs differed between domestic and export sales”. The Commission determined that Superb’s export packaging costs were “understated” and as such calculated a weighted average packing cost per kilogram from Superb’s general ledger.

The Commission confirmed that Superb’s export packaging costs included: steel trolleys, wooden crates and inter leave paper. The Commission concluded that Superb’s “domestic packing costs were cheaper than those reported for export sales and used different materials” for packing for domestic sales.

The Commission’s assessment and confirmation of packing costs incurred by Superb for domestic and export sales of aluminium extrusions has been the long-held position of Capral that export sales packing involves a higher cost than packing for domestic sale. The Commission is aware that exporters of aluminium extrusions cooperating in the current investigation have asserted that there is no, or minimal difference, in packing costs for domestic and export sales¹. The Commission’s findings in relation to Superb confirm that there is in fact a clear cost difference in packing costs associated with domestic and export sales for aluminium extrusions.

¹ See LB Aluminium verification report, P.10; Press Metal Berhad verification report, P.14; East Asia Aluminium verification report, P.11.

Relevance for Cooperative Malaysian and Vietnam exporters

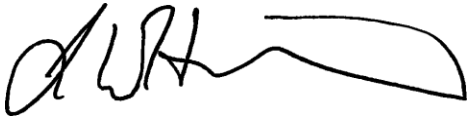
The Commission's validation with Superb that packing costs associated with exports of aluminium extrusions are higher than packing costs for domestic sales, requires this matter to be further investigated with the cooperative exporters in both countries.

The Commission's validation of higher export packing costs for Superb than on domestic sales confirms that the cooperative exporters' statements of there being "no difference" in the costs relating to packing the goods for export and the goods sold domestically, cannot be relied upon.

Capral welcomes any clarification by the Commission as to packing costs for domestic and export sales, as required.

If you have any questions concerning this submission, please do not hesitate to contact me on (02) 8222 0113 or Capral's representative Mr John O'Connor on (07) 3342 1921.

Yours sincerely

A handwritten signature in black ink, appearing to read 'LHAWKINS', with a long horizontal flourish extending to the right.

Luke Hawkins
General Manager – Supply and Industrial Solutions