



**INVESTIGATION INTO ALLEGED DUMPING AND SUBSIDISATION OF  
DEEP DRAWN STAINLESS STEEL SINKS FROM CHINA**

**NOTE FOR FILE - RECORD OF MEETING WITH REPRESENTATIVES FOR  
ZHONGSHAN JIABAOLU KITCHEN & BATHROOM PRODUCTS CO., LTD AND  
FLOWTECH CO., LTD**

**Background**

On 18 March 2014 the Anti-Dumping Commission (the Commission) initiated an investigation into the alleged dumping and subsidisation of deep drawn stainless steel sinks (the goods) from China.

On 26 September 2014 the Commission met with representatives from Zhongshan Jiabaolu Kitchen & Bathroom Products Co. Ltd (Jiabaolu), a company involved in both the exportation of the goods, and Flowtech Co. Ltd (Flowtech), a trading company that sells Jiabaolu's goods to Australian customers.

The Australian importer that purchases the goods from Flowtech was also represented at the meeting.

**Attendees:** Lin Yang – Senior Partner, Rayyin Lawyers  
Shi Weitao – Partner, Rayyin Lawyers  
General Manager, Flowtech Co. Ltd  
Product Manager, Australian importer  
International Sourcing & Vendor Manager, Australian importer  
Joanne Reid, Director, Operations 2, Anti-Dumping Commission  
Andrea Stone, Manager, Operations 2, Anti-Dumping Commission  
Danielle Rudolph, Senior Investigator, Operations 2, Anti-Dumping Commission

**Matters discussed**

- Jiabaolu's and Flowtech's (the companies') legal and company representatives discussed the matters raised in Jiabaolu's submission dated 17 September 2014. The submission and public version of the companies' visit report are accessible via the Commission's public record (<http://www.adcommission.gov.au>).

The companies elaborated on the concerns raised in the submission regarding the:

- scrap offset calculation;
- method of reallocating model costs to correct spikes in monthly production costs;
- profit calculation;
- inclusion of accessories in the normal value calculation;
- coil slitting costs;
- VAT refund calculations; and
- inclusion of "other costs" in the normal value calculations, such as marketing expenses

in the companies' verification visit report.

- The companies also submitted their general disagreement with the Commission's finding that the goods manufactured by Jiabaolu were sold to Australian customers at dumped prices during the investigation period. The companies cited their exclusive supply contract with their Australian customer as evidence that the companies were not dumping.
- We advised that the issues raised by Jiabaolu and Flowtech would be considered by the Commission, and where possible, addressed in the statement of essential facts (SEF) for this investigation which is due for public release on 7 October 2014. We advised that where time constraints made it impossible to consider the companies' submissions in the SEF, the Commission would seek to address the companies' concerns ahead of the release of the Final Report to the Parliamentary Secretary, due on 19 November 2014.