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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 Products Exemption in Response to the Issues Paper
2014/03 of the Commission on Goods and Like Goods**

This submission is filed on behalf of Komodo Hong Kong Limited, Guangzhou Komodo Kitchen Technology Co., Ltd and their manufacturer Zhongshan Xintian Hardware Co., Ltd. (herein after referred as “Komodo”) to express opinion on exemption of certain products from antidumping/countervailing measures in Response to the Issues Paper 2014/03 of the Commission on Goods and Like Goods (herein after referred as “Issues Paper”).

Komodo noticed that in the Issues Paper, the Commission considers that *Tasman’s “traditional” deep drawn stainless steel sinks are like to imported tight corner radius sinks on the following aspects:*

- *clear physical likeness, with each being a sink of a deep drawn bowl made from stainless steel, though there may be stylistic differences;*
- *significant functional likeness between the two (both being used in similar applications, for the same purpose of holding and draining water);*
- *substantial production likeness, being made from the same materials using a deep drawing process (with additional steps for tight corner radius sinks);*
and
- *commercial likeness, with the goods being sold to similar users for similar purposes, through similar distribution channels. The Commission understands that these sinks are frequently imported by the same entities that import traditional deep drawn stainless steel sinks, and distributed and sold*

in the same way to common customers of Tasman.

The Commission also considers that: *there is likely to also be ‘overlap’ between traditional deep drawn stainless steel sinks and tight corner radius sinks.*

The Commission therefore considers *it likely that Tasman’s Australian-manufactured deep drawn stainless steel sinks do directly compete with imported tight corner radius sinks, and hence the provisions for an exemption from anti-dumping measures under Sections 8(7)(a) and 10(8)(a) of the Dumping Duty Act are not satisfied.*

Komodo thinks that although there is certain extent of likeness between Tasman’s “traditional” deep drawn stainless steel sinks and imported tight corner radius sinks, they still can not be defined as “closely like” or “directly compete” with each other. Small radius sinks are more approximate to fabricated sinks no matter on product characteristics or product tier.

Item	Traditional Deep Drawn Stainless Steel Sinks	Tight Corner Radius Sinks	Fabricated Sinks
Function	holding and draining water	holding and draining water	holding and draining water
Material	stainless steel	stainless steel	stainless steel
User	home	home	home
Distribution Channel	decoration and building materials distributors	decoration and building materials distributors	decoration and building materials distributors
Shape	large radius	small radius	small radius
Style	traditional style	squarer look /modern style	squarer look /modern style
The Complexity of Manufacture Process	simple	complicated	complicated
Whether Manufactured in Australia	Y	N	N
Tier	Low	High	High
Cost and Price	Low	High	High

As shown by the above form, traditional sinks, tight corner radius sinks and fabricated sinks are same with each other on some common items such as function, material, user, distribution channel. And thus, the traditional sinks really have a certain extent of competition relation with tight corner radius sinks and fabricated sinks. That does not mean that traditional sinks are closely like products with tight corner radius sinks and fabricated sinks. Traditional sinks are different from tight corner radius sinks and fabricated sinks on some more important aspects, such as shape, style, complexity of

manufacture process, product tier, cost and price etc., while tight corner radius sinks and fabricated sinks are same on these aspects. So it is obviously that traditional sinks are not closely like and directly competitive goods with tight corner radius sinks. Komodo thinks that Small radius sinks are more approximate to fabricated sinks, which does not belong to subject products range of this case. It has been proved that, Tasman also imported tight corner radius sinks, if Tasman actually believes its traditional sinks can directly compete with imported tight corner radius sinks, Tasman need not import tight corner radius sinks and offer to customers at all.

It is stated in the Dumping and Subsidy Manual that: *the exemption power could be exercised when the Minister makes a decision to impose a duty following an investigation; the Commission shall undertake a comparative analysis between the local and the imported goods in question in order to determine whether like, or competitive goods, are offered for sale by the local industry.*

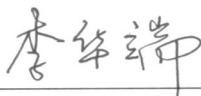
According to the understanding of Komodo, the “*like or competitive goods*” here shall refer to “closely like or directly competitive goods” and not just goods like or competitive in a normal level. Now that the antidumping case has initiated, it is impossible for the local industry just offer totally unlike or noncompetitive goods with imported goods. If “*like or competitive goods*” are decided in a loose manner, then no product exemption will be satisfied in any case, the enactment on exemption will be no use.

So, as the Tasman’s Australian-manufactured traditional stainless steel sinks are not closely like and directly competitive goods with imported tight corner radius sinks, Tasman cannot produce and offer tight corner radius sinks locally, the provisions for an exemption from anti-dumping measures under Sections 8(7)(a) and 10(8)(a) of the Dumping Duty Act are satisfied.

Komodo sincerely request the Commission reassess the exemption of tight corner radius sinks from antidumping/countervailing measures.

Yours faithfully,

Great Wall Law Firm



Huaduan Li
Lawyer