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Mr. John Bracic
Director
Australian Anti-Dumping Commission
Customs House
5 Constitution Avenue
Canberra ACT 2600

14 March 2014

By email

NON CONFIDENTIAL

Dear Mr. Bracic,

Case 217 - Prepared and preserved tomato products from Italy - Our client: Feger di Gerardo Ferraioli S.p.A. ("Feger")

We refer to the submission of 24 February 2014 filed by SPCA in response to the Statement of Essential Facts No. 217 ("SEF"), in which SPCA raises arguments concerning the methodology applied for the calculation of Feger's dumping margin. In particular, SPCA argues that:

- own brand and private label should not be examined separately; a single normal value should be obtained from own brand and private label sales and then compared with a single value export price, which may or may not include own brand and private label data;
- the methodology used by the ADC to determine the normal value of Feger's models not sold in sufficient volumes in the domestic market is unwarranted; according to SPCA, rather than constructing the normal value on the basis of Feger's cost of production plus appropriate amounts for SGA and profit, the

ADC should have calculated the normal value by using all sales of the like goods, making the appropriate physical adjustments; and

- the ADC erred in calculating the profit, since it did not take into account in its calculation the domestic sales of all like goods.

With regard to the above arguments, we would like to point out the following:

- as regards the comparability of own brands with private labels, for the reasons outlined in Feger's Visit Report, SPCA's argument is irrelevant in so far as Feger's position is concerned;

- the methodology used by the ADC to construct the normal value of Feger's models not sold in sufficient volumes in the domestic market (i.e. Feger's cost of production plus selling, general and administrative expenses, and profit) is consistent with the relevant WTO rules and ensures a fair comparison of the price of the alleged dumped product in the export market with the normal value of the like product in the exporting country;

- as regards the OCOT test, for the reasons outlined in the SEF SPCA's claim is unsubstantiated.

In view of the foregoing, it is hereby submitted that the arguments raised by SPCA in order to demonstrate that Feger's dumping margin calculation is based on a wrong methodology are unwarranted and should be rejected by the ADC. Indeed, the ADC calculated Feger's dumping margin in accordance with the relevant rules set out in the Customs Act and in the WTO Anti-Dumping Agreement. Accordingly, we respectfully request the ADC to confirm Feger's *de minimis* margin in its Final recommendation to the Minister.

Yours sincerely,

Fabrizio Di Gianni