



Variable factors – Preliminary assessment

Siam Food (2513) Company Ltd

Investigation 628 – Food Service & Industrial (FSI) pineapple exported to Australia from the Kingdom of Thailand

The Anti-Dumping Commission (commission) has calculated a preliminary dumping margin for Siam Food (2513) Company Limited (Siam (2513)).

Export Price	Normal Value	Dumping Margin
Section 269TAB(1)(a)	Section 269TAC(1)	21.5%

Table 1: Summary of preliminary variable factors for Siam (2513)

Table 1 is a preliminary assessment based on the information currently available and may not reflect the final position of the commission.

This file note explains results of the verification, analysis and assessment and the evidence relied on to calculate the preliminary dumping margin.

Siam (2513)'s response to the exporter questionnaire

The commission received a response to the exporter questionnaire (REQ) from Siam (2513).

Siam (2513)'s response was received within the legislated period¹ and contained relevant information regarding:

- its role in the export of the goods to Australia.
- sales of like goods made by it to export and domestic markets.
- the cost of production of like goods, including selling, general and administrative expenses (SG&A).

Siam (2513) is a cooperative exporter.

The public version of Siam (2513)'s REQ is available on the electronic public record (EPR) for this case on the commission's website at www.adcommission.gov.au.²

¹ Siam (2513)'s REQ was received on or before the legislated due date of 10 September 2023.

² EPR 628 – [document 10](#).

The commission's approach to calculating the preliminary variable factors

The commission has assessed Siam (2513)'s REQ, following the verification principles explained in *Anti-Dumping Notice 2016/30* (ADN 2016/30)³, noting that the Minister may disregard any information that they consider unreliable.⁴

The following verification activities were performed:

- reconciliations of data sets to the ABF import database, audited financial statement, trial balance.
- verifying data with the REQ explanations and source documents submitted (e.g., invoices, bills of lading).
- analysis and comparison of data submitted by other exporters of FSI pineapple from the Kingdom of Thailand (Thailand).

The following other exporters submitted an REQ:

- Kuiburi Fruit Canning (KFC)⁵
- Prime Products Industry Co., Ltd (PPI).
- Dole Thailand Limited (DTL), including relevant information from related party distributors Dole Asia Holdings Pte Ltd (DAH) and Thai-American Food Co., Ltd (TAF).

The commission has prepared a verification work program at **Confidential attachment 1**.

³ [ADN 2016/30](#).

⁴ Under sections 269TAB(4) and 269TAC(7) of the *Customs Act 1901* (Cth)(the Act), the Minister has the discretion to disregard any information he or she considers to be unreliable, in relation to export price and normal value respectively.

⁵ KFC was verified onsite. The verification report is published at EPR 628 – [document 14](#).

Model Control Code (MCC)

Changes to the structure

The commission has amended the preliminary MCC structure that was published in ADN 2023/047⁶, the public notice advising interested parties that Investigation 628 is initiated.

These changes were made to the relevant data sets submitted by interested parties to this investigation.

Category 2 – Pineapple cut

The commission has changed MCC category 2 – ‘Pineapple cut’. The change removes the distinction between ‘tidbits’, ‘pieces’ and ‘pizza cut’ to describe ‘tidbits’ only.

The terms ‘tidbits’, ‘pieces’ and ‘pizza cut’ are used interchangeably by exporters and their customers (in Australia and Thailand). The interchangeable use of the terms was observed in product specification documents, brochures, purchase orders, contracts, and invoices (in the same transaction).

The information and evidence show that the pineapple cut size for either description is in the range of $\frac{1}{14}$ to $\frac{1}{16}$ of a pineapple slice. The other cut size dimensions such as the thickness and arc are either identical or have the same nominal measurements.

It is the commission’s view that the cut size description ‘tidbits’, ‘pieces’ and ‘pizza cut’ is a term of art used by customers and manufacturers and not a description of a particular physical characteristic that influences price.

Category 3 – Container type

Additional container types have been included in MCC category 3 – ‘Container type’.

Exporters sell like goods in tin cans, but also use the following container types:

- pouch
- aseptic bag (packaged in a carton)
- aseptic bag (packaged in a drum)

Category 5 – Packing medium

An additional packing medium has been included in MCC category 5 – ‘Packing medium’.

Exporters also use water as a packing medium.

⁶ EPR 628 – [document 3](#).

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Revised MCC structure

Category	Sub-category	Identifier	Sales data	Cost data
Quality	Prime	P	Mandatory	NA
	Non-prime (e.g. damaged can)	N		
Pineapple cut	Chunks	CH	Mandatory	Mandatory
	Crushed	CR		
	Tidbits (incl. pieces and pizza cut)	TB		
	Sliced	SL		
	Thin sliced	TS		
Container type	Tin can	T	Mandatory	Mandatory
	Pouch	P		
	Aseptic bag (in a carton)	AB		
	Aseptic bag (in a drum)	ABD		
Container size	Provide container size in net weight (grams)	e.g. '1250'	Mandatory	Mandatory
Packing medium	Water	W	Mandatory	Mandatory
	Light syrup	LS		
	Heavy syrup	HS		
	Natural juice (sweetened)	NJS		
	Natural juice (unsweetened)	NJU		

Table 2: Revised MCC structure

MCC lists

Siam submitted information for the following MCCs during the investigation period.

Australian Sales	Australian CTM	Domestic Sales	Domestic CTM
P-CH-T-3060-LS	CH-T-3060-LS	<i>Nil – Siam (2513) did not sell the goods domestically in the investigation period.</i>	
P-SL-T-3060-LS	SL-T-3060-LS		

Table 3: List of MCCs

Like goods – assessment

The commission finds in accordance with section 269T of the *Customs Act 1901* (the Act)⁷ that Siam (2513):

- did not produce or sell like goods in the domestic market in the investigation period
- produced and sold like goods to Australia in the investigation period.

⁷ All legislative references are to the *Customs Act 1901*, unless otherwise specified.

Export price

Siam (2513)'s export price has been calculated in accordance with section 269TAB(1)(a) The export price is established at free on board (FOB terms).

The commission found Siam (2513)'s Australian export sales data to be reliable, subject to the exceptions detailed in Table 4.

The results of the commission's verification activities are contained at **Confidential attachment 1**.

The commission's preliminary export price calculations are at **Confidential appendix 1**.

Exceptions

Exception description		Resolution
1	Listed one customer being in New Zealand in the Australian export sales list, when it should have been Australia.	The customer was identified as an Australian importer in the ABF import database. The transaction information listed by Siam (2513) verified with the transaction information in the ABF database. The commission changed the customer country to Australia.
2	Date of sale was a different date than the invoice date.	Siam (2513) submitted in the REQ response that invoice date was the date of sale. The commission changed date of sale to invoice date.
3	Invoice net weight (kg) was not provided in the Australian export sales list.	The commission calculated net weight using the following calculation: no. cases x no. containers in each case x net weight of each container
4	Non-goods included in the Australian export sales list. Siam (2513) described these goods as crushed pineapple, whereas the ABF import database described the product as pineapple puree.	2 transactions were identified as pineapple puree in the ABF import database. The commission found that Siam (2513) offered pineapple puree at www.siamfood.co.th The commission considers that a puree combines or blends the pineapple fruit and liquid together into one form, whereas the goods description states the fruit and liquid/packing medium as two distinct forms in a container. The commission removed these transactions from the data.

Table 4: Australian export data reliability

Importer

Each of the Australian customers identified in the export sales data are the importer of the goods, as each is the beneficial owner of the goods at the time of their arrival within the limits of the port or airport in Australia at which they have landed.

The Australian customers were:

- named as the purchaser on the commercial invoices (at FOB terms) and named as the consignee on the bills of lading provided with each REQ.
- identified as the importer in the ABF database.

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Based on importer verifications,⁸ the Australian customers pay for ocean freight, marine insurance, importation charges and arrange delivery from the Australian port to the importer's warehouse or own customer.

Exporter

Siam (2513) is the exporter of the goods as it is the principal, located in the country of export who knowingly placed the goods in the hands of a carrier, courier, forwarding company, or their own vehicle for delivery to Australia.

Siam (2513):

- is named as the seller on the commercial invoice and as the shipper on the bill of lading
- is the manufacturer of the goods located in the country of export
- arrange transportation of the goods to the port of export to Australia and knows that the goods are destined for Australia.

Arms length

Australian export transactions between Siam (2513) and its Australian customers are arms length, as:

- there is no consideration payable other than the price
- the price is not influenced by a commercial or other relationship
- there is no reimbursement or compensation paid by the seller or seller's associate to the buyer or buyer's associate.

Determination of export price and recommendation

The commission recommends setting an export price for Siam (2513) under section 269TAB(1)(a).

Under this section, the:

- like goods have been exported to Australia otherwise than by the importer and have been purchased by the importer from the exporter
- purchase of the like goods by the importer was an arms length transaction
- export price is the price paid by the importer to the exporter less transport and other costs arising after exportation.

Normal value

Siam (2513)'s preliminary normal value has been calculated in accordance with section 269TAC(1) at FOB terms.

The results of the commission's verification activities are contained at **Confidential attachment 1**.

The commission's preliminary CTMS calculations are at **Confidential appendix 2**.

The commission's preliminary normal value calculations are at **Confidential appendix 3**.

⁸ At the time of preparing this file note, the commission had performed importer verifications and was in the process of finalising the preparation of relevant reports (including review and clearance by the importer).

Exceptions

Exception description		Resolution
5	Non-goods included in the Australian CTM.	<p>The commission found that Siam offered pineapple puree at www.siamfood.co.th</p> <p>The commission considers that a puree combines or blends the pineapple fruit and liquid together into one form, whereas the goods description states the fruit and liquid/packing medium as two distinct forms in a container.</p> <p>The commission removed products from the Australian CTM.</p>

Table 5: Cost to Make data reliability

Determination of normal value and recommendation

The normal value is determined in accordance with section 269TAC.

The commission preliminarily finds that the normal value for Siam (2513) should be determined in accordance with section 269TAC(1), based on the prices of other sellers of like in Thailand, calculated at FOB terms.

Section 269TAC(1) provides that:

...the normal value of any goods exported to Australia is the price paid or payable for like goods sold in the ordinary course of trade for home consumption in the country of export in sales that are arms length transactions by the exporter or, if like goods are not so sold by the exporter, by other sellers of like goods.

In order for the commission to be able to rely upon section 269TAC(1) to calculate normal value, it is therefore necessary to be satisfied that there are like goods which were sold domestically by Siam or other sellers of like goods during the investigation period.

Siam (2513) did not have domestic sales of like goods during the investigation period. As such, the commission has examined whether there are relevant sales by other sellers of like goods.⁹ The commission found there are domestic sales of like goods made by DTL¹⁰, PPI¹¹ and KFC.¹²

DTL and KFC's domestic sales are in sufficient quantities when compared to Siam's exported volume of goods. The commission has used these domestic sales with adjustments as necessary to calculate Siam's normal value.

Adjustments

The commission made the adjustments listed at Table 6 to properly compare the export price of the Australian export goods to the corresponding normal value in accordance with section 269TAC(8).

⁹ As outlined in Chapter 8.2 of the Manual, where an exporter is known to have not made any domestic sales, already available domestic sales information from other sellers in the country of export will be considered before turning to the other methods for establishing normal value.

¹⁰ EPR 628 – [document 19](#).

¹¹ At the time of writing this file note, the DTL verification file note had not been reviewed and cleared by DTL and published on the EPR. However, the commission is satisfied that DTL made domestic sales of like goods in the investigation period.

¹² EPR 628 – [document 14](#).

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These adjustments were made to compare the export price and normal value on FOB terms.

Adjustment description	Adjustment application
Domestic inland transport	Deduct an amount for domestic inland transport
Domestic credit terms	Deduct an amount for domestic credit terms
Domestic packaging	Deduct an amount for domestic packaging
Export inland transport	Add an amount for export inland transport
Export port & handling charges	Add an amount for export port & handling charges
Export packaging	Add an amount for export packaging
Export credit terms	Add an amount for export credit terms
Specification adjustment	Add or Deduct an amount for specification adjustment
Timing adjustment	Add or Deduct an amount for timing adjustment

Table 6: Summary of adjustments applied

Dumping margin

The commission has calculated a preliminary dumping margin of **21.5%**.

The commission calculated Siam (2513)'s dumping margin according to section 269TACB(2)(a), comparing weighted average Australian export prices to the corresponding weighted average normal values for the investigation period.

The commission's preliminary dumping margin calculation is at **Confidential appendix 4**.

Confidential attachments and appendices

Confidential attachment 1: Verification work program

Confidential appendix 1: Export price calculation

Confidential appendix 2: CTMS calculation

Confidential appendix 3: Normal value calculation

Confidential appendix 4: Dumping margin calculation