PUBLIC RECORD

Australian Government
Department of Industry, Science and Resources

Anti-Dumping Commission

CUSTOMS ACT 1901 - PART XVB

REPORT NO 644

ALLEGED DUMPING OF INTERCHANGEABLE BOLTED CLIPPING SYSTEM BRACKETS EXPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA

12 September 2025

CONTENTS

ABBREVIATIONS

Abey	Abey Australia Pty Ltd
ABF	Australian Border Force
ACP	A C Plumbing Supplies Pty Ltd
the Act	*Customs Act 1901*
ADN	Anti-Dumping Notice
AUD	Australian dollar
Aztec	Aztec Australasia Pty Ltd
China	the People's Republic of China
CITIC	CITIC Metal Co., Ltd
the commission	the Anti-Dumping Commission
the Commissioner	the Commissioner of the Anti-Dumping Commission
CON 644	*Consideration Report No 644*
Couta	The Couta Group Pty Ltd
CTMS	cost to make and sell
Customs Direction	*Customs (Extensions of Time and Non-cooperation) Direction 2015*
Dumping Duty Act	*Customs Tariff (Anti-Dumping) Act 1975*
EPR	electronic public record
Fenghui	Ningbo Fenghui Metal Products Co., Ltd
FIS	free into store
Flexistrut	Flexistrut Building Services Pty Ltd
FOB	free on board
FY	financial year
GOC	Government of China
the goods	the goods the subject of the application, brackets
the Guidelines	*Guidelines on the Application of Forms of Dumping Duty*
HRC	hot rolled coil
IDD	interim dumping duty
investigation period	1 April 2023 to 31 March 2024
the Manual	*Anti-Dumping Commission Dumping and Subsidy Manual*
Material injury direction	*Ministerial Direction on Material Injury 2012*
MCC	model control code
the Minister	the Minister for Industry and Innovation and Minister for Science
NIP	non-injurious price
OCOT	ordinary course of trade

PAD	Preliminary affirmative determination
Qinyan	Cixi Guanhaiwei Qinyan Hardware Factory
Radius	Radius Supply and Service Pty Ltd
REP 590	*Anti-Dumping Commission Report No 590*
REQ	response to exporter questionnaire
SEF	Statement of Essential Facts
SEF 644	*Statement of Essential Facts No 644*
SG&A	selling, general and administrative expenses
USP	unsuppressed selling price
YE	year ending

1 SUMMARY OF FINDINGS AND RECOMMENDATIONS

1.1 Introduction

This report has been prepared following an investigation by the Commissioner of the Anti-Dumping Commission (Commissioner) in respect of an application seeking the publication of a dumping duty notice on certain interchangeable bolted clipping system brackets (the goods, or brackets) exported to Australia from the People's Republic of China (China).

The application was lodged by Abey Australia Pty Ltd (Abey, or the applicant). Abey alleges that the Australian industry, comprised solely of Abey, has suffered material injury caused by dumped and subsidised goods exported from China.

In relation to the application for publication of a dumping duty notice, the Commissioner has found that the goods exported to Australia from China were dumped. The Commissioner has also found that the dumped goods exported from China have caused material injury to the Australian industry producing like goods.

In relation to the application for publication of a countervailing duty notice, the Commissioner found that countervailable subsidies have been received in respect of the goods exported to Australia from China. However, these subsidies did not at any time during the investigation period exceed the 'negligible level' of countervailable subsidy. Accordingly, on 11 August 2025, the Commissioner terminated the investigation relating to the application for publication of a countervailing duty notice.[1]

This report sets out the Commissioner's recommendations to the Minister for Industry and Innovation and Minister for Science (Minister), and sets out the material findings of fact on which those recommendations are based and provides particulars of the evidence relied on to support those findings.

1.2 Recommendations

Based on the findings outlined in this report, the Commissioner recommends that the Minister publish a dumping duty notice in respect of the goods exported to Australia from China. The Commissioner recommends that the Minister determine that the following dumping duties are, or should be, payable on those goods because of that notice.

Exporter	Effective rate of interim dumping duty (IDD)
Ningbo Fenghui Metal Products Co., Ltd	47.6%
All other exporters	54.4%

Table 1: Recommended duty

[1] Electronic public record (EPR) 644, item nos 34 and 35.

1.3 Conduct of the investigation

Division 2 of Part XVB of *Customs Act 1901* (the Act)[2] describes, among other things, the procedures to be followed and the matters to be considered by the Commissioner in conducting investigations in relation to the goods covered by an application under section 269TB(1).

The Anti-Dumping Commission (commission) assisted the Commissioner to conduct the investigation, pursuant to the commission's function specified in section 269SMD.

Further information on Abey's application for anti-dumping measures and the conduct of the investigation is included in Chapter 2 of this report.

1.4 Summary of findings

The following sections provide a summary of the Commissioner's findings. The Commissioner's findings and conclusions from those findings are set out in further detail throughout this report.

1.4.1 The goods, like goods and the Australian industry (Chapter 3)

The Commissioner is satisfied that locally produced brackets are 'like' to the goods the subject of the application. The Commissioner is satisfied that there is an Australian industry, comprised solely of Abey, producing those like goods.

1.4.2 Australian market (Chapter 4)

The Commissioner has found that:

- The Australian market is supplied by brackets produced by the Australian industry (comprised solely of Abey) and brackets imported from China.
- Brackets are sold to either distributors and wholesalers that on sell to retailers, or directly to retailers that sell plumbing products. Abey and suppliers of imported brackets compete to supply the same retailers and merchants in the Australian market, and they compete mostly on price.
- The Australian market for brackets increased in the year ending (YE) 31 March 2022, decreased in YE 31 March 2023 and increased in the investigation period. Over the same period, the share of the market supplied by imports from China increased while the share of the market supplied by the Australian industry decreased.

1.4.3 Dumping investigation (Chapter 5)

The Commissioner has found that the goods exported to Australia from China in the investigation period have been dumped at margins that are not 'negligible',[3] and that the volume of dumped goods is not 'negligible'.[4]

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[2] All legislative references in this report are to the *Customs Act 1901* (Cth) (the Act), unless otherwise specified.

[3] Section 269TDA(1).

[4] Section 269TDA(3) and (4).

As detailed in Chapter 5 of this report, following consideration of further information and submissions received after the publication of *Statement of Essential Facts 644* (SEF 644), the Commissioner has revised the normal value and dumping margins for all exporters. The dumping margins are set out in Table 2.

Exporter	SEF dumping margin	Final dumping margin
Ningbo Fenghui Metal Products Co., Ltd	91.3%	71.2%
All other exporters	101.1%	80.0%

Table 2: Dumping margins

1.4.4 Economic condition of the Australian industry (Chapter 6)

The Commissioner found that the Australian industry, comprised solely of Abey, has experienced injury over the injury analysis period in the form of:

- loss of market share
- loss of sales volumes
- reduced capital investment
- reduced capacity utilisation
- reduced profit and profitability
- reduced production
- increased inventory, and
- reduced value of assets.

While Abey did not claim that the Australian industry experienced injury in the form of increased inventory and reduced value of assets, the Commissioner has found that the Australian industry experienced increasing volume of inventory and reduced value of assets over the period examined.

The Commissioner did not find that the Australian industry experienced injury as claimed over the injury analysis period in the form of price suppression, reduced employment and wages and reduced productivity.

1.4.5 Has dumping caused material injury? (Chapter 7)

The Commissioner found that:

- importers purchased the goods from China at dumped prices, which allowed those importers to be significantly more competitive on price than would have been the case had the goods not been dumped
- the Australian industry's prices for all types of brackets were undercut by the dumped goods in the investigation period
- as the Australian industry was not prepared to lower its prices to compete with the dumped exports from China, it has foregone sales leading to a material reduction in its market share in the investigation period, and
- by ceding sales volumes and market share to dumped imports from China in a growing market, Australian industry has foregone profit it would otherwise have achieved.

Accordingly, the Commissioner is satisfied that exports of the dumped goods from China caused material injury to the Australian industry producing like goods in the form of forgone sales volumes, loss of market share and forgone profit as a result of the loss of market share.

1.4.6 Will dumping continue? (Chapter 8)

The Commissioner is satisfied that exports of the goods from China may continue in the future at dumped prices.

1.4.7 Non-injurious price (Chapter 9)

The non-injurious price (NIP) is the minimum price necessary to prevent the injury, or a recurrence of the injury, caused by dumping. The NIP is also a variable factor relevant to determining IDD payable under the *Customs Tariff (Anti-Dumping) Act 1975* (Dumping Duty Act).

The Commissioner found that for all exporters from China, the NIP is less than the normal value of the exported goods. Accordingly, the Minister must have regard to the desirability of specifying a lesser amount of duty in respect of the goods. While the Minister must have regard to the desirability of specifying a lesser amount of duty, the Minister retains discretion as to whether a lesser amount of duty should ultimately be applied.

In this case, the Commissioner recommends that the Minister should exercise their discretion to apply a lesser amount of duty (as outlined in Table 3, which is less than the dumping margin for each exporter) on the basis that that the lesser amount is adequate to remove the injury caused to the Australian industry by dumping.

Exporter	Effective rate of IDD before application of lesser duty	Effective rate of IDD after application of lesser duty
Ningbo Fenghui Metal Products Co., Ltd	71.2%	47.6%
All other exporters	80.0%	54.4%

Table 3: Application of lesser duty

1.4.8 Recommended measures and effective rates of duty (Chapter 10)

The Commissioner recommends that the Minister have regard to the *ad valorem* duty method when working out the amount of IDD payable in respect of the goods. In working out the amount of IDD payable in respect of the goods, the Commissioner recommends that the Minister apply a lesser amount of duty such that the sum of the ascertained export price and IDD payable does not exceed the NIP.

The recommended effective rates of IDD payable on the goods imported from China are summarised in Table 4 below.

Exporter	Duty method	Effective rate of IDD
Ningbo Fenghui Metal Products Co., Ltd	*Ad valorem*	47.6%
All other exporters	*Ad valorem*	54.4%

Table 4: Effective rates of IDD

2 BACKGROUND

2.1 Legislative framework

Division 2 of Part XVB of the Act describes, among other things, the procedures to be followed and the matters to be considered by the Commissioner in conducting investigations in relation to the goods covered by an application under section 269TB(1) of the Act.

2.2 Application for anti-dumping measures and initiation of investigation

On 5 April 2024, Abey lodged an application seeking the publication of a dumping duty notice and a countervailing duty notice in respect of certain interchangeable bolted clipping system brackets exported to Australia from China.

In its application, Abey alleges that the Australian industry producing like goods has suffered material injury caused by dumped goods exported to Australia from China.

Subsequent to receiving further information, the last of which was received on 20 May 2024, the Commissioner considered the application in accordance with section 269TC and was satisfied that:

- the application complies with the requirements of section 269TB(4), in that the application was lodged in writing, was lodged in an approved form, contained such information as the form requires, was signed in the manner indicated in the form, was supported by a sufficient part of the Australian industry, and was lodged in the approved manner,
- there is an Australian industry in respect of like goods, and
- that there appear to be reasonable grounds for the publication of a dumping duty notice and a countervailing duty notice in respect of the goods the subject of the application.

Accordingly, the Commissioner decided not to reject the application and initiated an investigation into the alleged dumping and subsidisation of the goods exported to Australia from China. *Consideration Report No 644* (CON 644) provides further details relating to the consideration of the application.[5]

Public notification of initiation of the investigation was made in Anti-Dumping Notice (ADN) No 2024/040, which was published on 25 June 2024.[6]

[5] EPR 644, item no 2.

[6] EPR 644, item no 3.

2.3 Preliminary affirmative determination and taking of securities

In accordance with section 269TD(1), the Commissioner may make a preliminary affirmative determination (PAD) if satisfied that:

- there appears to be sufficient grounds for the publication of a dumping duty notice or a countervailing duty notice,[7] or
- it appears that there will be sufficient grounds for the publication of a dumping duty notice or a countervailing duty notice subsequent to the importation of the goods into Australia.[8]

A PAD may be made no earlier than day 60 of the investigation (in relation to this investigation, 24 August 2024)[9] and the Commonwealth may require and take securities at the time a PAD is made or at any time during the investigation after a PAD has been made if the Commissioner is satisfied that it is necessary to do so to prevent material injury to an Australian industry occurring while the investigation continues.[10]

On 12 March 2025, the Commissioner was satisfied that there appeared to be sufficient grounds for the publication of a dumping duty notice in relation to the goods exported to Australia from China, and made a PAD to that effect.[11] Following the making of the PAD, and to prevent material injury to the Australian industry occurring while the investigation continued, securities were taken in respect of any IDD that may become payable in respect of the goods exported from China and entered for home consumption in Australia on or after 13 March 2025.

As outlined in SEF 644, the Commissioner remained satisfied that it was necessary to require and take securities to prevent material injury to the Australian industry occurring while the investigation continues. The Commissioner was not satisfied that there appeared to be sufficient grounds to make a PAD in relation to the alleged subsidisation of the goods exported to Australia from China.

2.4 Statement of essential facts

As required by section 269TDAA(1), the Commissioner must, within 110 days after the initiation of an investigation or such longer period as is allowed under section 269ZHI(3), place on the public record a SEF on which the Commissioner proposes to base a recommendation to the Minister in relation to the application.[12]

The Commissioner published SEF 644 on 27 June 2025.[13]

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[7] Section 269TD(1)(a).

[8] Section 269TD(1)(b).

[9] Section 269TD(1).

[10] Section 269TD(4)(b).

[11] Refer ADN No 2025/020, item no 18 on EPR 644.

[12] The SEF was originally due to be published on or before 14 October 2024. The commission obtained multiple extensions of time for the due date for the SEF and final report.

[13] EPR 644, item no 28.

SEF 644 outlined the facts on which the Commissioner proposed to base their recommendations to the Minister. In formulating the SEF, the Commissioner had regard to the following:

- Abey's application
- importer and exporter questionnaire responses received from participating importers and exporters
- submissions received concerning the publication of the dumping duty notice and countervailing duty notice, including data provided by interested parties
- information obtained during verification visits to Abey, A C Plumbing Supplies Pty Ltd (ACP), Ningbo Fenghui Metal Products Co., Ltd (Fenghui) and Cixi Guanhaiwei Qinyan Hardware Factory (Qinyan)
- data from the Australian Border Force (ABF) import database
- data obtained from independent third-party data providers
- the commission's previous findings with respect to the steel industry and markets in China, and
- all other relevant matters as outlined in the SEF.

2.5 Termination of subsidy investigation

The Commissioner found that countervailable subsidies have been received in respect of the goods exported to Australia from China. However, these subsidies did not at any time during the investigation period exceed the 'negligible level' of countervailable subsidy.[14] Accordingly, in accordance with section 269TDA(2)(b)(ii), the Commissioner has terminated the investigation relating to the application for publication of a countervailing duty notice (subsidy investigation).

Public notification of the Commissioner's decision to terminate the subsidy investigation was made on 11 August 2025.[15]

Termination Report No 644 sets out the material findings of fact on which the Commissioner's decision was made to terminate the subsidy investigation.[16]

2.6 Final report

Section 269TEA(1) requires the Commissioner, after conducting an investigation, to give the Minister a report recommending whether any notice should be published and the extent of any duties that are or should be payable under the Dumping Duty Act.

The Commissioner's report and recommendations in relation to this investigation were initially due to be provided to the Minister by 27 November 2024. However, this due date

[14] Section 269TDA(16) of the *Customs Act 1901*. As China is classed as a 'developing country' under Schedule 1, Part 4, Division 1 of the *Customs Tariff Regulations 2004*, the negligible level of countervailable subsidy is 2%.

[15] ADN No 2025/074 refers.

[16] EPR 644, item no 34.

was extended.[17] The report and the recommendations in relation to this investigation were provided to the Minister on 12 September 2025.

In deciding on the recommendations to be made to the Minister, the Commissioner had regard to Abey's application, submissions concerning the publication of the dumping duty notice that were received prior to the publication of the SEF, the SEF, submissions received in response to the SEF, and other relevant matters as outlined in this report.

2.7 Conduct of the investigation

At initiation of the investigation, the Commissioner established an investigation period of 1 April 2023 to 31 March 2024. The Commissioner examined exports to Australia of the goods during this period to determine whether dumping and subsidisation occurred.

The Commissioner also examined information relating to the economic condition of the Australian industry and Australian market from 1 April 2020 (referred to as the 'injury analysis period') for the purposes of the injury analysis.

2.7.1 Related cases

In addition to investigating alleged dumping of brackets, the commission also investigated alleged dumping of interchangeable bolted clipping system clip heads (clip heads) exported to Australia from China ('Investigation 645').[18] The goods the subject of Investigation 645 are used in conjunction with brackets the subject of Investigation 644 and are complementary products.

Investigation 645 was initiated on 25 June 2024 following an application lodged by Abey seeking the publication of a dumping duty notice and a countervailing duty notice in respect of interchangeable bolted clipping system clip heads.

The commission conducted Investigation 644 and Investigation 645 concurrently given that the same parties that manufacture, export and import brackets also manufacture, export and import clip heads from China. While the investigations were conducted concurrently, the findings of each investigation pertain specifically to the goods being examined in each investigation.

2.7.2 Questionnaires and verification

Australian industry

The Commissioner is satisfied that the applicant (Abey) is the sole member of the Australian industry producing like goods to the goods the subject of this investigation.[19]

The commission visited Abey's manufacturing premises in November 2024 to verify the accuracy, completeness and relevance of Abey's sales and cost data, including other

[17] EPR 644, ADN No 2024/062, ADN No 2025/016 and ADN No 2025/079 refer.

[18] Refer EPR 645 for further information relating to this investigation.

[19] See Chapter 3 for further details.

information provided in Abey's application. A verification report summarising the findings from this verification is available on the public record.[20]

Importers

The commission identified some entities from the ABF import database that imported goods during the investigation period that were classified to the tariff subheadings identified in Abey's application. The commission also identified suppliers of the goods in the Australian market that may have imported the goods into Australia. The commission sent importer questionnaires to these parties. The commission also placed a copy of the importer questionnaire on the commission's website for importers to complete.

The commission received a response to the importer questionnaire from ACP, a plumbing products wholesaler and distributor in Australia that has imported the goods from China during the investigation period. ACP has sold these imported goods in the Australian market and is therefore a supplier of the goods in the market.

The commission conducted a visit to ACP's premises in October 2024 to verify the accuracy, completeness and relevance of ACP's information and data provided in its response the importer questionnaire. A verification report outlining the key findings from this verification is available on the public record.[21]

Following the publication of the PAD, Radius Supply and Service Pty Ltd (Radius) met with the commission and provided the commission with information relating to its sales of the goods in the Australian market.[22] The commission subsequently requested that Radius complete the importer questionnaire. While Radius provided information which appears to relate to its cost to import and sell and its import consignments, it did not respond to the questions in the importer questionnaire, nor did it provide all the information requested in the questionnaire.[23]

Exporters

At initiation, the commission sent exporter questionnaires to the following entities that were either identified in Abey's application or were identified by the commission as potential manufacturers or suppliers of the goods from China:

- Fenghui
- Ningbo Xinliyuan International Trading Co., Ltd, and
- Kinetic Sourcing Group Pty Ltd.

The commission also placed a copy of the exporter questionnaire on the commission's website for completion by other entities that were not contacted directly.

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[20] EPR 644, item no 21.

[21] EPR 644, item no 16.

[22] A summary of the meetings with Radius is contained in item no 27 on EPR 644.

[23] Radius identified 'Radius Sales & Surface Pty Ltd' in each completed questionnaire spreadsheet, albeit this appears to be an error as this entity does not appear to be registered in Australia and therefore does not appear to exist. Further, this entity is not declared as the importer on the import declarations relating to Radius' imports of the goods.

On 1 May 2025 the commission also forwarded exporter questionnaires to Radius to forward to its suppliers and manufacturers of the goods. The commission requested that a response to the questionnaire be provided by 30 May 2025. The commission did not receive a response to the exporter questionnaire from any of Radius' suppliers and manufacturers of the goods.

Cooperative exporters[24]

The commission received a response to the exporter questionnaire (REQ) from Fenghui, and Qinyan.

Both Fenghui and Qinyan were granted an extension to respond to the exporter questionnaire, and both parties provided a response to the questionnaire by the extended due date. The commission identified several deficiencies with both responses and both parties addressed these deficiencies in a subsequent response. Non-confidential versions of the exporter questionnaire responses, including responses to the deficiency advice, are available on the public record.[25]

The commission visited Fenghui's and Qinyan's respective premises in China to verify the accuracy, completeness and relevance of the information submitted in their questionnaire responses. A verification report outlining the key findings from the verification of Fenghui is available on the public record.[26] A verification report outlining the key findings from the verification of Qinyan is also available on the public record.[27]

For the reasons outlined in section 5.3.2 of this report, the commission considers Fenghui, rather than Qinyan, to be the exporter of the goods.

Uncooperative exporters

Section 269T(1) provides that an exporter is an 'uncooperative exporter' in relation to an investigation where the Commissioner is satisfied that:

- the exporter did not give the Commissioner information that the Commissioner considered to be relevant to the investigation within a period the Commissioner considered to be reasonable, or
- the exporter significantly impeded the investigation.

The Customs Direction states at section 8 that the Commissioner must determine an exporter to be an uncooperative exporter if that exporter:

- fails, within the legislated period, to:
    - provide a response,[28] or
    - request a longer period to provide a response, or

[24] 'Cooperative exporter' is defined in section 269T(1).

[25] EPR 644, item nos 11, 12, 13 and 14.

[26] EPR 644, item no 23.

[27] EPR 644, item 22.

[28] Defined in the Customs Direction as any document or thing provided to the Commissioner in relation to any case, including submissions, information or answers to the questions in questionnaires.

- provides a response within the legislated period that the Commissioner considers did not provide information relevant to the case.

The Commissioner considered the *Customs (Extensions of Time and Non-cooperation) Direction 2015* (Customs Direction) and section 269T(1) and determined that any exporter which did any of the following is an 'uncooperative exporter' for the purposes of this investigation:

- failed to provide a response to the exporter questionnaire or failed to request a longer period to provide a response within the time specified in ADN No 2024/040, being 1 August 2024,[29] or
- provided a REQ within the legislated period that did not provide information relevant to the case.

The Commissioner determines that all exporters other than Fenghui are 'uncooperative exporters' for the purposes of the investigation.

Government of China

In accordance with section 269TB(2C), the commission invited the Government of China (GOC) for consultations during the pre-initiation phase. The commission provided the GOC with a non-confidential version of Abey's application.

The GOC accepted the commission's invitation, and consultations were held via videoconference on 7 June 2024. The purpose of the consultations was to provide an opportunity for the GOC to respond to the claims made within the application in relation to countervailable subsidies, including whether they exist and, if so, whether they are causing, or are likely to cause, material injury to an Australian industry, with the 'aim of clarifying the situation […] and arriving at a mutually agreed solution'.

The GOC outlined its view that the application for dumping and countervailing duties should be rejected. The GOC stated that the information in the application regarding countervailable subsidies was outdated and lacked evidence to prove the existence of the subsidy programs listed in the application. The GOC raised the following key points in the consultations:

- *Anti-Dumping Commission Report No 590* (REP 590) and the type of steel used to make interchangeable brackets
- reliance on previous findings in REP 590 and *Anti-Dumping Commission Report No 529*
- amount of subsidy in Abey's application
- evidence regarding specificity.

[29] This is the relevant legislated period. On 1 May 2025 the commission also forwarded exporter questionnaires to Radius to forward to its suppliers and manufacturers of the goods. The commission requested that a response to the questionnaire be provided by 30 May 2025. The commission did not receive a response to the exporter questionnaire from any of Radius' suppliers or manufacturers.

The GOC provided a written submission repeating the issues raised during the consultations.[30] The commission has detailed its consideration and assessment of the GOC's submission in section 4.4.3 of CON 644.[31]

At initiation, the commission sent a questionnaire to the GOC to complete. The questionnaire included questions relating to Abey's claims concerning subsidisation and particular market situation including questions relating to the Chinese steel industry and market. The commission has not received a response to this questionnaire.

During the course of the investigation, the commission obtained information that indicated that benefits were received in relation to the goods under several subsidy programs that were not identified in Abey's application. Therefore, the commission sent the GOC a supplementary questionnaire in relation to these identified subsidy programs. The commission did not receive a response from the GOC to this supplementary questionnaire.

As outlined in section 2.5, the Commissioner terminated the investigation into alleged subsidisation of the goods exported to Australia from China because the Commissioner found negligible subsidisation.

2.7.3 Submissions from interested parties

The commission has received 14 submissions during the course of the investigation. Non-confidential versions of these submissions are available on the public record.

The commission received the following submissions listed in Table 5 before publishing SEF 644.[32]

EPR document no	Interested party	Date received	Chapter reference
5	ACP	1 August 2024	Chapter 7
6	Abey	19 August 2024	Chapter 7
7	ACP	23 August 2024	Chapter 7
10	Compliant Customs Pty Ltd	28 August 2024	Chapter 3
15	Abey	22 November 2024	Chapter 5
19	Abey	17 March 2025	Chapter 5
20	Clemenger International Freight Pty Ltd	19 March 2025	Chapter 3
24	Radius	3 April 2025	Chapter 7
25	Fenghui and Qinyan	23 May 2025	Chapter 5
26	ACP	23 May 2025	Chapter 7

Table 5: Submissions received prior to publication of SEF 644

[30] EPR 644, item no 4.

[31] EPR 644, item no 2.

[32] EPR 644, item no 28.

The Commissioner had regard to the submissions referred to in Table 5 in preparing the SEF. The submissions are addressed throughout the SEF and this report.

Table 6 lists the submissions received after the publication of the SEF.

EPR document no	Interested party	Date received	Chapter reference
30	Abey	13 July 2025	Chapter 7
31	Fenghui and Qinyan	17 July 2025	Chapter 5
32	ACP	17 July 2025	Chapters 4 and 7
33	Abey	30 July 2025	Chapter 7

Table 6: Submissions received after the publication of SEF 644

The Commissioner had regard to all submissions referred to in Table 5 and Table 6 in preparing this report. The submissions are addressed throughout this report.

3 THE GOODS, LIKE GOODS AND THE AUSTRALIAN INDUSTRY

3.1 Findings

The Commissioner found that:

- locally manufactured goods are 'like' to the goods the subject of this investigation
- there is an Australian industry, of which Abey is the sole member, producing like goods, and
- the like goods are wholly or partly manufactured in Australia.

3.2 Legislative framework

Section 269TC(1) of the Act requires that the Commissioner must reject an application for a dumping duty notice or countervailing duty notice if, inter alia, the Commissioner is not satisfied that there is, or is likely to be established, an Australian industry in respect of like goods.

In making this assessment, the Commissioner must firstly determine that the goods produced by the Australian industry are 'like' to the imported goods. Section 269T(1) defines like goods as:

> …goods that are identical in all respects to the goods under consideration or that, although not alike in all respects to the goods under consideration, have characteristics closely resembling those of the goods under consideration.

An Australian industry can apply for relief from injury caused by dumped or subsidised imports even if the goods it produces are not identical to those imported. The industry must however produce goods that are 'like' to the imported goods.

Where the locally produced goods and the imported goods are not alike in all respects, the Commissioner assesses whether they have characteristics closely resembling each other against the following considerations:

- physical likeness
- commercial likeness
- functional likeness, and
- production likeness.

The Commissioner must also be satisfied that 'like' goods are in fact produced in Australia. Section 269T(2) specifies that for goods (other than unmanufactured raw products) to be regarded as being produced in Australia, they must be either wholly or partly manufactured in Australia. Section 269T(3) provides that in order for the goods to be considered as partly manufactured in Australia, at least one substantial process in the manufacture of the goods must be carried out in Australia.

3.3 The goods the subject of the investigation

The goods the subject of the application (the goods, or the goods under consideration) are described as:

> Interchangeable bolted clipping system brackets, whether or not galvanized, whether or not including nut and bolt, including the following brackets:

- light hanging bracket with elongated slot and square hole for interlocking coach bolt and nut
- stand-off bracket with elongated slot and square hole for interlocking coach bolt and nut
- adjustable stand-off bracket with elongated slot for interlocking coach bolt and nut
- all-thread bracket with elongated slot and square hole for interlocking coach bolt and nut, and
- welded nut bracket with elongated slot and square hole for interlocking coach bolt and nut.

The interchangeable bolted brackets are manufactured from galvanised hot rolled coil (HRC).

Further information regarding the goods the subject of the application can be found in CON 644 and ADN No 2024/040.[33]

3.3.1 Tariff classification

The goods the subject of this investigation may be classified to the following tariff subheadings in Schedule 3 to the *Customs Tariff Act 1995*:

Tariff subheading	Statistical code	Description
7326	OTHER ARTICLES OF IRON OR STEEL:	
7326.90	- Other:	
7326.90.90	60	Other
8302	BASE METAL MOUNTINGS, FITTINGS AND SIMILAR ARTICLES SUITABLE FOR FURNITURE, DOORS, STAIRCASES, WINDOWS, BLINDS, COACHWORK, SADDLERY, TRUNKS, CHESTS, CASKETS OR THE LIKE; BASE METAL HAT- RACKS, HAT-PEGS, BRACKETS AND SIMILAR FIXTURES; CASTORS WITH MOUNTINGS OF BASE METAL; AUTOMATIC DOOR CLOSERS OF BASE METAL:	
8302.50.00[34]	21	Hat-racks, hat-pegs, brackets and similar fixtures

Table 7: Tariff subheadings relevant to the goods

While Abey has noted in its application that certain types of brackets[35] may be classified under tariff subheading 7318.15.00, the commission could not identify any imports of the goods that were classified under this tariff subheading. This observation is consistent with

[33] Refer to item nos 2 and 3 on EPR 644, available at www.adcommission.gov.au.

[34] In its submission dated 28 August 2024, Compliant Customs Pty Ltd (a customs broker) identified an additional tariff subheading (8302.50.00, statistical code 21) under which the goods the subject of this investigation may be classified to. The commission reviewed ABF data and identified several consignments that appear to be of the goods the subject of the investigation.

[35] Welded nut brackets and all thread brackets.

Clemenger International Freight Pty Ltd's submission that the goods the subject of this investigation are not classified under tariff subheading 7318.15.00.[36]

The commission is aware that Radius has declared goods under tariff subheadings other than the tariff subheadings identified in Table 7. The commission has provided the tariff classifications for guidance only and importers should make their own enquiries with the ABF when declaring imports.

The above tariff subheadings and statistical codes may include goods that are both subject and not subject to this investigation. The listing of these tariff subheadings and statistical codes are for reference only and do not form part of the goods description set out above. Interested parties should refer to the goods description for authoritative detail regarding the particulars of the goods the subject of this investigation.

3.3.2 Model control codes

The commission has used a model control code (MCC) structure to identify key characteristics for, among other things, model matching when comparing export prices and normal values.[37]

As detailed in the initiation notice, the commission proposed MCCs, and exporters and importers were requested to provide sales and cost data in accordance with the MCC structure detailed in the initiation notice.

Interested parties were invited to make submissions relating to the proposed MCCs. The commission did not receive any submissions concerning the MCCs. However, from the verification of data provided by Fenghui, Qinyan and ACP, the commission amended the MCC codes to exclude certain bracket types[38] that are not the subject of the investigation. The commission also amended the types of finish. The final MCC structure as amended is outlined in Table 8.

Category	Sub-category	Identifier
Type	Stand-off bracket	A
	Adjustable stand-off bracket	B
	Light hanging bracket	D
	All thread bracket	F
	Welded nut bracket	G
	Welded nut standoff bracket	H
	V Legs	I
	Bolted clip shanks or heavy hanging bracket	J
	Other	K

[36] EPR 644, item no 20.

[37] The basis for using a MCC structure and the commission's practice is explained in ADN No 2019/132.

[38] Excluded sub-categories include adjustable stand-off bracket (hanging) and stainless steel hanging bracket.

Category	Sub-category	Identifier
Product code (specific to relevant company)	XXX	XXX
Finish	Non-powder coated	A
	Powder coated	B

Table 8: MCCs for brackets

3.4 Like goods

The Commissioner found that the locally produced goods closely resemble the goods the subject of the application and are like goods given that:

- the primary physical characteristics of the locally produced goods closely resemble the imported goods
- the imported and locally produced goods are commercially alike as they are sold to the same customers and compete in the same market
- the imported and locally produced goods are functionally alike as they have the same end-uses and are substitutable, and
- the imported and locally produced goods are manufactured in a similar manner.

The following sections outline the commission's assessment of whether the locally produced goods are identical to, or closely resemble, the goods under consideration and therefore whether they are 'like' goods.

Physical likeness

The commission found that the primary physical characteristics (including dimension, shape and colour) of the imported goods and the goods produced by Abey are almost identical.

Commercial likeness

The commission found that the imported goods and the goods produced by Abey are commercially alike as they are sold to common customers and compete for the same customers in the same market segment.

The commission found that both the imported and locally produced brackets are either directly or indirectly sold to retailers and wholesalers, which subsequently sell the goods to end users (typically, plumbers).

Functional likeness

The commission found that both the imported and locally produced brackets are used in conjunction with interchangeable bolted clipping system clip heads in plumbing applications to secure pipes to surfaces. The locally produced brackets are wholly interchangeable or substitutable with imported brackets and perform the same function.

Production likeness

The commission found that Abey produces brackets in a similar manner to the imported goods, using the same raw material inputs (steel coil) and manufacturing processes which transform the steel coil into the desired bracket.

3.5 Australian industry producing like goods

In its application, Abey claimed that it is the sole manufacturer of brackets in Australia. The commission found no evidence to suggest that there are other manufacturers of brackets in Australia. The Commissioner therefore is satisfied that the Australian industry producing like goods to the goods under consideration consists solely of Abey.

The commission conducted a verification visit to Abey's production facility in Cobblebank in Victoria. The commission observed the production of brackets during this visit and is satisfied that Abey undertakes at least one substantial process (the transformation of steel coil into brackets) in the manufacture of the goods in Australia.

3.5.1 Production capability and process

Brackets are manufactured by Abey using zinc plated (galvanised) steel coil purchased mostly from an Australian manufacturer.[39]

Abey uses a pneumatic feeder to feed the slit steel coil through a press tool, which is programmed with the relevant parameters for the type of steel bracket being produced. There are multiple stages of progression through the press tool which transforms the steel coil to the desired bracket. For welded nut brackets, the nut is pressed and swaged into the bracket.

Once the bracket has been pressed, it is assembled and packed into carboard carton boxes. Abey subcontracts some assembly of brackets. If the brackets require subcontracted assembly, the brackets are transported to one of several local subcontractors where the brackets are assembled and subsequently packed. The packed brackets are transferred to Abey's warehouse where they are stored before they are subsequently sold to Abey's customers.

[39] Except for welded nut brackets, which are made from HRC and are subsequently zinc plated.

4 AUSTRALIAN MARKET

4.1 Findings

The Commissioner found that the Australian market for brackets is supplied by the Australian industry (comprised solely of Abey) and imports from China.

4.2 Market structure

4.2.1 End uses and drivers of demand

The brackets the subject of the investigation are used in conjunction with interchangeable clip heads to secure plumbing pipes to surfaces. The brackets are typically used in residential plumbing applications and the primary users of brackets and clip heads are plumbers.

In its application, Abey claims that demand for brackets and clip heads is primarily driven by activity in the building and construction sector. Abey claims that any reduced residential construction activity exacerbates pricing pressures and increases competition for the remaining demand for brackets and clip heads. The commission has not received any submissions from other parties that contradict this claim.

4.2.2 Supply and distribution arrangements

Based on information in the ABF import database and based on information provided by interested parties, ACP and Radius are the largest importers of the goods. The commission understands that ACP and Radius began to supply the Australian market in 2019 and 2018 respectively.

The commission has no evidence to suggest that brackets that are the subject of this investigation are imported into Australia from countries other than China.

Based on information provided by ACP and Radius, goods imported into Australia may be shipped and delivered directly to the customer's store or warehouse, or shipped to the importer's warehouse and kept as inventory before being dispatched to the customer.

The commission found that locally produced and imported brackets are sold to either:

- distributors such as Aztec Australasia Pty Ltd (Aztec) and wholesalers that on sell to retailers, specifically plumbing supply retailers and general hardware retailers, or
- directly to retailers.

Retailers sell brackets directly to end users, typically plumbers.

The commission found that Abey and suppliers of brackets imported from China (such as ACP and Aztec) mostly compete to supply the same retailers and merchants in the Australian market.

Based on sales data provided by Abey, ACP and Radius, the largest purchasers of brackets are Reece and Tradelink (both retailers of plumbing products), which sell various plumbing products directly to the end user. The Australian market is also supplied by numerous other plumbing and hardware retailers that supply brackets and clip heads to end users.

The commission found that many retailers and wholesalers source brackets from multiple suppliers in the Australian market.[40]

4.2.3 Competition

In its application, Abey stated that it competes directly with imports from China, which are imported and sold through established distribution channels via two large distributors (Aztec and ACP).[41] At the verification visit, Abey identified ACP, Aztec, the Couta Group Pty Ltd (Couta) and Flexistrut Building Services Pty Ltd (Flexistrut) as its main competitors.[42] Abey noted that ACP, Aztec and Couta supply retailers that sell to end users (plumbers), while Flexistrut directly sells to customers (such as builders) in the commercial building sector.

Brackets produced by Abey are identical in dimension, shape and colour to the goods exported from China and are used for the same purpose. The commission considers that the brackets the subject of the investigation are a commodity product, and there are no functional differences between imported and locally produced brackets. Provided the goods are manufactured for the desired end use, there are limited ways in which suppliers can differentiate their offering beyond price and service.

The commission found that customers (such as wholesalers and retailers) typically compare prices between suppliers when making purchasing decisions. In its application, Abey provided evidence that suggests that its customers often compare its prices to its competitors' prices and offer Abey feedback on its prices. This suggests that customers consider prices of the goods in their purchasing decisions. Given that there is little, if any, product differentiation, the commission considers that price is a key consideration in any purchasing decision and suppliers of brackets mostly compete on price. The implications of this are further discussed in Chapter 7 of this report.

4.3 Market size

4.3.1 Abey's estimate of market size in application

Based on information provided by Abey in its application, the commission observes that since 2021, the size of the market for brackets increased year on year.

In its application, Abey has relied upon its own sales volumes and market intelligence received from customer feedback to estimate the size of the Australian market for brackets.

At the time the commission considered Abey's application, the data in Abey's application was considered sufficient for the purpose of assessing its claims to permit a decision by the commission to initiate the investigation. However, the commission noted at that time that a clearer understanding of the volume of imported brackets in the Australian market would only be obtained from importers and exporters of the goods. The commission's

[40] Confidential Attachment 7.

[41] EPR 644, item no 1.

[42] EPR 644, item no 21.

own estimate of the Australian market for brackets based on data obtained from importers and the ABF import database is outlined in the following section.

4.3.2 Commission's estimate of market size

Figure 1 shows that the Australian market for brackets increased slightly in YE 31 March 2022, decreased in YE 31 March 2023 and increased in the investigation period (YE 31 March 2024). Over the same period, the share of the market supplied by imports from China increased while the share of the market supplied by the Australian industry decreased.

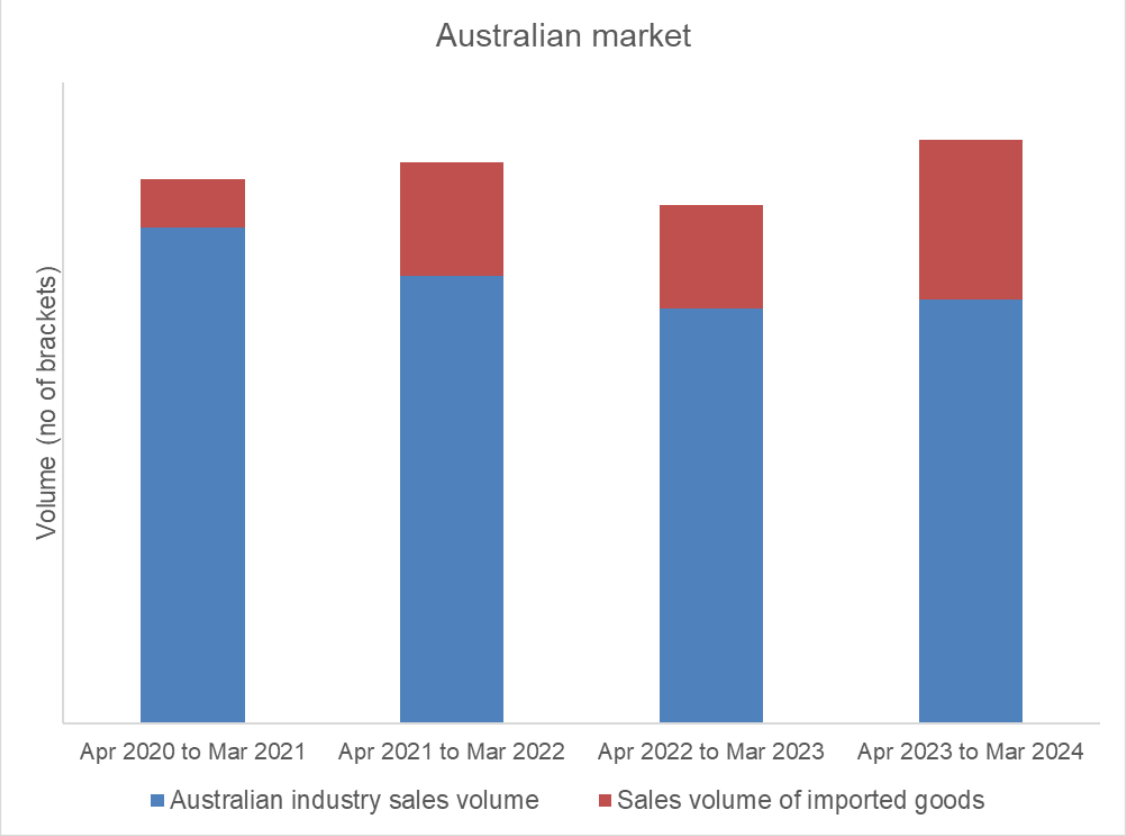

Figure 1: Australian market for brackets[43]

The commission estimated the size of the market using sales volume data obtained from Abey, ACP and Radius. The commission also had regard to import volumes of one other importer (Couta[44]) of the goods.

The commission extracted data from the ABF import database. While the commission was able to identify consignments imported by ACP and Radius, the commission was unable to distinguish between the goods and non-goods for most consignments identified.

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[43] After the publication of the SEF, the commission requested further data from ACP to assess volumes for years ending 31 March, which ACP provided. Therefore, the charts relating to market size and share in this report differ to the charts presented in the SEF because the charts in the SEF depict trends over financial years (i.e. years ending 30 June) whereas the charts in this report depict trends over years ending 31 March.

[44] The commission contacted Couta following the publication of the PAD. Couta did not respond to the commission's correspondence, nor did it make any submissions in the investigation.

Therefore, the commission did not use the ABF data relating to ACP and Radius' imports in estimating the size of the market. Instead, the commission had regard to the data provided by ACP and Radius in estimating the Australian market for brackets.

While the commission did not use ABF data relating to ACP and Radius' imports in estimating the size of the market, the commission could identify consignments of the goods (including the type of brackets) imported by Couta.[45] The commission also had regard to this data in estimating the Australian market.

The implications of the increase in the share of the market comprised of imports from China are further discussed in Chapter 7 of this report.

The commission's estimate of the size and composition of the Australian market for brackets is at **Confidential Attachment 1**.

ACP's submission concerning estimate of market size and share

In its submission of 17 July 2025, ACP made a number of claims with respect to the market analysis, which are addressed below.[46]

'The market share analysis and conclusions are based on a rough approximation of the market'

ACP submits that data used to inform the size of the market is limited to sales by Abey, ACP, Radius and imports by an unidentified third importer. ACP submits that Abey has identified four competitors: ACP, Aztec, Couta and Flexistrut.

ACP further submits that one cannot discount the possibility that there may be other suppliers in the market. Accordingly, ACP submits that the market share analysis is based on a 'rough' approximation of the market and that it is not apparent to ACP that the approximation of the Australian market is accurate enough to draw any factual conclusions from.

As outlined in section 4.3.2, in estimating the size and share of the market, the commission had regard to sales volume data provided by ACP, Radius and Abey. The commission also had regard to Couta's imports to estimate market size and share.

Based on information outlined in Confidential Attachment 2, the commission is satisfied that Flexistrut did not import the goods the subject of the investigation.

Further information about the market is contained in **Confidential Attachment 2**.

The commission has no evidence that there are any other parties that have imported the goods over the period examined. The commission notes that ACP and other interested parties have not provided any information that identifies any other importers or suppliers of the goods. The commission is satisfied that based on all available information including information in the ABF import database, its estimate of the Australian market captures the

[45] The commission has contacted Couta however it did not receive any response from Couta. Based on information from the ABF import database relating to Couta's import consignments, the volume of Couta's imports are significantly lower than the volume of Radius' and ACP's volumes.

[46] EPR 644, item no 32.

main suppliers and competitors that import and sell the goods the subject of the investigation.

The commission has evidence that Abey lost market share to its main competitors and the largest importers by volume (ACP and Radius). The implications of this are further discussed in Chapter 7 of this report.

'The ABF data should be treated with scepticism'

ACP submits that:[47]

- The SEF does not explain in any detail how the commission has been able to verify four years of ABF data to ensure it relates to the goods specifically, as opposed to other items. Without further detail as to how the veracity of the commission's conclusions have been tested, it seems as though this information cannot be relied upon to provide a clear picture of the Australian market.
- In any respect, we believe there would be an implicit difficulty in translating ABF data into a medium that may assist in the market assessment. Customs entry information for these goods, which we understand to be the basis of the ABF data used, would likely only include weight in kilograms, and the number of packages per container. The number of items per packet may differ, depending on which subset of the goods are imported. It seems clear, then, that there would need to be several assumptions made to translate this ABF data into something that could be factored into an assessment of market share. The lack of transparency regarding how this was achieved prevents us from providing a more detailed critique but, with the information available, we would suggest that the ABF data should be treated with due scepticism.

As explained in the SEF and in this report, the commission had regard to sales volume data provided by ACP and Radius in estimating the Australian market as depicted in Figures 1, 2 and 6. While the commission did not have regard to the ABF data relating to ACP and Radius' imports for the reasons stated above, the commission did have regard to ABF data relating to Couta's imports.

The commission could identify consignments of the goods, including the specific type of brackets imported by Couta. The commission could also identify the volume of those imports because the volume (in number of cartons or packets containing brackets) was recorded for each consignment.

The commission was able to undertake the conversion to derive the number of brackets because the number of brackets per carton was recorded in the description of the goods as declared in the import declaration. The commission did not have to undertake any other conversions or make any assumptions as speculated by ACP in its submission. The commission could, and therefore did, have regard to this data in its estimate of the Australian market.

[47] Ibid.

5 DUMPING INVESTIGATION

5.1 Findings

The Commissioner has found that the goods exported to Australia from China in the investigation period have been dumped at margins that are not 'negligible',[48] and that the volume of dumped goods is not 'negligible'.[49]

The Commissioner has determined the following dumping margins in relation to the goods exported to Australia from China during the investigation period.

Exporter	Dumping margin
Fenghui	71.2%
All other exporters	80.0%

Table 9: Dumping margins

5.2 Legislative framework

In the report to the Minister under section 269TEA(1), the Commissioner must recommend whether the Minister ought to be satisfied as to the grounds for publishing a dumping duty notice under section 269TG. Under section 269TG, one of the matters the Minister must be satisfied of in order to publish a dumping duty notice is that the goods have been dumped.

Section 269TDA(1) requires that the Commissioner must terminate the investigation, in so far as it relates to an exporter, if satisfied that there has been no dumping by the exporter, or there has been dumping during the investigation period, but the dumping margin is less than 2%.

Section 269TDA(3) requires that the Commissioner must terminate the investigation, in so far as it relates to a country, if satisfied that the total volume of goods that have been, or may be, dumped is 'negligible' (i.e. less than 3% of the total Australian import volume).

Dumping occurs when goods from one country are exported to another country at a price that is less than the normal value of those goods. The export price and normal value of goods are determined under sections 269TAB and 269TAC respectively. Whether dumping has occurred, and the level of dumping is worked out in accordance with section 269TACB.

5.2.1 Export price

Export price is determined in accordance with section 269TAB.

Section 269TAB(1)(a) provides that the export price of any goods exported to Australia is the price paid (or payable) for the goods by the importer where the goods have been

[48] Section 269TDA(1).

[49] Section 269TDA(3) and (4).

exported to Australia otherwise than by the importer and have been purchased by the importer from the exporter in 'arms length' transactions.[50]

Section 269TAB(1)(b) provides that the export price of goods is the price that the importer sold the goods, less the prescribed deductions, where:

- goods have been exported to Australia otherwise than by the importer, and
- were purchased by the importer from the exporter, but not at arm's length, and
- the importer subsequently sells the goods in the condition they were imported to a party not associated with the importer.

Section 269TAB(1)(c) provides that in all other cases, the export price is a price determined by the Minister having regard to all the circumstances of the exportation.

Section 269TAB(3) provides that, where the export price cannot be established under the preceding sections due to sufficient information not being furnished or not available, the export price is determined having regard to all relevant information.

5.2.2 Normal value

Normal value is determined in accordance with section 269TAC.

Section 269TAC(1) provides that 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 (OCOT) 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.

Section 269TAC(1) however cannot be used to calculate the normal value of the goods if one of the circumstances in sections 269TAC(2)(a) or (b) is present. Where one or more of these circumstances are present, the normal value of the goods is to be calculated under either section 269TAC(2)(c) or (d).

Section 269TAC(2)(a)(i) provides that the normal value of goods exported to Australia cannot be ascertained under section 269TAC(1) where there is an absence, or low volume, of sales of like goods in the market of the country of export that would be relevant for the purpose of determining a price under section 269TAC(1). Relevant sales are sales of like goods sold for home consumption that are 'arms length' transactions and sold in the OCOT.

Domestic sales of like goods are taken to be in a low volume where the total volume of like goods is less than 5% of the total volume of the goods that are exported to Australia by the exporter (unless the Minister is satisfied that the volume is still large enough to permit a proper comparison). As per the commission's *Dumping and Subsidy Manual* (the Manual), where the total volume of relevant sales is 5% or greater than the total volume of the goods under consideration, and where comparable models (or MCCs) exist, the commission also considers the volume of relevant domestic sales of like goods for each model (or MCC).[51]

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[50] Whether the purchase or sale of goods are 'arms length' transactions is determined in accordance with section 269TAA.

[51] The Manual, pages 26-29.

Section 269TAC(2)(a)(ii) provides that, because the situation in the market of the country of export, sales in that market are not suitable for use in determining a price under section 269TAC(1).

Section 269TAC(2)(c) provides for the normal value to be a constructed amount, being the sum of the cost of production or manufacture of the goods in the country of export, and, on the assumption that the goods had been sold for home consumption in the OCOT in the country of export instead of being exported, the selling, general and administrative (SG&A) costs and the profit on that sale.[52]

Section 269TAC(2)(d) provides that the normal value is the price of like goods sold in the OCOT in 'arms length' transactions from the country of export to an appropriate third country.

Section 269TAC(6) provides that, where the normal value cannot be established under sections 269TAC(1), 269TAC(2)(c) or 269TAC(2)(d) due to sufficient information not being furnished or not being available, the normal value is determined having regard to all relevant information.

5.2.3 Dumping margin

Dumping margins are determined in accordance with section 269TACB.

In this investigation, the commission determined the dumping margins in accordance with section 269TACB(2)(a), by comparing the weighted average export price over the whole of the investigation period with the weighted average of corresponding normal values over the whole of the investigation period.

5.3 Dumping assessment

The commission considered the variable factors (export price and normal value) and dumping margins for exporters that have exported the goods to Australia during the investigation period. The following sections outline this assessment.

Fenghui

5.3.1 Verification of Fenghui's information

The commission conducted an on-site verification of Fenghui's REQ. The commission also conducted an onsite verification of Qinyan's REQ.[53]

The Commissioner is satisfied that the information provided by Fenghui and Qinyan is accurate and reliable for the purpose of ascertaining the variable factors applicable to Fenghui's exports of the goods. A report containing the verification findings relating to each entity is available on the public record.[54]

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[52] Amounts determined to be the cost of production, SG&A and profit on the sale of goods under section 269TAC(2)(c) must be worked out in accordance with the *Customs (International Obligations) Regulation 2015*.

[53] Qinyan manufactured most of the goods exported by Fenghui in the investigation period.

[54] EPR 644, item nos 22 and 23.

5.3.2 Export price

The exporter

In respect of the goods exported from China that are imported by ACP[55] in Australia, the commission considers that Fenghui is the exporter of those goods.

The Act does not define 'exporter', however, the Manual identifies several factors that the commission may take into consideration in identifying the exporter.[56] The commission will generally identify the exporter as:

- a principal in the transaction located in the country of export from where the goods were shipped and who knowingly placed the goods in the hands of a carrier, courier, forwarding company, or their own vehicle for delivery to Australia, or
- a principal will be a person in the country of export who owns, or who has previously owned, the goods but need not be the owner at the time the goods were shipped.

While the goods are manufactured by Qinyan and are subsequently sold to and exported by Fenghui, the commission considers that Fenghui's role in the exportation of those goods is not that of a mere intermediary or trader acting on behalf of another party. Further, while Qinyan is aware that the goods it manufactures for Fenghui are destined for Australia, the commission considers that this is insufficient to conclude that Qinyan is the principal in the transaction.

The commission considers that Fenghui is the principal in the transaction, and therefore is the exporter, for the following reasons.

- Fenghui decides which products it sells, including the countries it exports to, and the parties it sells to, including the terms and conditions of the sale.
- Fenghui decides which products it produces at its own production facility in China, and which products it outsources to other manufacturers such as Qinyan.
- Fenghui dictates the manufacture requirements for the goods produced by Qinyan and the other manufacturer of the goods it exported to Australia during the investigation period, and both manufacturers must adhere to Fenghui's terms and conditions.
- Fenghui liaises with the importer in relation to the exportation of the goods to Australia, whereas neither manufacturer has control over or involvement in the exportation. Fenghui acts in its own right and independently of the manufacturers of the goods.
- Fenghui warehouses the goods after purchasing the goods from its two manufacturers and sells the goods to Australia from inventory.
- In preparing and packing the goods for export, Fenghui stacks the cartons containing the goods on wooden pallets and wraps them in plastic film.
- Fenghui arranges the export logistics and pays for the inland transport to the port

[55] The commission found that ACP was the 'beneficial owner' of the goods at the time of importation and therefore the importer of the goods exported to Australia by Fenghui from China.

[56] The Manual, pages 23 to 24.

of export in China. Fenghui also arranges and pays for the port handling charges at the port of export including shipping of the goods to Australia.

- Fenghui is identified as the supplier on the commercial invoice issued to the importer in Australia and is identified as the consignor on the bill of lading.

The commission understands that Fenghui has exported the goods to its related party (ACP) since 2019, noting that ACP only commenced operations in 2019.

While Fenghui does not manufacture the goods exported to Australia, it manufactures other products and accessories used in plumbing applications. Given that the goods the subject of the investigations comprise a relatively small share of Fenghui's total revenue and profit, Fenghui does not manufacture the goods. However, to ensure that it offers a complete range of plumbing products to its related party in Australia, Fenghui has secured supply of brackets and clip heads from at least two known manufacturers (one being Qinyan, which the commission understands only commenced supplying Fenghui in March 2023) in China. The supply of brackets and clip heads from these manufacturers is dictated by a purchase contract drawn up by Fenghui. From these purchase contracts, it is apparent that the manufacturers must produce the goods to Fenghui's specifications and must adhere to Fenghui's terms and conditions. Other than manufacturing the goods to Fenghui's stipulated specifications, the manufacturers have no control or involvement in the exportation of the goods to Australia from China.

While the commission recognises that Qinyan was aware that the goods it manufactures for Fenghui were destined for Australia, the commission does not consider this to be sufficient to conclude that Qinyan was the principal in the transaction. Qinyan had no say in terms of the specifications the goods were produced to and the parties and countries the goods were sold to. Qinyan's role was that of a manufacturer only. Fenghui, as the principal in the transaction, contracted Qinyan and Zhenli to manufacture the goods according to Fenghui's specifications. Once the goods were manufactured, the goods were delivered to Fenghui's premises where they were warehoused at Fenghui's premises before they were exported by Fenghui to Australia. Fenghui sold the goods to ACP from stock in its warehouse.

Based on all facts outlined above, the commission considers that Fenghui is the principal in the transaction located in the country of export from where the goods were shipped and therefore is the exporter of the goods.

Submissions concerning which entity is the exporter of the goods

In Fenghui and Qinyan's submission of 23 May 2025, it is claimed that Qinyan, rather than Fenghui, is the exporter of the goods because Qinyan is the manufacturer of those goods.[57] Fenghui and Qinyan reiterate this in their submission of 17 July 2025.[58]

In their submissions, Fenghui and Qinyan refer to the Manual which states that 'typically, the manufacturer, as a principal, who knowingly sent the goods for export to any destination, will be the exporter of the goods'.

[57] EPR 644, item no 25.

[58] EPR 644, item no 31.

The commission considers that typically the manufacturer is also the exporter where there is only one entity involved in the manufacture and export of goods, or where the manufacturer contracts an intermediary (such as a trader or agent) to facilitate the export of goods on its behalf. However, while typically the manufacturer may also be the exporter, it is not always the case. As explained in this section, the commission does not consider that Qinyan is the principal in the transaction. Further, the commission does not consider that Fenghui is a mere intermediary acting on behalf of Qinyan in the transaction.

The commission considers that an entity can be the manufacturer of the goods but still not be the exporter of those goods for the purpose of determining an export price under section 269TAB of the Act. Further, an entity can be the manufacturer of the goods but still not be the principal in the transaction in the country of export.

For the reasons outlined above, the commission maintains that Fenghui is the exporter of the goods as it is the principal in the transaction. The commission's determination that Fenghui is the exporter of the goods the subject of this investigation is consistent with the statements made by both Qinyan and Fenghui at the verification visit that Fenghui (rather than Qinyan) is the exporter of those goods.

Fenghui and Qinyan did not present any information disputing the findings that the commission relied upon to determine that Fenghui, rather than Qinyan, is the exporter of the goods. Based on all available information, the commission considers that Fenghui is not a mere intermediary as made out in Fenghui and Qinyan's submissions. Therefore, the commission maintains that Fenghui, rather than Qinyan, is the principal in the transaction and is therefore the exporter of the goods.

The importer

With respect to Fenghui's exports of the goods to Australia, the commission found ACP to be the 'beneficial owner' of the goods at the time of importation and therefore is the importer of those goods.[59] The commission found that ACP:

- is the owner of the goods at the time of arrival within the limits of the port in Australia at which they have landed
- is named as the purchaser on the commercial invoice
- is named as the consignee on the bill of lading
- is declared as the importer on the Australian Customs import declaration
- pays for all the importation charges, and
- arranges delivery from the port to its warehouse.

'Arms length' assessment

Based on the information attained from Fenghui and ACP, the commission found that Fenghui and ACP are related parties. However, in accordance with section 269TAA, there is no evidence that:

- there was any consideration payable for, or in respect of, the goods other than its price; or

[59] Section 269T(1)(a) defines an 'importer' in relation to the goods exported to Australia as 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 price was influenced by a commercial or other relationship between the buyer, or an associate of the buyer, and the seller, or an associate of the seller; or
- the buyer, or an associate of the buyer, was directly or indirectly, reimbursed, compensated or otherwise received a benefit for, or in respect of, whole or any part of the price.

Accordingly, the commission is satisfied that ACP's purchases from Fenghui were made in 'arms length' transactions as defined in section 269TAA. Noting these findings, the commission has calculated an export price of the goods exported by Fenghui to Australia from China under section 269TAB(1)(a). The export price was calculated as the price paid by the importer (ACP) to the exporter (Fenghui) for the goods, less any charges or expenses in respect of the transport of the goods after exportation.

The commission's calculation of the export price of goods exported by Fenghui is at **Confidential Attachment 3**.

5.3.3 Normal value

In its application, Abey states the following:

> *Abey Australia understands that the goods the subject of this application (interchangeable bolted clipping system brackets) are not sold on the Chinese domestic market.*
>
> *In the event that the subject goods were manufactured and sold in China, it is Abey Australia's understanding that due to the Government of China's influence on raw material hot rolled coil selling prices in China, that a particular market situation for the goods is apparent.*[60]

In its submission of 17 March 2025, Abey further claims that, to the extent that the commission finds that the subject goods are manufactured and sold in China, that there exists a particular market situation in the Chinese domestic market for interchangeable bolted clipping system brackets.[61]

As set out in section 269TAC(2)(a)(ii), where there is a particular market situation in the market of the country of export, the normal value of the goods exported to Australia cannot be determined under section 269TAC(1).

The commission has found that neither Fenghui (the exporter of the goods) nor Qinyan (the manufacturer of the goods) sold any like goods for home consumption in China. Therefore, the commission is unable to determine the normal value under section 269TAC(1).

On the basis that the normal value cannot be determined pursuant to section 269TAC(1) because of the absence of sales of like goods in China, the commission has not considered whether a particular market situation exists in the domestic market such that sales in that market are not suitable for use in determining a normal value based on domestic selling prices.

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[60] EPR 644, item no 1, p 43.

[61] EPR 644, item no 19.

The commission has also found that neither Fenghui nor Qinyan sold any like goods to countries other than Australia (to 'third countries'). Therefore, the commission is unable to determine the normal value under section 269TAC(2)(d).

The commission has considered whether the normal value can be determined in accordance with section 269TAC(2)(c). However, during the verification visit to Fenghui's premises in China, the commission found that Fenghui also purchased some of the exported goods from a manufacturer other than Qinyan. The other manufacturer (Zhenli) did not provide information with respect to the cost of production of the goods in China and therefore the commission has not been furnished with sufficient information to calculate the normal value of goods exported by Fenghui under section 269TAC(2)(c).[62] As sufficient information is not available to enable the normal value of goods to be ascertained under the preceding sections, the commission has determined the normal value under section 269TAC(6), having regard to all relevant information.

In determining the normal value of the goods exported to Australia under section 269TAC(6), the commission had regard to all relevant information. In having regard to all relevant information, the commission had regard to the parties involved in manufacturing and exporting the goods to Australia.

The commission found that Qinyan and one other manufacturer (Zhenli) manufactured the goods that were exported by Fenghui to Australia in the investigation period. Because the commission has information relating to Fenghui's purchases of the goods that were manufactured by Qinyan and Zhenli, the commission had regard to the price of the goods purchased by Fenghui from Qinyan and Zhenli.

Subsequent to Fenghui's purchases of the goods from Qinyan and Zhenli (which Fenghui takes physical possession of), Fenghui applies its own margin on these goods and incurs SG&A expenses in handling, selling and exporting those goods to Australia. Therefore, because there is more than one party involved in the exportation of the goods, the price of the goods exported to Australia by Fenghui essentially reflects the price of the goods as purchased by Fenghui from the manufacturers,[63] plus Fenghui's respective margin and SG&A expenses.

As Fenghui does not sell like goods in the domestic market in China, the commission had regard to Fenghui's actual profit realised on products that are not like goods sold in the Chinese domestic market in the investigation period. The products sold by Fenghui on the domestic market are used in various plumbing applications and therefore are in the same general category as the goods (brackets) exported to Australia. The commission considers that had Fenghui sold brackets in China, then the profit achieved on those brackets would have reflected the profit achieved on products in the same general category as the goods exported to Australia.

Given that the export price of the goods is determined as the price between ACP and Fenghui, and having regard to the circumstances of the exportation including the parties involved in the production and export of the goods to Australia, the commission calculated

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[62] At the verification visit to Fenghui's premises in China, Fenghui indicated that it requested this other manufacturer provide a response to the exporter questionnaire however Fenghui stated that this other manufacturer elected not to do so.

[63] The price paid by Fenghui for these goods is essentially the cost of the goods as incurred by Fenghui.

the normal value of the goods exported by Fenghui having regard to the following information:

- the price at which Fenghui purchased the goods from Qinyan and Zhenli, plus
- Fenghui's profit on all its domestic sales in China during the investigation period (being the profit that Fenghui was likely to achieve had it sold brackets in China), plus an amount for its SG&A and other adjustments[64] to ensure that the normal value is properly comparable to the export price.

Where there were no purchases by Fenghui of particular models or types of brackets exported in a particular quarter, the commission had regard to the purchase price of that particular bracket type in the previous quarter, or if there were no purchases in the previous quarter of that particular bracket type, the commission constructed the purchase price having regard to Qinyan's cost to make for the particular bracket type, and applied an amount for Qinyan's profit and SG&A.

Changes to normal value following SEF 644

In SEF 644, the commission had calculated the normal value of the goods exported by Fenghui having regard to the following information:

- the cost of production of the goods in China, having regard to Qinyan's cost of production, plus Qinyan's SG&A expenses and profit on its sales of the goods to the exporter of the goods (Fenghui),[65] plus
- Fenghui's profit on all its domestic sales in China during the investigation period (being the profit that Fenghui was likely to achieve had it sold brackets in China), plus an amount for its SG&A and other adjustments to ensure that the normal value is properly comparable to the export price.

In having regard to Qinyan's cost of production of the goods in China including its SG&A expenses and profit, as the first step in determining the normal value under section 269TAC(6), the commission effectively wanted to construct the price of the goods manufactured by Qinyan, noting that Fenghui purchases the goods from Qinyan and exports them to Australia.

In their submission of 17 July 2025, Fenghui and Qinyan stated that if the commission wanted to determine the price of the goods sold by Qinyan to Fenghui, then the commission should use the actual price of the goods sold by Qinyan to Fenghui rather than constructing the price as it is more accurate.[66]

As noted above, the commission found that Fenghui also purchased some of the exported goods from a manufacturer (Zhenli) other than Qinyan. The other manufacturer did not provide information with respect to the cost of production of the goods in China and therefore the commission has not been furnished with sufficient information to calculate the normal value of the goods exported by Fenghui under section 269TAC(2)(c).

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[64] The commission added export inland transport, port handling and export credit terms to ensure that the normal value can be compared to the export price at the same delivery and credit terms.

[65] In the SEF, the commission concluded that effectively, this was the price of the goods manufactured by Qinyan and sold to Fenghui.

[66] EPR 644, item no 31.

While the commission does not have the cost of production of the goods produced by Zhenli, the commission does have information (including the purchase transactions, prices and volumes) relating to the goods Fenghui purchased from Zhenli during the investigation period. The commission also has information relating to the goods that Fenghui purchased from Qinyan during the investigation.

The commission considers that in determining a normal value in accordance with section 269TAC(6), the commission must have regard to all relevant information. The commission therefore considers that rather than constructing the price between Qinyan and Fenghui, the commission should, as the first step in determining the normal value under section 269TAC(6), have regard to the actual price of the goods sold by each manufacturer to Fenghui. The commission considers that this effectively captures all relevant information relating to the parties involved in the manufacture of the goods exported to Australia under section 269TAC(6). To this price, the commission then applied Fenghui's margin on its domestic sales plus its SG&A costs to derive a normal value of the goods exported by Fenghui at a level that is comparable to the exported goods. The revised normal value was used to calculate the dumping margin.

Submissions concerning the commission's determination of Fenghui's profit

Following the publication of the PAD and SEF, Fenghui and Qinyan submitted the following:[67]

- Fenghui is an export-oriented business and therefore its sales in the Chinese domestic market do not occur in the ordinary course of trade.[68] Almost all Fenghui's products, whether produced or sold, are mainly destined to Australia. Fenghui's domestic customers are mostly end users which produce container houses destined for Australia. All those domestic sales are retail sales at a very high price because the purchase volume is low. Therefore, it is not suitable to use profit on Fenghui's domestic sales in China because the volumes and transaction conditions are not comparable to the export products.
- It is not fair to use the profit for Fenghui's domestic sales for retail when constructing the normal value, while the export sales to Australia are to distributors and the difference in levels of trade are 'obviously shown to have affected price'.
- Even if the commission decides to use profit on Fenghui's domestic sales, then the commission should disregard the sales of a particular product (confidential) in the calculation of profit.[69]
- Even if the commission decides to use Fenghui's profit on its domestic sales, the commission should use the profit achieved on Fenghui's domestic sales to a

[67] EPR 644, item nos 25 and 31.

[68] In its submission of 23 May 2025 (EPR 644, item no 26), ACP makes the same claim. ACP also submits that given the broad product categories Fenghui specialises in, it is not apparent that profit on all domestic sales of those goods would necessarily be comparable with profit achievable on the profit related to the goods the subject of the investigation.

[69] In SEF 644, the commission agreed with Fenghui's submission that in calculating the profit achieved on its domestic sales, the commission should exclude or disregard a sale of a particular product (confidential). The commission considers that this product is not a finished product that is normally sold by Fenghui and is therefore not relevant to the goods (being finished or final products) under consideration. Accordingly, the commission had excluded the sale of this product from the calculation of profit in SEF 644 and in this report.

particular customer (confidential) which more closely 'approximate[s]… the trade level "distributor"'.

- It is most appropriate for the commission to use the gross profit rate achieved by CITIC Metal Co., Ltd (CITIC) in constructing the normal value 'since its main business are [sic] more relevant' and it is in the same metal industry as Fenghui. Even if the commission considers that it is not reasonable to use the gross profit rate achieved by CITIC, the commission may use the profit rates of any of the other companies identified in Fenghui and Qinyan's submission.
- The commission should delete one particular sales transaction made by Qinyan to Fenghui because this sales transaction has an 'unusual price' when compared to the other transactions relating to the same product. The reason for this unusual price is that this is the first time that Qinyan produced this model and Fenghui agreed to accept this unusual price in gratitude for Qinyan's effort and for supporting Qinyan as a newly established enterprise.[70]

As noted above, as Fenghui does not sell like goods in the domestic market in China, the commission had regard to Fenghui's actual profit realised on products that are not like goods sold in the Chinese domestic market in the investigation period. The products sold by Fenghui on the domestic market are used in various plumbing applications and therefore are in the same general category as the goods (brackets) exported to Australia. The commission considers that had Fenghui sold brackets in China, then the profit achieved on those brackets would have reflected the profit achieved on products in the same general category as the brackets exported to Australia.

The commission found that the total volume of these products sold on the domestic market was not insignificant when compared to the volume of the goods (brackets) exported to Australia, and Fenghui's sales of these products were mostly profitable. Based on this, the commission disagrees with Fenghui's assertion that these sales were not made in the ordinary course of trade.

The commission also disagrees with Fenghui's assertion that the differences in levels of trade between its domestic and export sales are 'shown to have affected price' and therefore price comparability. Fenghui has asserted this but has not demonstrated this.

As stated in the Manual, an adjustment to the normal value for differences in level of trade will only be made where there is evidence to demonstrate that:

1. the sales being compared were made at different levels of trade, and
2. that these differences in level of trade have affected price.[71]

The Manual also states that there must be consistent and distinct differences in selling prices in order to establish a real difference in level of trade.

Fenghui has not identified the level of trade for each customer identified in its list of domestic sales, noting that some of the customer names identified appear to indicate that

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[70] The commission had verified this particular sales transaction to sales documents and found that the price as recorded in Qinyan's sales spreadsheet is the price that was invoiced by Qinyan and paid by Fenghui. Therefore, the commission does not agree that this transaction should be excluded as this is the price that was invoiced and paid for the goods manufactured by Qinyan and is the actual cost incurred by Fenghui for the goods.

[71] The Manual, pages 55 and 56.

the customer is not an end user. Nevertheless, even if Fenghui's claim was correct in that it mostly sells to end users in the domestic market, Fenghui has not demonstrated that the purported differences in the level of trade between its Australian customer (ACP) and its domestic customers affect price or its selling costs (in terms of differences in direct market selling and other costs incurred in selling to the different types of customers).

Assuming that Fenghui's claim is correct in that most of its domestic sales are made to end users (except sales to one particular customer, which Fenghui claims is a trader and more 'approximate to the trade level' of a distributor), the commission compared Fenghui's domestic selling prices to the customer that Fenghui identifies as a 'trader' and all other customers, assuming customers other than this purported trader are end users. This comparison was undertaken for the same products and quarters. The comparison shows that there are no consistent and distinct price differences between products sold to the purported trader and all other customers (purportedly end users). Based on this, there is no evidence to suggest that differences in the level of trade have affected Fenghui's selling prices. Accordingly, in determining the profit realised by Fenghui on its domestic sales, the commission considers that it should have regard to all domestic sales, rather than sales to only the trader as suggested by Fenghui in its submission of 17 July 2025.

While Fenghui further submits that the 'transaction conditions' of its domestic sales are not comparable to the exported goods, Fenghui has not suggested any adjustments to ensure comparability other than proffering that the commission should have regard to CITIC's profit margin (as opposed to Fenghui's own margin). Fenghui has not explained how the normal value constructed using CITIC's profit margin would ensure that the 'transaction conditions' would be comparable to the exported goods.

The commission considered CITIC's profit margin as proposed in Fenghui and Qinyan's submission. However, the commission considers that it is not a reasonable or relevant profit amount to use in constructing the normal value of the goods (brackets) exported to Australia for the following reasons:[72]

- CITIC sells products that are not in the same category as the goods sold by Fenghui. Based on information available on its website, it is apparent that CITIC is primarily engaged in the trading of 'ferrous metals including iron ores and steel, and non-ferrous metals such as niobium, copper and aluminium'.[73]
- CITIC is a subsidiary of a large conglomerate in China that is ultimately state-owned. Conversely, Fenghui is ultimately a privately-owned entity and its sales revenue and volumes are considerably lower than CITIC's.
- The commission does not have the detail of CITIC's sales transactions and therefore cannot assess the nature of CITIC's sales including the specific terms of the sales and whether the sales were made in arm's length transactions.

Fenghui submits that if the commission considers that it is not reasonable to use CITIC's profit margin in determining the normal value, the commission may choose any of the

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[72] Fenghui and Qinyan cite Regulation 45 in the *Customs (International Obligations) Regulations 2015* when proffering CITIC's profit margin. However, the commission notes that as the normal value was not determined under section 269TAC(2)(c)(ii) or section 269TAC(4)(e)(ii) (which would engage section 269TAC(5B)), the commission is not obligated to work out an amount of profit in accordance with Regulation 45.

[73] Available at https://www.metal.citic/en/about/about-us.html.

profit margins from other companies identified in its submission. The commission considers that none of the other profit margins identified in Fenghui's submission relate to the same general category (plumbing products) as the goods exported to Australia. Further, the commission does not have the detail of all the other companies' sales transactions and therefore cannot assess the nature of these sales including the specific terms of the sales and whether the sales were made in arm's length transactions.

For the reasons outlined above, the commission maintains that the profit margin determined using Fenghui's own information relating to its domestic sales of the same general category of goods (i.e. products used in plumbing applications) is more relevant for the purpose of determining a normal value in accordance with section 269TAC(6). The commission considers that had Fenghui sold like goods on the domestic market, then the profit achieved on those sales would more likely have reflected the actual profit Fenghui realised on its domestic sales of the same general category of goods as the exported goods.

The commission's calculation of the normal value of goods exported by Fenghui is at **Confidential Attachment 3**.

5.3.4 Dumping margin

The commission calculated the dumping margin for Fenghui in accordance with section 269TACB(2)(a), by comparing the weighted average export price and weighted average normal value.

The dumping margin for Fenghui's exports of the goods to Australia in the investigation period is **71.2%**.

The commission's calculation of the dumping margin is at **Confidential Attachment 3**.

All other exporters

As outlined in section 2.7.2 of this report, the Commissioner has determined that all exporters that did not provide information considered to be relevant to the investigation as 'uncooperative exporters' in respect of the investigation.

Section 269TACAB(1) sets out the provisions for calculating export prices and normal values for uncooperative exporters.

5.3.5 Export price

The commission identified an exporter or supplier other than Fenghui that has exported the goods to Australia from China during the investigation period.[74] As this exporter has not provided a response to the exporter questionnaire, the Commissioner deems this exporter to be an uncooperative exporter. Accordingly, the commission has determined the export price of the goods exported to Australia from China by uncooperative exporters under section 269TAB(3), having regard to all relevant information.

Given that the range of goods exported by the other exporter or supplier is similar to the range of brackets exported by Fenghui, and given that Fenghui's information was verified and deemed to be accurate and complete, the commission determined the export price

[74] As noted in section 5.3.2, the commission does not consider Qinyan to be an exporter of the goods.

for all other exporters having regard to the average of the quarterly export prices of the goods exported by Fenghui in the investigation period.

5.3.6 Normal value

The commission has determined the normal value of the goods exported to Australia from China by uncooperative exporters under section 269TAC(6), having regard to all relevant information.

Given that the range of goods exported by the other exporter or supplier is similar to the range of brackets exported by Fenghui, and given that Fenghui and Qinyan's information was verified and deemed to be accurate and complete, the commission determined the normal value for all other exporters having regard to the normal value determined in respect of the goods exported by Fenghui in the investigation period.[75]

5.3.7 Dumping margin

The commission calculated the dumping margin for all other exporters in accordance with section 269TACB(2)(a), by comparing the weighted average export price and weighted average normal value.

The dumping margin for all other exporters is **80.0%**.[76]

The commission's calculation of the dumping margin is at **Confidential Attachment 4**.

5.4 Volume of dumped imports

Pursuant to section 269TDA(3), the Commissioner must terminate the investigation, in so far as it relates to a country, if satisfied that the total volume of goods that have been dumped is 'negligible'. Section 269TDA(4) defines a 'negligible' volume as less than 3% of the total volume of goods imported into Australia over a reasonable examination period (in this case, the investigation period).

The commission has had regard to information recorded in the ABF customs import database and information obtained from interested parties in determining the volume of imports into Australia.

Based on this information, the commission is satisfied that, when expressed as a percentage of the total Australian import volume of the goods, the volume of dumped goods from China is not less than 3% of the total Australian import volume and therefore the volume of dumped goods is not negligible. Accordingly, the Commissioner did not terminate the dumping investigation in respect of China.

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[75] The normal value for all other exporters has been revised from the normal value determined in SEF 644 because the normal value for Fenghui has been revised (refer section 5.3.3.)

[76] The dumping margin for all other exporters has been revised from the dumping margin in SEF 644 because the normal value for Fenghui has been revised (refer section 5.3.3).

6 ECONOMIC CONDITION OF THE INDUSTRY

6.1 Findings

The Commissioner found that the Australian industry, comprised solely of Abey, has experienced injury over the injury analysis period in the form of:

- loss of market share
- loss of sales volumes
- reduced capital investment
- reduced capacity utilisation
- reduced profit and profitability
- reduced production
- increased inventory, and
- reduced value of assets.

While Abey did not claim that the Australian industry experienced injury in the form of increased inventory and reduced value of assets, the Commissioner found that the Australian industry experienced increasing volume of inventory and reduced value of assets over the period examined.

The Commissioner did not find that the Australian industry experienced injury as claimed over the injury analysis period in the form of reduced production, price suppression, reduced profit and profitability, reduced employment and wages and reduced productivity.

6.2 Application

In its application, Abey claimed that material injury caused by dumped and subsidised imports commenced in 2022.

Abey claimed that the Australian industry has experienced injury in the form of:

- loss of market share
- loss of sales volumes
- reduced capital investment
- reduced capacity utilisation
- reduced profit and profitability[77]
- reduced production
- price suppression
- reduced employment and wages, and
- reduced productivity.

6.3 Approach to injury analysis

The matters that may be considered in determining whether the Australian industry producing like goods has experienced material injury are set out in section 269TAE.

This section outlines the commission's analysis of the economic condition of the Australian industry producing like goods from 1 April 2020. In analysing the economic

[77] Abey claims that its profit is lower than it otherwise should be due to forgone sales (lost sales volumes).

condition of the Australian industry, the commission has used Abey's verified data in respect of its domestic sales and costs for years ending 31 March, while data for the other injury indicators has been compiled on an annual basis for years ending 30 June.

The commission's assessment of the economic condition of the Australian industry is at **Confidential Attachment 5**.

6.4 Volume injury

6.4.1 Market share

To estimate the Australian industry's share of the market for brackets, the commission used Abey's verified sales data, sales data provided by ACP and Radius (importers of the goods from China), and ABF data where it identified imports of brackets including the volume of those brackets imported by another importer.

The commission's estimate of market share is shown in Figure 2 below.

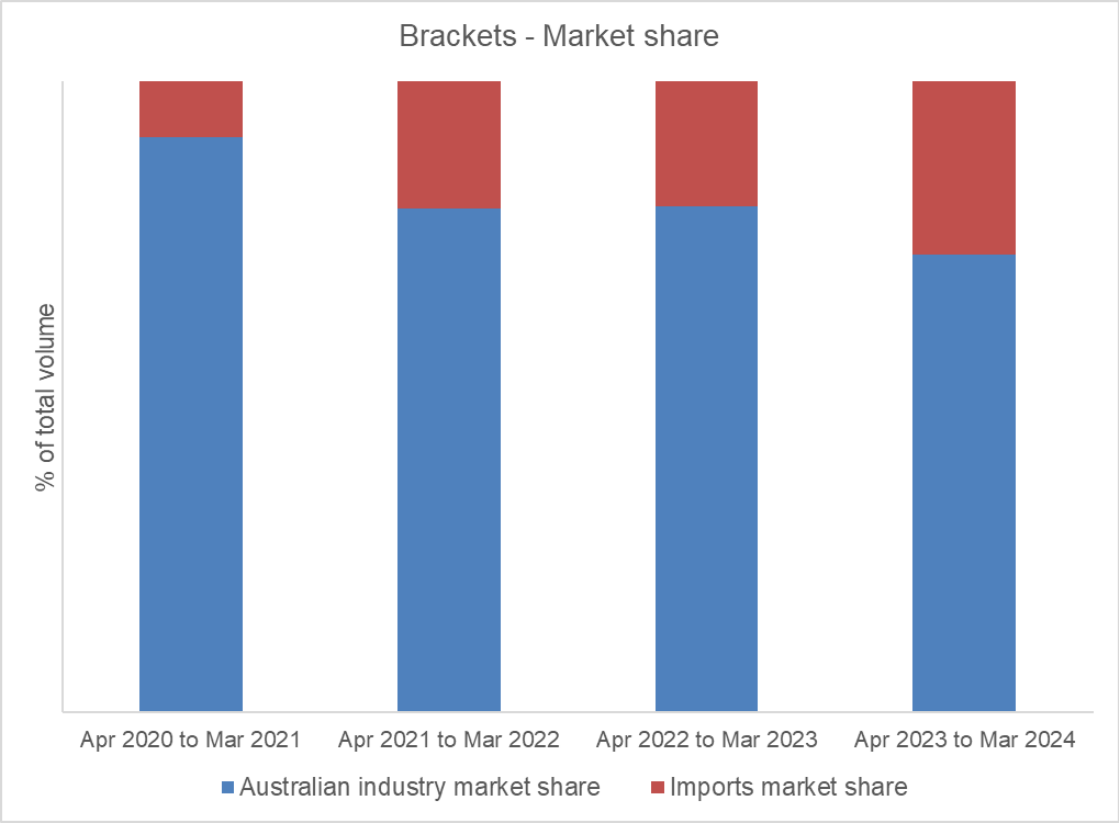

Figure 2: Australian market for brackets – Market share % total volume[78]

Figure 2 shows that the Australian industry experienced a decline in market share from YE 31 March 2021. Over the same period, the market share of imports of the goods from

[78] After the publication of the SEF, the commission requested additional data from ACP to assess volumes for years ending 31 March, which ACP provided. Therefore, the charts relating to market size and share in this report differ to the charts presented in the SEF because the charts in the SEF depict trends over financial years (i.e. years ending 30 June) whereas the charts in this report depict trends over years ending 31 March.

China increased. The Australian industry's market share was at its lowest in the investigation period (YE 31 March 2024).

Based on the assessment outlined above, the commission considers that the Australian industry has experienced injury in the form of reduced market share.

The commission's analysis of market share is at **Confidential Attachment 1**.

6.4.2 Sales volume

Figure 3 shows that the Australian industry's domestic sales volume decreased year on year from YE 31 March 2021 to YE 31 March 2023, with a stabilisation of sales volumes in YE 31 March 2024. While volumes have stabilised in the investigation period, they remain below the levels achieved in the YE 31 March 2021 and YE 31 March 2022.

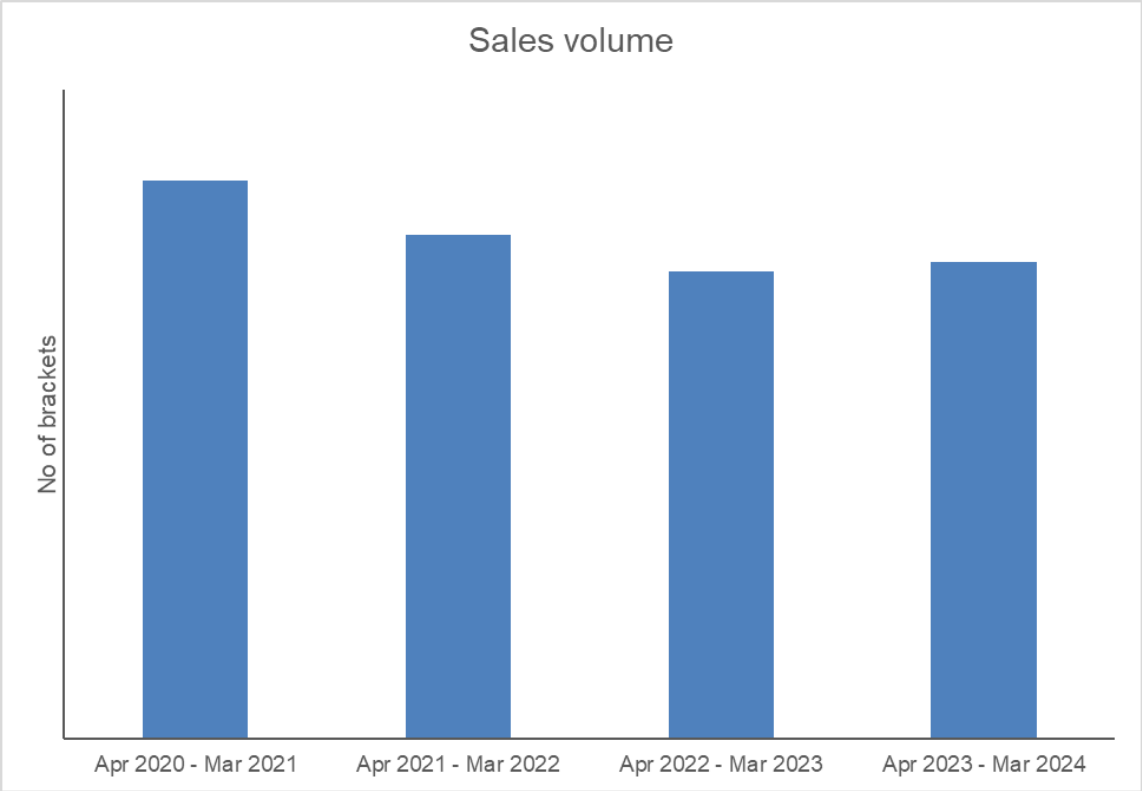

Figure 3: Australian industry's domestic sales volume of interchangeable brackets

Noting that Abey increased its total volume of sales in the investigation period at a time where its market share was in decline (as shown in Figure 2), the commission considers that Abey has forgone sales in a growing market. This is consistent with Abey's assertion that by electing not to reduce selling prices to compete with lower priced imports, it has forgone sales that it would otherwise have made.

Based on the assessment outlined above, the commission considers that the Australian industry has experienced injury in the form of lost sales volumes.

The commission's volume analysis is at **Confidential Attachment 5**.

6.5 Price effects

Price depression occurs when a company, for some reason, lowers its prices.

Price suppression occurs when price increases, which otherwise might have occurred, have been prevented. An indicator of price suppression may be the margin between prices and costs. In determining whether price suppression has occurred, the commission may assess:

- whether prices have increased at the same rate as costs over time or within a specified period, and/or
- whether prices for the Australian industry's like goods are lower than prices that may have been achieved in the absence of dumping.

In its application, Abey has not made specific claims that it has experienced price depression, however, Abey claimed that it has experienced price suppression in 2022. Abey stated in its application that its prices have been heavily influenced by galvanised HRC input costs. Abey stated that it has passed these increased costs to customers where possible, which has resulted in lost sales to imports that undercut Abey's selling prices.

Figure 4 supports Abey's claim that it has passed on cost increases to its customers by increasing its prices. However, it has done so at the expense of market share and sales volumes as depicted in Figure 2 and Figure 3 above.

The commission observes that when costs increased from YE 31 March 2021 to YE 31 March 2023, Abey increased prices at a similar rate and then maintained prices while costs decreased slightly in the investigation period.

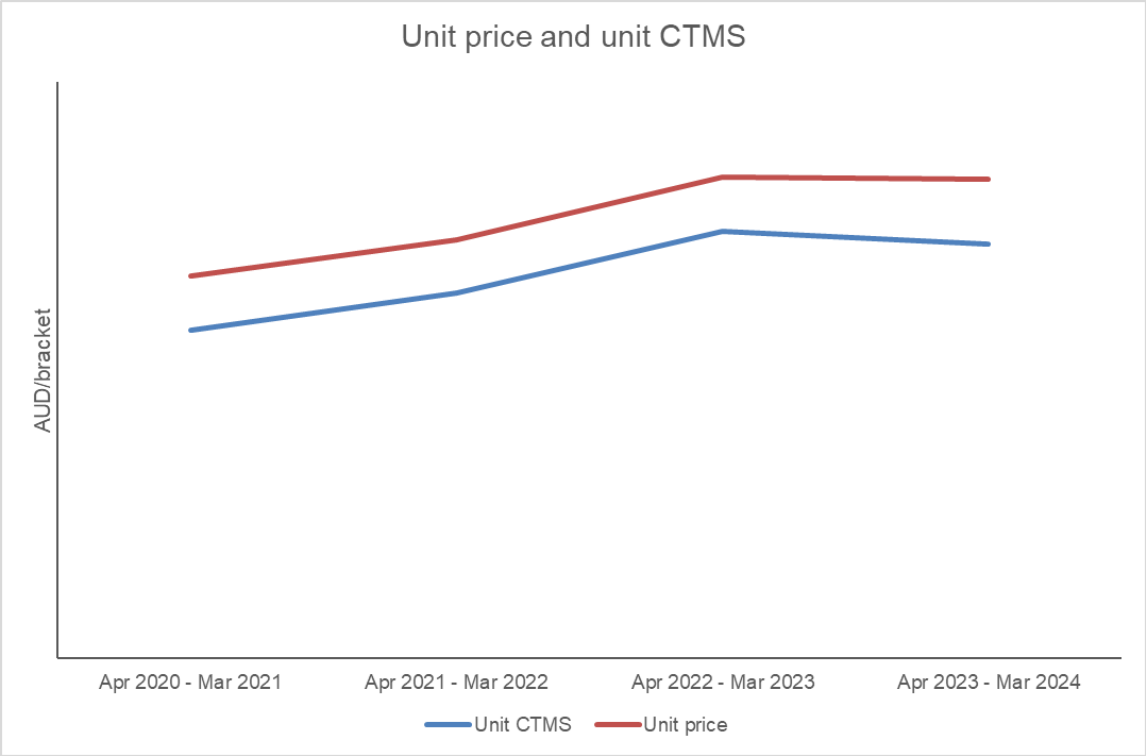

Figure 4: Australian industry's unit cost to make and sell (CTMS) and unit selling price

Based on the assessment outlined above, the commission considers that the Australian industry has not experienced material injury in the form of price depression or price suppression. The commission's price injury analysis is at **Confidential Attachment 5**.

6.6 Profit and profitability effects

Figure 5 shows the Australian industry's total profit and profitability over the injury analysis period.

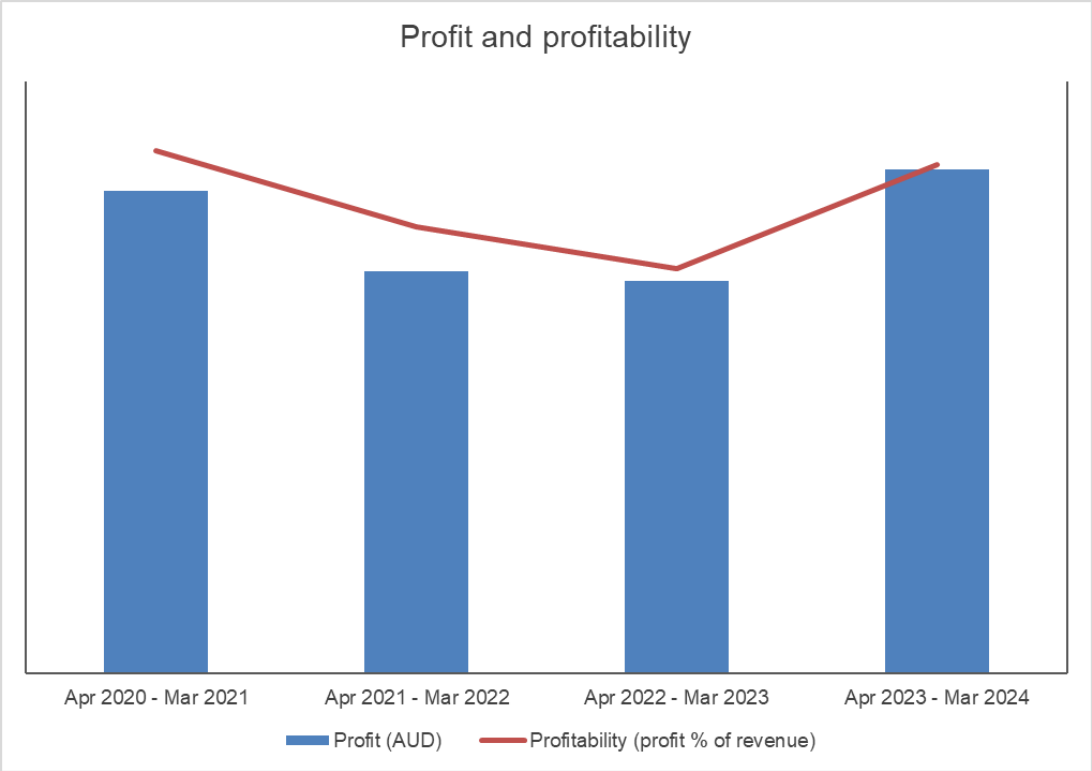

Figure 5: Australian industry profit and profitability

Abey's profit and profitability decreased from the YE 31 March 2021 to YE 31 March 2023, in line with the decrease in its sales volumes over the same period. In the investigation period, Abey's profit and profitability increased, and profit was higher than that achieved in the previous three years because the margin between price and cost increased.

Noting that in its application Abey claimed that its profit is lower than it otherwise should be due to forgone sales, the commission further considered whether the Australian industry's profit is lower than it otherwise should be due to forgone sales and reduced market share. This assessment is outlined in section 7.6.1 of this report.

The commission's analysis of profit and profitability is available at **Confidential Attachment 5**.

6.7 Other economic factors

In its application, Abey also claimed injury in the form of the following other economic factors:

- reduced production
- reduced capacity utilisation
- reduced employment and wages, and
- reduced capital investment.

Table 10 shows the change or variation in other economic factors between financial year (FY) 2020 and FY 2024, indexed with respect to FY 2020.

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Assets	100	97	78	60	48
Capital investment	100	166	8	2	62
Revenue	100	108	104	111	112
Return on investment (profit % of revenue)	100	130	110	90	125
Capacity utilisation	100	109	83	89	95
Productivity (output per employee)	100	106	86	97	98
Employment (manufacturing)	100	103	97	91	97
Wage bill (manufacturing)	100	104	103	102	107
Inventory (closing stock)	100	124	79	81	158
Cash flow (inventory turnover)	100	91	97	130	88
Production (all brackets)	100	109	83	89	95

Table 10: Other economic factors (FY 2020 = 100)

Based on the above, the commission considers that the Australian industry has experienced injury over the injury period examined in the form of:

- reduced value of assets
- reduced capital investment
- reduced capacity utilisation
- increased inventory, and
- reduced production.

7 HAS DUMPING CAUSED MATERIAL INJURY?

7.1 Findings

The Commissioner found that:

- importers purchased the goods from China at dumped prices, which allowed those importers to be significantly more competitive on price than would have been the case had the goods not been dumped
- the Australian industry's prices for all types of brackets were undercut by the dumped goods in the investigation period
- as the Australian industry was not prepared to lower its prices to compete with the dumped exports from China, it has foregone sales leading to a material reduction in its market share in the investigation period, and
- by ceding sales volumes and market share to dumped imports from China in a growing market, Australian industry has foregone profit it would otherwise have achieved.

Accordingly, the Commissioner is satisfied that exports of the dumped goods from China caused material injury to the Australian industry producing like goods in the form of forgone sales volumes, loss of market share and forgone profit as a result of the loss of market share.

7.2 Legislative framework

Under section 269TG, one of the matters that the Minister must be satisfied of in order to publish a dumping duty notice is that, because of dumping, material injury has been, or is being, caused or is threatened to the Australian industry producing like goods.

Section 269TAE(1) outlines the factors to which the Minister may have regard to when determining whether material injury to an Australian industry has been, or is being, caused or threatened. Some of these factors include the size of the dumping margin, the volume of dumped goods and the difference between the price of dumped goods and the price of like goods produced and sold in Australia.

In determining whether material injury has been or is being caused or threatened, section 269TAE(2A) requires that regard be had to whether any injury to an industry is being caused by a factor other than the exportation of the goods and provides examples of such factors.

When assessing material injury to the Australian industry, the commission also has regard to the *Ministerial Direction on Material Injury 2012* (Material Injury Direction).[79] The Material Injury Direction directs the commission to consider 'material injury' to be injury that is not immaterial, insubstantial or insignificant. Further, the Material Injury Direction directs that dumping or subsidisation need not be the sole cause of injury to the Australian industry.

[79] *Ministerial Direction on Material Injury 2012*, available at www.adcommission.gov.au.

7.3 Abey's claims concerning injury caused by dumped goods

In its application, Abey claims that:

- brackets imported from China are the only source of competition for Abey in the Australian market
- imports from China are distributed in the Australian market via two large distributors (ACP and Aztec)
- selling prices of goods imported from China have substantially undercut Abey's selling prices, and have resulted in customers switching sources of supply away from Abey
- the impact of the dumped goods in the Australian market has predominantly resulted in Abey experiencing a decline in its sales volumes and a reduction in market share in a market that has expanded since 2020, and
- Abey's profit and profitability is lower than it otherwise should be due to the loss of sales volumes and market share to dumped goods exported from China.

7.4 Price effects

As outlined in the following sections, the commission found that the Australian industry's selling prices were undercut by dumped goods exported from China in the investigation period.

Noting the levels of price undercutting observed, the commission considers that the Australian industry has prioritised maintaining a margin of profit on its sales rather than competing on price with dumped goods that are undercutting its prices. While the commission did not find that this has caused any material price depression or price suppression, it has led to the Australian industry foregoing sales volumes and losing market share to dumped goods that have undercut its selling prices.

7.4.1 Size of dumping margins

Section 269TAE(1)(aa) provides that regard may be given to the size of each of the dumping margins, worked out in respect of goods of that kind that have been exported to Australia.

The commission determined dumping margins of at least 71.2% (Chapter 5 of this report refers). The commission considers that this magnitude of dumping provided exporters with the ability to offer the goods to importers at lower prices than would otherwise have been the case. Given the levels of dumping observed, importers have been able to source these goods from China at a cheaper price than they would have paid had the goods not been dumped. This in turn provided importers and their distributors a competitive advantage in terms of their pricing in the Australian market.

7.4.2 Price undercutting

The commission's price undercutting analysis supports the Australian industry's assertion that its prices have been significantly undercut by dumped exports from China.

The commission found that customers typically compare prices between suppliers. This suggests that customers consider pricing and therefore pricing cannot be discounted as a factor informing customers' purchasing decisions. Given that there is little product differentiation and given the substitutability of the Australian manufactured brackets and

those exported from China, the commission considers that price is a key consideration in customers' purchasing decisions.[80]

While the Australian industry provides customers with price lists detailing recommended retail pricing, final prices are negotiated with customers on a case-by-case basis. Import offers and movements in the price of imports can therefore be used by customers to negotiate prices with the Australian industry. The Australian industry provided competitor price lists which indicates that the Australian industry was consistently undercut by suppliers that source the goods from China.

The commission has undertaken an analysis of the price undercutting claims made by the Australian industry. The analysis was based on sales data provided by the Australian industry, ACP and Radius.

The commission firstly compared the Australian industry's Free into Store (FIS) prices in the investigation period to the FIS prices achieved by ACP (a major importer and distributor of the goods in Australia) for its Chinese imports in the same period. The commission undertook this comparison by:

- product code (i.e. by type of bracket) sold to all customers, and
- product code sold to the same (common or mutual) customers.

At a product code level, the commission identified 12 product codes sold by both the Australian industry and ACP during the investigation period. These 12 product codes accounted for around 97% of the Australian industry's total sales volume, and almost all of ACP's sales volume in the investigation period.

The commission found that the Australian industry was undercut by ACP across all 12 product codes, with the rates of undercutting ranging between 5% and 52%. In relation to the 3 largest product codes by volume, which account for around 85% of the total volume of all brackets sold by the Australian industry and ACP, the rates of undercutting ranged between 5% and 12%.[81]

To assess the extent of the price advantage ACP achieved by sourcing dumped goods from China, the commission also conducted a price comparison using constructed FIS prices for ACP assuming that the goods had been purchased by ACP at undumped prices. This comparison found that had ACP purchased the goods from its supplier at undumped prices, ACP's FIS prices for the 3 largest volume product codes sold into the Australian market would have been between 20% and 40% more expensive than the prices achieved by the Australian industry.[82] This analysis highlights the fact that ACP has only been able to undercut the Australian industry's prices by sourcing dumped goods from China.

For product codes sold to common or mutual customers, the commission identified 11 product codes sold by both the Australian industry and ACP to the same customers. The commission found that the Australian industry was undercut by ACP in relation to all 11

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[80] Chapter 4 refers.

[81] Confidential Attachment 6.

[82] Ibid.

product codes in all quarters where sales were identified to common customers. The commission found undercutting by ACP ranging between 22% and 55%.[83]

The commission further identified the largest 3 product codes by volume sold to common customers. These 3 product codes accounted for around 86% of the combined sales of the Australian industry and ACP to common customers. The rates of undercutting observed in the investigation period for these 3 product codes were 29%, 39% and 40%.

From this analysis, the commission observes that the margins of undercutting are greater in relation to common customers. The commission found that around 75% of ACP's total sales volume of the goods is to customers that also purchase from the Australian industry. The Australian industry's sales to these common customers however represent only around 1% of the Australian industry's total sales volume. While these customers that purchased from both the Australian industry and ACP in the investigation period had the option to purchase from either party at the time the sales were made, these customers purchased a greater volume of the goods from ACP rather than from the Australian industry. The volume supplied by ACP to common customers is significant when compared to the Australian industry's total sales volume. This observation is consistent with data provided in Abey's application that demonstrates that some customers that previously purchased significant volumes from Abey have switched to predominantly sourcing the goods exported from China.

Based on sales data provided by ACP and Abey, the commission considers that ACP has built the bulk of its market share since entering the Australian market by attracting customers that had previously sourced the goods from the Australian industry rather than new sources of demand. The commission considers this shift has been facilitated by the significant levels of price undercutting observed in relation to common customers.

While there can be no presumption that the goods exported to Australia before the investigation period were dumped, the commission considers its analysis is indicative of the importance of price in the customer's or purchaser's decision making. Noting that the commission has not found that the Australian industry has experienced price injury during the investigation period, the impact of these observations is discussed further in section 7.5.2 below.

The commission also compared the Australian industry's FIS prices to Radius' delivered duty paid prices for the same brackets sold in the investigation period, noting that the ultimate customer (a major retailer) that purchased Radius' imported goods via a distributor also purchased goods from the Australian industry. The commission found undercutting ranging between 53% and 83%.[84] However, given that the commission is not privy to the margin applied by Radius' distributor on the goods it sold to the retailer, the commission cannot draw any further conclusions from this analysis other than that Radius' prices to its distributor (which subsequently sold the imported goods to a major retailer that also purchases brackets from the Australian industry) were significantly lower

[83] Ibid.

[84] Ibid.

than the Australian industry's prices to the same ultimate customer.[85] While the commission is not privy to the margin applied by the distributor, Abey has provided evidence in its application to suggest that its prices were undercut by this distributor by between 27% and 44%.

The analysis outlined above should be considered within the context of the size of the dumping margins ascertained during the investigation period. Given that the goods exported from China had dumping margins of at least 71.2%, the price paid by importers for undumped goods would have been up to 28% more expensive than what was in fact paid. An increase in the importers' costs to procure the goods from China would have eliminated the price advantage enjoyed by importers of the goods, and, in respect of the highest volume product codes where the levels of price undercutting were less pronounced, likely rendered Chinese imports uncompetitive in the Australian market.

The commission's price undercutting analysis is contained in **Confidential Attachment 6**.

The commission's analysis of the impact of the price undercutting observed on the Australian industry's sales volumes is detailed in the following sections.

7.5 Volume effects

As outlined in the following sections, the commission found that the Australian industry's reduced sales volumes and market share coincided with an increase in imports from China over the period examined.

As outlined in section 7.4.2, the commission found that the selling prices of dumped goods have substantially undercut the Australian industry's selling prices in the investigation period and have resulted in customers switching sources of supply away from the Australian industry, thereby leading to a reduction in the Australian industry's market share in the investigation period.

7.5.1 Market size and composition

As outlined in Chapter 4, the commission found that the Australian market for brackets is supplied by the Australian industry (Abey) and imports from China.

The commission obtained data from Abey, ACP and Radius relating to their respective sales volumes of the goods in the Australian market. The commission also identified consignments of the goods, including the volume of those goods, imported by one other importer (Couta) in the ABF database. The commission has used this data to analyse the size and composition of the Australian market over the period from YE 31 March 2021 to YE 31 March 2024, as depicted in Figure 6.

[85] The commission has approached the retailer for a meeting and queried whether it would be willing to provide, among other things, prices of brackets and clip heads sourced by the retailer from suppliers other than Abey in the period 1 April 2023 to 31 March 2024. The retailer has not provided any information.

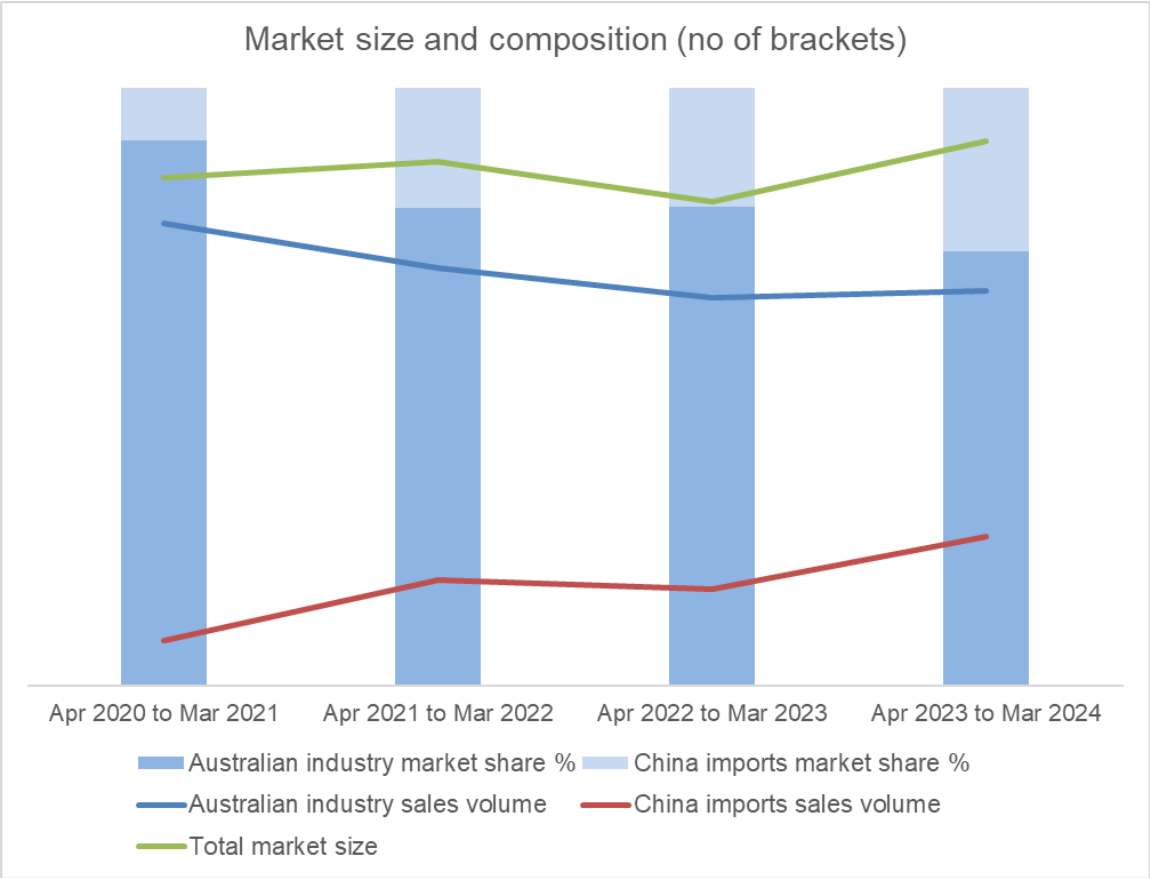

Figure 6: Australian market for brackets[86]

Figure 6, and the data underlying it, shows that:

- from YE 31 March 2021 to YE 31 March 2023, the Australian market was stable in size, while Abey's volumes decreased and the volume of imports from China increased, resulting in a deterioration in the Australian industry's market share
- in the investigation period, the Australian market expanded by approximately 13% relative to the previous year[87]
- despite the expansion in the Australian market in the investigation period, the Australian industry captured around 13% of the growth, with imports from China capturing around 87%, thereby leading to a further deterioration in the Australian industry's market share

[86] After the publication of the SEF, the commission requested additional data from ACP to assess volumes for years ending 31 March, which ACP provided. Therefore, the charts relating to market size and share in this report differ to the charts presented in the SEF because the charts in the SEF depict trends over financial years (i.e. years ending 30 June) whereas the charts in this report depict trends over years ending 31 March.

[87] In its submission of 17 July 2025 (EPR 644, item no 32), ACP questions what the expansion in the Australian market in the investigation period is in comparison to. In this report, the comparison is to the YE 31 March 2023. The market expanded by approximately 13% in the investigation period from the previous year.

- there has been a significant increase in the volume of imports from China since YE 31 March 2021, and particularly in the investigation period, tripling the market share of Chinese imports over that time.

The commission considers that the Australian industry's reduced market share in the investigation period coincided with an increase in dumped imports from China in the same period that have undercut the Australian industry's selling prices. This supports the finding that exports of the dumped goods from China displaced the Australian industry's volumes and caused injury to the Australian industry producing like goods.

The commission's analysis of sales volumes and market share is contained in **Confidential Attachment 1**.

ACP's submission concerning market share analysis

In its submission of 17 July 2025,[88] ACP made a number of claims with respect to the market share analysis, which are addressed below.

'The market share analysis and conclusions are based on a rough approximation of the market'

As noted in section 4.3.2 of this report, ACP submits that data used to inform the size of the market is limited to sales by Abey, ACP, Radius and imports by an unidentified third importer; however, ACP submits that Abey has identified four competitors: ACP, Aztec, Couta and Flexistrut.

ACP further submits that one cannot discount the possibility that there may be other suppliers in the market, and therefore the market share analysis is based on a 'rough' approximation of the market. Apart from the suppliers already identified by Abey, ACP has not identified other suppliers in its submission.

As detailed in section 4.3.2 of this report, the commission is satisfied that based on the available information, its estimate of the Australian market is a reasonable approximation of the market and captures the main competitors and parties that import and sell the goods the subject of the investigation.

The commission had regard to sales volume data provided by ACP, Radius and Abey to estimate market size and share. The commission also had regard to Couta's imports to estimate market size and share.

Further information about the market is contained in **Confidential Attachment 2**.

'2021 remains a misleading base-year for market share analysis'

ACP submits that reference to FY 2021 fails to recognise significant market distortions that occurred in 2021.

ACP submits that the proposition that Chinese imports increased significantly since FY 2021 should be understood and should be reported in that context; growth between FY 2021 and FY 2022 was a return to the pre-pandemic norm, and nothing adverse can be drawn from this.

[88] EPR 644, item no 32.

It is misleading for ACP to imply that growth between FY 2021 and FY 2022 was only due to a return to a pre-pandemic norm. The commission has data for FY 2020 and it is evident from this that Abey's market share was higher in FY 2020 than in FY 2021. It is also important to note that ACP and Radius only commenced supplying the Australian market in 2019 and 2018 respectively, therefore, the pre-pandemic norm was one where these parties did not even supply the Australian market. The commission maintains that, based on the available information, Abey's market share has consistently decreased from FY 2021 and has decreased ever since ACP and Radius have entered the Australian market.

'No appropriate basis to find loss of market share'

ACP submits that the finding that the market grew in the investigation period is based on speculation and is not as certain as it is presented to be. ACP submits that the SEF 'hyper-focuses' on this one single factor of economic performance without considering the industry's performance as a whole. ACP points to Figure 6 in SEF 644, which shows that between FY 2023 and the investigation period, imports from China increased. ACP submits that in that same period, Abey increased its sales volume. ACP states that this suggests that Abey's sales volumes are not linked to imports from China.

The commission considers that it is not unusual that Abey's volumes increased (albeit by not much) in the investigation period given that the market increased also. However, while Abey's volumes increased, its market share did not. It is clear from the analysis presented in Chapter 8 of the SEF and in this chapter of the report that Abey ceded sales volumes and market share to imports from China in a growing market evident during the investigation period. As noted in section 7.5.1 above, Abey captured only around 13% of the growth in the market, with imports from China capturing around 87%, thereby leading to a further deterioration in Abey's market share in the investigation period. Therefore, the commission does not agree with ACP's claim that Abey's sales volumes are not linked to imports from China.

7.5.2 Loss of sales volumes to mutual customers

In its application, Abey identified several of its customers that switched to predominantly sourcing the goods from China. Abey provided data that demonstrates that some of these customers used to purchase significant volumes from Abey however, over the years, sales volumes to these customers have significantly decreased (Figure 7 refers).

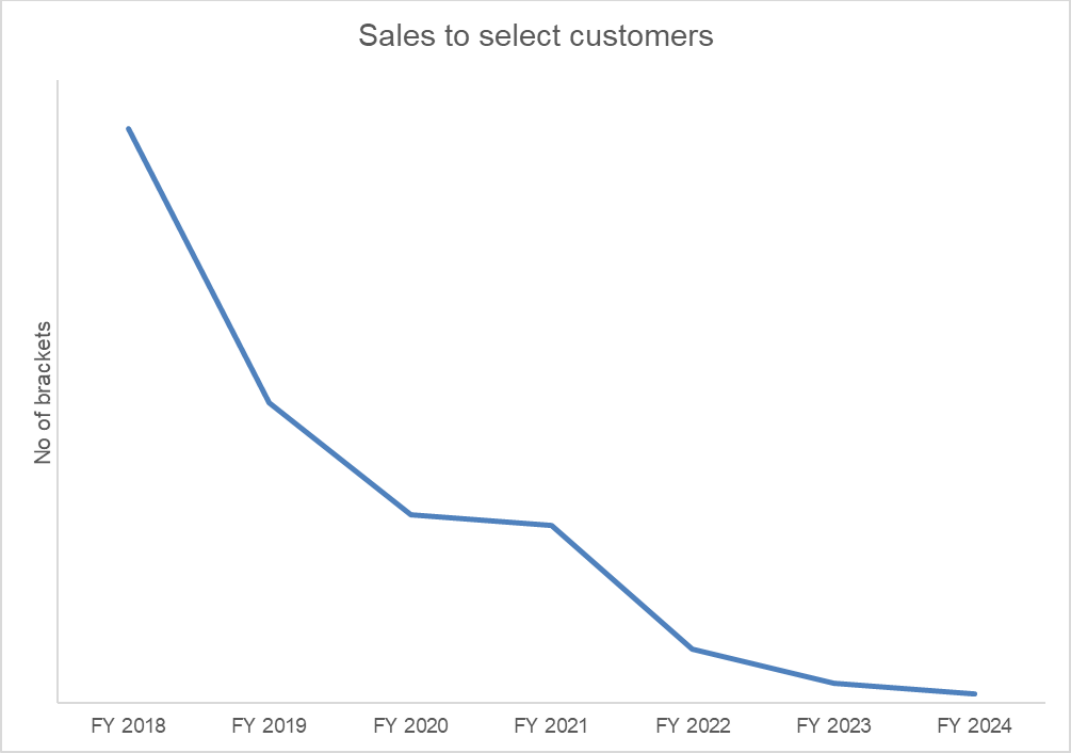

Figure 7: Abey's sales to select customers

The decrease in Abey's volumes to these customers coincided with ACP and Radius entering the Australian market in 2019 and 2018 respectively. The commission found that these customers predominantly sourced or purchased the goods from ACP or Radius' customer (a distributor) in the investigation period.

The commission found that many of ACP's customers are also Abey's customers. As detailed in section 7.4.2, the commission observes that around 75% of ACP's total sales volume during the investigation period was to customers that also purchased from Abey. The commission further observes that Abey's sales to these customers in the same period represented an almost negligible share of its total sales. The commission considers that ACP has gained sales volumes and built market share among these customers at the expense of the Australian industry by significantly undercutting the Australian industry's prices to these customers. This finding is consistent with the information provided by Abey in its application.

Further, the commission observes that all of Radius' sales of the goods imported from China during the investigation period were to a distributor. This distributor supplied a customer[89] that also purchased like goods from Abey. The commission further observes that Abey's sales to this customer represented an almost negligible share of its total sales in the investigation period. Abey provided evidence to demonstrate that it used to supply this customer with much greater volumes prior to 2020, however following 2020, Abey's volumes have significantly decreased to this customer. Noting the levels of price undercutting observed, the commission considers that this distributor has gained sales

[89] The commission has contacted the customer to obtain information concerning its suppliers, its procurement arrangements, the volume of goods it sourced from its supplier or suppliers from FY 2020 onwards, and the price of goods sourced from suppliers other than Abey. The customer did not provide any information.

volumes and built market share at the expense of Abey by significantly undercutting Abey's prices to this customer.

While there can be no presumption that the goods exported to Australia before the investigation period were dumped, the commission considers its analysis is indicative of the importance of price in purchaser's decision making. The commission considers that the level of dumping identified during the investigation period, which was reflected in the levels of undercutting observed, has entrenched the price advantage importers enjoy relative to Abey in respect of those common customers that have shifted sourcing away from Abey in favour of imported goods. The commission considers that while Abey's sales volumes to these common customers was in decline prior to the investigation period, the undercutting evident within the investigation period further eroded Abey's sales volumes to these customers. In addition, the entrenched price advantage resulting from the high levels of dumping identified undermined Abey's ability to reclaim market share in relation to sales to these customers.

When considered in totality, the volume of goods sold by suppliers of imported goods to mutual customers was significant when compared to the total volume of brackets supplied by Abey in the investigation period (**Confidential Attachment 7**). Further, in section 7.4.2 above, the commission also identified that all products sold by Abey were undercut by importers, whether sold to common customers or unique customers. The commission notes the finding in section 7.5.1 that the Australian market grew in the investigation period by an estimated 13%, yet, despite having excess production capacity, Abey only captured around 13% of that growth, with imports from China capturing the remaining 87%.[90]

The commission considers that Abey was unable to capture a more proportionate share of the growth in the Australian market due to the price advantage afforded the imported goods from China. The commission notes the levels of dumping ascertained for the investigation period and considers that if the goods were not dumped, the price advantage afforded to importers of the goods from China would have been eliminated, and in respect of the highest volume product codes sold in the Australian market, the imported goods would likely have been uncompetitive relative to Abey's prices.

Noting the growth in the size of the Australian market during the investigation period, the commission considers that but for the presence of dumped goods that have undercut Abey's selling prices, Abey would have secured a materially greater volume of sales during the investigation period.

ACP's submission concerning mutual customer analysis

In its submission of 17 July 2025, ACP made a number of claims with respect to the mutual customers analysis, which are addressed below.[91]

'The mutual customers analysis is irrelevant to the investigation'

ACP submits that there can be no assumption that dumping occurred prior to the investigation period, and that injury prior to the investigation period cannot be attributed to

[90] Abey has significant spare production capacity to produce additional volumes of brackets and therefore has the capacity to meet the demand fulfilled by dumped imports.

[91] EPR 644, item no 32.

dumping. ACP submits that the bulk of the analysis in Figure 7 in SEF 644 does not relate to the investigation period.

The commission considers that the mutual customers analysis is relevant because it shows that customers that are supplied by Abey purchased a greater volume of the goods from either ACP or Radius (via its customer, a distributor). It also shows that because ACP and Radius' customer are now supplying these customers, Abey is supplying a much lower volume of these goods than it used to.

The commission found that Abey's prices were undercut before and during the investigation period. In the investigation period, the goods were significantly dumped and price undercutting was significant, particularly in respect of sales made to the same customers supplied by Abey and its competitors. There is also evidence that ACP approached Abey's customers and encouraged them to compare ACP's prices to Abey's prices in an effort to 'win' new customers or business, including evidence of customer feedback with respect to prices.[92] The evidence provided by ACP is consistent with evidence provided by Abey that customer's compare prices across suppliers. This indicates that prices are considered by customers and underlines the importance of price in that consideration.

The commission considers that while Abey's sales volumes to common or mutual customers were in decline prior to the investigation period, the significant undercutting evident in the investigation period further eroded Abey's sales volumes to these customers which are supplied by imported goods. In addition, the price advantage resulting from the high levels of dumping identified undermined Abey's ability to reclaim or at least maintain market share in relation to sales to these customers.

Given that the goods exported from China had dumping margins of at least 71.2%, the price paid by importers for undumped goods would have been up to 28% more expensive than what was in fact paid. In the context that ACP encouraged customers to compare prices, an increase of ACP's costs to procure the goods from China would have eliminated the price advantage enjoyed by ACP and likely rendered its goods uncompetitive. Likewise, an increase in Radius' customer costs to procure the imported goods from Radius would have likely eliminated the price advantage enjoyed by Radius' customer.

Based on the above, the commission considers that the level of dumping identified in the investigation period, which was reflected in the levels of undercutting observed, has entrenched the price advantage importers enjoy relative to Abey in respect of those common or mutual customers that have shifted sourcing away from Abey in favour of imported goods. The entrenched price advantage resulting from the high levels of dumping identified undermined Abey's ability to reclaim some of the sales volumes to these customers and therefore led to a further reduction in Abey's market share in the investigation period.

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[92] In Confidential Attachment 1 to its submission of 1 August 2024 (item no 5 on EPR 645), ACP provided copies of emails sent internally within ACP which discuss, among other matters, purported feedback received from prospective or current customers. The emails make numerous references to pricing including feedback on Abey's pricing, and allude to comparisons between ACP's pricing and other suppliers' pricing which appears to be encouraged and facilitated by ACP.

'There is no basis to attribute Abey's decreasing sales to ACP'

ACP submits that there is no basis to attribute the decrease in sales to ACP, and that the assumption that the reductions in Abey's sales volumes since 2018 have occurred because of ACP is difficult to understand. ACP submits that there is no allowance for the possibility that Abey's sales to mutual customers could have been impacted by any number of factors that may have arisen.

The commission observes that the decrease in Abey's sales volumes to select customers coincided with ACP and Radius entering the Australian market in 2019 and 2018 respectively. The commission found that these customers predominantly sourced or purchased the goods imported by ACP or Radius (via its customer) in the investigation period. The commission therefore did not attribute the decrease solely to ACP.

Further, ACP has not presented any evidence to demonstrate that Abey's sales to mutual customers were impacted by other factors, and the commission did not find any evidence to suggest that Abey's volumes were impacted by other factors. Noting that goods imported from China are Abey's only source of competition in the Australian market, the commission maintains that Abey's volumes decreased because customers switched to sourcing the goods imported from China.

'The decline in Abey's sales to select customers does not impact Abey's sales overall'

ACP submits that there was minimal change in Abey's sales volumes between FY 2022 and the investigation period (shown in Figure 6), whereas sales to selected customers over the same period decreased (as shown in Figure 7). ACP questions the materiality of the decrease in sales to select customers given that the decrease in sales to these customers is not sufficient to be reflected in the Australian industry's overall sales.

The commission observes that as Abey's sales volumes to these select customers were already minimal from FY 2022, these volumes would not have had an impact on the trend observed in Abey's overall volumes over the same period. The commission observes that prior to FY 2022, sales to these select customers were in greater volumes.

While Abey's sales to mutual or select customers in the investigation period was not material when compared to its total sales volumes in the same period, the volume of imported goods supplied to these same customers was material when compared to Abey's total sales volume in the investigation period. While these customers that purchased from both Abey and ACP or Radius (via its customer) in the investigation period had the option to purchase from either party at the time the sales were made, these customers purchased a greater volume of the goods from ACP or Radius' customer rather than from Abey.

The commission considers that ACP and Radius (via its customer) have built the bulk of their market share since entering the Australian market by attracting customers that had previously sourced the goods from Abey rather than new sources of demand. The commission considers this shift has been facilitated by the significant levels of price undercutting observed in relation to common or mutual customers.

The commission considers that Abey could not reverse the decline in its sales to these customers in the investigation period because of the significant levels of price undercutting by dumped goods from China. Noting that the size of the Australian market grew in the investigation period, the commission considers that but for the presence of dumped goods in the investigation period that have substantially undercut Abey's prices,

Abey would have likely at least maintained a greater volume of sales volumes to these common customers and arrested some of the decline in its market share which was evident in the investigation period.

'The shared customer analysis should be disregarded'

ACP submits that focusing on individual customers is a mistake, and submits that narrowly investigating 'self-selected case samples' to the detriment of other evidence does not establish whether the Australian industry suffered material injury in the investigation period.

ACP submits that in the investigation period, Abey's sales to these customers were a negligible share of Abey's overall sales, and Abey's sales volumes increased in this period. ACP submits that these are the relevant facts for the investigation, and that all other facts should be disregarded.

The commission disagrees with ACP's contention that it narrowly investigated 'self-selected' cases.

As outlined in this chapter of the report, the commission found that ACP and Radius significantly undercut Abey's prices on *all* its sales during the investigation period. This undercutting led to Abey losing market share in the investigation period to its largest competitors that supplied dumped goods imported from China. Further, the loss of Abey's market share in the investigation period is a continuation of the trend observed over many years during which imports from China increased their market share while Abey's market share decreased.

While Abey's sales volumes increased slightly in the investigation period because the market increased, the increase in its sales volumes was not as significant as it could be because its competitors, which supply dumped goods imported from China, captured the bulk of the increase in the market.

The common customer analysis is relevant as it shows that both Radius (via its customer) and ACP are now supplying the bulk of the volume that Abey used to supply. The commission found that the margins of undercutting are greater in relation to sales to common customers. While these customers that purchased from both Abey and ACP or Radius in the investigation period had the option to purchase from either party at the time the sales were made, these customers purchased a greater volume of the goods from ACP or Radius' customer rather than from Abey.

Based on the evidence presented by both Abey and ACP which indicates that customers compare prices of the goods between suppliers, and given that Abey's prices were significantly undercut in the investigation period and before the investigation period, the commission considers that Abey lost sales volumes to common customers because it was not competitive on price.

Given that the goods exported from China had dumping margins of at least 71.2%, the price paid by ACP and Radius for undumped goods would have been up to 28% more expensive than what was in fact paid in the investigation period. An increase in the importers' costs to procure the goods from China would have eliminated the price advantage enjoyed by importers of the goods, and rendered Chinese imports uncompetitive in the Australian market. Noting the growth in the size of the Australian market during the investigation period, the commission considers that but for the presence of dumped goods that have undercut the Australian industry's selling prices, the

Australian industry would have secured a greater volume of sales and therefore been able to at least arrest the decline in its market share in the investigation period.

7.6 Profit effects

While the commission did not find that the Australian industry's profit and profitability decreased in the investigation period, the commission considers that the Australian industry has forgone profit because of the decrease in its market share caused by dumped goods in the investigation period.

7.6.1 Profit forgone due to loss of market share

As outlined in section 7.4.2, the commission found that the Australian industry's selling prices have been significantly undercut by dumped goods in the investigation period.

The commission considers that in electing not to reduce prices to compete with the lower-priced dumped goods, the Australian industry has ceded sales volumes and market share to imports from China in a growing market evident during the investigation period. The commission considers that the loss of market share and forgone sales caused by dumped goods has resulted in the Australian industry forgoing profit in the investigation period.

The commission estimates that the reduction in the Australian industry's market share in the investigation period led to the Australian industry forgoing profit of over a tenth of the profit achieved by the Australian industry in the same period. The commission's estimate of profit forgone is at **Confidential Attachment 8**.

ACP's submission concerning profit forgone

In its submission of 17 July 2025, ACP states the following with respect to the commission's estimate of profit forgone:[93]

- Evident in the commission's estimate is a 'heavy' set of assumptions regarding the sales volume and prices that Abey should have been able to achieve during the investigation period. The SEF provides no detail regarding how the profit forgone estimate was made and provides no basis for interested parties to understand the commission's thinking.
- There is no basis to conclude Abey should have made more sales during the investigation period. If the commission persists in this belief, we urge that it provides a greater deal of transparency – there is no way to consider that the commissions internal deliberations, methodology and assumptions are confidential or commercially sensitive. On reading, it even seems possible that the SEF's position is that 'Abey to claw back sales it lost to customers as far back as 2018' [sic]. That would be an incorrect approach under the Act. We do not know if that is the case, but the lack of detailed description leaves room for that inference.

As outlined above, the profit forgone calculations relate to the profit that Abey has forgone or lost because it has lost market share to the dumped goods supplied by its competitors in the investigation period.

As explained in the SEF and in this report, the size and share of the Australian market for brackets were determined having regard to Abey's, ACP's, Radius' and Couta's volumes.

[93] EPR 644, item no 32.

Based on the size of the market in the investigation period, the commission was able to determine the volume of each 1% of the market in the investigation period.

As depicted in Figures 2 and 6 in this report, it is evident that from YE 31 March 2023 to YE 31 March 2024 (with YE 31 March 2024 being the investigation period), Abey's market share decreased. The commission was able to determine the percentage point reduction in Abey's market share in the investigation period compared to Abey's market share in the previous year.

There were no assumptions made about the prices or sales volumes that Abey should have been able to achieve during the investigation period because the estimate was based on the actual reduction in its market share in the investigation period. As the commission has information on Abey's prices and profit margin in the investigation period, the commission was able to use the percentage point reduction in Abey's market share to estimate the profit forgone due to the reduction in Abey's market share in the investigation period.

Further, as stated above:

> The commission estimates that the reduction in the Australian industry's market share in the investigation period led to the Australian industry forgoing profit of over a tenth of the profit achieved by the Australian industry in the investigation period. [underlined for emphasis]

The estimate relates to the reduction in the Australian industry's market share in the investigation period (1 April 2023 to 31 March 2024) from the preceding year (1 April 2022 to 31 March 2023). Therefore, it is not correct for ACP to assume that the estimate relates to 2018 in any way.

7.7 Other economic factors

As outlined in section 6.7 of this report, the commission found that the Australian industry has also experienced injury in the form of:

- reduced value of assets
- reduced capital investment
- reduced capacity utilisation,
- reduced production, and
- increased inventory.

The commission considers that the loss of sales volumes (Figure 3 in Chapter 6) and market share (Figure 2 in Chapter 6) over the injury period has directly resulted in reduced capacity utilisation (Table 10 in Chapter 6). Further, it is evident that the Australian industry reduced capital investment (Table 10 in Chapter 6) during the period when its sales volumes and market share decreased. The commission considers that it is reasonable to conclude from this that the Australian industry has decided to not invest in circumstances where it is continuing to lose sales volumes and market share.

7.8 Submissions concerning injury

In its submission of 1 August 2024, ACP states that:[94]

- Under section 269TACB of the Act, it is only dumping occurring during the investigation period that is relevant to determining whether measures should be imposed. A determination on dumping regarding goods exported prior to the investigation period is not permitted.
- Noting that the investigation period is from 1 April 2023 to 31 March 2024, most of Abey's claims that it has suffered injury pre-April 2023 are outside of the investigation period, and only one of the allegations relates to the investigation period, being lower market share.
- Noting that the commission has found in CON 644 that there appears to be no price injury, price undercutting arguments are not particularly pertinent to the investigation.

In its submission of 19 August 2024, Abey responds to ACP's submission and states that:[95]

- ACP elected to omit comment on the various other undercutting examples provided in Abey's application, the most relevant of which was ACP's own undercutting of Abey as articulated in the May 2023 example (example 3 in the application). The substantial undercutting by ACP evidenced in the investigation period in the example (in the order of 32 to 61 percent) has resulted in lower market share for Abey than would have otherwise been the case.
- On the alternative latter assessment of ACP's representations, the importer argues that because Abey's sales volumes stabilised and costs fell during 2023, that material injury cannot have been suffered from Chinese imports. This ignores the undisputed fact that Abey's market share fell over the full inquiry period, at a time when Chinese imports grew. Between 2022-23 and 2023-24 alone, Chinese imports in the Australian market grew. The fact that Abey's volumes may have stabilised and costs have fallen does in no way detract from the incurrence of material market share injury due to the presence of low priced Chinese imports.
- Abey is the sole Australian manufacturer of interchangeable bolted clipping system brackets. Given this, current competitive tensions are those with imports, and the only reason for Abey's production and hence sales volumes declines are those competing Chinese volumes in the Australian market. It just so happens that in this case, these competing volumes have been assessed, on a prima facie basis, as materially dumped and subsided, and therefore materially injurious to the Australian industry. Hence, any volume stabilisation arguments or an attempt to brush-off the Australian market impact of what has been an aggressively accelerated Chinese presence should be disregarded by the commission.

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[94] EPR 644, item no 5.

[95] EPR 644, item no 6.

In its submission of 23 August 2024, ACP responds to Abey's submission of 19 August 2024, and states that:[96]

- Dumping needs to be assessed in the investigation period. Any material injury needs to be "because of that dumping". A determination that dumping has occurred prior to the investigation period is precluded by section 269T(2AE), hence any injury that the Australian industry suffered prior to the period of investigation cannot be because of dumping and so cannot be used to justify the imposition of anti-dumping measures.
- It is unclear what injury Abey is citing as necessitating the imposition of measures as during the investigation period, Abey's production volumes stabilised, it maintained prices at historically high levels despite falling costs, and it achieved the highest levels of profit since at least the start of the decade.

In its submission of 23 May 2025 in response to PAD 644, ACP claims that Abey has not suffered material injury on the basis that:[97]

- The commission's loss of market share analysis was based on a negligible portion of Abey's sales.[98]
- Abey has increased its sales volume, price and profitability, and there is insufficient evidence to support the preliminary finding in the PAD that Abey has suffered material injury caused by dumping.
- Abey increased its prices and sold more goods. This suggests there is no determinative relationship between lower prices and higher sales, and demand for the goods is price inelastic.

7.8.1 Commission's consideration of submissions concerning injury

As outlined in this report, the commission found that Abey experienced injury in the investigation period in the form of forgone sales volumes and lost market share. While Abey's volumes did not decline in the investigation period relative to the sales volume it achieved in the previous year (being 1 April 2022 to 31 March 2023), Abey's volumes in the investigation period have not recovered to the levels it achieved previously despite an increase in the market in the investigation period.

The commission expects that in a rising market, such as that evident in the investigation period, Abey's sales volumes would have increased. Evidence before the commission suggests that Abey's volumes have increased in the investigation period at a lower rate than the increase in the market in the investigation period (section 7.5.1 refers). In the same period, imports from China increased at a significantly greater rate than the increase in the market and captured a greater share of the increase in the market. Consequently, Abey's market share has decreased while the market share of dumped imports has increased. This suggests that Abey has been losing sales volumes because

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[96] EPR 644, item no 7.

[97] EPR 644, item no 26.

[98] The commission's analysis of Abey's market share in PAD 644 was based on Abey's total sales volumes over the period examined. Therefore, the commission's assessment of the loss of Abey's market share was not based on a negligible portion of Abey's sales as stated in ACP's submission.

of dumped imports from China, which are Abey's only source of competition in the Australian market.

The commission disagrees with ACP's view that, because there appears to be no price injury, evidence of price undercutting is not particularly pertinent to the investigation.[99] The price undercutting that the commission found is pertinent to the investigation in that the price undercutting has resulted in Abey losing market share to dumped goods that have undercut Abey's selling prices. Further, competition from dumped goods that undercut Abey's prices in the investigation period led to Abey's sales volumes being lower than they otherwise might have been in the absence of dumping, noting that the market has increased in the investigation period at a greater rate than Abey's volumes in the same period.

The commission notes that ACP's submission of 23 May 2025 was made in response to the injury and causation analysis and assessment in PAD 644. The commission has undertaken further analysis and expanded upon its assessment in the SEF and this report, which addresses the points made by ACP in its submission. Particularly, the commission has addressed ACP's key claim that the analysis in PAD 644 was based on only 1% of Abey's sales (and therefore any injury could not be material), at sections 7.4.2 and 7.5 of this report.

7.9 Factors other than dumping causing injury

In determining whether material injury is being caused or threatened to an Australian industry producing like goods, the Minister must consider whether any injury is being caused or threatened by a factor other than the exportation of the dumped goods.[100]

The commission identified increasing costs of production as a factor other than dumping that possibly had an impact on the economic condition of the Australian industry producing like goods over the injury period examined.

The commission considers that this factor has not played a decisive or causative role in the injury discussed in this chapter of the report.

7.9.1 Increasing cost of production

As shown in Figure 4 in Chapter 6 of this report, the commission found that Abey's cost to produce brackets increased from YE 31 March 2021, particularly because of increasing raw material (steel) costs. From YE 31 March 2021 to YE 31 March 2023, Abey's costs increased at a greater rate than the increase in its prices. This resulted in a reduction in its profit and profitability over the same period.

In the investigation period, Abey's costs decreased and so did its prices, albeit costs decreased at a greater rate than prices, thereby leading to an increase in profit and profitability.

The commission considers that despite Abey increasing its profit in the investigation period, Abey has forgone profit because it has lost market share to dumped goods (section 7.6.1 refers). The commission estimates that the reduction in Abey's market

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[99] EPR 644, item no 5.

[100] Section 269TAE(2A).

share in the investigation period led to Abey forgoing profit of over a tenth of the profit achieved it achieved in the investigation period.

7.9.2 Submissions concerning factors other than dumping causing injury

The commission received submissions from ACP and Radius claiming, among other things, that factors other than dumping caused injury to the Australian industry. These submissions are considered below, along with Abey's submissions responding to some of the claims made by the other parties.

ACP's submissions

ACP made a number of submissions claiming, among other things, that factors other than dumping caused injury to the Australian industry. The claims raised in ACP's submissions are considered below.

'Abey's previous sales reductions are linked to its drop in production'

In its submission of 1 August 2024, ACP states that Abey's loss of sales volumes and market share is not an indicator of injury caused by imports, but is a consequence of its decreasing production volumes in 2022.[101] In its submission of 23 May 2025, ACP further states that between FY 2021 and FY 2022, there was a significant decrease in Abey's production along with a significant decrease in stock held during the same period.[102] As Abey's lowest sales volumes occurred in the YE 31 March 2023, this suggests that having produced less, Abey consequently had less of the goods to sell.

The commission reviewed Abey's production, sales and inventory records and found that Abey typically produces more than it sells, and had remaining inventory at the end of each reporting period examined. Therefore, there is no evidence to suggest that Abey faced any difficulty in fulfilling sales orders and that its sales volumes decreased because it produced less of the goods to sell.

'Customers are not seeking out the lowest price on the goods'

In its submission of 23 May 2025, ACP submits that both Abey and ACP offer their customers a broad range of products and brackets are not the only product purchased by customers.[103]

ACP submits that because brackets make up a small proportion of the total invoice value, a buyer is not going to be swayed by relatively cheaper prices on a small proportion of the total products they purchase. ACP claims that customers are simply not seeking out the lowest price on the goods available in the investigation, and that they have a multitude of needs and they will source from the supplier that can meet all those needs.

In its submission of 17 July 2025, ACP submits that the commission continues to treat customers' decisions about the purchase of the goods in isolation from all other products, and seems to conclude that the price of the goods would, in any case, be a factor in the

[101] EPR 644, item no 5.

[102] EPR 644, item no 26.

[103] Ibid.

decision making of the customer.[104] ACP states that it has not suggested that it is not a factor—it has only suggested that it is not determinative.

In support of its claim that the price of the goods is not determinative, ACP identifies three of its largest customers and points to the fact that the percentage of the total revenue attributable to the goods is 'small'. Based on this, ACP submits that it is not reasonable to assume that ACP's largest customers made sourcing decisions for the bulk of their spend based on the price of the goods.

Following ACP's submission of 17 July 2025, the commission sent a questionnaire to the customers identified in ACP's submission. The questionnaire included questions relating to the customers' procurement arrangements and the factors they take into consideration when choosing their supplier. None of the customers responded.

The commission understands that brackets and clip heads are a significant component of a category of products that encompasses various types of pipe clips and brackets. This category of products is a significant category in terms of the proportion of suppliers' (such as ACP's) total revenue derived from sales of this category. The commission also understands that this category of products is sold by most retailers of plumbing products, and some retailers negotiate supply and pricing separately in respect to this category.

The commission considers that as customers (retailers) are not contractually obligated to purchase from any one supplier, it is reasonable to assume that customers will purchase products or categories of products from the supplier that offers the best value in terms of price, as it is the price at which products are purchased by these customers that ultimately determines the profit margin that these customers (being retailers) can subsequently achieve on the sale of these products.

While ACP notes in its submissions that, on a weighted average basis, the goods represent only a small proportion of its total sales value, the commission found that there is significant variation across the identified customers and the sales transactions the commission sampled in terms of the proportion of the total sales value comprised of the goods.

With respect to the customers identified in ACP's submission of 17 July 2025, the commission observes that the value of the goods as a proportion of the total value of all products sold to each customer varies significantly. For at least one customer, the commission observes that the proportion is quite significant and would have materially influenced the total value of sales orders made by this customer in the investigation period. When coupled with clip heads the subject of Investigation 645 (which were also found to be dumped), the commission considers that the value of brackets and clip heads as a proportion of the overall value of all products sold is material and significant for 2 of the 3 identified customers. Therefore, the prices (and therefore value) of the goods would be an important consideration for these 2 customers as the value of the goods would have influenced a material proportion of the overall or total value of all products purchased by these customers from ACP.

In relation to ACP's transactions that the commission sampled for verification, the commission also found significant variation across the sampled transactions in terms of the proportion of the total sales value comprised of the goods. The commission found that

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[104] EPR 644, item no 32.

there were many purchase orders where, when brackets and clip heads are considered together, the proportion of the total order value comprised of these goods was over 50% of the order value.[105]

With respect to Abey's sales, most of the sampled transactions show that the proportion of the total order value comprised of brackets and clip heads was over 50%.[106]

Based on the commission's assessment of Abey's and ACP's sales outlined above, while other goods may also be purchased at the same time as the goods, when considered in totality, the goods the subject of the investigation make up a not insignificant proportion of the purchased value, particularly when considered together with clip heads the subject of Investigation 645.

Further, evidence provided by ACP[107] and Abey shows that customers do (and are encouraged to) compare prices of products within the same product category, such as the 'clips' category which captures the goods the subject of the investigation. There is also evidence to suggest that customers also provide 'feedback' to suppliers on pricing of goods within the same category by providing information on the variance in prices offered by their current supplier and the competing supplier, presumably with the aim of leveraging a better price.[108]

The commission observes that the three customers identified in ACP's submission all purchased brackets from both ACP and Abey in the investigation period, albeit they purchased a greater volume of the goods from ACP than from Abey. Further, the commission found that most of ACP's customers that purchased brackets from ACP also purchased from Abey, albeit they purchased a greater volume from ACP.

In the context of the evidence outlined above, the commission considers that customers purchased a greater volume of the goods from ACP because the prices of those goods were significantly lower than Abey's prices. Therefore, the commission cannot discount price as an important or determinative factor in the decision made by mutual or common customers to purchase a greater volume of the goods from ACP rather than from Abey.

'Non-price factors should be recognised as a key determinant of customer loyalty and supplier selection'

ACP submits that a supplier's ability to meet a greater proportion of a customer's overall needs—rather than the price of an individual item—plays a significant role in the customer's purchase decisions. ACP submits that ignoring the importance of product range and its influence on customer purchasing behaviour leads to a flawed assumption that price is the sole or primary reason Abey may have missed out on sales.[109]

In its submission, ACP refers to a list of products typically stocked by a particular retailer and submits that ACP can supply more of the products than Abey. ACP infers that this is

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[105] Confidential Attachment 9.

[106] Confidential Attachment 10.

[107] EPR 645, item no 5, Confidential Attachment 1.

[108] EPR 644, item no 1.

[109] EPR 644, item no 32.

a key determinant of customer loyalty and supplier selection.[110] The commission observes that ACP did not supply brackets and clip heads to this retailer, therefore, ACP would likely not know the retailer's preferences or procurement arrangements relating to the goods. Further, while ACP did not supply this retailer with brackets or clip heads, Abey did supply this retailer albeit in relatively low volumes. Assuming that ACP's claim is correct in that it offers a broader range of products than Abey, the fact that this customer sourced the goods from Abey but not ACP does not prove that product mix is a key determinant in the customer's purchase decision relating to the goods.

As noted on page 68 of this report, the commission sent a questionnaire to the customers identified in ACP's submission, which included questions relating to their procurement arrangements and the factors they take into consideration when choosing their supplier. None of the customers responded. Further, the commission had also approached one of the largest retailers of brackets and clip heads and requested to meet with this retailer to discuss, among other things, the retailer's procurement arrangements for brackets and clip heads, including the factors it takes into consideration when choosing a supplier. This retailer has not provided any information.

Based on all available information, the commission considers that it is not reasonable to assume that retailers source all their products from a single supplier, particularly large retailers that sell many different products.

The commission found that retailers (in this case, customers of ACP and Abey) stock and sell many different products. Retailers also source goods from many different suppliers and manufacturers. In most cases, it is not unusual for retailers to purchase different categories or even products within the same category from different suppliers. The commission has evidence that suggests that Abey's largest customer purchases the goods (brackets and clip heads) from Abey however purchases other types of clips (which Abey also manufactures and sells) within the same category from an overseas supplier based in China. There is also evidence that some of ACP's customers purchased certain brackets from ACP and others from Abey, even though they are in the same category of products and are sold by both parties.

The commission considers that as most customers (retailers) are not contractually obligated to purchase from any one supplier, it is reasonable to assume that customers will mostly purchase products or categories of products from the supplier that offers the best value in terms of price, as it is the price at which products are purchased by these customers that ultimately determines the profit margin that these customers (being retailers) can subsequently achieve on the sale of these products.

The commission found that Abey sold a broader range of brackets and clip heads than ACP in the investigation period. This does not indicate that Abey's product range is limited, at least in terms of the clipping product category which is one of the most important product categories based on the proportion of a supplier's (such as ACP's) total revenue derived from sales of products in this category.

The commission found that most of ACP's customers that purchased brackets from ACP also purchased from Abey. Even if these customers had purchased other products along with the goods the subject of the investigation, the fact that these customers purchased

[110] Ibid.

from both ACP and Abey suggests that they did so for reasons other than the convenience of sourcing all products from the same supplier.

At the time the sales were made by ACP to mutual or common customers, these customers would have had the option to purchase from either ACP or Abey at prices offered at the time. Given the significant disparity in prices observed for the same types of brackets sold by ACP and Abey to the same customers (section 7.4.2 refers), and given that brackets make up a not insignificant proportion of the total value of some orders and for some customers, the commission cannot discount price as a factor contributing to the decision made by mutual customers to purchase a greater volume of brackets from ACP rather than from Abey.

While there may be non-pricing factors that influence customer purchasing decisions, there is no evidence to suggest that these factors are the sole or key factors influencing customer purchasing decisions. Based on all available information, the commission considers that pricing is one of the key factors taken into consideration by customers and therefore influences customer purchasing decisions.

Abey's submission

In its submission of 29 July 2025, Abey responds to some of ACP's claims relating to customer purchasing decisions and submits that contrary to those claims, the price of the goods is determinative in customer purchasing decisions.[111]

Abey claims that following the publication of the PAD[112] in March 2025, a customer that purchased imported brackets placed orders for brackets with Abey which exceeded purchases across other product categories offered by Abey.

In the period March 2025 to July 2025, purchases of brackets by this customer increased when compared to the same period in 2024, albeit the increase was from a very low base value of brackets purchased in the same period in 2024. Nevertheless, the submission shows that the customer increased its purchases of brackets from Abey in the period following the imposition of securities.

It is unclear from the evidence provided whether the customer directly increased its purchases of brackets from Abey because Abey's prices became more competitive relative to prices of the imported goods. While it appears from some of the evidence provided that the customer wanted to urgently switch orders to Abey, the evidence does not reveal the reasons for this urgency or switch in orders. Therefore, the commission cannot draw any conclusions from this other than that this customer's purchases of brackets from Abey increased in the period following the imposition of securities.

Radius' submission

In its submission dated 2 April 2025, Radius claims that it entered the market in 2018 following an approach by a major plumbing retailer.[113] Radius claims that this retailer approached Radius because it wanted to change its supply chain to a centralised import

[111] EPR 644, item no 33.

[112] ADN No 2025/020 refers. Securities were taken in respect of IDD payable on the goods exported from China and entered for home consumption in Australia on and from 13 March 2025.

[113] EPR 644, item no 24.

distribution model. Radius submits that this arrangement has subsequently changed in the past seven years with the retailer now servicing its stores through an independent distributor that is supplied by Radius.

Radius alleges that the distributor that it supplies has succeeded in supplying clip heads and brackets to the retailer not because of price, but presumably because the distributor can amalgamate Radius' products with the distributor's own product range. Radius did not provide any evidence to substantiate these claims, noting that these claims relate to parties other than Radius.

The commission approached the retailer the subject of Radius' claim and requested to meet with this retailer to discuss the following:

- the retailer's suppliers of brackets and clip heads
- the retailer's procurement arrangements for brackets and clip heads, including factors it takes into consideration when sourcing these products from suppliers
- the retailer's volume of brackets and clip heads sourced in financial years 2020 to 2023, and the first three quarters of FY 2024 (quarters ending 30 September 2023, 31 December 2023 and 31 March 2024)
- the prices of brackets and clip heads sourced by the retailer from suppliers other than Abey in the period 1 April 2023 to 31 March 2024.

The commission subsequently followed up and queried whether the retailer would be willing to provide the above information. The retailer has not provided any information.

The commission found that the retailer has sourced goods from both Abey and the distributor the subject of Radius' claim, which indicates that the retailer sources goods from multiple sources and not just imports. The volume of goods sourced by the retailer from the distributor was significantly higher than the volume sourced from Abey, which comprised a negligible share of Abey's total sales volume in the investigation period.

According to Radius' submission of 2 April 2025, Radius entered the Australian market for the goods in 2018 and commenced supplying the retailer with goods from China.[114] The commission found that following Radius' entry into the market, Abey's share of sales to this retailer decreased from over a tenth of its total sales volume in FY 2018 to a negligible level in the investigation period.

Based on the price undercutting analysis outlined in section 7.4.2 and based on Abey's evidence of price undercutting, the commission considers that this retailer purchased a greater volume of brackets from the distributor because the brackets supplied by the distributor (which were sourced from Radius) were relatively cheaper than Abey's brackets. Given the disparity in prices observed, the commission cannot discount price as an important factor in the retailer's purchasing decisions.

The commission considers that the level of dumping identified during the investigation period, which was reflected in the levels of undercutting observed, has entrenched the price advantage of imported goods relative to the Australian industry's goods in respect of this retailer that has shifted sourcing away from the Australian industry in favour of imported goods. The commission considers that while the Australian industry's sales volumes to the retailer was in decline prior to the investigation period, the undercutting

[114] Ibid.

evident within the investigation period further eroded the Australian industry's sales volume to this retailer and undermined the Australian industry's ability to reclaim sales (and market share) to this retailer.

The commission considers that while there may be non-pricing factors that influence customer purchasing decisions, there is no evidence to suggest that these factors are the sole or key factors influencing customer purchasing decisions. Based on all available information, the commission considers that pricing is one of the key factors taken into consideration by customers and therefore influences customer purchasing decisions.

7.10 Materiality of injury

The Commissioner is satisfied that the Australian industry has experienced material injury caused by dumped goods in the investigation period.

The term 'material' in the context of determining whether material injury has been or is being caused is not defined in the Act. However, the Material Injury Direction[115] directs the commission to consider 'material injury' to be injury that is not 'immaterial, insubstantial or insignificant'. There is no threshold amount that is capable of general application, and identifying material injury will depend on the circumstances of each case and will differ from industry to industry and from time to time. A material injury assessment involves a range of factors that are considered together, and no one or several of these factors can necessarily give decisive guidance.

The Material Injury Direction also directs that, where some uncertainty arises over establishing the requirements for material injury where other factors (i.e. other than dumping or subsidisation) may be contributing to injury suffered by the industry, dumping or subsidisation need not be the sole cause of injury to the Australian industry.

When considering the materiality of the injury caused by dumping, the commission had regard to several factors, including:

- the change in volumes and market share of the Australian industry and dumped imports
- the size of the dumping margins
- the magnitude of price undercutting by dumped imports, and the perceived importance of price in purchasing decisions, and
- the impact that the increasing imports had on the economic condition of the Australian industry.

The commission found that the volume of dumped goods exported from China increased over the injury analysis period, and that this increase in volume exceeded the rate of growth in the market for brackets.

The growth in imports displaced the Australian industry's sales volumes and led to a material reduction in its market share over the injury period including in the investigation period. The commission estimates that the reduction in the Australian industry's market share in the investigation period led to the Australian industry forgoing profit of over a tenth of the profit achieved by the Australian industry in the investigation period, which the commission considers to be material.

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[115] *Ministerial Direction on Material Injury 2012*, available at www.adcommission.gov.au.

As outlined in section 7.4.2, the commission found that the Australian industry's selling prices were significantly undercut by dumped goods sold during the investigation period.

As the Australian industry's prices were undercut by dumped goods in the investigation period, the Australian industry has forgone sales volumes and market share to imports from China at a time when the market increased. Further, the entrenched price advantage resulting from the high levels of dumping undermined the Australian industry's ability to reclaim market share in respect of sales to common or mutual customers. The commission found that the volume of dumped goods imported from China and sold to mutual customers was equivalent to nearly a third of the total volume of like goods sold by the Australian industry in the investigation period.

When considered in totality, the commission is satisfied that the injury experienced by the Australian industry caused by dumped goods is not immaterial, insubstantial or insignificant. Therefore, the Commissioner is satisfied that exports of the dumped goods from China caused material injury to the Australian industry producing like goods.

8 WHETHER DUMPING MAY CONTINUE

8.1 Findings

The Commissioner is satisfied that exports of the goods to Australia from China may continue in the future at dumped prices.

8.2 Introduction

To publish a notice under section 269TG(2) the Minister must be satisfied that, among other things, dumping may continue.

In assessing whether dumping may continue, the Commissioner considers the term 'may' to mean 'possible'.

8.3 Whether dumping may continue

To assess whether dumping may continue, the commission has had regard to the following:

- dumping in the investigation period
- competition between Chinese suppliers
- sales volumes in the Australian market
- distribution links, and
- production capacity.

8.3.1 Dumping in the investigation period

In assessing whether dumping may continue, the Commissioner considers prior evidence of dumping to be a relevant consideration in that assessment.

The commission found that the goods were exported to Australia from China during the investigation period at dumped prices. The dumping margins outlined in section 5.1 of this report (Table 9) are at least 71.2%. Further, the commission found that goods were exported to Australia from China at significantly dumped prices in each quarter of the investigation period.

Given the significance of the dumping margins found, the commission considers that dumping may continue.

8.3.2 Competition between Chinese exporters

Brackets produced and exported by the Chinese suppliers are identical in dimension, shape and colour and are used for the same purpose. Further, evidence before the commission suggests that customers in the Australian market compare prices of the goods offered by different suppliers. Given the substitutability of the brackets exported from China, the commission considers price to be a key factor in customers' purchasing decisions.

The similarity in export prices between Chinese exporters of the goods suggests that these entities compete on price. Competition between the exporters may rule out any one exporter increasing its prices in the future and risk losing sales to other exporters or competitors, which may lead to a continuation of dumping.

The commission also found that selling prices of imported goods were relatively stable over the investigation period and following the investigation period. This consistency in selling prices indicates that dumping may have continued following the investigation period.

8.3.3 Volume trends

Figure 8 shows that the market share of imports increased from FY 2021 to FY 2024, while the market share of the Australian industry decreased.

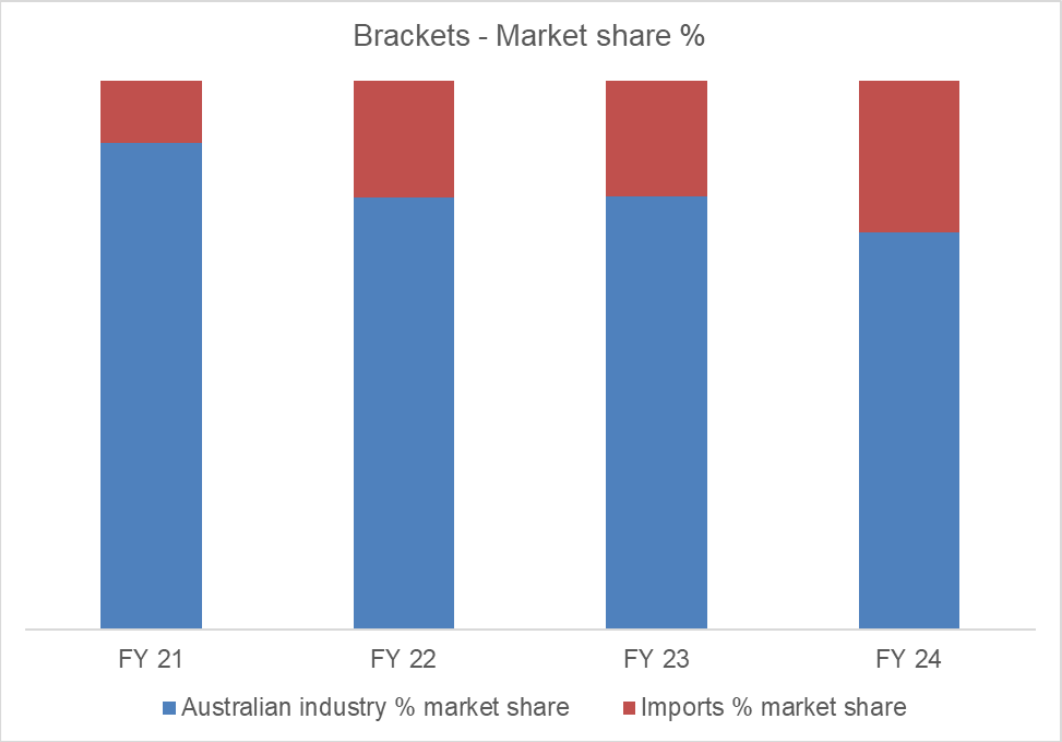

Figure 8: Australian market for brackets – Market share % total volume

The commission considers that the trend in increasing sales volumes of imported goods indicates that, being the lowest priced in the market, the dumped goods are increasingly being preferred over those being sold by the Australian industry, which is supported by the finding that the Australian industry has lost market share over the period examined. Therefore, exporters of the goods may have an incentive to continue selling goods to importers at dumped prices so that importers remain competitive on price and continue to increase their sales volumes in the Australian market.

8.3.4 Distribution links

The commission identified that importers of the goods have existing supply arrangements with Chinese exporters, which were in place prior to and during the investigation period. The commission considers that these importers are established importers and distributors of brackets in the Australian market and therefore will likely remain major participants in the Australian market on the presumption that those goods are sold at dumped prices.

8.3.5 Available production capacity

The commission found that a manufacturer of the goods in China (Qinyan) had excess production capacity during the investigation period. The excess production capacity

comprised a significant proportion of the total Australian market during the investigation period, which indicates that some manufacturers and suppliers of the goods in China would not be prevented from at least maintaining their exports to Australia at dumped prices. This finding is supported by the observation that exports of the goods to Australia from China have continued following the investigation period.

9 NON-INJURIOUS PRICE

9.1 Findings and recommendations

The Commissioner found that the NIP is less than the normal value for all exporters from China, and that none of the exceptions to the mandatory consideration of the 'lesser duty rule' apply. Consequently, the Minister is required to have regard to the desirability of specifying a lesser amount of duty in respect of the goods exported by each exporter.

The Commissioner recommends that the Minister exercise their discretion to apply a lesser amount of duty (such that the sum of the ascertained export price and the IDD does not exceed the NIP) on the basis that that the lesser amount is adequate to prevent the injury caused to the Australian industry by dumped goods.

9.2 Lesser duty

The NIP is defined in section 269TACA as the minimum price necessary to prevent the injury, or a recurrence of the injury, caused by dumping. The NIP is a variable factor relevant to determining IDD payable under the Dumping Duty Act.

Where the Minister is required to determine IDD payable on the goods the subject of a notice under section 269TG(1) and/or 269TG(2), section 8(5B) of the Dumping Duty Act applies.

Section 8(5B) of the Dumping Duty Act requires the Minister to consider the desirability of specifying a lesser amount of duty such that the sum of the ascertained export price and the IDD does not exceed the NIP (the 'lesser duty rule'). However, pursuant to section 8(5BAA) of the Dumping Duty Act, the Minister is not required to have regard to specifying a lesser amount of duty where one or more of the following circumstances apply:[116]

- the normal value of the goods was not ascertained under section 269TAC(1) because of the operation of section 269TAC(2)(a)(ii)
- there is an Australian industry in respect of like goods that consists of at least 2 small-medium enterprises, whether or not that industry consists of other enterprises.[117]

Where any of the above circumstances apply, the Minister is not required to have mandatory consideration of the lesser duty rule but may still wish to exercise their discretion to consider and apply the lesser duty rule where these circumstances exist.

The commission does not consider that any of the circumstances in the Dumping Duty Act apply because:

- section 269TAC(2)(a)(ii) did not apply to any exporter, and
- the Australian industry does not consist of at least 2 small-medium enterprises.

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[116] Sections 8(5BAAA)(a) to (c) of the Dumping Duty Act concern the calculation of dumping duty.

[117] As defined in the *Customs (Definition of 'small-medium enterprise') Determination 2013*.

On the basis that none of the circumstances listed above apply, the Minister must have regard to the desirability of applying a lesser amount of duty for all exporters subject to the measures where the NIP is less than the normal value of the goods exported by each exporter. While the Minister must have regard to the desirability of applying a lesser amount of duty, the Minister retains discretion as to whether a lesser amount of duty should ultimately be applied.

9.3 Determination of the NIP

The legislation does not prescribe a method for calculating the NIP.

The commission generally derives the NIP by first establishing a price at which the Australian industry might reasonably sell its product in a market unaffected by dumping. This price is referred to as the unsuppressed selling price (USP).

The commission's preferred approach to establishing the USP is outlined in Chapter 24 of the Manual and observes the following hierarchy:

- Australian industry's selling prices at a time unaffected by dumping
- constructed industry prices, using the Australian industry's CTMS and a rate for profit, or
- selling prices of undumped imports.[118]

Having calculated the USP, the commission then calculates a NIP by deducting the costs incurred in getting the goods from the export Free on Board (FOB) point (or another point if appropriate) to a comparable level of trade in Australia. The deductions normally include overseas freight, insurance, into-store costs and amounts for importer selling expenses and profit.

The commission's assessment of the NIP is outlined in the following sections.

9.4 Commission's assessment and findings

The commission found that the NIP is less than the normal value for all exporters. The commission's approach to determining the USP and NIP is outlined in the following sections.

9.4.1 Assessment of USP and NIP

The commission found that goods exported to Australia from China during the investigation period were dumped. Further, the commission found that imports from China were prevalent in the Australian market in the preceding periods. Given this, the commission does not consider it preferable to determine the USP, and therefore NIP, using the Australian industry's domestic prices for like goods sold during the investigation period and the preceding periods as these periods were affected by imports from China. The commission considers that a USP, and therefore NIP, derived using the Australian industry's actual selling prices during these periods would not be effective in preventing the injury, or a recurrence of the injury, caused by dumping.

[118] The Manual (December 2021), pages 106 to 108.

Noting that the Australian industry's selling prices are not suitable for establishing a USP, the commission considers that a constructed USP using the Australian industry's CTMS and an amount for profit would be preferable. Accordingly, the commission determined a USP having regard to the Australian industry's CTMS in the investigation period and weighted average profit achieved by the Australian industry in FY 2021.

The commission used the profit achieved in FY 2021 because the volume of goods from China appears to have been affected by the COVID-19 pandemic during this period and therefore import volumes were relatively lower than in other periods examined. However, the commission recognises that the Australian market during this period was still supplied by a material volume of imports from China and therefore the Australian industry's profit may also have been suppressed in this period because of these imports.

To derive a NIP at FOB terms for goods exported from China, the commission deducted from the USP the following verified costs obtained from ACP:

- importer SG&A expenses and an amount for profit
- transport and delivery costs
- importation costs, and
- ocean freight costs.

The commission's calculation of the USP and the NIP is at **Confidential Attachment 11**.

9.4.2 Application of the lesser duty rule

The commission compared the NIP to the normal value and found that the NIP is less than the normal value for each exporter.[119] As the NIP is less than the normal value determined for each exporter, and on the basis that none of the exceptions outlined in section 8(5BAA) of the Dumping Duty Act apply, the Minister is required to have regard to the desirability of specifying a lesser amount of duty in respect of the goods in accordance with section 8(5B) of the Dumping Duty Act. Section 8(5B) of the Dumping Duty Act requires the Minister to consider the desirability of specifying a lesser amount of duty such that the sum of the ascertained export price and the interim duty does not exceed the NIP.

While the Minister must have regard to the desirability of specifying a lesser amount of duty, the Minister retains discretion as to whether a lesser amount of duty should ultimately be applied. In this case, the Commissioner recommends that the Minister should exercise their discretion to apply a lesser amount of duty (as outlined in Table 11, which is less than the dumping margin for each exporter) on the basis that that the lesser amount is adequate to prevent the injury caused to the Australian industry by dumped goods.

[119] As noted in section 9.2 above, the NIP is the minimum price necessary to prevent the injury, or a recurrence of the injury, caused by dumping.

Exporter	Duty method	Effective rate of IDD before application of lesser duty	Effective rate of IDD after application of lesser duty
Fenghui	*Ad valorem*	71.2%	47.6%
All other exporters	*Ad valorem*	80.0%	54.4%

Table 11: Rates depending on the application of lesser duty rule

10 RECOMMENDED MEASURES AND EFFECTIVE RATES OF DUTY

10.1 Recommendation

The Commissioner recommends that the IDD payable on the goods exported from China should be worked out using the ad *valorem duty* method.

10.2 Legislative framework

The *Customs Tariff (Anti-Dumping) Regulation 2013* prescribes the methods available to the Minister for working out the IDD payable on the goods the subject of the measures. The prescribed methods are:

- combination of fixed and variable duty method (combination duty method)
- floor price duty method
- fixed duty method, and
- *ad valorem* duty method.

The various forms of dumping duty all have the purpose of removing the injurious effects of dumping. In achieving this purpose, certain forms of duty will better suit particular circumstances than others. More detail on the nature and operation of the various forms of duty are contained in the commission's *Guidelines on the Application of Forms of Dumping Duty* (the Guidelines).[120]

10.3 Recommended form of measures and effective rates of duty

The Commissioner recommends that the interim duty payable on the goods the subject of the dumping duty notice should be an amount worked out in accordance with the *ad valorem* duty method.

The commission found that there are many different types of brackets that are exported to Australia. The commission also found that there is significant price variation between the different bracket types. The Guidelines specify that the *ad valorem* duty method has an advantage where there are many models or types of goods which have varied prices, as the method does not require an ascertained export price or floor price which may not be meaningful where prices differ significantly between models. Given this, the commission considers the *ad valorem* duty method to be the most appropriate method to remove the injurious effects of dumping.

As the NIP is less than the normal value determined for all exporters from China, the Commissioner had regard to the NIP in working out the amount of duty payable. The Commissioner considers that a lesser amount of duty, such that the sum of the ascertained export price and the IDD does not exceed the NIP, is adequate to prevent the injury caused to the Australian industry by dumped goods.

Using the *ad valorem* duty method, the IDD payable on the goods exported by all exporters from China is worked out by calculating the amount of the difference between the ascertained export price of the goods and the NIP. The amount of the difference is

[120] The Guidelines, available at www.adcommission.gov.au.

expressed as a proportion or percentage of the ascertained export price to derive a fixed rate of IDD. The fixed rate is applied to the actual export price of the goods to determine the amount of IDD payable on the imported goods.

The effective rate of IDD payable on the goods imported from China is summarised in Table 12 below.

Exporter	Duty method	Effective rate of IDD
Fenghui	*Ad valorem*	47.6%
All other exporters	*Ad valorem*	54.4%

Table 12: Effective rates of IDD

11 RECOMMENDATIONS

The Commissioner is satisfied that the dumped goods exported to Australia from China have caused material injury to the Australian industry producing like goods. Therefore, the Commissioner recommends that the Minister publish a dumping duty notice in respect of the goods exported to Australia from China.

The Commissioner recommends that the Minister be **satisfied** that:

- in accordance with section 269TG(1), the amount of the export price of the goods that have been exported to Australia from China is less than the amount of the normal value of those goods and because of that, material injury would have been caused if security had not been taken under section 42 of the Act pursuant the publication of the PAD on 12 March 2025

- in accordance with section 269TG(2), the export price of goods that have already been exported to Australia from China is less than the amount of the normal value of those goods, and the amount of the export price of like goods that may be exported to Australia in the future may be less than the normal value of the goods and because of that, material injury to an Australian industry producing like goods has been or is being caused

- sufficient information has not been furnished or is not available to enable the export price of the goods exported to Australia from China by exporters other than Fenghui to be ascertained under the sections preceding section 269TAB(3)

- sufficient information has not been furnished or is not available to enable the normal value of the goods exported to Australia from China by Fenghui and all other exporters to be ascertained under the sections preceding section 269TAC(6) (other than section 269TAC(5D)).

The Commissioner recommends that the Minister **determine** that:

- being satisfied that section 269TAB(1)(a) applies, the export price of the goods exported to Australia from China by Fenghui is the price paid or payable for the goods by the importer, other than any part of that price that represents a charge in respect of the transport of the goods after exportation or in respect of any other matter arising after exportation, as set out in section 5.3.2 of this report and Appendix 1 in Confidential Attachment 3

- in accordance with section 269TAB(3), having regard to all relevant information as outlined in section 5.3.5 of this report, the export price of the goods exported to Australia from China by exporters other than Fenghui is the price set out in Confidential Attachment 4

- in accordance with section 269TAC(6), having regard to all relevant information as outlined in section 5.3.3 of this report, the normal value of the goods exported to Australia from China by Fenghui is as set out in Appendix 3 in Confidential Attachment 3

- in accordance with section 269TAC(6), having regard to all relevant information as outlined in section 5.3.6 of this report, the normal value of the goods exported to Australia from China by exporters other than Fenghui is as set out in Confidential Attachment 4

- having applied section 269TACB(2)(a), and in accordance with sections 269TACB(1) and 269TACB(4), the goods exported to Australia from China by Fenghui are taken to have been dumped in the investigation period, and the dumping margin in respect of those goods is the difference between the weighted average of export prices over the whole of the investigation period and the weighted average of corresponding normal values over the whole of that period, as set out in section 5.3.4 of this report and Appendix 4 in Confidential Attachment 3

- having applied section 269TACB(2)(a), and in accordance with sections 269TACB(1) and 269TACB(4), the goods exported to Australia from China by exporters other than Fenghui are taken to have been dumped in the investigation period, and the dumping margin in respect of those goods is the difference between the weighted average of export prices over the whole of the investigation period and the weighted average of corresponding normal values over the whole of that period, as set out in section 5.3.7 of this report and Confidential Attachment 4

- in accordance with sections 8(5) of the Dumping Duty Act, that the IDD payable in respect of the goods exported to Australia from China is an amount which will be worked out in accordance with the *ad valorem* duty method pursuant to section 5(7) of the *Customs Tariff (Anti-Dumping) Regulation 2013.*

The Commissioner recommends that the Minister have **regard** to:

- in determining the IDD payable on the goods, in accordance with section 8(5B) of the Dumping Duty Act, the desirability of specifying a method such that the sum of amounts outlined in sections 8(5B)(c) and (d) of the Dumping Duty Act do not exceed the NIP.

The Commissioner recommends that the Minister **declare**:

- in accordance with section 269TG(1) and section 45, by public notice, that section 8 of the Dumping Duty Act applies to:

  (a) the goods exported to Australia from China, and

  (b) like goods that were exported to Australia from China after the Commissioner made a PAD under section 269TD on 12 March 2025 but before publication of the notice

- in accordance with section 269TG(2), by public notice, that section 8 of the Dumping Duty Act applies to like goods that are exported to Australia from China, after the publication of the notice.

12 ATTACHMENTS

Confidential Attachment 1	Market size and share
Confidential Attachment 2	Confidential information relating to market
Confidential Attachment 3	Dumping margin (Fenghui)
Confidential Attachment 4	Dumping margin (uncooperative exporters)
Confidential Attachment 5	Economic condition of the Australian industry
Confidential Attachment 6	Price undercutting analysis
Confidential Attachment 7	Sales volumes to mutual customers
Confidential Attachment 8	Estimate of profit forgone
Confidential Attachment 9	ACP's sampled sales transactions
Confidential Attachment 10	Abey's sampled sales transactions
Confidential Attachment 11	USP and NIP