

**ANTI – DUMPING SPECIALISTS**

ACN 056 514 213 ABN 87 056 514 213

17 June 2013

NON - CONFIDENTIAL

Mr John Bracic  
Director  
Trade Measures Remedies Branch  
Australian Customs and Border Protection Service  
Customs House  
5 Constitution Avenue  
Canberra ACT 2600

Dear Mr Bracic,

**REVOCATION REVIEW – CONSUMER PINEAPPLE FROM THAILAND**

This submission, on behalf of Siam Agro-Food Industry Public Co Ltd (“SAICO”), is in response to Customs’ “Notice of additional information obtained by Customs and Border Protection” concerning the captioned review.

The information included in the said notice certainly does not support a conclusion that revocation of the anti-dumping measures relating to consumer pineapple exported by TPC/SAICO **would lead**, or be **likely to lead**, to a recurrence of the dumping that the measures are intended to prevent. This information adds nothing to the facts established by the review as reported in SEF No. 195B concerning the fluctuating nature of raw pineapple prices in Thailand. It provides nothing to support a conclusion that these fluctuations in raw pineapple prices are **likely** to result in TPC/SAICO selling to Australia at dumped prices.

Now that the preliminary finding per SEF 195B that TPC’s increased export prices in place during the review period were due to the anti-dumping measures in force, which is fundamental to Customs’ preliminary conclusion that revocation of the measures would be likely to lead to a recurrence of dumping, has been conclusively refuted, Customs is totally reliant on its conclusion per SEF 195B that the “unpredictable volatility in raw pineapple costs” *may result in a recurrence of TPC selling to Australia at dumped prices* (emphasis added) to affirm its preliminary conclusion that the measures should not be revoked. And the data included in the said notice provides nothing to elevate the status of recurrence of TPC selling to Australia at dumped prices in the future from a possibility to the **mandatory probability**. We reiterate that the facts established by this review per SEF 195B and this additional information cannot possibly lead to a conclusion that revocation of the measures would be **likely** to lead to future exports of TPC/SAICO to Australia being made at dumping prices.

There are no facts established by this review which demonstrate that fluctuating raw pineapple prices and other production costs **would lead**, or be **likely to lead**, to TPC/SAICO’s future exports to Australia being at prices which do not provide for a reasonable sales margin. It is conclusively demonstrated by our submission of 22 May 2013,

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that for reasons not related to the imposition of the current anti-dumping measures, TPC's exports during the review period were at prices [REDACTED]

Furthermore, TPC/SAICO's exports during October 2012, January 2013 and May 2013 were also at prices [REDACTED], as demonstrated hereunder.

The average cost of raw pineapple used in TPC/SAICO's production of exports to Australia during the said months are as follows:

October 2012	THB [REDACTED]/kg
January 2013	THB [REDACTED]/kg
May 2013	THB [REDACTED]/kg

At Attachment 1 are cost to make and sell and export selling price details demonstrating that during May 2013, when raw material prices were at their highest during the 3 months under consideration, sales margins in exports to Australia ranged from [REDACTED]% to [REDACTED]%.

Customs has hard evidence of the contract export prices included in Attachment 1 and detailed in Attachment 2.

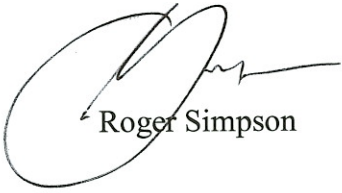
It is demonstrated by the foregoing that the post-review period fluctuations in pineapple costs have not caused TPC/SAICO's exports to Australia to be at prices which do not include a reasonable profit margin.

SAICO does not expect June pineapple prices per the additional information notice to increase significantly. The reason for the May/June increase is supply/demand related. Demand at present is high because canneries are sourcing fruit to meet contractual obligations before July closures. Also the winter crop is expected to be delayed, causing canneries to increase inventories above normal levels. It is expected that the price of the winter crop (late September/October) will, as usual, open at about the July closing level and will then progressively decrease. Putting aside the high demand in the period leading up to cannery closures, the demand for pineapple fruit is generally weak due to the weak international demand for the packed product and therefore prices are expected to return to a "normal" level of THB [REDACTED]/kg in the foreseeable future.

Besides the substantial increase in raw pineapple costs during 2010, the period of the investigation which led to the imposition of the current measures, other factors which contributed to TPC's exports at below cost in 2010 include a drop in production volume with consequent fixed unit cost increase and the impact of increased tinplate cost on packaging costs. Concerning the drop in production volume with consequent fixed unit cost increase in 2010, in response to its 2010 experience, TPC/SAICO now maintains minimum production volumes to control fixed costs. With regard to tinplate cost, the reducing global demand for iron and coal, with consequent substantial reduction of prices of these commodities, is expected to result in reduced tinplate cost in the second half of this year, with consequent packaging cost decrease for TPC/SAICO.

To not revoke the anti-dumping measures in relation to TPC/SAICO's exports of consumer pineapple would be an absolute travesty, as there are absolutely no facts established by this review which could possibly lead to a conclusion that revocation of these measures **would lead**, or would be **likely to lead**, to a recurrence of the 2010 dumping which led to their imposition.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Roger Simpson', written over the printed name.

Roger Simpson