



As Trustee for Marpac Unit Trust

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Director  
ADC Quality Assurance and Verification  
Anti-Dumping Commission  
GPO Box 2013  
Canberra ACT 2601

By email: [ADCQualityAssurance.&VerificationTeam@industry.gov.au](mailto:ADCQualityAssurance.&VerificationTeam@industry.gov.au)

Dear Director

Review of measures applying to resealable can end closures (TRFs) exported to Australia from the Philippines by Genpacco Inc.

Marpac Pty Ltd (Marpac) submits the following in response to the publication of Statement of Essential Facts (SEF) No. 496.

#### Preliminary Findings

Marpac supports the Anti-Dumping Commission's (Commission's) finding that the following variable factors have changed for exports of TRFs from the Philippines by Genpacco:

- export price
- normal value, and
- non-injurious price.

Marpac strongly supports the Commission's recommendation that the dumping duty notice have effect as if different variable factors had been ascertained in relation to exports of TRFs to Australia from the Philippines by Genpacco.

### Scope of the Review

Marpac is disappointed with the Commission's decision not to extend the scope of the review to other exporters subject to the notice, in particular exporters from Malaysia and Singapore. As highlighted in its submission dated 2 January 2019<sup>1</sup>, Marpac's position is that there has been movements in global tinplate prices since the initial investigation and this movement in prices has affected the variable factors relevant to the taking of measures with respect to TRF exports from The Philippines, Singapore and Malaysia. Furthermore Marpac is disappointed that the Commissioner did not notify us that the review had not been extended to all exporters.

### Genpacco continues to dump

Marpac notes the Commission's finding that Genpacco continues to dump TRFs on the Australian market and the finding that the dumping margin is **significantly greater** than the margin found in the original investigation.

### Importation and selling costs

Marpac agrees with the Commission's approach to verifying the importer's importation and selling costs. In particular the Commission's methodology for allocating:

- importation costs on a quantity basis
- dumping duties to products subject to measures (i.e. removing the allocation of dumping duties to products not subject to measures), and
- SG&A costs by having regard to the importer's SG&A as a proportion of total revenue.

Marpac requests that when undertaking duty assessments for TRFs the Commission adopt a similar approach.

Marpac is yet to see the dumping measures translate to selling prices unaffected by dumping. Marpac is extremely concerned the importer is absorbing the dumping duty costs and not passing them on as a cost of selling the can unit with TRF end to the customer.

### Effectiveness of the measures

Marpac is troubled at the effectiveness of the form of measures imposed by the Minister and the use of the non-injurious price (NIP) as the operative measure. As Marpac sees it, the circumstances of Marpac's inability to increase its sales volume, sales value and market share, is directly linked to exports of TRFs exported from The Philippines.

Marpac is appalled that Genpacco's dumping margins have **increased by more than 50 per cent** since the Commission first assessed dumping. Furthermore Marpac is perplexed that for DA0123, importation period 25 Mar 2017 to 24 September 2017, Irwin (the sole importer of TRFs from Genpacco) received a full refund<sup>2</sup> of interim duties.

How can it be that the Commission assesses:

- a dumping margin of 17.4 per cent<sup>3</sup> (effective dumping margin xx per cent) during the original investigation period (1 April 2015 to 31 March 2016), and
- a preliminary dumping margin of 26.2 per cent (effective dumping margin is 17.6 per cent) during the review period (1 October 2017 to 30 September 2018),

and yet the Commission finds no dumping on imports for the period preceding the current review period?

<sup>1</sup> Anti-Dumping Commission, Electronic Public Record 496, Document 4

<sup>2</sup> Anti-Dumping Duty Notice No. 2018/158

<sup>3</sup> Final Report No 350 at p44

**PUBLIC RECORD**

The initial investigation showed that the volume of dumped imports from the Genpacco **more than doubled** from the start of the investigation period to the end of the investigation period<sup>4</sup> and now we see that between the original investigation and the review the dumping margins have **more than doubled**.

As the Commission is aware, Marpac is a small family business striving to grow into an internationally competitive business and creating more jobs for Australians. It seems incongruous that our business continues to be impacted by ineffective measures, supposedly in place to provide a remedy from the injury we continue to suffer from dumped imports, and yet while these measures are in place our TRF business is not improving and we have had to remove six people from our metal manufacturing business<sup>5</sup>. To top it off all this is happening at a time when the government is pledging to oversee the **creation of 250,000 new small and family businesses** over the next five years<sup>6</sup>. What is the point of the government's central economic plan being to drive "all our industries forward, including traditional sector like manufacturing"<sup>7</sup> when the red-tape of getting anti-dumping measures in is so burdensome for small businesses and in our case the measures are ineffective due to the application of the lesser duty rule?

Marpac requests that the Minister reconsider the desirability of applying the lesser duty rule. Further, Marpac requests that the Minister impose an ad valorem plus a floor price.

Regards



Charlie Maher  
General Manager  
Marpac Pty Ltd

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<sup>4</sup> Final Report No 350, p40-43

<sup>5</sup> Anti-Dumping Commission, Electronic Public Record EX0073, Document 7

<sup>6</sup> <https://www.smartcompany.com.au/finance/funding/sme-business-growth-fund/>

<sup>7</sup> <https://www.liberal.org.au/our-plan-stronger-manufacturing-sector>

