



Investigation No. 507

**Power Transformers
exported to Australia from the People's Republic of China**

Meeting with Wilson Transformer Company Pty Ltd

Location	Wilson Transformer Company Pty Ltd 310 Springvale Road Glen Waverley
Date	9 May 2019
Wilson Transformer Company Pty Ltd representatives	Ed Wilson Robin Winckworth John O'Connor
Anti-Dumping Commission representatives	Reuben McGovern, Case Manager Leisa Baynham, Case Officer Adam Hourigan, Case Officer Jeremy Latcham, Case Officer Sanjay Sharma, Case Officer

Wilson Transformer Company Pty Ltd provided an exporter verification briefing to Anti-Dumping Commission representatives. The following is a summary of matters discussed:

- Outline of WTC's business and manufacturing process
- Tour of WTC's manufacturing facility
- Key considerations for verification visits:
 - Examination of supply, install and commission of power transformer contracts;
 - Consideration of terms of contract between Chinese exporter and Australian importer (i.e. separate contracts for 'ex-works' supply and separate 'sale of services');
 - Related party sales between exporter and importer;
 - Detailed understanding of costs (i.e. direct costs, standard costs, treatment of variations, allocation of costs, validation of corporate charges, key raw material cost inputs, treatment of Australian representation costs, treatment of Australian delivery installation and warranty costs);
 - Contract – who is principal (Chinese manufacturer or Australian importer);
 - Treatment of inter-company transactions and basis for pricing;
 - Treatment of exchange rate gains/losses.

20 May 2019