

Application for the
continuation of a dumping
and/or
countervailing notice
or
continuation of an undertaking

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APPLICATION UNDER SECTION 269ZHC OF THE *CUSTOMS ACT 1901*
FOR THE CONTINUATION OF A DUMPING AND/OR COUNTERVAILING
DUTY NOTICE OR CONTINUATION OF AN UNDERTAKING

I hereby request, in accordance with section 269ZHC of the *Customs Act 1901* (the Act) that the Minister:

- continue a dumping duty notice, or
- continue a countervailing duty notice, or
- continue the undertaking given under the Act by

Oliveri Solutions Pty Ltd *

(* formerly Tasman Sinkware Pty Ltd. The Australian Industry underwent a legal change of name during December 2018)

in respect of the goods the subject of this application.

I believe that the information contained in this application:

- provides reasonable grounds for continuation of the anti-dumping measure; and
- is complete and correct to the best of my knowledge and belief.

Signature:

[Redacted Signature]

Name:

[Redacted Name]

Position:

General Manager

Company:

Oliveri Solutions Pty Ltd

ABN:

12 007 551 886

Date

09June 2019

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Signature requirements

Where the application is made:

By a company - the application must be signed by a director, servant or agent acting with the authority of the body corporate.

By a joint venture - a director, employee, agent of each joint venturer must sign the application. Where a joint venturer is not a company, the principal of that joint venturer must sign the application form.

On behalf of a trust - a trustee of the trust must sign the application.

By a sole trader - the sole trader must sign the application.

In any other case - contact the Commission's client support section for advice.

Assistance with the application

The Anti-Dumping Commission has published guidelines to assist applicants with the completion of this application. Please refer to the '*Instructions and Guidelines for applicants: Application for continuation*' on the Commission's website.

The Commission's client support section can provide information about dumping and countervailing procedures and the information required by the application form. Contact the team on:

Phone: 13 28 46

Fax: (03) 8539 2499

Email: clientsupport@adcommission.gov.au

Other information is available from the Commission's website at www.adcommission.gov.au

Small and medium enterprises (i.e., those with less than 200 full-time staff, which are independently operated and which are not a related body corporate for the purposes of the *Corporations Act 2001*), may obtain assistance, at no charge, from the Department of Industry, Innovation and Science's International Trade Remedies Advisory (ITRA) Service. For more information on the ITRA Service, visit www.business.gov.au or telephone the ITRA Service Hotline on +61 2 6213 7267.

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Required information

1. Provide details of the name, street and postal address, of the applicant seeking the continuation.

The applicant is OLIVERI SOLUTIONS PTY LTD, ABN 12 007 551 886 of 51 Naweena Road, Regency Park SA 5010.

It should be noted that Oliveri Solutions was formerly trading as Tasman Sinkware Pty Ltd and underwent a legal change of company name during December 2018. ABN, registered company address and manufactured SKUs remains the same.

2. Provide details of the name of a contact person, including their position, telephone number and facsimile number, and e-mail address.

Contact Name: [REDACTED]
Position: Commercial Manager
Telephone: [REDACTED] / [REDACTED]
Facsimile: N/A
E-mail Address: [REDACTED]

3. Provide the names, addresses, telephone numbers and facsimile numbers of other parties likely to have an interest in this matter e.g. Australian manufacturers, importers, exporters, users.

Australian Manufacturers

The applicant, Oliveri Solutions, is the sole producer in Australia of like goods to the goods.

Exporters

The Australian industry understands that the following nominated companies are both producers

and exporters of the GUC to Australia:

Anhui Feidong Import and Export Co.Ltd
Registration Number: 340122000024780(1-2)
Address: No 3 Longquandong Road, Dianbu Town, Feidong County
Telephone: 0551-67755572
Contact: Huang Yaming

Elkay (China) Kitchen Solutions
Address: No. 5, Yong'an Rd., Hongdeng Section, Liangang Industry Zone, Jinwan Dist., Zhuhai, Guangdong, China (Mainland)
Telephone: +86 0756-7261222
Facsimile: +86 0756-7261950
Website: <http://www.elkay.com.cn>
Flowtech Co Ltd

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Address: Xinxu CEIEC Industrial Area, Zhong Dian Road, Sanxiang Town, Zhonshan City, Guangdong, China 528463
Telephone: +86 760 8636 1900
Facsimile: +86 760 8636 1990
Email: enquiries@flowtech.net.cn
Website: <http://flowtech.net.cn/eng/contactus.php>

Foshan KIWI KITCHEN AND SANITARY INDUSTRIAL CO.,LTD.
Guangdong Province Science and Technology Park, No. 11 Road
Xingtan Town, Shunde District, Foshan City, Guangdong Province P.R.C
Telephone +86 757 23617488
Facsimile +86-757-23616433
Website www.fskiwi.com/

Franke Kitchen System Co Ltd
Address: 318 Yinglang Industrial Zone, Shaping Town, Heshan City, Guangdong Province China 529700
Telephone: +86 750 8415023, +86-750-8415-460
Facsimile: +86 750 8415268
Email: roy.he@franke.com
Website: www.franke.com

Gacor Kitchenware (Ningbo) Co., Ltd.
No. 8, Kejiu South Road, Science and Technology Park, Ninghai County, Ningbo City, Zhejiang Province, P.R.C 315600
Telephone +86 574 65332985
Facsimile +86 574 65332987
Website www.gacor.net

Guangdong Dongyuan Kitchenware Industrial Co., Ltd.
No. 3, Erhuan Road, Gaozan Industrial Zone, Xingtan Town, Foshan, Guangdong, P.R.C 528325
Telephone +86 757 27383108
Facsimile +86 757 27783282
Website www.gddongyuan.com

Guangdong Yingao Kitchen Utensils Co., Ltd.
No.1 Road 3, XinTan Industrial Estate, XinTan Town, ShunDe District, FoShan, Guangdong, P.R.C 528325
Telephone +86 757 27799633
Facsimile +86 757 22892222
Website www.ying-ao.com

Hiway Holding Group Co., Ltd.
Dongfeng Development Zone Liushi Yueqing
Zhejiang, Wenzhou, Zhejiang, P.R.C 325603
Telephone +86 57762767278
Facsimile +86 577 62767279
Website www.hiwaygroup.com

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Jiangmen City HeTang HenWeiDa Kitchen & Sanitary Factory
Address: No. 77 LiuFang Industrial Park, ZhongTai Road, HeTang Town, PengJiang District
Province/State: Guangdong
Country/Region: China (Mainland)
Telephone: 0086-750-3700068
Website: <http://aolaishi.chinaexporter.com/>

Jiangmen New Star Hi-Tach Enterprises Ltd
25 Duruan North Third Road, Pengjiang District, Jiangmen, Guangdong, P.R.C 529999
Telephone +86 750 7361322
Facsimile +86 750 7361300
Website www.newstar-sink.com

Komodo Hong Kong Limited
Park Avenue Tower, Causeway Bay, Hong Kong
Telephone: +852 2559 9734

Primy Corporation Limited
Street Address: Primy Industrial Park, No.220 Dexiang Road, Pingsha, Zhuhai, , China
Province/State: Guangdong
Country/Region: China
Zip: 519055
Contact Person: Mr.Huang
Telephone: +(86)756-7722222
Website: wk1639878.company.weiku.com/

Rhine Sinkwares Manufacturing Ltd Hui Zhou
Address: Chang Fu Road Chang Ning Boluo HuiZhou GuangDong China
Telephone: +86 752 6603283 6603289
Facsimile: +86 752 6893982
Email: rhinesink@rhinesink.com
Website: www.rhinesink.com

Xiaohui Trading Development Co Ltd
Address: Dongdi Road 73-B, 4th Floor, Jiangmen, Guangdong, China
Telephone: +86 0750 3189662
Facsimile: +86 0750 3189662
Email: hujw888@21cn.com
Website: <https://www.hktdc.com/manufacturers-suppliers/XIAO-HUI-TRADING-DEVELOPMENT-CO-LTD-OF-JIANGMEN-CITY/en/1X077FJ8/>

Xinhe Stainless Steel Products Co Ltd
Address: 318 Yinglang Industrial Zone, Shaping Town, Heshan City, Guangdong Province China 529700
Telephone: +86 750 8415023
Facsimile: +86 750 8415268
Email: roy.he@franke.com
Website: <http://www.xin-he.com.cn/en/about/contact.html>

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YuYao Afa Kitchenware Co Ltd

Address:, No. 88 Mayun Road, Jiangxia Village, Mazhu Town, Yuyao City, Zhejiang Province. China

Telephone: +86-574-62457128, 624

Telephone: +86 574 6245 8688

Facsimile: +86-574-62458688, 624

Website: <https://yakcl.en.china.cn/>

Zhongshan Jiabaolu Kitchen and Bathroom Products Co. Ltd

Flowtech Co.Ltd and Zhongshan Flowtech Co. Ltd

Address 501, 05/F Office Tower 2, Kushna Center, No.16

Xinyuanli Chaoyang District, Beijing, P.R China 16 2 501 100027

Telephone +86 10 84683690

Facsimile +86 10 84683689

or

Fu Yuan Road, Nansha Industrial Zone, Zhongshan Town Guangdong Province

Telephone +86 760 86604699/ 8664678

Facsimile +86 760 86604608

Email: gary@gabalu.com.cn

Website www.gabalu.com

Zhongshan Superte Kitchenware Co., Ltd.

Food Industry Park, Huangpu Town,

Zhongshan, Zhongshan, Guangdong, P.R.C 528429

Telephone +86 0760 23973081

Website www.superte.cn

Zhongshan Xintian Hardware Co Ltd

Address: North Shenghui Industrial Zone, Nantou, Zhongshan City, Guangdong Province, China

Telephone: +86 760 23136906

Facsimile: +86 760 23136283

Email: sales@xintian-cn.com

Website: <https://zxhcl.en.china.cn/>

Zhuhai Grand Kitchenware Co Ltd

Address: 155 Airport W Rd, Zhuhai, GUANGDONG

Telephone: +86 75675 18649

Telephone: +86 75675 18622

Facsimile: +86 75675 218633/00

Website: www.sink-gdmm.com

Importers

The Australian industry understands that the following nominated companies are importers of the GUC into Australia from the nominated exporting countries:

Abey Australia Pty Ltd (T/A Abey Sinkware)

ABN 34 004 589 879

57 - 81 Abey Rd

MELTON VIC 3337

Telephone : 03 9747 7777

Facsimile: 03 9747 7700

Website www.abey.com.au

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EVERHARD INDUSTRIES PTY. LTD.

ABN 41 009 690 859

64 Fearnley Street

Portsmith QLD 4870

Telephone +61 7 3637 6444

Facimile +61 7 3265 2111

Website www.everhard.com.au

GWA Group Limited (T/A GWA Bathrooms and Kitchens)

ABN 15 055 964 380

Level 2, HQ South Tower

520 Wickham Street

FORTITUDE VALLEY QLD 4006

Milena Australia Pty Ltd

ABN 48 604 156 738

4 Katie Close, Coolum Beach, QLD 4573

Telephone +61 7 5351 1305

Facsimile +61 7 5351 1306

Website www.milena.com.au

PR Kitchen and Washroom Systems Pty Ltd (T/A Franke Australia and Eurodomo)

ABN 80 138 663 279

83 Bangholme Road

Dandenong South Victoria 3175

Telephone: 03 9700 9100

Facsimile: 03 9700 9191

Website www.prks.com.au

REECE AUSTRALIA LIMITED (T/A Reece)

ABN 49 004 313 133

118 Burwood Highway

BURWOOD VIC 3125

Telephone +61 3 9274 0000

Facsimile +61 3 9274 0197

Website www.reece.com.au

SHRIRO AUSTRALIA PTY LIMITED

ABN 28 002 386 129

104 Vanessa Street

Kingsgrove NSW 2208

Telephone +61 2 9415 5000

Facsimile +61 2 9415 5001

Website www.shriro.com.au

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- 4. The application must include a detailed statement setting out reasons for seeking continuation of the anti-dumping measure. Applicants must provide evidence addressing whether, in the absence of measures, dumped or subsidised imports would cause material injury to the local industry producing like goods. Applicants should refer to the “Guidelines for Preparing an Application for Continuation of Measures” for assistance.**

The applicant, Oliveri Solutions Pty Ltd (Oliveri), seeks the continuation of the anti-dumping measures which were imposed on Deep Drawn Stainless Steel Sinks exported from the People’s Republic of China (China) following the completion of Investigation 238.

It is the firm view of the Australian Industry that if the measures on deep drawn stainless steel sinks are allowed to expire then exports of the goods at dumped prices from China, where the measure is applied, will continue or recur, thereby causing further material injury to the Australian industry.

The reasons for this view include the following:

- Exporters from China who have anti-dumping measures applied have maintained their distribution channels to Australia and have continued to export the goods to the Australian market.
- The Australian Industry’s domestic prices are influenced, and suppressed, by the price of the imported goods.
- Following the imposition of measures, one importer has sought a review of measures on two occasions, the latter within the last 18 months¹. An alternative exporter has sought a review of measures within the last 16 months² and a further exporter has sought an accelerated review of measures³. This strongly signals their intent to continue to export to Australia.
- It is the Australian Industry’s strong belief that, if the measures were not to be continued, the exporters would reduce their prices and the Australian Industry would suffer material injury as a result.

¹ REV No. 352 and 459

² REV No. 461

³ ACC REV No. 324

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4 (i)a Will the Dumping continue or recur?

- **Actions by other countries**
- **Whether the exporter retains excess capacity that may be directed to Australia**

Summary

The Australian industry strongly believes that, should the measures applied to deep drawn stainless steel sinks be allowed to expire, the dumping will continue or recur.

Not only is this the belief of the Australian industry but also of several other producers and governments globally. The US, Canada, Mexico and South Africa have all imposed tariffs against the dumping of Chinese stainless steel sinks. The US and Canadian agencies both reviewed and upheld the imposed measures as recently as 2018 and 2017 respectively.

During these reviews, the agencies considered the excess capacity of Chinese manufacturers and found there to be sufficient evidence to support a significant excess in capacity.

Discussion and Evidence

a. US Continuation of Measures

In March 2012, a US producer of sinks filed an anti-dumping and countervailing duty petition against imports of sinks from China. In April 2013, the United States International Trade Commission found there were indeed dumped and subsidized imports from China causing injury to a domestic producer and the US Department of Commerce issued antidumping duty and countervailing duty orders on sinks from China on April 11, 2013

During 2018, the United States International Trade Commission conducted the 5yr review of measures applied following Investigation No. 701-TA-489 into Drawn Stainless Steel Sinks from China.

The publically released report⁴ concluded that “revocation of the countervailing and antidumping duty orders on drawn stainless steel sinks from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time”.

[Public File Attachment 1]

b. Canada Safeguard actions^{5 & 5.1}

The Canada Border Services Agency (CBSA) initiated anti-dumping and countervailing duty investigations on October 27, 2011, under the Special Import Measures Act, of stainless steel sinks with a single drawn bowl having a volume between 1,600 and 5,000 cubic inches (26,219.30 and 81,935.32 cubic centimeters) or with multiple drawn bowls having a combined volume between 2,200 and 6,800 cubic inches (36,051.54 and 111,432.04 cubic centimeters), excluding sinks fabricated by hand, originating in or exported from China.

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On January 25, 2012 a provisional duty was applied ranging from the dumping margin of 21.1/31.1% up to 55% of the export price of the goods.

On May 24, 2012 a definitive duty was applied. The individual dumping margin is established at 4.4/57.7% and the applied rates can go up to 103.1% of the export price of the goods.

During April to September 2017, a review into these measures was conducted and the Canada Border Services Agency concluded that expiry of the measures is likely to result in continuation or resumption of dumping.

[Public File Attachment 2]

c. Mexico Safeguard actions⁶

On February 28, 2014, the Mexican Ministry of Economy decided to initiate an anti-dumping investigation on imports of stainless steel sinks from China.

On October 2, 2014, the Mexican authorities decided to impose a provisional anti-dumping duty on imports of stainless steel sinks originating in China.

On April 22nd, 2015, the Mexican authorities decided to impose a definitive anti-dumping duty on imports of stainless steel sinks originating in China.

These measures are still in force as at the date of this application.

d. South Africa Safeguard actions⁷

In May 2012, Franke lodged an application with the International Trade Administration Commission of South Africa (ITAC) to get the import duty on stainless steel sinks raised. This application was successful.

The commission found that additional tariff support for the domestic industry manufacturing stainless steel sinks would improve the price-competitive position of the industry in the face of fierce low-priced competition from abroad.

The Commission raised the import duty from 20% to 30%.

e. Excess Capacity

Whilst the Australian industry was unable to source official statistics on the public record pertaining to the deep drawn stainless steel sink capacity within China and the Chinese domestic market for such goods, there exists a firm belief within the industry globally that China does have significant excess capacity.

Indeed, this matter has been substantiated by the governments of other countries during their dumping investigations.

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The recent 2017 review into Canadian measures against the dumping of Stainless Steel sinks from China found the following:

“Chinese producers/exporters have substantial production capacity and have factory capacity under-utilization

[65] While details concerning each of the exporter’s plant capacity, production and capacity utilization cannot be disclosed for confidentiality reasons, **based on the information on the administrative record, although the overall production of Chinese exporters increased between 2013 to 2015, significant excess capacity still exists in their factories.** This excess capacity could be utilized to produce additional stainless steel sinks if the finding was rescinded....

[67] Dongyuan, Yingao, Komodo and New Star are only four of many producers of stainless steel sinks in China. According to the Web site, <http://www.Made-in-China.com>, **there are over one hundred producers of stainless steel sinks in China.** Information on the record contains data on the production capacity of four producers listed on the Web site: Jiangmen HEHE Hardware Factory, Zhongshan Walnut Stainless Steel Products Co. Ltd., Shenzhen Vibetop Technology Co. Ltd. and Foshan Stainless Steel Kitchen Sinks. **The combined annual production capacity of just these four exporters alone totaled 1.1 million units. Given the number of stainless steel sink producers in China and assuming these other producers in China operate while maintaining excess capacity, it is reasonable to conclude that the volume of excess capacity is high.** In the absence of the CITT’s finding, there is a likelihood that exporters will continue or resume dumping into Canada in order to increase capacity utilization.”

^{5.1}(Page 13, **emphasis** added)

The 2018 US review estimated the Chinese capacity of Drawn Stainless Steel sinks in 2017 to be 9.26m units. ⁴ (Table I-7, Page I-16)

Both the US and Canadian official government agencies believe there is sufficient evidence regarding there being excess production capacity of stainless steel sinks, and specifically drawn stainless steel sinks, in China.

Due to the geographical proximity of Australia to China, it is reasonable for the Australian industry to believe that this excess capacity will continue to be directed towards Australia.

⁴ https://www.usitc.gov/publications/701_731/pub4810.pdf

⁵ <https://www.globaltradealert.org/intervention/16123/anti-dumping/canada-ad-cvd-orders-against-stainless-steel-sinks-imported-from-china>

^{5.1} <https://www.cbsa-asfc.gc.ca/sima-lmsi/er-rre/sss2017/sss2017-de-eng.pdf>

⁶ <https://www.globaltradealert.org/intervention/18260/anti-dumping/mexico-definitive-antidumping-duty-on-imports-of-stainless-steel-sinks-from-china>

⁷ <https://mg.co.za/article/2012-05-12-manufacturers-get-tariff-support>

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4 (i)b Will the Dumping continue or recur?

- Relevant Evidence as to the current normal values in the exporting country
- Whether exports have continued following the imposition of the measure and estimates of the export price
- Whether the exporter has retained distribution links in Australia

Summary

The Australian Industry is able to obtain published export volumes and prices of the goods from China into Australia and has calculated the constructed normal value of the goods.

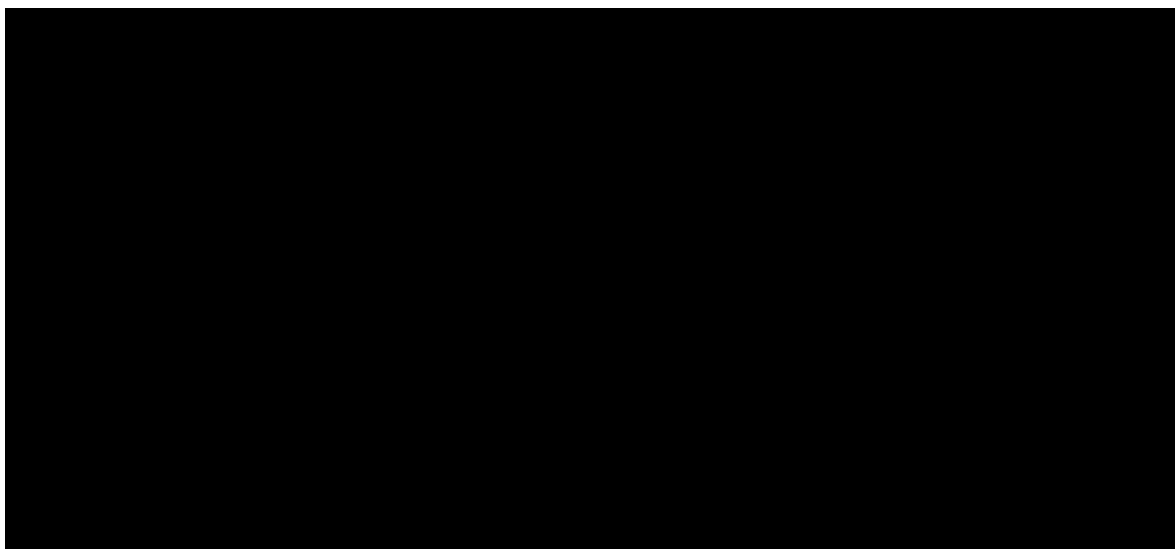
Based on the comparison of normal values and export prices, it is the Australian Industry's understanding that exporters have not only maintained distribution links to Australia but have continued to export the goods into the Australian market at dumped prices.

For this reason it is important that the measures not only continue to apply, but that they be recalculated based on contemporary variable factors.

Discussion and Evidence

In analysing sink export volumes from China into Australia from December 15 to December 18 using data sourced from customs via a third party paid subscription source, it is evident that the volume of Chinese exports is on an increasing trajectory. See **Confidential Graph 1**, this demonstrates that exporters have retained distribution links in Australia.

Confidential Graph 1 – Sink Export Volumes into Australia, China vs Global



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The original investigation, REP 238, assessed whether the goods were dumped over the investigation period of 2009 to 2013. REP 238 found that “certain deep drawn stainless steel sinks exported to Australia from China during in the investigation period were dumped and that the volume of dumped goods was not negligible”.

In support of its contention of the likelihood that dumping will continue or recur the Australian Industry provides an analysis of estimated dumping margins from China for the 12 month period of February 2018 to March 2019.

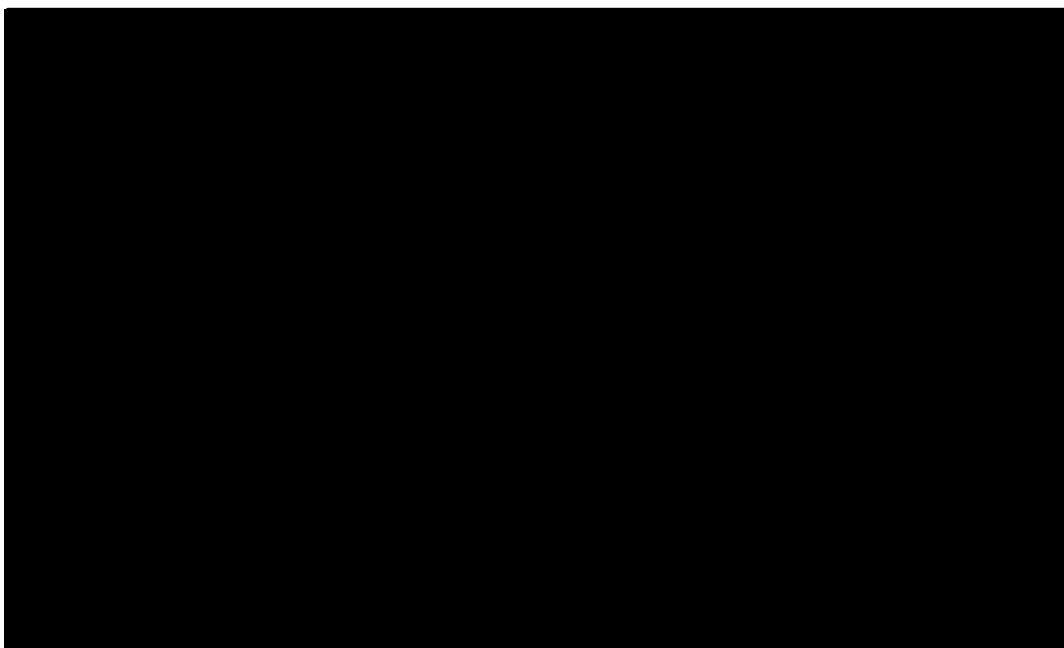
Export sales prices have been sourced from customs data via a third party paid subscription source which is issued to the Australian Industry on a monthly basis.

In the original application relating to REP 238, the Australian Industry constructed the normal values of the goods. To ascertain whether the exports have been dumped, the Australian Industry has utilized the same methodology to construct the normal values of the goods and has simply updated the relevant inputs to account for current costs.

The updated constructed normal values have been compared to the export sales prices in order to calculate the dumping margin on a monthly basis over the 12 month analysis period. Despite the export volume and value data being available from December 2015, The most recent 12 months has been chosen as the dumping analysis period for the purpose of ensuring that the constructed normal prices are relevant.

The analysis shows average dumping margins varying from [REDACTED] Ex Works and [REDACTED] Free on Board and demonstrates a consistency of dumping on a monthly basis during the period analysed. See **Confidential Graph 2**.

Confidential Graph 2 – Value of Exports vs Average Constructed Normal Values



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This analysis shows that Sink exports from China have continued since the imposition of measures and that imports, as recently as the last 12 months, are consistently at dumped prices.

4 (ii) Will Material Injury recur?

- **Applicants must provide evidence that in the absence of the measures, the dumped or goods would cause, or be likely to cause, material injury to the Australian industry producing the goods in question. In considering this question, applicants should provide information on key indicators such as profitability, price trends and market share.**

Summary

The Australian Industry submits that in the event the measures on Deep Drawn Stainless Steel Sinks exported from China are permitted to expire there exists a strong likelihood that exporters will lower prices in order to increase export volumes to Australia, resulting in a recurrence or continuation of material injury in terms of lost revenue, volume and profitability.

The Australian Industry is under pressure from customers to reduce prices in order to compete with Chinese exports and maintain their current market share, therefore dumped prices directly contribute to price suppression and/or depression, indeed the Australian Industry can present data to support that the average selling price for Deep Drawn Stainless Steel Sinks has reduced in order to remain competitive. This has directly impacted profitability.

Should the anti-dumping measures be allowed to expire, it is the Australian Industry's firm belief that export prices will reduce which could result in a significant loss of production volumes. Such an occurrence would prompt the Australian Industry to review the viability of continued production within Australia

Discussion and Evidence

- a. Raymor Sinks sold to Tradelink since the Imposition of Measures

Tradelink have offered pressed bowl sinks to the Australian market under the "Raymor" Brand since January 2006. The Raymor brand offers price competitive solutions for popular products across the Tradelink portfolio and, as such, Tradelink must buy competitively. Tradelink is a sister company to the Australian Industry, however both operate on an arm's length basis and are responsible for maximizing their own profits. Accordingly, Tradelink had been purchasing their Deep Drawn Stainless Steel Sinks from China since January 2006 as the Australian Industry was unable to compete with the export price.

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Since the imposition of measures, the export price increased and the Australian Industry resubmitted a quote for the Raymor sinks in April 2016. A successful bid was achieved in time and in July 2017 the Australian Industry took over the supply of Raymor sinks from the Chinese exporter. The Australian Industry is not recovering its fully absorbed cost at the selling prices required; however, the revenue received from this business makes a positive contribution towards fixed costs and provides valuable volume for the Australian industry production facility. See **Confidential Attachment C1.1** for analysis of the revenue, cost and volume of the Raymor business.

Should the anti-dumping measures be allowed to expire, it is the Australian Industry's firm belief that export prices will reduce which will allow Tradelink to acquire their Raymor sinks at a cheaper price. As with any external customer, Tradelink will purchase from the cheapest source, therefore, in order to maintain the Raymor business, the Australian Industry will be forced to either reduce prices even further below total cost or lose this critical source of volume.

The Raymor business accounts for [REDACTED] of the volume throughput of the Australian industry production facility, it is highly likely that the production facility will undergo a viability review if [REDACTED] of the volume was lost to imported goods.

b. Plumbing Plus for the Weeks Group

In May 2019, the Australian Industry was approached by a member of the Plumbing Plus Group, a customer. Previously, the store manager had made a successful bid for a commercial project using deep drawn sinks sourced from China. The store manager used the cost quoted by the Chinese exporter and added his required profit margin to determine the winning on-selling price.

In May 2019, the shipment was delayed and the sinks were not going to be delivered in time for installation, at this time the store manager approached the Australian Industry in a verbal capacity. As the Plumbing Plus revenue per sink was already agreed, the Australian Industry were asked to supply a like sink for a like price so that the store could still make profit on this sale.

The prices which the Australian Industry needed to supply at were below total cost; see **Confidential Attachment C1.2** for analysis of the price and cost of the requested goods.

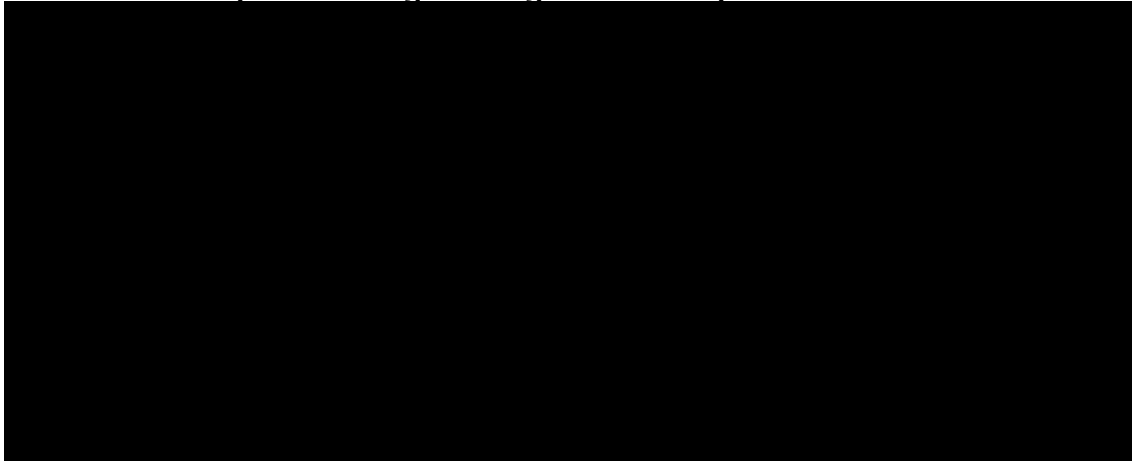
This example demonstrates that in order to be price competitive with Chinese exports, the Australian Industry must sell at margins which do not cover total costs. This is not a sustainable business practice.

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c. Profitability and Price Trends

The two examples shared in sections 4(ii)a and 4(ii)b are indicative of current trading as a result of the sheer volume of Chinese exports dumped into Australia. **Confidential Graph 3** shows the Australian Industry's average selling price (ASP) of deep drawn stainless steel sinks over the last 5 Financial years:

Confidential Graph 3 - Average Selling Price of deep drawn stainless steel sinks



Overall ASP for Drawn Stainless Steel Sinks has reduced from [REDACTED] in FY15 to [REDACTED] in FY19 year to date. This is a reduction of [REDACTED] over the five years. **See Confidential Attachment C2.**

Whilst some ranges have held their ASP, others such as the premium range "Diaz", have seen their ASP reduce [REDACTED] over the five years analysed in order to remain competitive.

The more pronounced impact into ASP, however, has been the introduction of new ranges such as Oliveri Custom sinks and the formerly discussed Raymor sinks which offer ASPs which are [REDACTED] and [REDACTED] respectively below the overall deep Drawn Stainless Steel Sink ASP in FY15.

Naturally this ASP trend is impacting on profitability as Net Sales Revenue is markedly reduced at the same rate of production output.

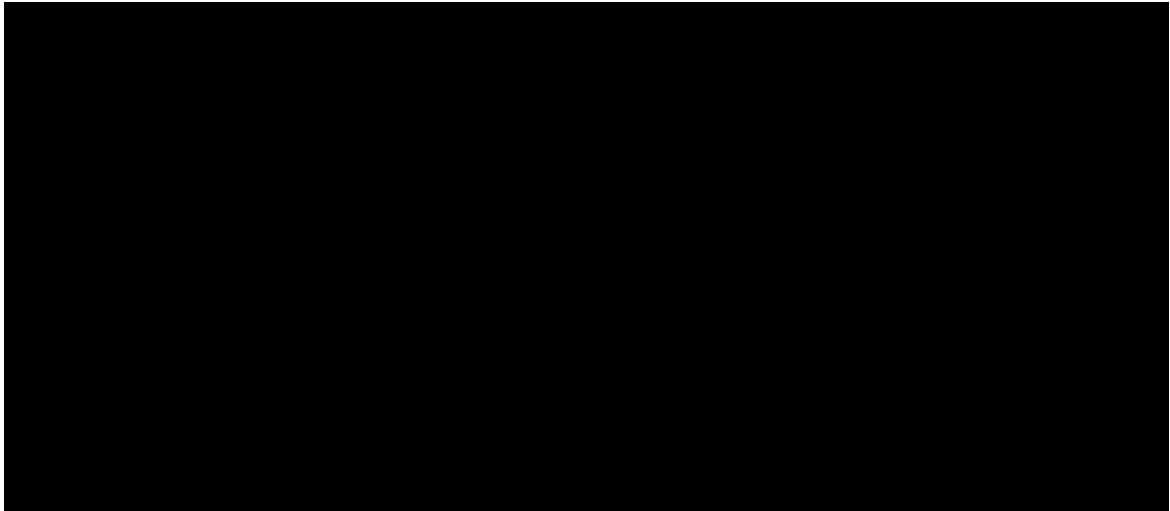
d. Market Share

The Australian Industry has analysed Australian market share over the last 3 financial years, utilizing data sourced from customs data via a third party paid subscription source which is issued to the Australian Industry on a monthly basis.

The analysis shows that the Australian Industry's Deep Drawn Stainless Steel sinks has a [REDACTED] share of volume and [REDACTED] share of value of the Australian Sink Industry. **See Confidential Attachment C3 and Confidential Graph 4.**

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Confidential Graph 4 – Australian Market Share, Volume:



The analysis demonstrates that the Australian Industry has been able to maintain its share over the last 3 financial years, albeit this has been via price suppression in order to compete. The analysis also shows that, whilst imports from other countries have reduced slightly, Imports from China have increased slightly.

5. The applicant must provide details of the current anti-dumping measure(s) the subject of this continuation application, including:

- **tariff classification**
- **the countries or companies**
- **specified date of publication of the measure**

Following the completion of Investigation 238, Anti-dumping Notice No. 2015/41 was issued on 26th March 2015, stipulating dumping margins as follows:

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Exporter	Dumping Margin	Subsidy Margin	Effective Rate of Combined Interim Countervailing Duty and Interim Dumping Duty*	Duty Method
Zhuhai Grand Kitchenware Co., Ltd	12.5%	3.3%	12.5%	<i>Ad valorem</i> duty method
Primy Corporation Limited	5.0%	N/A – countervailing investigation terminated	5.0%	<i>Ad valorem</i> duty method
Zhongshan Jiabaolu Kitchen & Bathroom Products Co., Ltd	15.4%	N/A – countervailing investigation terminated	15.4%	<i>Ad valorem</i> duty method
Jiangmen New Star Hi-Tech Enterprise Ltd.	10.4%	3.4%	10.7%	<i>Ad valorem</i> duty method
Elkay (China) Kitchen Solutions Co., Ltd.	10.4%	3.4%	10.7%	<i>Ad valorem</i> duty method
Franke (China) Kitchen System Co., Ltd	10.4%	3.4%	10.7%	<i>Ad valorem</i> duty method
Xinhe Stainless Steel Products Co., Ltd	10.4%	3.4%	10.7%	<i>Ad valorem</i> duty method
Guangzhou Komodo Kitchen Technology Co., Ltd.	10.4%	3.4%	10.7%	<i>Ad valorem</i> duty method
Rhine Sinkwares Manufacturing Ltd. Huizhou	10.4%	3.4%	10.7%	<i>Ad valorem</i> duty method
Yuyao Afa Kitchenware Co., Ltd	10.4%	3.4%	10.7%	<i>Ad valorem</i> duty method
Jiangmen City HeTangHengWeiDa Kitchen & Sanitary Factory	10.4%	3.4%	10.7%	<i>Ad valorem</i> duty method
Uncooperative and all other exporters	49.5%	6.4%	52.6%	<i>Ad valorem</i> duty method

PUBLIC RECORD

The Goods subject to the measures were initially detailed as follows:

Deep drawn stainless steel sinks with a single deep drawn bowl having a volume of between 7 and 70 litres (inclusive), or multiple drawn bowls having a combined volume of between 12 and 70 litres (inclusive), with or without integrated drain boards, whether finished or unfinished, regardless of type of finish, gauge, or grade of stainless steel and whether or not including accessories.

Anti-dumping Notice No. 2015/41 noted the following exceptions:

- *Cleaner's sinks that are comprised of a deep drawn stainless steel bowl and stainless steel splashback or upturned rear edge that is designed for fixture against a wall; and*
- *Hand wash basins that are comprised of:
o a deep drawn stainless steel bowl with a rounded or concave basin bottom (i.e. not flat-bottomed); and a stainless steel splash back or upturned rear edge that is designed for fixture against a wall. (ADN 2015/41)*

Exemption Enquiry EX0047 undertaken during 2017 identified an exemption for goods which have a capacity of less than 40 litres.

Provision of data

Industry financial data must, wherever possible, be submitted in an electronic format.

- The data should be submitted on a media format compatible with Microsoft Windows.
- Microsoft Excel, or an Excel compatible format, is required.
- If the data cannot be presented electronically please contact the Commission's client support section for advice.

Lodgement of the application

This application, together with the supporting evidence, must be lodged in the manner approved by the Commissioner under subsection 269SMS(2) of the Act. The Commissioner has approved lodgement of this application by either:

- preferably, email, using the email address clientsupport@adcommission.gov.au, or
- post to:

The Commissioner of the Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601, or
- facsimile, using the number (03) 8539 2499.

Public Record

During an investigation all interested parties are given the opportunity to defend their interests, by making a submission. The Commission maintains a public record of these submissions. The public record is available on the Commission's website at www.adcommission.gov.au.

At the time of making the application both a confidential version (for official use only) and non-confidential version (public record) of the application must be submitted. Please ensure each page of the application is clearly marked "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD". The non-confidential application should enable a reasonable understanding of the substance of the information submitted in confidence. If you cannot provide a non-confidential version, contact the Commission's client support section for advice.

PUBLIC RECORD