

12 October 2020

The Director
Investigations 3
Anti-Dumping Commission
GPO Box 1632
Melbourne Victoria 3001

Email: investigations3@adcommission.gov.au

PUBLIC FILE

Dear Sir/Madam

Investigations 540 and 541 – Mill Finish and Surface Finish aluminium extrusions exported from Malaysia – Submission by Milleon Extruder Sdn Bhd Malaysia

I. Introduction

I refer to the submission by Milleon Extruder Sdn Bhd (“Milleon”) (EPR Document No. 026) recently placed on the Public File in Investigation No’s 540 and 541 involving mill finish and surface finish aluminium extrusions exported from Malaysia.

Capral Limited (“Capral”) has reviewed the submission by Milleon and seeks to address certain matters raised therein. Capral notes that Milleon has redacted information from its submission and failed to correctly provide a non-confidential summary of the content that has been redacted. Capral requests the Commission to require Milleon to disclose in a non-confidential form the information that has been redacted.

II. Premium price sales – level of trade

Milleon contends that it has sales on the domestic market for aluminium extrusions that are not standard profiles or lengths. Milleon states that it only exports standard profiles and lengths to Australia. Milleon is seeking the Anti-Dumping Commission (“the Commission”) to exclude the non-standard profiles and lengths from the goods the subject of the investigation.

Capral submits that the referenced non-standard profiles and lengths cannot be excluded from the goods coverage as they are alike in all respects to the subject goods. Milleon is seeking an exclusion on the basis that the non-standard profiles and lengths sell at a premium to standard profiles and lengths. This request cannot be accommodated as the goods correctly fall within the goods description and possess characteristics closely resembling the subject goods.

The basis for the claim for exemption is based upon “special prices” that Milleon secures for the non-standard goods. The pricing arrangement does not qualify the goods for exclusion; the goods correctly fall within the description of the subject goods under investigation.

Milleon has further suggested that the “premium” that applies to the non-standard goods qualifies these sales for an adjustment “much like a level of trade difference”. The goods are sold to customers direct, not via a third party, and as such an adjustment to Milleon’s normal value cannot be applied.

An “adjustment” to the normal value for like goods that are sold at a premium is not warranted.

III. Adjustment for management sales

Capral notes that Milleon is seeking a downward adjustment on subsection 269TAC(1) sales that are made directly by Milleon which it refers to as “management sales”. It is not the Commission’s practice to adjust for *estimated* amounts which are normal sG&A sales by the exporter on domestic sales. Adjustments to normal value are typically made in respect of identified actual amounts for commissions incurred.

Capral recommends that the Commission not accept Milleon’s subjective request for adjustment for estimated SG&A expenses on domestic sales.

IV. Powder coating costs

Milleon appears to be suggesting that the powder cost applied by the Commission in the CTMS normal value for surface coated aluminium extrusions that is measured on a per square metre basis is excessive.

It appears from Milleon’s comments that prices for the same powder coated goods are different between the domestic and export markets, although the same powder coating coverage has been applied.

Capral agrees with the Commission’s constructed CTMS methodology for powder coated aluminium extrusions manufactured and sold by Milleon that reflects the actual cost of the powder coating that has been applied.

V. Discount on largest domestic customer

Milleon contends that the Commission has not considered a certain ‘discount’ on sales to its largest domestic customer in Malaysia.

The level of redaction relating to Milleon’s claims does not permit an interested party to understand the basis for the claimed discount. It is therefore not possible for Capral to comment on the validity of the claimed discount.

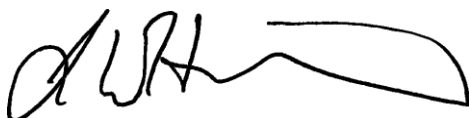
VI. Conclusion

Capral does not consider that there are grounds to exclude Milleon’s “premium” sales of like goods from Milleon’s normal value calculations for aluminium extrusions.

Capral similarly does not consider that grounds exist for adjustments to be made to Milleon’s normal values for SG&A incurred on domestic sales direct to customer, or for powder coating costs (Investigation 541) that Milleon considers are not reflected in domestic selling prices.

If you have any questions concerning this submission, please do not hesitate to contact me on (02) 8222 0113.

Yours sincerely



Luke Hawkins
General Manager – Supply and Industrial Solutions