



Australian Government
**Department of Industry,
Innovation and Science**

**Anti-Dumping
Commission**

NON-CONFIDENTIAL (PUBLIC FILE) VERSION



Application for the publication of
dumping and/or
countervailing duty notices

APPLICATION UNDER SECTION 269TB OF THE *CUSTOMS ACT*
1901 FOR THE PUBLICATION OF DUMPING AND/OR
COUNTERVAILING DUTY NOTICES

DECLARATION

I request, in accordance with section 269TB of the *Customs Act 1901* (the Act), that the Minister publish in respect of goods the subject of this application:

- a dumping duty notice, or
- a countervailing duty notice, or
- a dumping and a countervailing duty notice.

This application is made on behalf of the Australian industry producing like goods to the imported goods the subject of this application. The application is supported by Australian producers whose collective output comprises:

- 25% or more of the total Australian production of the like goods; and
- more than 50% of the total production of like goods by those Australian producers that have expressed either support for, or opposition to, this application.

I believe that the information contained in this application:

- provides reasonable grounds for the publication of the notice(s) requested; and
- is complete and correct.

Please note that giving false or misleading information is a serious offence.

Signature:



Name: Robert Kaye

Position: Group General Counsel and Visy Glama Company Secretary

Company: Visy Glama Pty Ltd

ABN: 83 077 517 581

Date: 4 March 2020

IMPORTANT INFORMATION

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 following guidelines for additional information on completing this application:

- *Instructions and Guidelines for applicants on the application for the publication of dumping and/or countervailing duty notices*
- *Instructions and Guidelines for applicants on the examination of a formally lodged application*

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

Email: clientsupport@adcommission.gov.au

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 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.

Important information

To initiate an investigation into dumping and/or subsidisation, the Commission must comply with Australia's international obligations and statutory standards. This form provides an applicant industry with a framework to present its case and will be used by the Commission to establish whether there appear to be reasonable grounds for the publication of a dumping duty or countervailing duty notice and initiate an investigation. To assist consideration of the application it is therefore important that:

- all relevant questions are answered; and

- information that is reasonably available be supplied.

The Commission does not require conclusive evidence to initiate an investigation, but any claims made should be reasonably based. An application will be improved by including supporting evidence and where the sources of evidence are identified. Simple assertion is inadequate to substantiate an application.

To facilitate compilation and analysis, the application form is structured in 3 parts:

1. **Part A** seeks information about the Australian industry. This data is used to evaluate industry trends and assess claims of material injury due to dumping/subsidisation. Where an Australian industry comprises more than one company, each should separately prepare a response to Part A to protect commercial confidentiality.
2. **Part B** relates to evidence of dumping.
3. **Part C** is for supplementary information that may not be appropriate to all applications. However some questions in Part C may be essential for an application, for example, if action is sought against subsidisation.

All questions in Parts A and B must be answered, even if the answer is 'Not applicable' or 'None'. Where appropriate, applicants should provide a short explanation about why the requested data is not applicable. This will avoid the need for follow up questions by the Commission.

The application form does not specifically address all the information required when making a claim that the establishment of an Australian industry producing like goods has been or may be materially hindered. If you are considering making such a claim, please contact the Commission to discuss information requirements.

The application form requests data over several periods (P¹, P²...Pⁿ) to evaluate industry trends and to correlate injury with dumped or subsidised imports. The labels P¹...Pⁿ are used for convenience in this application form. Lodged applications should identify the period relevant to the data. This form does not specify a minimum period for data provision. However, sufficient data must be provided to substantiate the claims made. If yearly data is provided, this would typically comprise a period of at least four years (for example the current financial year in addition to three prior years). Where information is supplied for a shorter period, applicants may consider the use of quarterly data. Data must also be sufficiently recent to demonstrate that the claims made are current.

When an investigation is initiated, the Commission will verify the claims made in the application. A verification visit to the Australian industry usually takes several days.

Applicants should be prepared to substantiate all Australian industry financial and commercial information submitted in the application. Any worksheets used in preparing the application should therefore be retained to facilitate verification.

During verification, the Commission will examine company records and obtain copies of documents relating to the manufacture and sale of the goods.

Appendices	Some questions require attachments to be provided. The attachment numbering sequence should refer to the question answered. For example, question A2.2 requests a copy of an organisation chart. To facilitate reference, the chart should be labelled <u>Attachment A2.2</u> . If a second organisation chart is provided in response to the same question, it should be labelled <u>Attachment A2.2.2</u> (the first would be labelled <u>Attachment A2.2.1</u>).
Provision of data	Industry financial data must, wherever possible, be submitted in an electronic format. <ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> • 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 <u>must</u> 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, clearly showing the reasons for seeking the publication of a dumping duty or countervailing duty notice, or, if those reasons cannot be summarised, a statement of reasons why a summary is not possible.

PART A

INJURY

TO AN AUSTRALIAN INDUSTRY

IMPORTANT

All questions in Part A should be answered even if the answer is 'Not applicable' or 'None'. If an Australian industry comprises more than one company/entity, each should separately complete Part A.

A-1 Identity and communication

Please nominate a person in your company for contact about the application:

Contact Name:	Matthew Stein
Company and position:	General Counsel –Visy Packaging & Visy International
Address:	Level 11, 2 Southbank Boulevard, Southbank VIC
Telephone:	03 9247 4739
Facsimile:	
E-mail address:	matthew.stein@visy.com.au
ABN:	83 077 517 581

Alternative contact

Name:	
Position in company:	
Address:	
Telephone:	
Facsimile:	
E-mail address:	

If you have appointed a representative to assist with your application, provide the following details and complete Appendix A8 (Representation).

Name:	Ross Becroft
Business name:	Gross and Becroft Lawyers
Address:	Suite 2, Level 3, 182-184 Victoria Parade EAST MELBOURNE VIC 3002
Telephone:	(+61 3) 9866 5666
Facsimile:	(+61 3) 9866 5644
E-mail address:	ross@grossbecroft.com.au
ABN:	43 218 151 713

A-2 Company information

1. State the legal name of your business and its type (e.g. company, partnership, sole trader, joint venture). Please provide details of any other business names you use to manufacture/produce/sell the goods that are the subject of your application.

Visy Glama Pty Ltd ACN 077 517 581 (**Visy Glama**) – Private company.

Visy Glama trades under the names Visy Glama, Glama Pak and Visy Glama Solutions.

2. Provide your company's internal organisation chart. Describe the functions performed by each group within the organisation.

See company internal organisation chart at **Confidential Attachment A-2.2**.

3. List the major shareholders of your company. Provide the shareholding percentages for joint owners and/or major shareholders.

Visy Glama is a wholly owned subsidiary of Visy Board Pty Ltd ACN 005 787 913 (**Visy Board**). That is, the sole shareholder of Visy Glama is Visy Board.

4. If your company is a subsidiary of another company list the major shareholders of that company.

Visy Board is a wholly owned subsidiary of Visy Industries Australia Pty Ltd ACN 004 337 615 (**Visy Industries Australia**). That is, the sole shareholder of the Applicant's parent company, Visy Board is Visy Industries Australia.

5. If your parent company is a subsidiary of another company, list the major shareholders of that company.

Visy Industries Australia is a wholly owned subsidiary of Visy Industries Holdings Pty Ltd ACN 005 787 968 (**Visy Industries Holdings**). That is, the sole shareholder of Visy Industries Australia is Visy Industries Holdings.

6. Provide an outline diagram showing major associated or affiliated companies and your company's place within that structure (include the ABNs of each company).

See outline diagram of Visy's company ownership structure relevant to the answers to questions A-2.3 to A-2.5 at **Confidential Attachment A-2.6**.

7. Are any management fees/corporate allocations charged to your company by your parent or related company?

Yes.

8. Identify and provide details of any relationship you have with an exporter to Australia or Australian importer of the goods.

Nil

9. Provide a copy of all annual reports applicable to the data supplied in appendix A3 (Sales Turnover). Any relevant brochures or pamphlets on your business activities should also be supplied.

Please see documents at **Confidential Attachment A-2.9**. Being a private group of companies, Visy has limited financial information available and does not publish annual reports. Accordingly, management accounts information has been provided.

10. Provide details of any relevant industry association.

Nil

A-3 The imported and locally produced goods

1. Fully describe the imported product(s) the subject of your application:
 - Include physical, technical or other properties.
 - Where the application covers a range of products, list this information for each make and model in the range.
 - Supply technical documentation where appropriate.

The imported products the subject of this application (the **Goods Under Consideration** or **GUC**) are:

KRAFT PAPERBOARD, COATED ON ONE SIDE WITH CLAY OR OTHER INORGANIC SUBSTANCES, GRAMMAGE 360-430 GSM, WET STRENGTH TREATED

The bolded italicised wording above is the Goods Description for the purposes of this Application and further information is provided below to explain the nature and end use of the imported goods. The further information is NOT part of the Goods Description.

Explanation of the Goods Description

The GUC is formulated to describe by physical characteristics a category of imported goods that have an end use for packaging 12 or more beverage can containers. It is specifically designed to identify a category of imported paperboard and to distinguish it from other paperboard products. This is necessary given the very significant size and diversity of the paperboard market in Australia.

It is important to appreciate that the GUC are an intermediate product that is the converted into a final product in Australia. The conversion process will generally involve printing, cutting and gluing the imported products to create individual packaging known as beverage can multipacks. The GUC does not include finished ready-for-sale beverage can multipacks.

The dumping of these imported products gives the importers a major cost advantage over the Australian made like products manufactured by Visy as the imported products represent the great majority of the cost to make the beverage can multipacks.

Paperboard (also known as cartonboard) is usually imported in large rolls. It is a paper-based product and is a solid material consisting of 1 or more layers.

The type of paperboard referred to in the GUC is known as kraft, which refers to primarily using virgin softwoods in the initial pulping process (as opposed to any substantive use of recycled material).

The reference in the GUC to 'coated on one side with clay or other inorganic substances' is to the application of clay to the top layer of the paperboard which enables high quality printing on the goods. The reference includes kaolin clay, calcium carbonate or other inorganic substances. This coating is essential given the end use. This expression is also referred to in the customs tariff.

The reference in the GUC to the grammage range of 360-430 gsm is significant due to the need to distinguish imported goods meeting the GUC from other imported goods that may be used for food and beverage packaging (eg packaging designed for light weight or very heavy foods or beverages).

The reference in the GUC to 'wet strength treated' distinguishes the goods from paperboard varieties used for non-beverage packaging. As beverages are frequently stored in refrigerated environments additional moisture resistant properties are required to ensure the packaging holds its shape, and does not tear or collapse. These properties are achieved by adding certain chemicals to the paperboard.

2. List the tariff classification(s) and statistical code(s) of the imported goods.

The tariff classification and statistical code of the imported goods are:

Tariff classification	Statistical Code
4810.39.00	83

3. Fully describe your product(s) that are 'like' to the imported product:

- Include physical, technical or other properties.

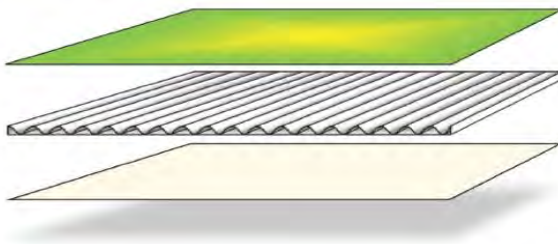
- Where the application covers a range of products, list this information for each make and model in the range.
- Supply technical documentation where appropriate.
- Indicate which of your product types or models are comparable to each of the imported product types or models. If appropriate, the comparison can be done in a table.

Visy Glama manufactures a form of fibre packaging for beverage packaging known as Microflute ('Like Goods'). Microflute is a narrow caliper corrugated cardboard suitable for applications where strength and durability is required with the ability to offer a high quality printed result. It is often used in place of solid fibre or carton board to obtain the extra strength some products require in refrigerated conditions.

Unlike the imported products within the GUC, Visy's product is wholly manufactured in Australia. All of the production processes referred to below occur in Australia.

Microflute comprises of 3 layers as follows:

- Clay coated top sheet liner (normally printed);
- Corrugated Medium;
- Liner.



The printed externally facing sheet for Microflute is sourced from Visy's **[deleted – name of plant]** plant. That printed sheet is then transported to Visy's **[deleted – name of plant]** plant. Visy's **[deleted – name of plant]** plant manufactures the corrugated fluting and joins this with the internal sheet and the printed external sheet, and then cuts this in the required shape - to make the Microflute products.

Microflute of 1mm or less in thickness is designed for use to package larger multipack beverage can containers holding 12 or more beverage can containers. Visy Glama typically would manufacture microflute packaging to packages between **[deleted text – number]** cans.

See image below of the finished Microflute goods:



4. Describe the ways in which the essential characteristics of the imported goods are like to the goods produced by the Australian industry.

The imported goods are alike to the Like Goods manufactured by Visy Glama in the following ways:

a) Physical likeness

The Like Goods and the imported goods are both fibre packaging goods manufactured for multipack beverage can containers holding 12 or more beverage cans. As described in section A-3.1 the imported goods are imported as intermediate goods and then are converted into finished packaging in Australia. Both the Like Goods and the imported goods are physically similar in unfinished state and then are converted into finished packaging that is also physically similar.

The Like Goods and the imported goods upon conversion are both what a reasonable Australian consumer would recognise as beverage can packaging, used for products such as soft drinks, beer and premixed alcoholic cans. The average consumer would likely not be able to distinguish the Like Goods and the imported goods.

b) Commercial likeness

The Like Goods and the imported goods upon conversion are sold into exactly the same market ie to customers that are beverage companies selling multipack cans to Australian retailers.

c) Functional likeness

The Like Goods and the imported goods upon conversion have the same end use and are functionally substitutable ie a carton packing function.

d) Content or production likeness

The material used to construct the Like Goods and the imported goods are similar but there are differences. Namely, Microflute is 3 layers of material with the centre corrugated. By contrast, the imported goods are a form of paperboard (or cartonboard) which is a solid material comprised of at least one layer with a top coating.

Microflute is printed in a reel to reel flexography rotary process whereas the imported goods are likely to be printed in a sheet fed lithographic process.

5. What is the Australian and New Zealand Standard Industrial Classification Code (ANZSIC) applicable to your product.

Classification 1510 - Pulp, Paper and Paperboard Manufacturing

6. Provide a summary and a diagram of your production process.

Please see summary of the production process at **Confidential Attachment A-3.6**.

7. If your product is manufactured from both Australian and imported inputs:
- describe the use of the imported inputs; and
 - identify that at least one substantial process of manufacture occurs in Australia (for example by reference to the value added, complexity of process, or investment in capital).

Certain inks and glues used in manufacturing microflute have imported ingredients. However, these ingredients comprise less than 2 percent of the overall manufacturing cost.

All other raw materials and labour are locally sourced within Australia.

8. If your product is a processed agricultural good, you may need to complete Part C-3 (close processed agricultural goods).

Not Applicable

9. Supply a list of the names and contact details of all other Australian producers of the product.

Visy Glama is the sole manufacturer of like products. There are no other Australian manufacturers of finished beverage can multipacks. There are however importers that import paperboard in roll format with these paperboard products subsequently being converted into finished beverage can multipacks within Australia.

10. If different models can be established for the goods subject to the application:

This Application concerns coated kraft paperboard imported into Australia from the USA that falls within the ambit of the Goods Description identified in the application ('Like Goods').

There are no separate models of the Like Goods that are subject to this application.

Exporters or domestic producers in the country of origin may customise their specifications of the Like Goods to meet their customer's requirements (for example, vary the thickness of the coated kraft paperboard, and/or the weight (measured as 'grams per square metre').

The Applicant understands that the Like Goods are generally imported in large rolls and then are subsequently converted into cut to size packs for sale to customers. The different sized packaging is not relevant for any assessment of models as the goods are not imported in a cut to size format.

- What are the differences in physical characteristics that give rise to distinguishable and material differences in price? *N/A*
- Provide supporting documentation or analysis supporting the differences in physical characteristics that affects price comparability. Unit costs may also be used to demonstrate differences in physical characteristics where it affects price comparability. *N/A*
- In providing the list of physical differences, identify the characteristics in order of significance. *N/A*
- Identify key characteristics where the physical differences are significantly different and it is not meaningful to compare models with different physical characteristics. *N/A*
- Identify the physical characteristics that can be reported in relation to sales and cost data respectively. This should be reflected in the sales data provided in appendices A4 and A6. *N/A*
- Complete the table below having regard to the information provided above. The Commission will consider this information in establishing a model control code structure for the investigation. *N/A*

Category	Sub-category	Sales Data	Cost data	Key category
[Category]	[Sub-category] [Sub-category]	Mandatory/ Optional	Mandatory/ Optional	Yes/No
[Category]	[Sub-category] [Sub-category]	Mandatory/ Optional	Mandatory/ Optional	Yes/No
[Category]	[Sub-category] [Sub-category]	Mandatory/ Optional	Mandatory/ Optional	Yes/No
[Category]	[Sub-category] [Sub-category]	Mandatory/ Optional	Mandatory/ Optional	Yes/No

A-4 The Australian market

1. Describe the end uses of both your product and the imported goods.

Packaging for multipack beverage can containers. The packaging serves multiple functions such as storage, carriage, transportation and bulk sale of beverage cans.

2. Describe the Australian market for the Australian and imported product and the conditions of competition within the overall market. Your description could include information about:
 - sources of product demand;
 - marketing and distribution arrangements;
 - typical customers/users/consumers of the product;
 - the presence of market segmentation, such as geographic or product segmentation;
 - causes of demand variability, such as seasonal fluctuations, factors contributing to overall market growth or decline, government regulation, and developments in technology affecting either demand or production;
 - the way in which the imported and Australian product compete; and
 - any other factors influencing the market.

The Australian market for the Australian and imported products and conditions of competition within the overall market are based upon the requirements of the major customers comprising the soft drink and beer and alcohol companies. These customers would identify their market requirements and the Australian producer and importers would seek to meet these requirements. The market is an Australia-wide market. The customers in turn sell the packaged beverages to distributors and retailers in Australia for ultimate resale to consumers.

Demand is not directly affected by technology or government regulation but is directly affected by consumer demand and product consumption preferences.

3. Identify if there are any commercially significant market substitutes for the

Australian and imported product.

Plastic shrink wrapped cans but this is a vastly inferior product with limited printing capability on the packaging.

4. Complete appendix A1 (Australian production). This data is used to support your declaration at the beginning of this application.

Please see confidential attachment B-108 Appendices containing tab of appendix A1.

5. Complete appendix A2 (Australian market).

Please see confidential attachment B-108 Appendices containing tab of appendix A2.

6. Use the data from appendix A2 (Australian market) to complete this table:

*Indexed table of sales quantities**

Period	(a) Your Sales	(b) Other Austⁿ Sales	(c) Total Austⁿ Sales (a+b)	(d) Dumped Imports	(e) Other Imports	(f) Total Imports (d+e)	Total Market (c+f)
FY2016	100	100	100	100	100	100	100
FY2017	92	100	92	100	100	100	95
FY2018	94	100	94	100	100	100	96
FY2019	51	100	51	145	100	180	99

*Data index for first period commences with 100. Provide sufficient periods to substantiate your application. P1 – Pⁿ are used as labels for a generic application form. Please specify the period relevant to your application (such as 200X or Q1/0X).

Please note that as dumping commenced in 2018 the index calculation in column (d) dumped goods for FY2019 is the number of dumped units imported expressed as percentage of total units imported in FY2019 and the index calculation in column (f) total imports for FY2019 is the percentage increase in the number of units imported in FY2019 compared with total imports in FY2018.

A-5 Applicant's sales

1. Complete appendix A3 (sales turnover).

Please see confidential attachment B-108 Appendices containing tab of appendix A3.

2. Use the data from appendix A3 (sales turnover) to complete these tables.

*Indexed table of Applicant's sales quantities**

Quantity	FY2016	FY2017	FY2018	FY2019
All products				
Australian market	100	97	105	97
Export market	100	100	100	100
Total	100	97	105	97
Like goods				
Australian market	100	93	96	50
Export market	100	100	100	100
Total	100	93	96	50

*Index of data. Pⁿ should be the most recently completed period. P1 – Pⁿ are used as labels for a generic application form. Please specify the period relevant to your application (such as 200X or Q1/0X).

Please note that there are no exports of like goods or all products.

*Indexed table of Applicant's sales values**

Value	FY2016	FY2017	FY2018	FY2019
All products				
Australian market	100	99	101	92
Export market	100	100	100	100
Total	100	99	101	92
Like goods				
Australian market	100	99	100	53
Export market	100	100	100	100
Total	100	99	100	53

*Index of data. Pⁿ should be the most recently completed period. P1 – Pⁿ are used as labels for a generic application form. Please specify the period relevant to your application (such as 200X or Q1/0X).

3. Complete appendix A5 (sales of other production) if you have made any:
- internal transfers; or
 - domestic sales of like goods that you have not produced, for example if you have imported the product or on-sold purchases from another Australian manufacturer.

Please see confidential attachment B-108 Appendices containing tab of appendix A5.

4. Complete appendix A4 (domestic sales).

Please see confidential attachment B-108 Appendices containing tab of appendix A4.

5. If any of the customers listed at appendix A4 (domestic sales) are associated with your business, provide details of the association. Describe the price effect of the association.

Customers are not associated with Visy Glama's business.

6. Attach a copy of distributor or agency agreements/contracts.

Nil

7. Provide copies of any price lists.

There are no price lists and pricing is negotiated with each customer.

8. If any price reductions (for example commissions, discounts, rebates, allowances and credit notes) have been made on your Australian sales of like goods provide a description and explain the terms and conditions that must be met by the customer to qualify.

Certain customers have agreed to rebate arrangements that are specific to their supply agreement.

- Where the reduction is not identified on the sales invoice, explain how you calculated the amounts shown in appendix A4 (domestic sales).

[deleted text – information relating to pricing]

- If you have issued credit notes (directly or indirectly) provide details if the credited amount has **not** been reported appendix A4 (domestic sales) as a discount or rebate.

N/A

9. Select two domestic sales in each quarter of the data supplied in appendix A4 (domestic sales). Provide a complete set of commercial documentation for these sales. Include, for example, purchase order, order acceptance, commercial invoice, discounts or rebates applicable, credit/debit notes, long or short term contract of sale, inland freight contract, and bank documentation showing proof of payment.

Please see commercial sales documents at **Confidential Attachments A-5.9.1, A-5.9.2, A-5.9.3, A-5.9.4, A-5.9.5.**

10. Provide a list of model control codes from appendix A4.

N/A

A-6 General accounting/administration information

1. Specify your accounting period. [1 July to 30 June](#)
2. Provide details of the address(es) where your financial records are held.

[Visy Headquarters, Level 11, 2 Southbank Boulevard, Southbank, Victoria, 3006.](#)

3. To the extent relevant to the application, please provide the following financial documents for the two most recently completed financial years plus any subsequent statements:
 - chart of accounts;
 - audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);
 - internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and maintained in the normal course of business for the goods.

These documents should relate to:

1. the division or section/s of your business responsible for the production and sale of the goods covered by the application, and
2. the company overall.

[Please see documents at Confidential Attachment A-6.3.](#)

4. If your accounts are **not** audited, provide the unaudited financial statements for the two most recently completed financial years, together with your taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.

[The Applicant's accounts are not audited. Please see documents at Confidential Attachment A-6.3.](#)

5. If your accounting practices, or aspects of your practices, differ from Australian generally accepted accounting principles, provide details.

[Accounting practices are in line with GAAP.](#)

6. Describe your accounting methodology, where applicable, for:

- the recognition/timing of income, and the impact of discounts, rebates, sales returns warranty claims and intercompany transfers;

Refer to [Confidential Attachment A-6.6](#) on revenue recognition.

- provisions for bad or doubtful debts;

Refer to [Confidential Attachment A-6.6](#) on trade receivables.

- the accounting treatment of general expenses and/or interest and the extent to which these are allocated to the cost of goods;

[deleted text- general expenses policy]

- costing methods (eg by tonnes, units, revenue, activity, direct costs etc) and allocation of costs shared with other goods or processes;

[deleted text- costing methods policy]

- the method of valuation for inventories of raw material, work-in-process, and finished goods (eg FIFO, weighted average cost);

[deleted text- raw materials policy]

- valuation methods for scrap, by-products, or joint products;

Refer to [Confidential Attachment A-6.6](#) on Raw Materials and Finished Goods.

- valuation methods for damaged or sub-standard goods generated at the various stages of production;

Refer to [Confidential Attachment A-6.6](#) on Raw Materials and Finished Goods.

- valuation and revaluation of fixed assets;

Refer to [Confidential Attachment A-6.6](#) on Depreciating Fixed Assets and Fixed Assets.

- average useful life for each class of production equipment, the depreciation method and depreciation rate used for each;

Refer to **Confidential Attachment A-6.6** on Depreciating Fixed Assets and Fixed Assets.

- treatment of foreign exchange gains and losses arising from transactions and from the translation of balance sheet items; and

Refer to **Confidential Attachment A-6.6**.

- restructuring costs, costs of plant closure, expenses for idle equipment and/or plant shut-downs.

Refer to **Confidential Attachment A-6.6**.

Please see **Confidential Attachment A-6.6** comprising Visy Accounting Policies relating to

Revenue Recognition;
Trade Receivables;
Raw Materials;
Work in Progress;
Finished Goods;
Value Fixed Assets;
Depreciating Fixed Assets;
Fixed Assets

7. If the accounting methods used by your company have changed over the period covered by your application please provide an explanation of the changes, the date of change, and the reasons.

There have been no changes to accounting methods over the period covered by the application.

A-7 Cost information

1. Complete appendices A6.1 and A6.2 (cost to make and sell) for domestic and export sales.

Please see confidential attachment B-108 Appendices containing tab of appendix A6.1 and A6.2.

2. Provide a list of model control codes from appendix A6.1 and A6.2.

N/A

A-8 Injury

The principal indicators of injury are price, volume and profit effects – although not all of these must be evident. For this application, profit refers to amounts earned. Profitability is the ratio of profit to sales revenue. Where the application includes a claim of threat of material injury you must also complete question C.2.

1. Estimate the date when the material injury from dumped and/or subsidised imports commenced.

1 July 2018

2. Using the data from appendix A6 (cost to make and sell), complete the following tables for each model control code of your production. Pⁿ is the most recent period.

Index of production variations (model control code)

Period#		FY2016	FY2017	FY 2018	FY2019
Index*		100	94	96	52

#Identify the relevant period eg 200X or Q1/0X

*Use data from label A of appendix A6.1

Index of cost variations (model control code)

Period#		FY2016	FY2017	FY 2018	FY2019
Index*		100	104	104	108

#Identify the relevant period eg 200X or Q1/0X

*use data from label J of appendix A6.1

Index of price variations (model control code)

Period#		FY2016	FY2017	FY2018	FY2019
Index*		100	100	100	100

#Identify the relevant period eg 200X or Q1/0X

*Use data from label L of appendix A6.1

Index of profit variations (model control code)

Period#		FY2016	FY2017	FY2018	FY2019
Index* Used label N		100	76	75	-160

#Identify the relevant period eg 200X or Q1/0X

*use data from label M or N (specify as appropriate) of appendix 6.1

Data from label N has been used. Note that the index figures in each year are based upon relative dollar profitability per tonne.

Visy Glama's profit has severely declined after FY18.

Index of profitability variations (model control code)

Period#		FY2016	FY2017	FY2018	FY2019
Index*		100	80	60	-160

#Identify the relevant period eg 200X or Q1/0X

*use data from label O of appendix A6.1

Note that the index figures are the relative profitability in percentage terms from the

baseline year of 2016.

Visy Glama's profitability has severely declined after FY18.

2. Complete appendix A7 (other injury factors).

Please see confidential attachment B-108 Appendices containing tab of appendix A7.

Where applicable to injury claims, prepare an indexed table for other injury factor(s) in the format above.

The following injury factors listed in appendix A7 have had significant declines since the incidence of dumping.

Index of Revenue – Like Goods

Period#		1	2	3	4
Index*		100	94	96	50

#Identify the relevant period eg 200X or Q1/0X **FY2016-19**

*use data from appendix A7

Visy Glama's revenue has severely declined after FY18.

Index of Return on Investment – Like Goods

Period#		1	2	3	4
Index*		100	66	60	-142

#Identify the relevant period eg 200X or Q1/0X **FY2016-19**

*use data from appendix A7

Visy Glama's return on investment has severely declined after FY18.

Index of Capacity Utilization – Like Goods

Period#		1	2	3	4
Index*		100	97	98	[deleted text- decline in capacity utilization]

Identify the relevant period – FY2016-19

*use data from appendix A7

Visy Glama’s capacity utilization was steady and has severely declined after FY18.

Index of Employment – Like Goods

Period#		1	2	3	4
Index*		100	100	100	58

#Identify the relevant period eg 200X or Q1/0X FY2016-19

*use data from appendix A7

Visy Glama’s employment levels have severely declined after FY18.

A-9 Link between injury and dumped or subsidised imports

To establish grounds to initiate an investigation there must be evidence of a causal relationship between the injury and the alleged dumping or subsidisation. This section provides for an applicant to analyse the data provided in the application to establish this link. It is not necessary that injury be shown for each economic indicator.

1. Identify from the data at appendix A2 (Australian market) the influence of the volume of dumped and/or subsidised imports on your quarterly sales volume and market share.

The influence of the volume of dumped imports:

- on Visy Glama's quarterly sales volume of Like Goods has been a reduction of [**deleted text – percentage**] in sales volumes;
- on Visy Glama's market share has been a reduction of approximately [**deleted text – percentage**] in market share of the Goods Under Consideration.

This is evidenced by the data in A2 and A3 which shows [**deleted text – sales and revenue trend information**]

This is directly as a result of the loss of a major long term supply contract with a large beverage customer that supplies canned beverages throughout Australia and in the Asia Pacific region. Visy had been supplying this customer with microflute packaging for [**deleted text – product and contract information**]

and the customer has switched to an importer of a substitute product cartonboard, which Visy asserts is being imported at dumped prices. [**deleted text – contract information**]

Visy's microflute product is produced at its [**deleted text – name of plant**] plant and the production at this plant has [**deleted text – proportion**] as a result of the loss of this contract. The contract generated approximately [**deleted text – monetary value**] per annum in revenue. Please see attached documentation concerning the loss of the contract listed as **Confidential Attachment A-9.1**.

2. Use the data at appendix A2 (Australian market) to show the influence of the price of dumped and/or subsidised imports on your quarterly prices, profits and profitability provided at appendix A6.1 (costs to make and sell). If appropriate, refer to any price undercutting and price depression evident in the market.

Visy refers to the circumstances concerning the loss of a major supply contract referred to in the response to A-9.1 above. The very low prices of dumped imports has resulted in injury being suffered by Visy in the form of price

undercutting and the loss of a major long-term supply contract. Visy asserts that a major competitor has imported its competing product at dumped prices, which has enabled it to undercut Visy in its attempt to negotiate a new contract supply term. The competitor has done this to secure the long term business of the beverage customer. If Visy had price matched with the importer selling a competing product it would have been selling at approximately a **[deleted text – percentage]** percent loss (across its total Microflute production) simply to keep the contract and it would be selling at a loss of approximately **[deleted text – percentage]** percent for sales to the lost customer. Visy has gone from selling Like Goods at a profit to now **[deleted text – profitability]**

3. Compare the data at appendix A2 (Australian market) to identify the influence of dumped and/or subsidised imports on your quarterly costs to make and sell at appendix A6.1 (for example refer to changes in unit fixed costs or the ability to raise prices in response to material cost increases).

Visy's cost to make and sell (per row J of Appendix A6.1) has increased from **[deleted text – dollar figure]** per tonne to **[deleted text – dollar figure]** per tonne. The fixed manufacturing costs listed in row C of A-6.1 have increased on a per tonne basis due to the reduction in production volumes and therefore the cost to make and sell per tonne has increased accordingly.

4. The quantity and prices of dumped and/or subsidised imported goods may affect various economic factors relevant to an Australian industry. These include, amongst other things, the return on investment in an industry, cash flow, the number of persons employed and their wages, the ability to raise capital, and the level of investment in the industry. Describe, as appropriate, the effect of dumped and/or subsidised imports on these factors and where applicable use references to the data you have provided at appendix A7 (other economic factors). If factors other than those listed at appendix A7 (other economic factors) are relevant, include discussion of those in response to this question.

Due to reduced sales there has been lower cash flow and return on investment for existing production facilities.

Visy has invested substantially in its Microflute business over approximately 15 years, both in terms of manufacturing assets and personnel. The Visy Glama business directly employs over **[deleted text – number]** people, with many more people employed indirectly through the pre-print, coatings and logistics services that the business requires. The Goods Under Consideration account for approximately **[deleted text – number]** of these Visy Glama employee numbers. The dumped goods have already considerably impacted the financial viability of Visy's Microflute business. Further dumping of carton board has the potential to wipe out the Visy Microflute business, potentially costing hundreds of jobs and resulting in Visy's Microflute manufacturing assets sitting idle.

5. Describe how the injury factors caused by dumping and/or subsidisation and suffered by the Australian industry are considered to be 'material'.

There is no doubt that the extent of the injury caused by dumping is material in light of the very large drop in production, sales revenue and profitability and a significant increase in unit costs, all of which are a direct consequence of the loss of the long term sales contract discussed at A-9.1 and A-9.2 above.

6. Discuss factors other than dumped and/or subsidised imports that may have caused or may threaten to cause injury to the industry. This may be relevant to the application in that an industry weakened by other events may be more susceptible to injury from dumping and subsidisation.

There are no other factors other than dumped imports that have caused injury.

7. This question is not mandatory, but may support your application. Where trends are evident in your estimate of the volume and prices of dumped and/or subsidised imports, forecast their impact on your industry's economic condition. Use the data at appendix A2 (Australian market), appendix A6 (cost to make and sell), and appendix A7 (other economic factors) to support your analysis.

As these goods are being imported at dumped prices in order to fulfil a very large commercial contract, it is extremely likely that this trend will continue unabated for several years. The lost contract was for a period [**deleted text – number**] years and, once won, these contracts typically roll over [**deleted text – description of period**] periods unless an alternate supplier can offer a materially lower price. In particular we refer the Commission to the financial data listed at tab A2 columns regarding reduced volumes, prices and market share for domestically produced like products in FY19.

Further to the above clearly defined impact of the dumped product on sales of Visy's locally made product over the past 12 months, Visy [**deleted text – commercial supply contract information**] If dumping is allowed to continue, then Visy would be at considerable risk of losing further contracts which would decimate the local microflute business.

PART B

DUMPING

IMPORTANT

All questions in Part B should be answered even if the answer is 'Not applicable' or 'None' (unless the application is for countervailing duty only: refer Part C). If an Australian industry comprises more than one company/entity, Part B need only be completed once.

B-1 Source of exports

1. Identify the country(ies) of export of the dumped goods.

United States of America (USA)

2. Identify whether each country is also the country of origin of the imported goods. If not, provide details.

The country of origin of the goods is USA.

3. If the source of the exports is a non-market economy, or an 'economy in transition' refer to Part C.4 and Part C.5 of the application. **Not Applicable**

4. Where possible, provide the names, addresses and contact details of:

- producers of the goods exported to Australia;
- exporters to Australia; and
- importers in Australia.

Exporters

Graphic Packaging International (GPI)/International Paper
100 Graphic Packaging Way
Macon
Georgia
United States 31206

Westrock
1000 Abernathy Road NE
Atlanta, GA 30328

Importers

Graphic Packaging International Australia (GPIA)
Unit 4, 15-23 Huntingdale Road
Burwood, Victoria, 3125
Ph: (03) 9808 0777

Westrock
126 Merrindale Drive
Croydon South Victoria 3136

Orora
109 Burwood Road
Hawthorn Victoria 3122
Ph: (03) 9811 7111

5. If the import volume from **each** nominated country at Appendix A.2 (Australian Market) does not exceed 3% of all imports of the product into Australia refer to Part C.6 of the application.

Not Applicable

6. In the case of an application for countervailing measures against exports from a developing country, if the import volume from **each** nominated country at Appendix A.2 (Australian Market) does not exceed 4% of all imports of the product into Australia refer to Part C.6 of the application

Not Applicable

B-2 Export price

Possible sources of information on export price include export price lists; estimates from the Australian Bureau of Statistics; a deductive export price calculation from the Australian selling price of the imported goods; export sales quotations or invoices; foreign government export trade clearances.

1. Indicate the FOB export price(s) of the imported goods. Where there are different model control codes or levels of trade involved, an export price should be supplied for each.

Please see United States Export data at **Confidential Attachment B-2.1**. The data indicates an average FOB price of **[deleted text – percentage]** per tonne over the 12 months from May 2018 to April 2019 for imports from the USA from **[deleted text – location]**. This average price is calculated from the source data by adding the AUD FOB price per tonne for months May 2018 to April 2019 on line 17 of sheet 1 of Confidential Attachment B-2.1 and then dividing the total figure by 12. **[deleted text – location]** Port of export of the imported goods. It has the highest export volumes of the imported goods **[deleted text – percent]** percent of total US export volume on average in the period from May 2018 to April 2019). Further, the two major exporters are based **[deleted text – location]** which is relatively close to the port of **[deleted text – location]**.

2. Specify the terms and conditions of the sale, where known.

The terms of sale of exports of the imported goods to Australia are not known. Visy is not privy to the private contractual arrangements between United States exporters and purchasers of the products in Australia.

3. If you consider published export prices are inadequate, or do not appropriately reflect actual prices, please calculate a deductive export price for the goods. Appendix B1 (Deductive Export Price) can be used to assist your estimation.

Not provided

4. It is important that the application be supported by evidence to show how export price(s) have been calculated or estimated. The evidence should identify the source(s) of data.

The attachment referred to in answer to question 1 above is sourced from the Australian Bureau of Statistics (ABS).

B-3 Selling price (normal value) in the exporter's domestic market

Possible sources of information about domestic selling prices in the country of export include: price lists for domestic sales (with information on discounts); actual quotations or invoices relating to domestic sales; published material providing information on the domestic selling prices; or market research undertaken on behalf of the applicant.

1. State the selling price for each model control code of like goods sold by the exporter, or other sellers, on the domestic market of the country of export.

Average estimated price in the USA per tonne of [**deleted text – price**] for the 12 months between May 2018 to April 2019 with a currency conversion of of [**deleted text – currency**] equals approximately [**deleted text – price**] per tonne. (Currency data obtained from the Reserve Bank of Australia website).

2. Specify the terms and conditions of the sale, where known.

The terms of sale of domestic sales in the United States are not known although pricing referred to in answer to question 1 is on a delivered basis. Visy does not know the terms and conditions of sale by US sellers as it is not privy to these private contractual arrangements. However, Visy estimates that on average the difference between an ex-factory sale price and a delivered sale price in the United States is in the order of [**deleted text – figure**] per tonne. This is based pricing obtained for transporting Full Container Loads of the subject goods up to 200 miles within the United States.

3. Provide supporting documentary evidence.

Please see **Confidential Attachment B-3.3 PPI Markets & Prices**. The relevant product description is Coated Unbleached Kraft 20-pt Folding Carton C1S, Series B, US East [2]. The US prices taken are an average of the low side and high side prices listed.

4. List the names and contact details of other known sellers of like goods in the domestic market of the exporting country.

Graphic Packaging International (GPI)
Westrock

B-4 Estimate of normal value using another method

This section is not mandatory. It need only be completed where there is no reliable information available about selling prices in the exporter's domestic market. Other methods of calculating a normal value include:

- the cost to make the exported goods plus the selling and administration costs (as if they were sold in the exporter's domestic market) plus an amount for profit (if applicable);
OR
- the selling price of like goods from the country of export to a third country.

1. Indicate the normal value of the like goods in the country of export using another method (if applicable, use appendix B2 Constructed Normal Value).
2. Provide supporting documentary evidence.

B-5 Adjustments

A fair comparison must be made between the export price and the normal value. Adjustments should be made for differences in the terms and circumstances of the sales such as the level of trade, physical characteristics, taxes or other factors that affect price comparability.

1. Provide details of any known differences between the export price and the normal value. Include supporting information, including the basis of estimates.

No known differences

2. State the amount of adjustment required for each and apply the adjustments to the domestic prices to calculate normal values. Include supporting information, including the basis of estimates.

N/A

B-6 Dumping margin

1. Subtract the export price from the normal value for each model control code of the goods (after adjusting for any differences affecting price comparability).

Normal value [**deleted text – price**] per tonne less Export Price [**deleted text – price**] per tonne equals [**deleted text – price**] per tonne. Refer to the responses to B-2.1 and B-3.3 above for sources of these figures.

2. Show dumping margins as a percentage of the export price.

46.1 percent

PART C

SUPPLEMENTARY SECTION

IMPORTANT

Replies to questions in Part C are not mandatory in all instances, but may be mandatory for certain applications.

C-1 Subsidy

This section must be completed where countervailing duties are sought to offset foreign government assistance through subsidies to exporters or producers.

If the application is for countervailing duty alone, the domestic price information required by Part B of the application need not be supplied.

Responses to questions A-9 will need to identify the link between subsidisation and injury.

1. Identify the subsidy paid in the country of export or origin. Provide supporting evidence including details of:
 - (i) the nature and title of the subsidy;
 - (ii) the government agency responsible for administering the subsidy;
 - (iii) the recipients of the subsidy; and
 - (iv) the amount of the subsidy.

Not applicable

C-2. Threat of material injury

You must complete this section if the application includes a claim that material injury is threatened to an Australian industry because of the exportation of goods into the Australian market.

1. Identify the change(s) in circumstances that would make material injury foreseeable and imminent unless dumping or countervailing measures were imposed, for example by having regard to:
 - (i) the rate of increase of dumped/subsidised imports;
 - (ii) changes to the available capacity of the exporter(s);
 - (iii) the prices of imports that will have a significant depressing or suppressing effect on domestic prices and lead to further imports;
 - (iv) inventories of the product to be investigated;
 - (v) for applications claiming subsidisation, the nature of the subsidies in question and the trade effects likely to arise therefrom; or
 - (vi) any other relevant factor(s).
2. If appropriate, include an analysis of trends (or a projection of trends) and market conditions illustrating that material injury is both foreseeable and imminent.

The Applicant is not relying solely on the threat of material injury

C-3. Close processed agricultural goods

Where it is established that the like (processed) goods are closely related to the locally produced (unprocessed) raw agricultural goods, then – for the purposes of injury assessment – the producers of the raw agricultural goods form part of the Australian industry. This section is to be completed only where processed agricultural goods are the subject of the application. **Applicants are advised to contact the Commission’s client support section before completing this section.**

1. Fully describe the locally produced raw agricultural goods.
2. Provide details showing that the raw agricultural goods are devoted substantially or completely to the processed agricultural goods.
3. Provide details showing that the processed agricultural goods are derived substantially or completely from the raw agricultural goods.
4. Provide information to establish **either**:
 - a close relationship between the price of the raw agricultural goods and the processed agricultural goods; **or**
 - that the cost of the raw agricultural goods is a significant part of the production cost of the processed agricultural goods.

Not applicable

C-4. Exports from a non-market economy

Complete this section only if exports from a non-market economy are covered by the application. The domestic price information required by Part B of the application need not be supplied if this question is answered.

Normal values for non-market economies may be established by reference to selling prices or to costs to make and sell the goods in a comparable market economy country.

1. Provide evidence the country of export is a non-market economy. A non-market economy exists where the government has a monopoly, or a substantial monopoly, of trade in the country of export and determines (or substantially influences) the domestic price of like goods in that country.
2. Nominate a comparable market economy to establish selling prices.
3. Explain the basis for selection of the comparable market economy country.
4. Indicate the selling price (or the cost to make and sell) for each model control code of the goods sold in the comparable market economy country. Provide supporting evidence.

Not applicable

C-5 Exports from an 'economy in transition'

An 'economy in transition' exists where the government of the country of export had a monopoly, or substantial monopoly, on the trade of that country (such as per question C-4) and that situation no longer applies.

Complete this section only if exports from an 'economy in transition' are covered by the application. **Applicants are advised to contact the Commission's client support section before completing this section**

1. Provide information establishing that the country of export is an 'economy in transition'.
2. A price control situation exists where the price of the goods is controlled or substantially controlled by a government in the country of export. Provide evidence that a price control situation exists in the country of export in respect of like goods.
3. Provide information (reasonably available to you) that raw material inputs used in manufacturing/producing the exported goods are supplied by an enterprise wholly owned by a government, at any level, of the country of export.
4. Estimate a 'normal value' for the goods in the country of export for comparison with export price. Provide evidence to support your estimate.

Not applicable

C-6 Aggregation of Volumes of dumped goods

Only answer this question if required by question B-1.5 of the application and action is sought against countries that individually account for less than 3% of total imports from all countries (or 4% in the case of subsidised goods from developing countries). To be included in an investigation, they must collectively account for more than 7% of the total (or 9% in the case of subsidised goods from developing countries).

	Quantity	%	Value	%
All imports into Australia		100%		100%
Country A*				
Country B*				
etc*				
Total				

* Only include countries that account for less than 3% of all imports (or 4% in the case of subsidised goods from developing countries). Use the data at [Appendix A.2](#) (Australian Market) to complete the table.

Not applicable

APPENDICES

Appendix A1	Australian Production
Appendix A2	Australian Market
Appendix A3	Sales Turnover
Appendix A4	Domestic Sales
Appendix A5	Sales of Other Production
Appendix A6.1	Cost to Make and Sell (& profit) Domestic Sales
Appendix A6.2	Cost to Make and Sell (& profit) Export Sales
Appendix A7	Other Injury Factors
Appendix A8	Authority to Deal With Representative
Appendix B1	Deductive Export Price
Appendix B2	Constructed Normal Value