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Anti-Dumping Commission  
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**PUBLIC RECORD**

**Investigation 548 (the investigation) – Certain kraft paperboard exported from the United States of America (US)**

**Submission on behalf of Graphic Packaging International LLC and Graphic Packaging International Australia Converting Ltd (GPI) to the Anti-Dumping Commission (ADC)**

**Application for publication of dumping duty notice (the application) by Visy Glama Pty Ltd (Visy)**

**Addendum to GPI's submission of 26 July 2020**

Dear Leisa

GPI refers to its submission dated 26 July 2020 (GPI's second submission). This document is an addendum to GPI's second submission.

GPI's second submission observed in section 4 that the Visy submission made demonstrably wrong statements about microflute and E flute corrugated board.

After filing GPI's second submission Kinsman Legal made a brief informal survey of packaging at a local supermarket. That brief survey disclosed yet another wrong statement about microflute and E flute corrugated board in the Visy submission, namely that Visy wrongly states that Orora does not produce microflute.

This addendum should be read as a new section, section 4.e, to GPI's second submission.

4. Visy makes demonstrably wrong statements about microflute and E flute
  1. GPI's second submission observed that Visy made a number of demonstrably wrong statements about microflute.
  2. In addition to those wrong statements GPI submits that Visy made a further demonstrably wrong statement about microflute and E flute corrugated board, namely Visy wrongly states that Orora does not produce microflute.
    - e. Visy wrongly states that Orora does not produce microflute
  3. Visy's statements that Orora does not produce microflute are demonstrably incorrect.
  4. GPI's first submission dated 13 May 2020 observed that Visy is not the only producer of microflute in Australia.<sup>1</sup> GPI gave the example of Orora, stating that Orora is a substantial producer of microflute packaging and a direct competitor with Visy in the Australian packaging market. It is common industry knowledge that Orora has two high capacity Asitrade machines that are capable of producing microflute, one in Botany, NSW and the other in Regency Park, South Australia. GPI estimated that, with Opal's microflute production and Visy's non-beverage microflute production, around three quarters of Australian microflute is used in end uses other than beverage packages.<sup>2</sup>
  5. In response, the Visy submission claimed that GPI falsely stated that Visy was not the only producer of microflute in Australia because, Visy claimed, Orora does not produce microflute.<sup>3</sup> The statement regarding Orora in the Visy submission is set out below in full (emphasis added):<sup>4</sup>

*GPI falsely states that Visy is not the only producer of microflute in Australia. Orora (now Opal packaging) does not in fact produce microflute (it does produce E flute products that are then converted into different final products such as wine cartons and nappy boxes). Orora / Opal does not manufacture can multi-packs for sale to the beverage industry. A search of the Orora / Opal website shows that it doesn't use the word 'microflute', as it doesn't manufacture N flute and recognises that E flute is not microflute. Further GPI states that "kraft paperboard that is wet strength treated is specifically designed for use in beverage packaging and so does not compete with microflute in these applications". Visy agrees that products produced by Orora / Opal do not compete with the GUC, but Orora's products are not microflute.*

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<sup>1</sup> GPI's first submission at [35].

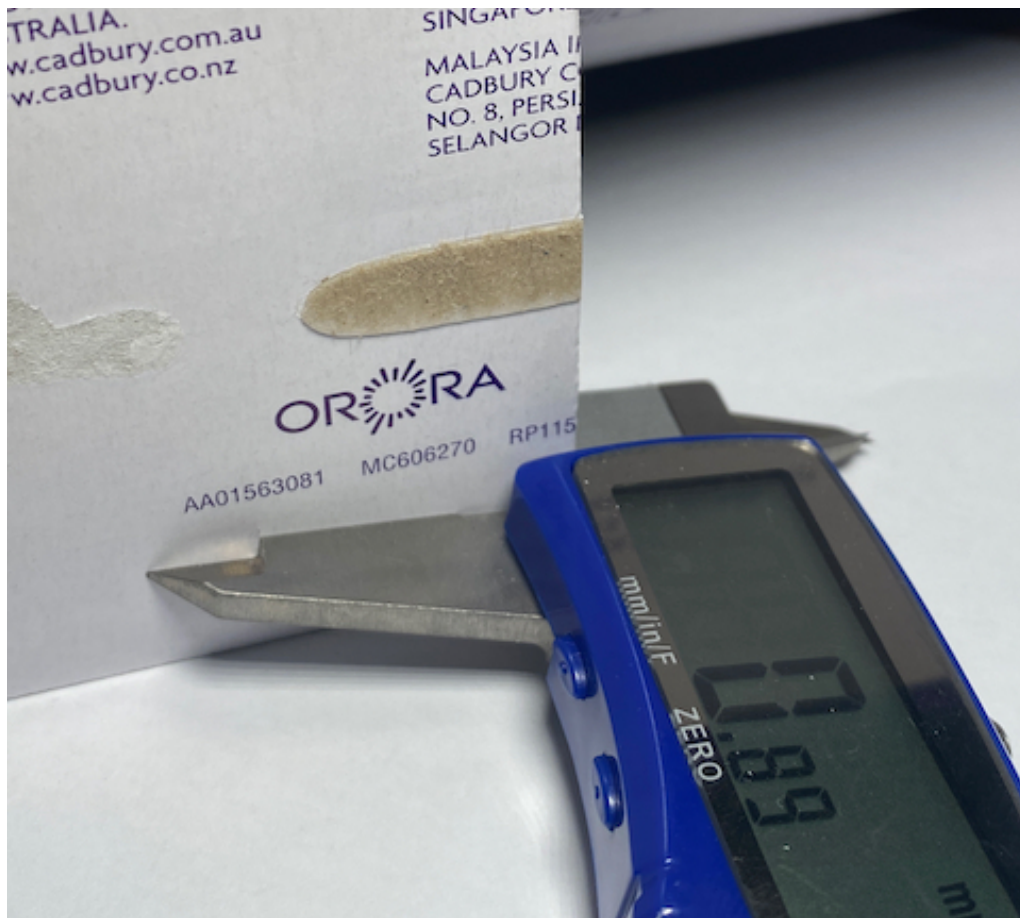
<sup>2</sup> GPI's first submission at [35].

<sup>3</sup> Visy submission at section 3.8 at page 9.

<sup>4</sup> Visy submission at section 3.8 at page 9.

Addendum to GPI's submission of 26 July 2020

6. The photographs below in Figure 1 and Figure 2 show Orora produced microflute used in packaging by Australia's largest chocolate producer.
7. Figure 1 below shows that Orora's microflute has a thickness of 0.89mm; that comes within Visy's preferred definition of microflute (see section 2.e of GPI's second submission regarding Visy's statement that microflute has a thickness of 0.9mm or less).<sup>5</sup> Indeed, the thickness of Orora's microflute is very close to the thickness of the microflute used in Visy's beverage packaging, which is 0.85mm (see GPI's first submission at paragraph 17 and the Klass Report at page 10).



*Figure 1 - Orora microflute with thickness 0.89mm*

8. Figure 2 below shows an edge view of Orora's microflute with the fluting clearly visible.

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<sup>5</sup> Although that thickness was of the flute layer only, see section 2.e of GPI's second submission.

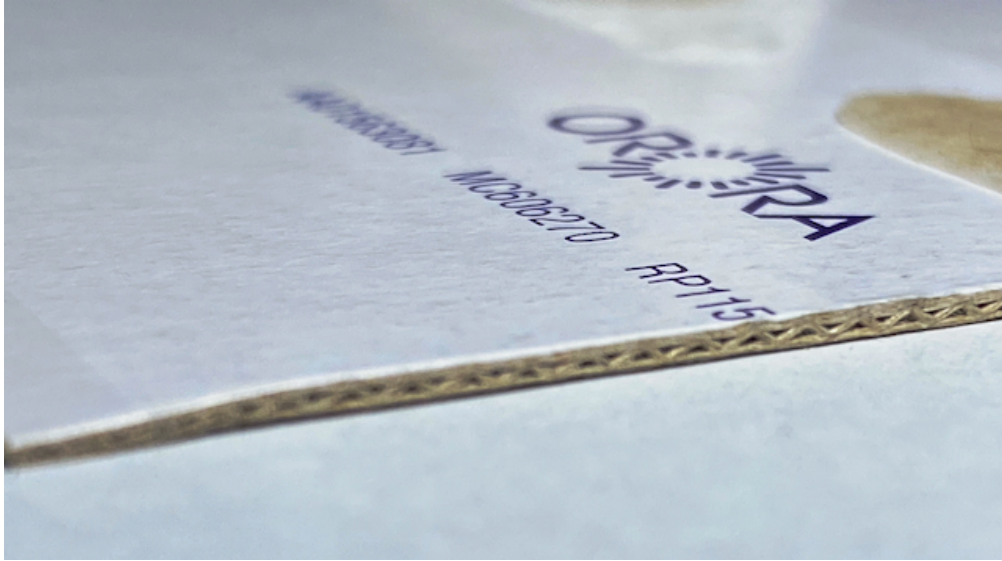


Figure 2 - Orora microflute (edge view)

9. The Orora produced packaging is demonstrably microflute and very similar to Visy's microflute. Visy's statements that Orora does not produce microflute are demonstrably wrong.
10. GPI submits that there is a clear conclusion to be drawn from this evidence and the fact that a substantial proportion of Australian microflute is used in end uses other than beverage packages. Microflute and kraft paperboard are not commercially alike because they do not compete in the majority of uses; kraft paperboard the subject of the investigation is wet strength treated and so it does not compete for confectionary packaging, or other non beverage packaging, in Australia. That strongly supports GPI's view that microflute and kraft paperboard are not like goods.
11. Alternatively, if Visy continues to claim that microflute is a like good to kraft paperboard, then Visy must accept, at the very least, that Australian production of microflute is substantially greater than Visy claims. On that basis Visy's claims of injury to the Australian industry (properly defined to include Orora and other non beverage uses of microflute) are substantially overstated.

Sincerely

A handwritten signature in black ink that reads 'David H. Peters'.

**David Peters**  
**Principal Lawyer**  
**Kinsman Legal**