



## **Importer Verification Report**

### **Verification & Case Details**

<b>Initiation Date</b>	27 April 2021	<b>ADN:</b>	2021/054
<b>Case Number</b>	582		
<b>The goods under consideration</b>	Clear Float Glass		
<b>Case type</b>	Dumping Investigation		
<b>Importer</b>	Watson Glass Pty Ltd		
<b>Investigation Period</b>	1 April 2020 <b>to</b> 31 March 2021		

**THIS REPORT AND THE VIEWS OR RECOMMENDATIONS CONTAINED THEREIN WILL BE REVIEWED BY THE CASE MANAGEMENT TEAM AND MAY NOT REFLECT THE FINAL POSITION OF THE ANTI-DUMPING COMMISSION**

**CONTENTS**

**CONTENTS ..... 2**

**PREFACE ..... 3**

**1 COMPANY BACKGROUND..... 4**

1.1 CORPORATE STRUCTURE AND OWNERSHIP ..... 4

1.2 RELATED PARTIES ..... 4

**2 THE GOODS ..... 5**

2.1 THE GOODS ..... 5

2.2 MODEL CONTROL CODES (MCCs) ..... 5

2.3 VERIFICATION OF MCCS ..... 5

2.4 THE GOODS IMPORTED TO AUSTRALIA ..... 5

2.5 LIKE GOODS..... 5

**3 VERIFICATION OF IMPORTS ..... 6**

3.1 IMPORT LISTING ..... 6

3.2 VERIFICATION OF COST TO IMPORT..... 6

3.3 COST TO IMPORT ALLOCATION METHOD ..... 6

3.4 VERIFICATION OF COST TO IMPORT ACCURACY ..... 6

3.5 COST TO IMPORT VERIFICATION FINDING ..... 7

**4 EXPORT PRICE..... 8**

4.1 THE IMPORTER..... 8

4.2 THE EXPORTER..... 8

4.3 PROFITABILITY OF IMPORTS ..... 8

4.4 RELATED PARTY SUPPLIERS ..... 8

4.5 'ARMS LENGTH' ..... 8

4.6 EXPORT PRICE ASSESSMENT ..... 9

**5 ATTACHMENTS ..... 10**

## **PREFACE**

This report details the findings, analysis, evidence relied upon and reasoning on key verification outcomes of data submitted to the Anti-Dumping Commission (commission) by the verification team for publication on the public record.

It provides interested parties with information regarding all material aspects of the verification, including explanations of any material issues identified during the verification. It outlines the nature, extent and consequences of any changes made to the data submitted, including data corrections made by the company or by the verification team.

Verification teams are authorised to conduct verifications under section 269SMG and 269SMR of the *Customs Act 1901* (the Act).<sup>1</sup>

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<sup>1</sup> References to any section in this report relate to provisions of the Act, unless specifically stated otherwise.

## **1 COMPANY BACKGROUND**

### **1.1 Corporate structure and ownership**

Watson Glass Pty Ltd (Watson Glass) is a privately owned importer and supplier of glass products. The business performs additional value-adding processes on the goods that it imports from Malaysia and does not sell the goods in the condition in which they were imported.

### **1.2 Related parties**

The verification team examined the relationships between related parties involved in the importation and sale of the goods.

The verification team found that Watson Glass did not have any related party customers or suppliers of the goods during the investigation period.

## **2 THE GOODS**

### **2.1 The goods**

Watson Glass confirmed that it imported clear float glass from Malaysia during the investigation period matching the description of the goods that are the subject of this investigation.

### **2.2 Model control codes (MCCs)**

Watson Glass provided cost data in accordance with the MCC structure detailed in Anti-Dumping Notice (ADN) No. 2021/054.

### **2.3 Verification of MCCs**

Table 1 below provides detail on how the MCC categories were determined and verified to source documents.

<b>Category</b>	<b>Determination of the category</b>
Thickness	Based on the thickness shown on the exporter's commercial invoice.

**Table 1: MCC mapping**

### **2.4 The goods imported to Australia**

The verification team were satisfied that Watson Glass imported the goods during the investigation period.

### **2.5 Like goods**

The importer agreed that the Australian Industry produced like goods to the goods that it imported during the investigation period.

### 3 VERIFICATION OF IMPORTS

#### 3.1 Import listing

The verification team confirmed that the import listing extracted from the Australian Border Force (ABF) import database is a complete list of imports of the goods over the investigation period.

The verification team calculated the weighted average free-on-board (FOB) export price by supplier at **Confidential Appendix 1**.

#### 3.2 Verification of cost to import

Prior to the verification, the commission selected 6 shipments for Watson Glass to complete the cost to import spreadsheet of the importer questionnaire.

For each of the selected shipments, Watson Glass provided various forms of source documentation regarding its imports, including:

- import declarations
- commercial and tax invoices
- packing lists
- receipts
- bills of lading
- insurance certificates.

#### 3.3 Cost to import allocation method

The verification team verified the reasonableness of the method used to allocate the cost to import provided in the questionnaire response.

The verification team did not identify any issues during this process. Details of this verification process are contained in the verification work program and its relevant attachments, at **Confidential Attachment 1**.

#### 3.4 Verification of cost to import accuracy

The accuracy of data is verified by reconciling selected data submitted 'downwards' to source documents. This part of verification involves the process of agreeing key information fields within the cost to import data down to source documents. This verifies the accuracy of the data.

The verification team verified the accuracy of the cost to import provided in the questionnaire response by reconciling it to source documents in accordance with ADN No. 2016/30.

The verification team identified the issue outlined below during this process. Details of this verification process are contained in the verification work program and its relevant attachments, at **Confidential Attachment 1**.

## PUBLIC RECORD

### 3.4.1 Exceptions during verification of cost to import accuracy

No.	Exception	Resolution
1	For one shipment, the quantity which differed to that listed on the source documents.	Quantity updated in line with source documents provided.

**Table 2: Exceptions during verification of cost to import accuracy**

### 3.5 Cost to import verification finding

The verification team is satisfied that the cost to import provided by Watson Glass, including any required amendments as outlined in the exception table above, is accurate.

A table detailing the weighted average unit cost to import is at **Confidential Appendix 2**.

## 4 EXPORT PRICE

### 4.1 The importer

The verification team considers Watson Glass the beneficial owner of the goods at the time of importation and therefore the importer of the goods, as Watson Glass is:

- named on the commercial invoice from its Malaysian supplier
- named as the consignee on the bill of lading
- named as the consignee on the AANZFTA Certificate of Origin issued in Malaysia
- declared as the importer on the importation declaration to ABF.

### 4.2 The exporter

The goods were imported to Australia by Watson Glass. The verification team considers Watson Glass's Malaysian supplier to be the exporter of the goods, as the supplier is:<sup>2</sup>

- named on the commercial invoice and packing lists
- named as the consignor on the bill of lading
- named as the consignor on the AANZFTA Certificate of Origin issued in Malaysia
- declared as the supplier on the importation declaration to ABF.

### 4.3 Profitability of imports

As Watson Glass does not sell the goods in the condition in which they are imported, the verification team was unable to determine the profitability of the imports.

### 4.4 Related party suppliers

The verification team did not find any evidence that Watson Glass is related to its supplier of the goods exported from Malaysia during the investigation period.

### 4.5 'Arms length'

In respect of imports of the goods to Australia by Watson Glass during the investigation period, the verification team found no evidence that:

- there was any consideration payable for, or in respect of, the goods other than its price, or

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<sup>2</sup> The Commission generally identifies the exporter as a principal in the transaction, located in the country of export from where the goods were shipped, that gave up responsibility by knowingly placing the goods in the hands of a carrier, courier, forwarding company, or its own vehicle for delivery to Australia; or a principal in the transaction, located in the country of export, that owns, or previously owned, the goods but need not be the owner at the time the goods were shipped.



## **PUBLIC RECORD**

- the price was influenced by a commercial or other relationship between the buyer, or an associate of the buyer, and the seller, or an associate of the seller.

Therefore, subject to further inquiries, the verification team is satisfied that the imports between Watson Glass and its suppliers are 'arms length' transactions.

### **4.6 Export price assessment**

The verification team is of the opinion that for the goods imported by Watson Glass from its Malaysian supplier:

- the goods have been exported to Australia otherwise than by the importer
- the goods have been purchased by the importer from the exporter(s), and
- the purchases of the goods by the importer were 'arms length' transactions.

Subject to further inquiries with this exporter, the verification team recommends that the export price for the goods imported by Watson Glass from its Malaysian supplier can be established under section 269TAB(1)(a) of the Act, using the invoiced price, less transport and other costs arising after exportation.

**5 ATTACHMENTS**

<b>Confidential Appendix 1</b>	Export price
<b>Confidential Appendix 2</b>	Cost to import
<b>Confidential Attachment 1</b>	Verification Work Program