



ADRP Conference Summary

Review No. 135 & 137 - Aluminium Extrusions (mill finish) exported from Malaysia and Aluminium Extrusions (surface finished) exported from Malaysia

Panel Member	Paul O'Connor
Review type	Review of Minister's decision
Date	3 August 2021
Participants	Mr John McDermott and Mr Bill Walsh (Milleon's authorised representatives)
Time opened	1:30pm AEST
Time closed	2:30pm AEST

Purpose

The purpose of this conference was to obtain further information in relation to Milleon Extruder Sdn. Bhd's (Milleon) application for review before the Anti-Dumping Review Panel (Review Panel) in relation to Aluminium Extrusions (mill finish) exported from Malaysia.

The conference was held pursuant to section 269ZZHA of the *Customs Act 1901* (the Act).

In the course of the conference, I was able to ask Milleon's representatives to clarify any argument, claim or specific detail contained in their application or in response to a number of issues sent to them prior to the conference. The conference was not a formal hearing of the review.

I have only had regard to information provided at this conference to the extent that it relates to relevant information within the meaning of section 269ZZK of the Act. Any conclusions reached at this conference are based on that relevant information. Information that relates to some new argument not previously put in an application or submission is not something that the Review Panel may have regard to and, therefore, is not reflected in this conference summary.

At the time of the conference, I advised the participants:

- That the conference was being recorded and transcribed by Express Virtual Meetings Pty Ltd, and that the recording would capture everything said during the conference.



- That the conference was being recorded for the Review Panel to have regard to when preparing a conference summary. The conference summary would then be published on the Review Panel's website.
- Any confidential information discussed during the conference would be redacted from the conference summary prior to publication.

Prior to the conference, participants were provided with a copy of the Review Panel's Privacy Statement. The Privacy Statement outlines who the conference recording and transcript may be disclosed to. The Privacy Statement is available on the Review Panel's website [here](#). The participants indicated that they understood the Privacy Statement and consented to:

- The recording of the conference; and
- The recording being dealt with as set out in the Privacy Statement.

Discussion

1. Milleon's representatives stressed the difference between what are referred to as special goods and standard goods, with the only standard goods being exported to Australia during the investigation period. They stressed that an application of a model control process nevertheless required an examination of likeness.
2. The representatives confirmed that Milleon's substantive ground was argued in the alternative. The first was based upon the additional processes to which the special goods were subject. These included precision cutting, special packaging and additional quality control and inspection processes all of which impacted upon price. As none of the special goods were exported and as standard goods were not only exported but also sold in sufficient quantities on the domestic market, satisfying the ordinary course of trade test, the normal value of the exported goods should be based only upon domestic sales of the standard goods. The Commission had included both domestic sales of special and standard goods in the determination of normal value.
3. In the alternative, if the special goods are included in the normal value determination these should be subject to an adjustment under s.269TAC(8).
4. The representatives emphasised that the Commission had an unrealistic expectation that Milleon ought to have maintained production records which would cost each of



the additional steps or processes to which the special goods were subject. They noted the Commission appears to be applying an evidentiary standard that is unreasonably high if it requires a price element-which can be observed-to be supported by a particular cost account. As there were only three customers for the domestic goods, Milleon had worked out a premium for the additional services given its knowledge of the operations undertaken.

5. In reference to the significance of pricing based upon the level of the London Metal Exchange (LME) fixed at a particular point in time, Milleon's representatives referred to the table at page 3 of their submission dated 5 January 2021. That table listed prices to premium or special customers and prices to standard customers. The prices were as at May 2018 and predated any agreements to fix prices with respect to the LME, at a particular point in time. The relevance of the table was said to be that it highlighted the significant price difference between special and standard customers. Milleon's representatives argue that the price differences reflect the additional processes or steps to which the special goods are subject. Further, it refutes the Commission's arguments that the higher price of special goods observed in the investigation period was due, in part, to the downward movement in the LME impacting on the prices to standard customers. Milleon's representatives noted that when you look to a period which was not impacted by different contractual obligations a clear difference in pricing between special and standard goods was apparent and that difference was the result of the special premium applied to the special goods.

6. In reference to the adjustment for a portion of management time devoted to domestic sales, REP 540 claims that details regarding the allocation were not outlined by Milleon and that the specific roles and functions of the staff relevant to the claim were unclear. Milleon's representatives took issue with this claim, noting that their submission of 21 September 2020 provided details of the selling functions undertaken by management staff and their submission dated 5 January 2021 provided further detail of the relevant selling functions. The submission dated 21 September 2020 went on to estimate that [REDACTED] % of the management team time is involved in the sales to non-Commission domestic sales. Milleon's representatives argued that this estimate was based upon a reasonable assumption.



Australian Government

Anti-Dumping Review Panel

Paul O'Connor

Member

Anti-Dumping Review Panel

9 August 2021