



Importer verification report

Verification and case details

Initiation date	30 April 2026	ADN	2026/061
Case number	699		
The goods under consideration	Titanium dioxide		
Case type	Investigation		
Importer	DuluxGroup Ltd		
Location	1956 Dandenong Rd, Clayton, Victoria, Australia		
Verification date	13 August 2026		
Investigation period	1 January 2025	to	31 December 2025

The Australian Trade Remedies Commission will review this report, including its views and recommendations.

This report may not reflect the Australian Trade Remedies Commission's final position.

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Introduction

DuluxGroup Ltd (Dulux) submitted data to the Australian Trade Remedies Commission (the commission)¹ in response to an importer questionnaire relating to an investigation into alleged dumping of titanium dioxide² exported to Australia from the People's Republic of China (China).

A verification team has verified whether the data Dulux submitted is complete, relevant and accurate for use in the investigation. [Anti-Dumping Notice \(ADN\) 2016/30](#) describes the commission's verification procedures.

This report explains the verification team's key findings, including the evidence considered and material issues identified. Where Dulux or the verification team revised the submitted data, this report outlines the nature, extent and outcomes of these revisions.

The verification team prepared this report to publish on the electronic public record for the investigation.³

Verification teams are authorised to conduct verifications under sections 269SMG and 269SMR of the *Customs Act 1901* (Cth) (the Act).⁴

¹ The Anti-Dumping Commission has been renamed to the Australian Trade Remedies Commission.

² The goods the subject of this investigation are referred to as 'the goods' or 'the goods under consideration' throughout this report.

³ Electronic public record for case 699 (EPR 699), available on the commission's website.

⁴ All legal citations in this report are to the *Customs Act 1901* (Cth) (the Act), unless otherwise stated.

1 Company background

1.1 Corporate structure and ownership

Dulux is a subsidiary of the Japanese-owned Nippon Paint Holdings Co., Ltd (Nippon Paints). The company forms part of the wider Nippon Paint Group following its acquisition by Nippon Paints in 2019.

In Australia, Dulux has several consumer brands under different business divisions. These business divisions include:

- Dulux paints and coatings, providing coating products to the Australian and New Zealand markets. Key brands include Dulux, Dulux Professional, Berger and British Paints. Titanium dioxide is consumed in this business division.
- Yates Group, providing gardening products to the Australian and New Zealand markets.
- Selleys Group, providing sealants, adhesives and fillers to the Australian and New Zealand markets, as well as global markets via other Nippon Paints entities.
- B&D Group, providing garage doors and openers to the Australian and New Zealand markets.
- Lincoln Sentry Group, providing cabinet and architectural hardware to the Australian market.

Dulux manufactures a variety of paint and other coating products in Australia. Dulux has several manufacturing facilities in Australia, including in Victoria and Queensland. In Victoria, paint is manufactured at Dulux's Merrifield facility in Mickleham as well as Dandenong, while the head office and its Innovation Centre are located in Clayton.

Dulux sources titanium dioxide from domestic and overseas suppliers for use in its paint and other coating manufacturing operations. In the investigation period, Dulux sourced the goods from China through a related trader.

1.2 Related parties

The verification team examined the relationships between Dulux and the parties involved in the supply of the goods during the investigation period.

During the investigation period, Dulux imported the goods from China. Dulux purchased these goods from a related entity that sourced the goods from unrelated manufacturers in China. The related entity acted solely as an intermediary in the exportation of the goods.

The verification team considers that Dulux's purchases of the goods from its related entity were not made at 'arms length' (section 6.4 refers).

2 Goods under consideration

2.1 Importation of the goods under consideration

Dulux confirmed that it imported the goods from China during the investigation period that match the description of the goods that are the subject of this investigation.

The imported goods were used by Dulux in the manufacture of paint and other coating products. Dulux does not sell titanium dioxide in the condition it is imported.

2.2 Model control codes

In its response to the importer questionnaire, Dulux did not identify the model control codes (MCCs)⁵ relating to its imports. However, the verification team was able to identify the relevant MCC for each consignment because Dulux provided information on the specific grades it imported from China.

Exception 1: MCCs missing from 'B-2 Cost to import and sell' listing

Description: The 'B-2 Cost to import and sell' listing did not identify the MCC relevant to the imported goods.

Resolution: As Dulux identified the grade of the imported goods, the verification team was able to identify whether the imported goods were manufactured either via the sulphate or chloride process. The verification team was able to identify this by having regard to the manufacturer's product specification information. The verification team amended the 'B-2 Cost to import and sell' listing to include the MCC relevant to each sampled import consignment.

2.2.1 Amendments to model control codes

Dulux did not propose any amendments to the MCC structure.

After comparing prices of different models of the goods, the verification team does not recommend amending the MCC structure.

2.3 Verification of model control codes

Table 1 below details how the verification team determined MCC sub-categories and verified them to source documents.

Category	Sub-category verification method
Production process (C or S)	Reviewed product specification sheets relevant to the imported grades that identified which process was used to produce the goods. The verification team also reviewed the source documents provided by Dulux and was able to determine the production process for each import.

Table 1: MCC sub-category determination

⁵ The MCCs relating to the goods are detailed in ADN 2026/061.

2.4 List of model control codes

Dulux imported the goods manufactured via the chloride process (MCC identifier 'C') and the sulphate process (MCC identifier 'S').

2.5 End use applications of the imported goods and like goods

Dulux explained how it uses titanium dioxide (both chloride and sulphate) imported from China and like goods (chloride) produced by the Australian industry in its paints and coatings business.

Dulux stated that it markets its paint products as premium, mid-tier or budget products. Most of the paint products Dulux manufactures and sells are targeted at the premium market segment.

Dulux explained that titanium dioxide grades differ in characteristics and qualities such as brightness, gloss, opacity and undertone. The requirements for these characteristics vary according to the paint or coating product and the intended application.

Dulux stated that sulphate-process titanium dioxide generally has a slightly yellow undertone, making it unsuitable for some of its products and applications. These include products that require a bright or cool white base with a bluish-white undertone, as well as applications requiring properties such as superior ultraviolet resistance. Dulux therefore considers sulphate-process grades unsuitable for its exterior paints intended for Australian conditions.

Dulux stated that it typically uses Australian-produced titanium dioxide in its premium interior and exterior topcoat products, which require high levels of opacity, brightness and gloss.

Further information concerning Dulux's use of titanium dioxide is contained in the verification work program and its relevant attachments at **Confidential Attachment 1**.

3 Verification of sales completeness and relevance

The commission typically verifies sales as complete and relevant by reconciling the revenue and quantity in sales listings up to management accounts and then audited financial accounts. ADN 2016/30 further describes this verification process.

The verification team found that Dulux is an end user and did not sell the goods in the same condition in which they were imported. Therefore, the verification team did not verify Dulux's sales.

4 Verification of sales accuracy

The commission typically verifies sales as accurate by reconciling a selection of invoices in the sales listings to source documents. ADN 2016/30 further describes this verification process.

The verification team found that Dulux is an end user and did not sell the goods in the same condition in which they were imported. Therefore, the verification team did not verify Dulux's sales.

5 Verification of imports and cost to import and sell

5.1 Import listing

The verification team verified that the Australian Border Force (ABF) import database contains a complete list of goods imported by Dulux in the investigation period. The information provided by Dulux was consistent with the information contained in the ABF database.

5.2 Verification of cost to import and sell

Prior to the verification, the commission selected 10 shipments for verification and requested Dulux to complete the cost to import and sell (CTIS) spreadsheet of the importer questionnaire.

For each of the selected shipments, Dulux provided the following source documents:

- purchase orders
- commercial invoices from its supplier
- remittance advice
- packing lists
- certificates of product origin
- bills of lading
- invoices for Australian port handling and other import charges, including inland freight.

The commission typically verifies the cost to import and sell (CTIS) as accurate, complete and relevant by reconciling the cost to import and sell to source documents, management accounts and then audited financial accounts. ADN 2016/30 further describes this verification process.

As Dulux does not sell the goods in the condition in which they were imported, the verification team only verified Dulux's costs relating to the importation of the goods.

The verification team identified the issues 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**.

5.2.1 Exceptions during verification of CTIS

Exception 2: Incorrect order dates listed in the CTIS spreadsheet

Description: The verification team found that the order dates recorded in the 'B-2 Cost to import and sell' listing did not match the source documents provided by Dulux. Dulux confirmed that the 'B-2 Cost to import and sell' listing had incorrect order dates listed against each import consignment.

Resolution: Dulux amended the 'B-2 Cost to import and sell' listing after verification to correct the order dates. The amended order dates matched the source documents, including the purchase orders.

5.3 CTIS allocation method

Table 2 outlines how Dulux allocated each cost to the selected shipments.

Importation cost	Method applied
Ocean freight	Cost not incurred by Dulux.
Marine insurance	Cost not incurred by Dulux.
Customs clearance fees	Based on the actual customs fees incurred for the shipment.
Quarantine charges	Based on the actual quarantine charges incurred for the shipment.
Wharf storage	Based on the actual wharf storage fees incurred for the shipment.
Port service charges	Based on the actual port service charges incurred for the shipment.
Other importation charges	Based on the actual charges incurred for the shipment.
Delivery	Based on the actual delivery charges incurred for the shipment.

Table 2: CTIS allocation method

5.4 CTIS verification finding

The verification team is satisfied that the importation costs and other relevant costs provided by Dulux are accurate.

A table detailing the importation unit costs is at **Confidential Attachment 2**.

6 Export price

6.1 The importer

The verification team considers Dulux to be the beneficial owner of the goods at the time of importation and therefore Dulux is the importer of the goods, as Dulux:⁶

- was named on the commercial invoice from its supplier
- was named as the consignee on the bill of lading
- was declared as the importer on the importation declaration
- paid for all the importation charges including brokerage
- arranged delivery from the port of arrival in Australia to its warehouse.

6.2 The exporter

Based on information provided by Dulux, the verification team considers that the manufacturers of the goods in China are the exporters of the goods. The manufacturers of the goods are principals in the transaction located in China and knowingly shipped the goods to Australia.⁷

While Dulux purchased the goods from a related entity in China, the verification team considers that the entity acted solely as an intermediary. It negotiated with the relevant manufacturers and coordinated the purchase orders between those manufacturers and Dulux. The intermediary did not take physical possession of, or hold inventory of, the goods.

6.3 Related suppliers

During the investigation period, Dulux purchased the goods from a related entity. The related entity purchased the goods from unrelated manufacturers in China. The related entity acted solely as an intermediary in the exportation of the goods.

The verification team considers that Dulux's purchases of the goods from its related supplier were not made at 'arms length',⁸ as the price appears to have been influenced by the commercial relationship between the buyer and the seller. In respect of these purchases, Dulux appears to have been a price taker.

⁶ Section 269T(1)(a) defines an 'importer' in relation to the goods exported to Australia as the beneficial owner of the goods at the time of their arrival within the limits of the port or airport in Australia at which they have landed.

⁷ The Act does not define 'exporter', however, the [Dumping and Subsidy Manual](#) (December 2021) identifies several factors that the commission may take into consideration in identifying the exporter. The commission will generally identify the exporter as:

- a principal in the transaction located in the country of export from where the goods were shipped and who knowingly placed the goods in the hands of a carrier, courier, forwarding company, or their own vehicle for delivery to Australia, or
- a principal will be a person in the country of export who owns, or who has previously owned, the goods but need not be the owner at the time the goods were shipped.

⁸ Whether the purchase or sale of goods are 'arms length transactions' is determined in accordance with section 269TAA of the Act.

6.4 Export price assessment

As Dulux did not purchase the goods directly from the exporters in China, the verification team recommends, subject to further inquiries concerning the relevant exporters, that the export price of the goods imported by Dulux be established under section 269TAB(1)(c) of the Act, having regard to all the circumstances of the exportation.

7 Attachments

Confidential Attachment 1	Verification work program
Confidential Attachment 2	Importation costs