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13 Nov 2013
Steve Cooper
Manager Business and Client Support
Anti-Dumping Commission
Customs House, 5 Constitution Avenue, Canberra City ACT 2601
P: 1300 884 159 (+61 2 6275 6066) | F: 1300 882 506 (+61 2 6275 6888)
E: clientsupport@adcommission.gov.au

Dear Mr Cooper

#### **Public File**

Sodium Bicarbonate exported from the People's Republic of China-Application for the Dumping Commodity Register

By Penrice Soda Products Pty Ltd's (Penrice) request, on 15 October 2010, Australian Customs and Border Protections Service issued the final report: TRADE MEASURES BRANCH: REPORT TO THE MINISTER NO. 161

**REVIEW OF ANTI-DUMPING MEASURES** 

SODIUM HYDROGEN CARBONATE (SODIUM BICARBONATE) EXPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA (China).

After this final report, Australian customs accepted Penrice's request and extended the measures applicable to Sodium Bicarbonate exported from China for a further five year period from 2 November 2010.

VanderArk International Limited (VDA Ltd) are exporting the small repacked Sodium Bicarbonate to Australian customers. The small packaging are mostly 1-4kg Doy Packs and plastic tubes, these goods are finished goods and ready for end users at the shop. Penrice is only producing industrial packaging products, the packing range is from 25kg bag to 1200kg bulk bag, there is no direct competition between these 2 different packaging products.

The small repacked Sodium Bicarbonate have been brought to Australia by other Chinese repackers like Qingdao Europe and America Import and Export Company, Qingdao Hot Chemicals Co., Ltd and Waterco(Guangzhou)Limited, VDA Ltd has the same identical fashion of these 3 companies. VDA Ltd are identical repackers of Sodium Bicarbonate into small retail Packs like these 3 other Companies. And like the 3 other Companies, VDA Limited do not manufacture Sodium Bicarbonate, but buy it at about the same price as the other 3 Repackers and then repack the goods into small retail repacks. Also VDA Ltd have the same customers as the other 3 competitors, and our Packaging and Labour costs are identical to the competitors too,



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VanderArk International Limited have done an identical service, with an identical product, at the same pricing, and the repacking business of Sodium Bicarbonate is very important for us, and our customers are happy with our professional services.

By looking for the fair competition basis with our competitors and being able to supply a better service for our customers in Australia, VDA Ltd are looking forward to be listed on the Customs department Register same as our competitors from China.

If you have any questions concerning this application for the Dumping Commodity Register, please do not hesitate to contact me.

Yours sincerely

Susan Zhang General Manage 13/11/2013

On behalf of VanderArk International Limited



## Application for a

# review of anti-dumping measures

#### APPLICATION UNDER SECTION 269ZAOF THE CUSTOMS ACT 1901FOR A REVIEW OF ANTI-DUMPING MEASURES

In accordance with section 269ZA of the Customs Act 1901, I requestthat the Anti-Dumping Commissioner initiate a review of anti-dumping measures in respect of the goods the subject of this application to:

1.	revise the level of the measures because one or more of the variety relevant to the taking of measures have changed (a variable factor)	
		In this case the factors that I consider have changed are:
		normal value
		export price
		non injurious price
		☐ subsidy
		The variable factors review is in relation to:
		a particular exporter (if so provide name and country details) Company name: VanderArk International Limited The country: the people's republic of China
		exporters generally
	or	
2.		revoke the measures because the anti-dumping measures are no longer warranted (a revocation review)
		In this case the measure I consider should be revoked is:
		☐ the dumping duty notice
		the countervailing duty notice
		the undertaking
		The revocation review is in relation to:
		a particular exporter (if so provide name and country details)
		exporters generally
N	OTF	

Where seeking variable factors review as well as a revocation review, indicate this in both 1 and 2 above.

#### **DECLARATION**

I believe that the information contained in this application:

· provides reasonable grounds for review of the anti-dumping measure; and

• is complete and correct to the best of my knowledge and belief.

Signature:

Name:

Susan Zhano

Position:

General Manager

Company:

VanderArk International Limited

ABN:

Date:

13-11-2013

## Signature requirements

**Signature** | 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, servant, 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 'Instructions and Guidelines for applicants: Application for review or revocation of measures' on the Commission's website.

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: 1300 884 159or +61 2 6275 6066(outside Australia)

Fax: 1300 882 506or +61 2 6275 6888 (outside Australia)

Email: clientsupport@adcommission.gov.au

Other information is available from the Commission's website at <a href="https://www.adcommission.gov.au">www.adcommission.gov.au</a>.

Small and medium enterprises (i.e., those with up to 200 employees) may obtain assistance, at no charge, from the International Trade Remedies Adviser, employed by Australian Industry Group and funded by the Australian government. To access this service, visit <a href="https://www.aigroup.com.au/traderemedies">www.aigroup.com.au/traderemedies</a> or telephone (03) 9867 0267.

### Required information

1. Provide details of the name, street and postal address, of the applicant seeking the continuation.

Applicant: VanderArk International Limited Suite 4-502, Building 3, Fang Qing Yuan, Bao Sheng Li, Qing He, Hai Dian Dist., Beijing, 100192, P.R China

Provide details of the name of a contact person, including their position, telephone number and facsimile number, and e-mail address.

Contact person Susan Zhang
Title General Manager.

Tel 86-10-82437576 Fax 86-10-82437451.

E-mail: vanderark.international@gmail.com,

susan@vanderarkintl.com

Representative in Australia

Contact person: Mr. Geoff Longhurst

Tel/Fax: 0439973577

Email: glon7335@bigpond.net.au

3. Name other parties supporting this application.

Hy-Clor Australia Pty Ltd.

Describe your interest as an affected party (eg are you concerned with the
exportation of the goods, the importation of the goods, or part of the
Australian industry, or acting on behalf of the Government of an exporting
country).

After being charged the Anti-dumping duty, as the small repacker of Sodium Bicarbonate, VanderArk International Limited's exportation of Sodium Bicarbonate to Australia is severally impacted, and being unfairly penalised and are not able to compete on the same basis as the other Chinese repackers who are registered in Austrila customers. Due to Anti-dumping tax, our customers are considering of buying small repacked Sodium Bicarbonate from another repacker in China though the customer are very happy to deal with us with our professional services, but the cost is a critical core driven reason for a customer to change a supplier. VanderArk Internatioanl Limited is applying for this measure to be treated in the same manner as the identical competitors.

Previously it was Qingdao Europe and America Import/Export, Qingdao Hotchem Chemicals Co.,Ltd and Waterco Guangzhou who supplied Repacked Sodium Bicarbonate for Hy-Clor Australia Pty Ltd. VanderArk International Limited has the same identical fashion of these 3 companies.

VanderArk International Limited are identical repackers of Sodium Bicarbonate into small retail Packs, like these 3 other Companies, like the other 3 Companies, we do not manufacture Sodium Bicarbonate, but buy it at the same price as the other 3 Repackers. Also VanderArk International Limited have the same customers as the other 3 repackers, and our Packaging and Labour costs are

VanderArk International Limited have

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repacking business of Sodium Bicarbonate is very important for us, and the customer of Hy-Clor Australia Pty Ltd are happy with our professional services. At the present time, we believe we are being unfairly penalised and are not able to compete on the same basis as the other 3 Companies as these 3 repackers are dumping commodity registers.

- 5. Provide details of the current anti-dumping measure(s) the subject of this review application, including:
  - tariff classification
  - the countries or companies
  - specified date of publication of the measure

Tariff classification: 2836.30.00, Statistical codes: 27

The country: the people's republic of China

Specified date of publication of the measure: TRADE MEASURES BRANCH REPORT TO THE MINISTER NO. 161: REVIEW OF ANTI-DUMPING MEASURES SODIUM HYDROGEN CARBONATE (SODIUM BICARBONATE) EXPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA

DUMPING COMMODITY REGISTER (2836.30.00) SODIUM HYDROGEN CARBONATE (SODIUM BICARBONATE) EXPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA

Provide the names, addresses, telephone numbers and facsimile numbers of other parties likely to have an interest in this matter e.g. Australian manufacturers, importers, exporters and/or users.

Australian importer
Hy-Clor Australia Pty. Ltd
BN 81 000 655 381 5.01
15 Orion Road, Lane Cover West, NSW 2066, Australia
Tel: (02) 9498 2925 Fax: (02) 9498 4329

Applications for review of variable factors

If you are applying for a variable factors review (in box 1 above) provide a detailed statement setting out your reasons. Include information about:

the factor(s) you wish to have reviewed;

#### Changed export prices

#### Changed non-injurious prices

- the amount by which that factor is likely to have changed since anti-dumping measures were last imposed, and evidence in support; and
- in your opinion the causes of the change and whether these causes are likely to persist.

VanderArk International Limited is applying for a variable factors view, since the effection date of this TRADE MEASURES BRANCH REPORT TO THE MINISTER NO. 161: REVIEW OF ANTI-DUMPING MEASURES SODIUM HYDROGEN CARBONATE (SODIUM BICARBONATE) EXPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA, quite variable factors are changed, mainly as referred as follows:

#### Changed non-injurious prices

#### ( I )Small repacked Sodium Bicarbonate

VanderArk International Limited is exporting small repacked Sodium Bicarbonate to Australian customers for pool industrial application only. This special packaging is small repacked products, most are 1-4kg Zip lock Dov packs (the photo is attached:A) and plastic bottles (the photo is attached: B), but all the Australian manufacturers including Penrice Soda Products Pty Ltd. (hereinafter call Penrice) are not producing any small size repacking products, only industrial packaging size: 25kg to 1200 bulk bags, there is no direct competition between these small repacked products and industrial packed products, VanderArk's repacked products are not in the catalogue of any Australian's production line. The repacked products are just filling this blank market which the Australian manufacturers are not able to provide the products for. The target customersof Penrice are factories. Sodium Bicarbonate is using as one of raw material in those factories, but the small repacked Sodium Bicarbonates are finished goods, those are ready to sell at the shops, the target customers are individual users.

(II) Changed Selling price in Australia
From 1 Jan, 2012, the price of Sodium Bicarbonate of General Purpose
from Penrice was delivered to customer's warehouse in
Australia (the price announcement from Penrice was attached: C), that
time the Australian currency against US dollars was around 1.0152. The
price of repacked Sodium Bicarbonate to Australian was around
to customer's warehouse.
Higher cost of raw material (Soda Ash) and strong Australian currency
put Penrice in a little uncomfortable situation, but now Penrice started
buying raw material (Soda Ash) from a North American company and
shutdown the production of Soda Ash in Adelaide (Penrice announced:
In the face of increasingly difficult domestic trading conditions and
increasing costs for its soda ash business, Penrice has embraced a
transformation strategy which saw it close its soda ash production
facility at Osborne in June 2013. The supply of Soda ash for Penrice's
requirements for Sodium bicarbonate production is now provided
through the importation of North American Soda ash.

The supply of Soda ash to the domestic market will be facilitated through Penrice's participation in a Joint Venture with SASS Victoria Australia Pty Ltd. The new joint venture is called Pro Asia Pacific. The information source is attached: D), this is big cost cut for the production of Sodium Bicarbonate at Penrice.

Now(Nov, 2013) with a much better cost plus weaker Australian dollar, Penrice is decreasing their sales price of Sodium Bicarbonate of General Purpose (industrial packaging) in Australia, the average market price is delivered to customer's warehouse, the price is much cheaper than the selling price in 2011. But the small repacked price of Sodium Bicarbonate is (the invoice is attached: E) delivered to customer's warehouse, this price is much more expensive than Penrice's price. VanderArk International Limited believe the import of small repacked Sodium Bicarbonate is no longer injurious for the Sodium Bicarbonate made in Australia. The change of non – injurious price is one of the most important factors change since anti-dumping measures were last imposed in Oct 2010.

The obvious result let VanderArk International Limited strongly believe the causes of the change would be persisted, Sodium Bicarbonate of general purpose packed in small packaging for Penrice is a very small business compare to industrial packaging business, Penrice was ignoring this part of business at the beginning, they won't pick up this business later either. also buying raw material of Soda Ash from the North American company is strategic decision which Penrice made, the purpose of this decision is to improve the competitiveness in Sodium Bicarbonate, so far the obvious positive results of this strategic plan have indicated they made a right decision, the price of Sodium Bicarbonate is decreased very significantly, Penrice would follow this decision for a long term.

Application for a revocation review

If you are applying for a revocation review (in box 2 above), provide a detailed statement setting out your reasons.

Include evidence in support of your view that there are reasonable grounds for asserting that the measures are no longer warranted. Refer to the "Guidelines for Preparing an Application for Review of Measures" as part of preparing your response. If you consider anti- dumping measures are no longer warranted because of:

- no dumping or no subsidisation: provide evidence that there is no dumping, or no subsidy, and why dumping or subsidisation is unlikely to recur if measures were revoked.
- no injury: provide evidence that there is no current injury, and there is unlikely to be a recurrence of injury if the measures were to be revoked.

Lodgement of the application

This application, together with the supporting evidence, should be lodged with:

The National Manager - Operations Anti-Dumping Commission Customs House 1010 Latrobe St Docklands VIC 3008

or

## Sent by facsimile to **1300 882 506** or**+61 2 6275 6888 (outside Australia)**

#### **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 <a href="https://www.adcommission.gov.au">www.adcommission.gov.au</a>.

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 review, or, if those reasons cannot be summarised, a statement of reasons why summarisation is not possible. If you cannot provide a non-confidential version, contact the Commission's client support section for advice.

#### List of Atachments:

No.	<b>Description</b> (	Confidential/Non-confidential
Α	Doy pack of Sodium Bicarbonate	Non-confidential
В	Plastic pack of Sodium Bicarbonate	Non-confidential
C	Price list of Penrice in 2011	Non-confidential
D	Penrice's announcement of shutdown	
	Production of Soda Ash in Adelaide	Non-confidential
E	Commercial invoice of Sodium Bicarbon	ate
	Export to Australia from VanderArk	
	International Limited	Confidential



## Penrice Soda Products Pty Ltd

A.C.N 008 206 942

A.B.N. 62 008 206 942

#### PENRICE INCREASES LIST PRICES OF SODIUM BICARBONATE

30 November 2010

Dear Valued Customers.

Penrice announces today that effective 1 January 2011 or as current contract terms permit, it will increase the list prices for all packaged sodium bicarbonate in the range of \$80 per metric tonne (Australian dollars).

This increase applies to all grades of sodium bicarbonate supplied from the Penrice plant at Osborne, South Australia.

FOB Osborne, South Australia	New List Prices (AUD) Effective 1 January 2011	
Ultra Coarse (Speciality)		
Coarse Granular (Food Grade)		
Medium Granular (Food Grade)		
Premium Powder (Food Grade)		
General Purpose		
Warehouse / Terminal Locations	Adjustments to include bulk/packaged increase as applicable plus freight and warehouse/terminal costs	

Penrice Soda Products' fuel surcharge and freight programme continues to remain in full effect.

Thank you for your valued business, and please contact your Penrice representative should you have any questions regarding this announcement.

Regards

**Brett Smith** 

**General Manager Chemicals Business** 







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Mobile: 86-152 10121492, Email: vanderark.international@gmail.com

#### **Timothy Flor**

International Trade Analyst | Anti-Dumping Commission Customs House, 5 Constitution Avenue Canberra ACT 2601

P: 02 6275 6968 | F: 02 6275 6990 E:timothy.flor@customs.gov.au

E: timothy.flor@adcommission.gov.au

W: www.adcommission.gov.au

Dear Mr Flor,

Below is the answer of the question you mentioned:

Did VanderArk export sodium bicarbonate to Australia during 1 January 2004 to 18 August 2005?

No

·Was VanderArk previously involved in any anti-dumping case of sodium bicarbonate to Australia or had any relationship with a company that exported sodium bicarbonate to Australia?

No.

VanderArk International have been invited to quote and subsequently supply the small repacked Sodium Bicarbonate to the Australian customer well after August 2005 as we had by then demonstrated to our Australian Customers to be a reliable Supplier of quality products in new improved packaging.

The description of the goods to which the dumping duty relates and a statement of the basis:

Tariff classification: 2836.30.00, Statistical codes: 27

The country: the people's republic of China

Specified date of publication of the measure: TRADE MEASURES BRANCH REPORT TO THE MINISTER NO. 161: REVIEW OF ANTI-DUMPING MEASURES SODIUM HYDROGEN CARBONATE (SODIUM BICARBONATE) EXPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA

DUMPING COMMODITY REGISTER (2836.30.00)
SODIUM HYDROGEN CARBONATE
(SODIUM BICARBONATE) EXPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA



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On the Dumping Commodity Register (2836.30.00), there were small repacking companies registered, Qingdao Europe and America Import/Export, Qingdao Hotchem Chemicals Co.,Ltd and Waterco (Guangzhou) Limited, those three companies are having fixed Interim Dumping Duty (IDD) and relevant dumping specification number (DSN), VanderArk is having the same identical fashion of these 3 companies.

VanderArk are identical repackers of Sodium Bicarbonate into small retail Packs, like these 3 other Companies, like the other 3 Companies, we do not manufacture Sodium Bicarbonate, but buy it at the same price as the other 3 Repackers. Also VanderArk have the same customers as the other 3 repackers, and our Packaging and Labour costs

VanderArk have done an the repacking business of Sodium Bicarbonate is very important for VanderArk, and the customer of Hy-Clor Australia Pty Ltd are happy with our professional services. At the present time, we believe we are being unfairly penalised and are not able to compete on the same basis as the other 3 Companies as these 3 repackers are dumping commodity registers.

VanderArk International Limited is applying for this measure to be treated in the same manner as the identical competitors, and would like to have the fixed Interim Dumping Duty (IDD) and relevant dumping specification number (DSN) as well as the fixed AEP, otherwise we believe VanderArk are being unfairly penalised and are not able to compete on the same basis as the other Chinese repackers who are registered in Austrila customers.

If you have any questions concerning this application for the Dumping Commodity Register, please do not hesitate to contact me.

Yours sincerely

Susan Zhang General Manager

On behalf of VanderArk International Limited