



**ANTI – DUMPING SPECIALISTS**

ACN 056 514 213 ABN 87 056 514 213

3 January 2013

**NON-CONFIDENTIAL**

Mr John Bracic  
Director  
Australian Anti-Dumping Commission  
Customs House  
5 Constitution Avenue  
Canberra ACT 2600

Dear Mr Bracic,

**PROCESSED TOMATOES FROM ITALY**

This submission is made on behalf of Conserve Italia Soc. Coop. Agr (“Conserve Italia”).

It is our expectation that the highly publicised dire economic position of SPC Ardmona Operations Ltd (“SPCA”) causing it to seek substantial financial assistance from the Australian government and the negative finding of the Australian Government Productivity Commission in relation to SPCA’s application for safeguard measures will bring further political pressure on the Anti-Dumping Commission (“the Commission”) to reach a positive finding of material injury by reason of dumping from Italy.

Facts established by this investigation and the Productivity Commission’s safeguards inquiry demonstrate that SPCA did not experience significant decreases in the volume, price or profit of domestic sales of processed tomatoes during the investigation period and that the material injury experienced during 2009-2012, leading to its current dire economic situation, was due to a combination of a number of factors other than dumping. We believe that in these circumstances the Commission will look to the “but for” concept to establish whether dumping from Italy has caused material injury to SPCA during the investigation period, ie but for dumping from Italy, SPCA would have been able to achieve higher levels of price, revenue and profit during the investigation period.

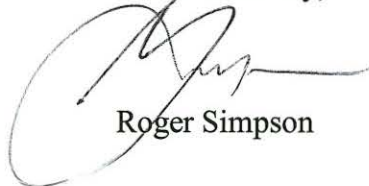
It is paramount that the “but for” concept is a **mere assumption** that in the absence of dumping the domestic industry would have been able to increase prices and thereby achieve higher profits in the amount of the dumping margin. As discussed in our submission of 11 December 2013, it cannot be assumed in this case that in the absence of dumping, the increased cost of imports to SPCA’s customers, Coles and Woolworths, would have resulted in them paying higher prices to SPCA during the investigation period.

It is extremely important in this context that the average dumping margin determined by the Commission for major exporters Conserve Italia, Feger and De Clemente during the investigation period is about AUD 0.01/400g can. This means that, but for the dumping, Coles and Woolworths purchase prices of the subject supplied by these major exporters during the investigation period would have been about AUD 0.01/400g can higher. It cannot be reasonably assumed that, had Coles and Woolworths prices of imports from Italy been AUD 0.01/400g cans higher during the investigation period, they would have increased prices paid to SPCA for like goods during the investigation period. And even it were to be so

assumed, suppression of SPCA's domestic prices, revenues and profit by a dumping margin of AUD 0.01/400g can, or less than 1%, cannot be deemed material injury to SPCA.

We consider that the headline *Dumping 'least of SPC's woes'* per "The Australian" newspaper on 21 December 2013 accurately describes the situation.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Roger Simpson', written over a large, light-colored circular scribble.

Roger Simpson