



7 March 2014

NON-CONFIDENTIAL

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

Dear Mr Bracic,

PREPARED AND PRESERVED TOMATO PRODUCTS FROM ITALY

This letter, on behalf of Conserve Italia, is in response to SPC Ardmona's revised submission of 24 February 2014 in response to SEF 217.

While difficult to completely understand the substance of SPCA's submission in relation to material injury because of the extent of redaction, SPCA appears to be saying that the imposition of anti-dumping measures will

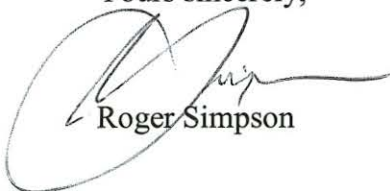
- increase the price of imports;
- reduce the level of price undercutting and price suppression;
- reduce the level of its price discounting; and
- have a significant impact on its profitability.

Besides not being able to assume that an increase in the price of imports directly translates to SPCA's achievement of a higher net price for its products and hence higher profitability, the above will not happen because –

- a) the imposition of dumping duties will have no or negligible impact on import prices, with the vast majority of imports having dumping margins between zero (44%) and 4.54%, ie <\$0.01/can; and
- b) SPCA's major customers will not purchase imports subject to a 26.35% dumping duty, they will shift supply of this commodity product from those exporters whose exports are subject to this duty to those with zero or $\leq 4.54\%$ duty, with the majority likely to go to those with zero. It would be naive to think otherwise.

In summary, for reasons outline above, imposition of anti-dumping measures will have no, or negligible, impact on the selling prices and profitability achievable by SPCA.

Yours sincerely,



Roger Simpson