

REPORT NO. 229

INVESTIGATION INTO THE ALLEGED DUMPING OF SELF-COPY PAPER ORIGINATING IN OR IMPORTED FROM THE UNITED STATES OF AMERICA: FINAL DETERMINATION



The International Trade Administration Commission of South Africa herewith presents its Report No. 229: INVESTIGATION INTO THE ALLEGED DUMPING OF SELF-COPY PAPER ORIGINATING IN OR IMPORTED FROM THE UNITED STATES OF AMERICA: FINAL DETERMINATION

ITUMELENG MASEGE

ACTING CHIEF COMMISSIONER

PRETORIA

18 04 2007

INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

INVESTIGATION INTO THE ALLEGED DUMPING OF WHITE SELF-COPY PAPER ORIGINATING IN OR EXPORTED FROM THE UNITED STATES OF AMERICA: FINAL DETERMINATION

Background

The application was lodged by Johan Lambrechts & Associates cc (JLA) on behalf of Mondi South Africa Ltd (the Applicant), being the only manufacturer of the like product in the SACU.

The Applicant alleged that imports of the subject product, originating in or imported from United States of America (USA) were being dumped on the SACU market, thereby causing material injury to the SACU industry. The basis of the alleged dumping was that the goods are being exported to SACU at prices less than the normal value in the country of origin.

The Applicant alleged that as a result of the dumping of the subject products from the USA, the SACU industry was suffering material injury in the form of:

- (a) Price undercutting;
- (b) Price depression;
- (c) Price suppression;
- (d) Actual and potential decline in sales volumes;
- (e) Actual and potential decline in revenue (sales value);
- (f) Actual and potential decline in profit;
- (g) Actual and potential decline in output;
- (h) Actual and potential decline in market share;
- (i) Actual and potential decline in productivity;
- (i) Actual and potential decline in return on investments;
- (k) Actual and potential decline in capacity utilisation;
- (I) Actual and potential decline in total and net cash flow; and
- (m) Actual and potential decline in growth.

The information submitted by the Applicant was verified on 02 December 2005.

On 28 June 2006, the Commission accepted the application as properly documented. The Commission further decided that the Applicant submitted a prima facie case of dumping and material injury and decided to initiate an investigation.

The investigation was initiated through Notice No. 867 in Government Gazette No. 28975 on 21 July 2006.

Appleton Papers Inc, an exporter/manufacturer represented by Xikhova Advisory responded to the Commission's questionnaire.

Information submitted by Appleton Papers Inc was verified from 13 November to 16 November 2006.

The following SACU importers responded to the Commission's questionnaires:

- 1. Peters Papers
- 2. Antalis
- 3. Lithotech Ltd

Information submitted by Peters Paper and Lithotech Ltd was verified from 13 November to 16 November 2006. Xikhova Advisory represented both importers in this matter.

Request to withdraw the Application

On 05 March 2007, the applicant submitted a letter, requesting that the anti-dumping application of self-copy paper from the USA be withdrawn. The applicant stated that it had terminated the production of the product at its Merebank production facility, the only self-copy paper (SCP) production plant in the SACU. It stated that as SCP is no longer produced in the SACU, pursuing the anti-dumping application would serve no purpose. It has already communicated its phase out plan to the market.

The Applicant indicated that the cessation of SCP production would not lead to a loss of direct employment, as the affected employees will be absorbed into other areas of the business.

Recommendation

The Commission recommends that the investigation into the alleged dumping of SCP originating in or imported from the USA be terminated.

NOTICE 626 OF 2007

INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

TERMINATION OF INVESTIGATION INTO THE ALLEGED DUMPING OF WHITE SELF-COPY PAPER ORIGINATING IN OR IMPORTED FROM THE UNITED STATES OF AMERICA

On 21 July 2006, the Commission formally initiated an investigation into the alleged dumping of self-copy paper (SCP) originating in or imported from the United States of America. Notice of the initiation of the investigation was published in Notice No. 867 of *Government Gazette* No. 28975 dated 21 July 2006.

The application was lodged on behalf of the South African Customs Union (SACU) industry by Johan Lambrechts & Associates cc (JLA) on behalf of Mondi South Africa Ltd (the Applicant), claiming that the dumped imports from the USA were causing it material injury. At the time, the Applicant was the sole manufacturer of the like product in the SACU.

The investigation was initiated after the Commission considered that there was prima facie evidence to show that the subject product was being imported at dumped prices, causing material injury to the SACU industry.

On initiation of the investigation, the known producers and exporters of the subject products in the USA were sent foreign manufacturers/exporters questionnaires to complete. SACU importers of the subject product were also sent importer's questionnaires to complete.

Appleton Papers Inc, an exporter/manufacturer of the subject products, represented by Xikhova Advisory responded to the Commission's questionnaire. The following SACU importers also responded to the Commission's questionnaires:

- 1. Peters Papers
- 2. Antalis
- 3 Lithotech Ltd

Xikhova Advisory represented both importers in this matter.

Request to withdraw the Application

On 05 March 2007, the applicant submitted a letter, requesting that the anti-dumping application of self-copy paper from the USA be withdrawn. The applicant stated that it had terminated the production of the product at its Merebank production facility, the only self-copy paper (SCP) production plant in the SACU. It stated that as SCP is no longer produced in the SACU, pursuing the anti-dumping application would serve no purpose.

The Commission, therefore, made a final determination to recommend to the Minister of Trade and Industry that the investigation into the alleged dumping of SCP originating in or imported from the USA be terminated.

The Commission's reasons for its decision are set out in Commission Report No.229 (Final report).

Enquiries may be directed to the investigating officer, Mr Ephraim Mogashoa at telephone (012) 394 3595, or at fax (012) 395 0518.