Commission Regulation (EU) No 118/2011 of 10 February 2011 imposing a provisional anti-dumping duty on imports of certain ring binder mechanisms originating in Thailand

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EC) No 1225/2009 of 30 November 2009 on protection against dumped imports from countries not members of the European Community[(1)] (the basic Regulation), and in particular Article 7 thereof,

After consulting the Advisory Committee,

Whereas:

1. PROCEDURE

1.1. Initiation

(1) On 20 May 2010, the European Commission (the 'Commission') announced by a notice published in the *Official Journal of the European Union*[(2)] (Notice of initiation), the initiation of an anti-dumping proceeding concerning imports into the Union of certain ring binder mechanisms originating in Thailand (country concerned).

(2) The anti-dumping proceeding was initiated following a complaint lodged on 6 April 2010 by Ring Alliance Ringbuchtechnik GmbH (the complainant) on behalf of producers representing a major proportion, in this case more than 50 % of the total Union production of certain ring binder mechanisms. The complaint contained prima facie evidence of dumping of the said product and of material injury resulting there from, which was considered sufficient to justify the initiation of a proceeding.

1.2. Parties concerned by the proceeding

(3) The Commission officially advised the complainant, other known Union producers, the known exporting producers in Thailand, the representatives of the country concerned, known importers and known users of the initiation of the proceeding. Interested parties were given the opportunity to make their views known in writing and to request a hearing within the time limit set out in the Notice of initiation. All interested parties who so requested and showed that there were particular reasons why they should be heard were granted a hearing.

Changes to legislation: *There are currently no known outstanding effects for the Commission Regulation (EU) No 118/2011. (See end of Document for details)*

(4) The Commission sent questionnaires to all parties known to be concerned and to all other parties that requested so within the deadlines set out in the Notice of initiation, namely the complainant, other known Union producers, the known exporting producer in Thailand, the representatives of the country concerned, known importers and known users. All parties who so requested within the time limit and indicated that there were particular reasons why they should be heard were granted a hearing.

(5) Replies to the questionnaires and other submissions were received from one exporting producer in Thailand, the complainant Union producer, five unrelated importers and traders (including one also producing in the Union) and one user.

(6) The Commission sought and verified all the information it deemed necessary for the purpose of a provisional determination of dumping, resulting injury and Union interest. Verification visits were carried out at the premises of the following companies:

(a) Union producer:
- Ring Alliance Ringbuchtechnik GmbH, Vienna, Austria

(b) exporting producer in Thailand:
- Thai Stationery Industry Co. Ltd., Bangkok, Thailand

(c) companies related to the exporting producer in Thailand:
- Wah Hing Stationery Manufactory Limited, Hong Kong

(d) importers in the Union:
- Giardini S.r.l., Settimo Milanese, Italy
- Rendol enterprises, Reilingen, Germany
- Industria Meccanica Lombarda srl, Offanengo, Italy (also producer in the Union)
- Winter Company Spain S.A., Spain

1.3. Investigation period and period considered

(7) The investigation of dumping and injury covered the period from 1 April 2009 to 31 March 2010 (the 'investigation period' or 'IP'). The examination of trends relevant for the assessment of injury covered the period from 1 January 2006 to the end of the IP (the injury investigation period).

2. PRODUCT CONCERNED AND LIKE PRODUCT

2.1. Product concerned

(8) The product concerned is ring binder mechanisms which consist of at least two steel sheets or wires with at least four half-rings made of steel wire fixed on them and which are kept together by a steel cover, they can be opened either by pulling the half rings or with a small steel trigger mechanism fixed to the ring binder mechanism, originating in Thailand ('the product concerned' or 'RBM') and currently falling within

CN code ex 8305 10 00. Lever-arch mechanisms, falling within the same CN code, are not included in the scope of this investigation.

(9) RBM are used to file different kinds of documents or papers. They are used, inter alia, by producers of ring binders, technical manuals, photo and stamp albums, catalogues and brochures.

(10) A large number of different models of RBM were sold during the IP in the European Union. The models varied by size, shape and number of rings, the size of the base plate and the system to open the rings (pull open or opening trigger). Given that all of them have the same physical and technical characteristics, and that the models of RBM can, within certain ranges, replace each other, the Commission established that all RBM constitute one single product for the purpose of the present proceeding.

2.2. **Like product**

(11) The product produced and sold on the domestic market of Thailand, as well as the product manufactured and sold in the Union by the Union producers were found to have the same basic physical and technical characteristics as well as the same basic uses. They are therefore provisionally considered as alike within the meaning of Article 1(4) of the basic Regulation.

3. **SAMPLING**

3.1. **Sampling of unrelated importers**

(12) In view of the apparent high number of unrelated importers, sampling was envisaged in the Notice of initiation in accordance with Article 17 of the basic Regulation. In order to enable the Commission to decide whether sampling would be necessary and if so, to select a sample, all known unrelated importers were asked to make themselves known to the Commission and to provide, as specified in the Notice of initiation, basic information on their activities related to the product concerned (as defined in Section 2.1 above) during the period from 1 April 2009 to 31 March 2010.

(13) After examination of the information submitted and given the low number of importers which indicated their willingness to co-operate, it was decided that sampling was not necessary.

4. **DUMPING**

(14) One company in Thailand replied to the questionnaire for exporting producers. A company involved in the sales of the product concerned and located in Hong Kong related to this exporting producer also replied to the questionnaire. On the basis of import data reported by Eurostat, the exporting producer (together with its related company) accounted for all Thai exports to the Union.

4.1. **Normal value**

(15) The investigation revealed that the exporting producer provided incomplete and incorrect information with regard to significant elements of its cost of production, such as the apparent nickel metal consumption and apparent consumption of other

raw materials. Furthermore, other data reported with regard to production costs and production capacities were inconsistent and could not be reconciled. Finally, the investigation revealed that there was a related company located in the People's Republic of China, which contrary to what was originally claimed by the exporting producer, was involved in the sales and administration of the product concerned. The reported costs did not include the relevant costs of this related company and were therefore considered incomplete.

(16) On the basis of the above, it was concluded that the cost data submitted were not a sufficiently accurate basis for the determination of normal value. It was therefore considered to base findings at least partially on facts available in accordance with Article 18 of the basic Regulation.

(17) The company was informed forthwith and was given the opportunity to provide further explanations, in accordance with Article 18(4) of the basic Regulation. However, the explanations given by the company were unsatisfactory since it did not clarify the inconsistencies found. The company could also not refute the evidence showing that they had submitted incomplete, incorrect and misleading information. Moreover, the company failed to submit essential information of the above mentioned related company established in the People's Republic of China involved in the production and sales of the product concerned.

(18) In view of the above, it was considered that the normal value for the exporting producer should provisionally be determined on the basis of facts available, in accordance with Article 18 of the basic Regulation.

(19) In the absence of any other more reliable information, the normal value was provisionally calculated on the basis of the information relating to the cost of manufacturing in Thailand as provided in the complaint. In accordance with Article 18(5) of the basic Regulation, this information was cross-checked with verified information obtained during the investigation, including that relating to costs of personnel and energy in Thailand. Where considered appropriate, the information provided in the complaint was corrected by the verified information obtained during the investigation.

(20) A reasonable amount for SG&A and profits, respectively 16 % and 8 % were added to the manufacturing cost as established above, on the basis of the information submitted in the complaint.

4.2. **Export price**

(21) The exporting producer made export sales to the Union through its related trading company located outside the Union.

(22) The export price was established on the basis of the prices of the product when sold by the related trading company to the Union, i.e. to an independent buyer, in accordance with Article 2(8) of the basic Regulation on the basis of prices actually paid or payable.

4.3. **Comparison**

(23) The comparison between normal value and export price was made on an ex-works basis.

(24) For the purpose of ensuring a fair comparison between the normal value and the export price, due allowance in the form of adjustments was made for differences affecting prices and price comparability in accordance with Article 2(10) of the basic Regulation. Adjustments for differences in transport and insurance costs and credit costs have been made where applicable and justified.

4.4. **Dumping margin**

(25) Pursuant to Article 2(11) and (12) of the basic Regulation, the dumping margin for the cooperating exporting producer was established on the basis of a comparison of a weighted average normal value by product type with a weighted average export price by product type as established above.

(26) On the basis of the above methodology the provisional dumping margins, expressed as a percentage of the CIF Union frontier price, duty unpaid, are as follows:

Exporting producer	**Dumping margin**
Thai Stationery Industry Co. Ltd., Bangkok, Thailand	17,2 %

(27) Since the cooperating exporting producer accounted for all Thai exports to the Union of the product concerned, it was considered that the residual dumping margin should be set at the level of dumping margin found for this cooperating exporting producer, i.e. 17,2 %.

5. **DEFINITION OF THE UNION INDUSTRY**

(28) During the investigation period RBM were manufactured in the EU by the following producers:

— Ring Alliance Ringbuchtechnik GmbH, Wien, Austria,

— Industria Meccanica Lombarda srl, Offanengo, Italy.

(29) The first producer is the applicant and cooperated in the investigation. The investigation has established that the applicant represented more than 50 % of the total Union production of RBM in the IP.

(30) The second (smaller) producer is also an importer of RBM from Thailand and opposed the proceedings. On the basis of the information provided by the company, it was found that during the overall period considered for the injury analysis the volume of its purchases of Thai products was on average comparable to the volume of its own production.