



Ottawa, Tuesday, March 4, 2003

Inquiry No. NQ-2002-003

IN THE MATTER OF an inquiry, under section 42 of the *Special Import Measures Act*,
respecting:

**XANTHATES OF ALL GRADES IN DRY OR LIQUID FORMS, EXCLUDING
CELLULOSE XANTHATES, ORIGINATING IN OR EXPORTED FROM THE
PEOPLE'S REPUBLIC OF CHINA**

FINDING

The Canadian International Trade Tribunal, under the provisions of section 42 of the *Special Import Measures Act*, has conducted an inquiry to determine whether the dumping in Canada of xanthates of all grades in dry or liquid forms, excluding cellulose xanthates, originating in or exported from the People's Republic of China, has caused injury or retardation or is threatening to cause injury to the domestic industry.

This inquiry is pursuant to the issuance by the Commissioner of the Canada Customs and Revenue Agency of a preliminary determination dated November 4, 2002, and of a final determination dated February 3, 2003, that the aforementioned goods have been dumped.

Pursuant to subsection 43(1) of the *Special Import Measures Act*, the Canadian International Trade Tribunal hereby determines that the dumping of the aforementioned goods has caused material injury to the domestic industry.

Pierre Gosselin

Pierre Gosselin
Presiding Member

Richard Lafontaine

Richard Lafontaine
Member

James A. Ogilvy

James A. Ogilvy
Member

Michel P. Granger

Michel P. Granger
Secretary

The statement of reasons will be issued within 15 days.

Place of Hearing: Ottawa, Ontario
Dates of Hearing: February 3 to 5, 2003
Date of Finding: March 4, 2003

Tribunal Members: Pierre Gosselin, Presiding Member
Richard Lafontaine, Member
James A. Ogilvy, Member

Director of Research: Réal Roy

Research Manager: John Gibberd

Research Officer: Josée St-Amand

Economist: Ihn Ho Uhm

Statisticians: Julie Charlebois
Rhonda Heintzman

Counsel for the Tribunal: John Dodsworth

Assistant Registrar: Gillian E. Burnett

Registrar Officer: Ingrid Sherling

Participants: Anthony T. Eyton
Mark N. Sills
Albert C. Gourley
Nicola M. Covelli
for Charles Tennant & Company (Canada) Limited

(Domestic Producer)

Jesse I. Goldman
Eli Fellman
for Aslchem International Inc.

Jesse I. Goldman
Eli Fellman
Peter Collins
for Qixia Tongda Flotation Reagent Co., Ltd.

Donald Goodwin
Carol McGlennon
James Hopkins
Evgeny Pavlenko
for Aotong International Pty Ltd.

Henry Salach
Inco Ltd.

Glen Seperich
Noranda Inc.

(Importers/Exporters/Others)



Ottawa, Wednesday, March 19, 2003

Inquiry No. NQ-2002-003

**XANTHATES OF ALL GRADES IN DRY OR LIQUID FORMS, EXCLUDING
CELLULOSE XANTHATES, ORIGINATING IN OR EXPORTED FROM THE
PEOPLE'S REPUBLIC OF CHINA**

DECISION

The Canadian International Trade Tribunal hereby finds that the dumping in Canada of the aforementioned goods originating in or exported from the People's Republic of China has caused material injury to the domestic industry.

Place of Hearing:	Ottawa, Ontario
Dates of Hearing:	February 3 to 5, 2003
Date of Finding:	March 4, 2003
Date of Reasons:	March 19, 2003
Tribunal Members:	Pierre Gosselin, Presiding Member Richard Lafontaine, Member James A. Ogilvy, Member
Director of Research:	Réal Roy
Research Manager:	John Gibberd
Research Officer:	Josée St-Amand
Economist:	Ihn Ho Uhm
Statisticians:	Julie Charlebois Rhonda Heintzman
Counsel for the Tribunal:	John Dodsworth
Assistant Registrar:	Gillian E. Burnett
Registrar Officer:	Ingrid Sherling
Participants:	Anthony T. Eyton Mark N. Sills Albert C. Gourley Nicola M. Covelli for Charles Tennant & Company (Canada) Limited (Domestic Producer) Jesse I. Goldman Eli Fellman for Aslchem International Inc.

Jesse I. Goldman
Eli Fellman
Peter Collins
for Qixia Tongda Flotation Reagent Co., Ltd.

Donald Goodwin
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James Hopkins
Evgeny Pavlenko
for Aotong International Pty Ltd.

Henry Salach
Inco Ltd.

Glen Seperich
Noranda Inc.

(Importers/Exporters/Others)

Witnesses:

Robert S. MacPhail
President - Chief Executive Officer
Charles Tennant & Company (Canada) Limited

Peter So
Technical Sales Manager
Charles Tennant & Company (Canada) Limited

Eric J. Weiss
Senior Vice President
Prospec Chemicals

Marcelo Ulloa
Controller
Charles Tennant & Company (Canada) Limited

Patrick Wong
Marketing Manager
Aslchem International Inc.

Roy Hynd
Product Manager
Quadra Chemicals Ltd.

Fred Donlen
Marketing Manager
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Ray Li
Managing Director
Aotong International Pty Ltd.

Glen Seperich
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Ottawa, Wednesday, March 19, 2003

Inquiry No. NQ-2002-003

IN THE MATTER OF an inquiry, under section 42 of the *Special Import Measures Act*,
respecting:

**XANTHATES OF ALL GRADES IN DRY OR LIQUID FORMS, EXCLUDING
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PEOPLE'S REPUBLIC OF CHINA**

TRIBUNAL: PIERRE GOSSELIN, Presiding Member
RICHARD LAFONTAINE, Member
JAMES A. OGILVY, Member

STATEMENT OF REASONS

BACKGROUND

The Canadian International Trade Tribunal (the Tribunal), under the provisions of section 42 of the *Special Import Measures Act*,¹ has conducted an inquiry to determine whether the dumping in Canada of xanthates of all grades in dry or liquid forms, excluding cellulose xanthates, originating in or exported from the People's Republic of China (China), has caused injury or retardation or is threatening to cause injury to the domestic industry.

On June 21, 2002, the Commissioner of the Canada Customs and Revenue Agency (the Commissioner), following a complaint filed by Charles Tennant & Company (Canada) Limited (Charles Tennant), initiated an investigation to determine whether imports of the subject goods were being dumped. On June 24, 2002, pursuant to subsection 34(2) of SIMA, the Tribunal issued a notice advising interested parties that it had initiated a preliminary injury inquiry to determine whether the evidence disclosed a reasonable indication that the dumping of the subject goods had caused material injury or retardation or was threatening to cause material injury to the domestic industry. On August 20, 2002, pursuant to subsection 37.1(1) of SIMA, the Tribunal determined that the evidence disclosed a reasonable indication that the dumping of the subject goods had caused injury to the domestic industry.

On August 28, 2002, the Commissioner gave notice, pursuant to paragraph 39(1)(a) of SIMA, that the period of time for making a preliminary determination of dumping had been extended from 90 to 135 days from the date of the initiation of the investigation.

On November 4, 2002, the Commissioner issued a preliminary determination of dumping with respect to the subject goods. The Commissioner was satisfied, as a result of this preliminary investigation, that these goods had been dumped, that the margins of dumping were not insignificant and that the volume of dumped goods was not negligible.²

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1. R.S.C. 1985, c. S-15 [hereinafter SIMA].
 2. Canada Customs and Revenue Agency, *Preliminary Determination of Dumping*, 4 November 2002, Tribunal Exhibit NQ-2002-003-01, Administrative Record, Vol. 1 at 17.

On November 5, 2002, the Tribunal issued a notice of commencement of inquiry.³ As part of the inquiry, the Tribunal sent questionnaires to the domestic producer, importers, purchasers and foreign producers. From the replies to the questionnaires and other sources, the Tribunal's research staff prepared public and protected pre-hearing staff reports.

On February 3, 2003, the Commissioner issued a final determination that the subject goods originating in or exported from China had been dumped and that the margins of dumping were not insignificant.⁴

Public and *in camera* hearings (collectively, the hearing) were held in Ottawa, Ontario, from February 3 to 5, 2003. Charles Tennant, Aslchem International Inc. (Aslchem), Qixia Tongda Flotation Reagent Co., Ltd. (Qixia Tongda) and Aotong International Pty Ltd. (Aotong) made submissions and were represented by counsel at the hearing. A witness employed with Quadra Chemicals Ltd. (Quadra) submitted a witness statement and testified at the hearing. In addition, a witness employed with Noranda Inc. (Noranda) appeared as a Tribunal witness during the hearing.

The record of this inquiry consists of all Tribunal exhibits, including the public and protected replies to questionnaires, requests for information and replies thereto, witness statements and all exhibits filed by the parties throughout the inquiry, as well as the transcript of the hearing. All public exhibits were made available to the parties. Protected exhibits were made available only to counsel who had filed a declaration and undertaking with the Tribunal in respect of confidential information.

The Tribunal issued its finding on March 4, 2003.

RESULTS OF THE COMMISSIONER'S INVESTIGATION

The Commissioner's dumping investigation covered imports of xanthates originating in or exported from China that were released into Canada during the period of investigation from January 1, 2001, to March 31, 2002.

In past investigations, the Canada Customs and Revenue Agency (CCRA) has considered China a non-market economy. Because of insufficient information in this investigation, the CCRA was unable to analyse the extent of the Government of China's control of the export trade or domestic pricing of xanthates in China and to determine that the xanthates industry in China was operating under market conditions. Consequently, the CCRA relied on the best information available to determine normal values.

The CCRA found that 100 percent of the volume of the subject goods imported during the period of investigation was dumped. The margins of dumping for Qixia Tongda, the only exporter to respond in detail to the CCRA's request for information, ranged from 2.5 to 49.5 percent, when expressed as a percentage of the export price, and the weighted average margin of dumping for all its goods was 29.2 percent, when expressed as a percentage of the export price. The weighted average margin of dumping for all other exporters was 49.5 percent, when expressed as a percentage of the export price. The weighted average margin of dumping for all the subject goods was 44.7 percent, when expressed as a percentage of the export price. The CCRA found this margin of dumping not to be insignificant pursuant to subsection 2(1) of SIMA.

3. C. Gaz. 2002.I.3435.

4. Canada Customs and Revenue Agency, *Final Determination of Dumping*, 3 February 2003, Tribunal Exhibit NQ-2002-003-04, Administrative Record, Vol. 1 at 62.10.

Finally, the investigation was conducted under the provisions of SIMA as it existed before amendments were made on September 30, 2002.⁵

PRODUCT

Product Definition and Description

The subject goods are defined as xanthates of all grades in dry or liquid forms, excluding cellulose xanthates, originating in or exported from China.

Xanthates are water-soluble chemicals that are used primarily in the mining industry. Other names for xanthates include xanthogenates, carbondithioates, dithiocarbonates and sodium or potassium salts of xanthanic (or dithiocarbonic) acids.

The subject goods include all grades of sodium or potassium salts of ethyl, butyl (isobutyl, normal butyl, secondary butyl), propyl (isopropyl, normal propyl) and amyl (isoamyl, normal amyl, secondary amyl) xanthates, in dry forms, such as powder, granules, pellets, tablets or flakes, or liquid forms, such as solution or slurry. Liquid xanthates are not currently imported into Canada, but are included in the product definition because dry and liquid xanthates can be used interchangeably.

The subject goods do not include cellulose xanthates, which are produced as intermediates in the production of viscose (rayon) and cellophane.

Production Process

Xanthates are produced through the reaction of sodium or potassium hydroxide with an alcohol and carbon disulphide. In most commercial processes around the world, this reaction takes place in a medium such as toluene. The end product of such a reaction is a wet mixture, which is then dried, normally in a vacuum dryer to allow the lowest temperature possible to be used. Xanthate decomposition increases with temperature and, thus, the lower the drying temperature, the higher the quality and yield of the xanthates. Charles Tennant uses a different process, proprietary to that company, to produce xanthates.

Product Uses

Xanthate is the common name for chemical reagents used in the flotation of base and precious metals. Flotation using such reagents is a method for separating valuable minerals, such as copper or zinc (referred to as "values"), from non-valuable minerals, such as limestone or quartz.

To extract values, conditioned ores are mixed in a solution of water and xanthate and then agitated in flotation cells, which resemble large washing machines. The xanthate may be added in liquid or solid form. The xanthate causes the conditioned minerals (values) to attach themselves to air bubbles and then float to the top of the flotation cell. As the values reach the surface, the bubbles form a froth that overflows into a trough for collection. The residual mixture of ore and water may be re-used for additional recovery or removed for disposal. Most of the xanthate is consumed in the process.

5. *An Act to amend certain Acts as a result of the accession of the People's Republic of China to the Agreement Establishing the World Trade Organization*, S.C. 2002, c. 19. Before September 30, 2002, the Commissioner had to form an opinion on export trade controls and domestic price controls. The new provisions provide specific non-market criteria for a prescribed class of country, and there is no provision to examine whether the government of the country has a monopoly or substantial monopoly of its export trade.

Polymetallic ores are typically cycled through the flotation process several times, using one or more different types of xanthate. Since each ore is unique, there is no standard flotation procedure and no standard grade or type of xanthate used to extract specific values. Each xanthate producer has its own grades for xanthate composition, including purity (which is stated as a minimum percentage up to 100 percent) and moisture.

Four types of xanthate (ethyl, butyl, propyl and amyl) are produced in various combinations with sodium and potassium, which are stabilizers in the chemical formula.

Mine operators may use different xanthates to extract the same value by adjusting the quantity of xanthate used. Long alcohol chains of xanthate, such as potassium amyl xanthate (PAX), are stronger than short chains, such as potassium ethyl xanthate (PEX). PAX is therefore used to produce high-grade concentrates or to promote the flotation of difficult-to-float minerals. Different mines might use different xanthates to extract the same value. Some mine operators prefer to receive xanthates in liquid form.

DOMESTIC PRODUCER

Charles Tennant is the only Canadian producer of xanthates. Its manufacturing division, Prospec Chemicals (Prospec), produces the goods in Fort Saskatchewan, Alberta.

Prospec, which has been the manufacturing division of Charles Tennant since 1984, is a producer of xanthates and specialty blend reagents for the mining industry. Charles Tennant, which was established in 1932, is wholly owned by Tennants Consolidated Ltd. of the United Kingdom.

IMPORTERS AND EXPORTERS

The CCRA identified three importers of the subject goods during its period of investigation.

The Tribunal sent questionnaires to all the companies reported by Statistics Canada to have imported xanthates from China during the period from 1999 to September 2002. The responses to the Tribunal's questionnaires indicated that Aslchem, Charles Tennant, Cominco Mining Partnership (Teck Cominco) and Sumitomo Canada Limited (Sumitomo) were the most significant importers of the subject goods from China. One or more of these companies accounted for over 90 percent of the xanthates imported from China in each of the years 1999 to 2001 and during the period from January to September 2002.

The CCRA identified four exporters and two vendors of the subject goods to Canada during the period of investigation.

The Tribunal sent questionnaires to 19 apparent foreign producers in China. Only Qixia Tongda, which had shipped the subject goods to Canada during the period of investigation, and Aotong, which had not, provided questionnaire responses.

MARKETING AND DISTRIBUTION

In Canada, xanthates are classified as dangerous goods and require special transportation and storage because, under normal use and shipment, xanthates can self-ignite. Dry xanthates are transported in drums or bulk bags in wooden boxes or cartons. Liquid xanthates are transported by truck in bulk or in tote tanks (specialized containers). Xanthates in liquid form were not imported into Canada from overseas during the Tribunal's period of inquiry.

Charles Tennant sells xanthates directly to Canadian mines through its distribution division or indirectly through other chemical distributors. Foreign producers, such as those in China, market xanthates either indirectly through distributors or directly to Canadian mining companies that use the products.

Distributors such as Quadra, Univar Canada Ltd. and Brenntag Canada Inc. facilitate the sale and the logistics of moving the goods between a producer or importer and mines. Distributors sell many different types of mining chemicals and provide warehousing and transportation services. Their services are aimed at lowering the total procurement costs of mines by providing, among other things, storage services and the ability to ship, together, a number of different chemicals to achieve transportation efficiencies.

Historically, each individual mine has established supply requirements and then the mining company has procured the supplies separately for that mine. Recently, mining companies have begun to buy supplies for groups of mines. With this combined purchasing power, the mining companies have adopted new purchasing tactics for products such as xanthates. One such example is a “reverse auction” conducted over the Internet that was used for the first time in the Canadian marketplace in 2001 to obtain xanthate supplies for mine end users. In a reverse auction, potential purchasers do not place bids; instead, potential suppliers place bids, or offers, that decrease rather than increase through the course of the auction.

In this Internet auction, Noranda combined the annual xanthate requirements of three of its mines with those of one mine of Falconbridge Ltd.⁶ Participation in the auction was by invitation. The company precleared the potential suppliers invited to participate in the auction. Those chosen to participate accepted the terms and conditions of the auction and had to satisfy Noranda that they were able to supply the quantity, types and quality of xanthate required.

Because the activity level of xanthates varies from one producer to the next, bidders were requested to submit their bids on the basis of 100 percent active xanthate to ensure that price offers would be comparable. Bids in the auction covered the total value of all products and, shortly after the auction was over, bidders were required to submit information concerning individual products and locations. There was to be no further negotiation of bid prices after the auction. However, post-auction activities included the negotiation of additional charges, such as stevedoring and the testing of products. Arriving at an agreement depended on these post-auction activities. For the auction, Noranda reserved the right to reject any or all bids, or to accept any response or combination of responses, and bidders were bound by their bids.

The auction occurred on July 19, 2001. It was conducted using Quadrem,⁷ a business-to-business Internet portal serving the global mining, mineral and metals industries. Subsequent to the auction, Charles Tennant was chosen as the preferred vendor. The testing of the activity levels of its products resulted in some adjustments to prices.

POSITIONS OF PARTIES

Party in Favour of an Injury Finding

Charles Tennant submitted that the dumping of xanthates from China has caused or is threatening to cause material injury to the domestic industry.

6. Noranda owns 52 percent of Falconbridge Ltd. See Tribunal Exhibit NQ-2002-003-15.08, Administrative Record, Vol. 5 at 92.

7. Noranda is one of the shareholders of Quadrem. See *Transcript of Public Hearing*, Vol. 2, 4 February 2003 at 316-17.

Charles Tennant argued that the volume of dumped subject goods increased dramatically over the period of inquiry, in both absolute and relative terms. It referred to xanthates as a commodity product and argued that purchasing decisions are made on the basis of price. Charles Tennant argued that Chinese producers have adopted a very aggressive pricing strategy in order to increase their share in the Canadian market and that, given the magnitude of the margins of dumping, Chinese producers have substantial potential to undercut its prices.

Charles Tennant submitted that the dumping of the subject goods caused it material injury in the form of price depression and suppression; lost revenues and sales; the elimination of profits; decreased employment, output and capacity utilization; delay in investments; and a decline in research and development. In addition, Charles Tennant argued that it had suffered lower productivity and returns on investment and that it has found it more difficult to raise capital and wages.

Charles Tennant acknowledged that the vast majority of the subject goods imported into Canada in 2002 were re-exported. However, it argued that the impact of the dumped imports that were re-exported to Alaska to service the Red Dog Mine should be considered in the Tribunal's injury analysis. In support of this proposition, it referred to the fact that the goods cleared customs in Canada and passed through the hands of a Canadian importer and distributor before re-export. Moreover, Charles Tennant argued that it had lost sales to these re-exported subject goods and that these sales represented a significant share of its total production revenues.

Charles Tennant referred to specific instances in which direct competition from the subject goods caused it to lose sales or to reduce its price significantly in order to retain existing accounts. In particular, it referred to the effect that the participation of Chinese producers of low-priced xanthates, in the Quadrem reverse auction that occurred in July 2001, had on its prices. Although it won this auction, Charles Tennant argued that, in order to do so, it had to reduce its prices to a point that was below production cost.

Charles Tennant submitted that the presence of the dumped subject goods has resulted in a decrease in prices in the Canadian market of between 30 and 35 percent. It argued that the reduction in its revenues that has resulted from the subject goods has forced it to take steps to reduce costs, including laying off employees. Charles Tennant argued that its deteriorating financial performance during the period of investigation was exacerbated by restructuring costs, including severance pay. Further, it was forced to delay the installation of a replacement reactor due to the low prices of imported Chinese xanthates.

With respect to causation, Charles Tennant argued that the impact of imports of the subject goods on its declining revenues has been significant and is far more significant than can be explained by declines in demand for like goods in the Canadian and world markets. It referred to the evidence of the witness for Noranda, who indicated a willingness to purchase xanthates from Chinese suppliers if their price had been lower than that of Charles Tennant. Further, it argued that the dumped imports do not have to be the "only" cause of material injury. Charles Tennant argued that the Tribunal must find that dumping has caused material injury if it accepts that the injury caused by the dumping is at least one of the causes of Charles Tennant's poor performance.

Regarding threat of injury, Charles Tennant referred to the dramatic rate of increase of imports of the subject goods over the period of inquiry, suggesting that this trend would continue. These increasing volumes of imports of the subject goods, together with falling Chinese prices, will likely result in further price undercutting, depression and suppression in Canada and Charles Tennant's further loss of significant volumes of sales for domestic consumption.

Charles Tennant argued that the production capacity of Chinese producers of xanthates is well in excess of global demand. This excess capacity, combined with the relative proximity of Canada and the slump in global mining activity, provides Chinese producers with an incentive to continue dumping in Canada and to lower prices aggressively in order to win customers. Further, the surplus of low-priced, Chinese xanthates threatens Charles Tennant's ability to retain accounts as existing contracts come due for renewal, as well as its ability to win new accounts.

Parties Opposed to an Injury Finding

The parties opposed included Aslchem, a Canadian importer of xanthates produced in China. Also opposed were Qixia Tongda and Aotong, Chinese producers and exporters of xanthates. An individual employed with Quadra testified at the hearing, in support of Qixia Tongda and Aslchem.

The parties opposed argued that the subject goods have not caused material injury to the domestic industry, nor do they threaten to cause material injury. They argued that the evidence shows that any injury suffered by Charles Tennant has been caused by factors other than dumping.

The parties opposed referred to the fact that sales of the subject goods represented only 3.6 percent of the apparent market in 2001 and 2.2 percent in the first three quarters of 2002. As such, they argued that there is very little evidence of actual pricing of the subject goods in Canada. Price bids made by offshore suppliers for putative xanthates business do not constitute price competition with like goods. Rather, the Tribunal should consider specific instances of competition. The parties opposed argued that, where sales were in fact lost to the subject goods, the evidence indicates that price was not the determining factor. In addition, there is no evidence that the lost sales had any impact on the wider Canadian market.

The parties opposed argued that, notwithstanding the price competition that occurred during the Quadrem reverse auction, the choice of the successful bidder was influenced by factors other than price. In this regard, they argued that there is no evidence that Chinese participants would have won the contract even if they had been the lowest-priced bidders. They submitted that, to the extent that the reverse auction caused Charles Tennant to lower its prices, this cannot be attributed to dumping.

With respect to the lost sale to the Red Dog Mine, the parties opposed argued that, since this mine is located in Alaska, the lost sale must be considered as having an impact on export performance, not domestic production for domestic consumption. They argued that the Tribunal cannot find injury based on lost export sales.

The parties opposed argued that factors other than dumping have caused injury to Charles Tennant. While accepting that there is no uniform world xanthate price, they argued that Charles Tennant has felt the effect of efforts by global mining conglomerates to impose uniformity on supply costs. In this respect, it was argued that the Quadrem reverse auction permitted Canadian purchasers to access "world pricing" of xanthates.

The parties opposed referred to factors unrelated to the dumping of the subject goods that have caused injury to Charles Tennant, such as Charles Tennant's overcapacity, high production costs and factory shutdowns, and the decrease in the demand for xanthates in Canada.

The parties opposed added, with respect to threat of injury, that the ability of Chinese producers to enter the Canadian market is very limited, given that the logistics and service required to support the sale of xanthates renders unrealistic the prospect of any sudden increase in imports from China.

ANALYSIS

In this inquiry, the Tribunal is required to determine whether the dumping of the subject goods has caused or is threatening to cause material injury to the domestic industry. “Domestic industry” is defined in subsection 2(1) of SIMA, in part, as “the domestic producers as a whole of the like goods or those domestic producers whose collective production of the like goods constitutes a major proportion of the total domestic production of the like goods”.

The Tribunal must therefore determine what are the like goods and then what constitutes the domestic industry for the purposes of its injury analysis. It will proceed to determine what are the effects of the dumping of the subject goods on the domestic industry and whether those effects amount to material injury or threat of material injury. In its injury analysis, the Tribunal will examine factors prescribed in subsection 37.1(3) of the *Special Import Measures Regulations*⁸ to ensure that it does not attribute to the dumping any injury caused by unrelated factors.

Like Goods

Subsection 2(1) of SIMA defines “like goods”, in relation to any other goods, as:

- (a) goods that are identical in all respects to the other goods, or
- (b) in the absence of any goods described in paragraph (a), goods the uses and other characteristics of which closely resemble those of the other goods.

In considering the issue of like goods, the Tribunal typically looks at a number of factors, including the physical characteristics of the goods (such as appearance), their method of manufacture, their market characteristics (such as substitutability, pricing and distribution) and whether the goods fulfil the same customer needs.

Domestically produced xanthates of all grades in dry or liquid forms, excluding cellulose xanthates, are not identical in all respects to the subject goods. The subject goods include all grades of sodium or potassium salts of ethyl, butyl, propyl and amyl xanthates, in dry or liquid forms. The evidence indicates that liquid xanthates were not imported from China into Canada during the period of inquiry, given the high cost of transporting the liquid variety. Further, xanthates produced by different producers are of varying purity and moisture levels.

However, the Tribunal is of the view that domestically produced xanthates closely resemble the subject goods. They are all chemical reagents used in the flotation of base and precious metals, which is a method of separating valuable minerals from other minerals. The evidence indicates that all xanthates are produced using similar production processes, have the same end use and can be used interchangeably. Further, domestically produced xanthates compete directly with the subject goods.

Therefore, the Tribunal concludes that, for the purposes of this inquiry, domestically produced xanthates of all grades in dry or liquid forms, excluding cellulose xanthates, are like goods to the subject goods.

Domestic Industry

The evidence indicates that Charles Tennant, which produces xanthates at its manufacturing division, Prospec, in Fort Saskatchewan, Alberta, is the sole domestic producer of the like goods. Therefore,

8. S.O.R./84-927.

in accordance with subsection 2(1) of SIMA, the Tribunal finds that Charles Tennant constitutes the domestic industry for the purposes of this inquiry.⁹

State of the Market and Industry

The Tribunal reviewed developments in the Canadian market for xanthates over the period from 1999 to September 2002 before assessing the effects of dumping on the domestic industry. The following table presents select performance indicators for the Canadian market for xanthates.

Summary of Key Economic Indicators					
Xanthates					
	1999	2000	2001	January to September	
				2001	2002
Domestic Production (index¹)	100.0	105.3	80.0	100.0	114.1
Apparent Imports (index)	100.0	108.1	77.9	100.0	136.4
Subject Country—China (kg)	617,620	774,130	429,690	428,690	1,283,800
Non-Subject Countries (index)	100.0	93.6	84.9	100.0	3.3
Apparent Domestic Market (kg)	4,641,825	4,283,182	3,915,781	2,935,129	2,607,147
Market Share					
Charles Tennant (index ²)	100.0	97.2	105.9	100.0	125.5
Subject Country—China (%)	8	10	4	5	2
Average Market Prices					
Charles Tennant (index)	100.0	101.0	100.0	100.0	88.5
Subject Country—China (\$/kg)	2.22	1.91	1.91	1.91	1.66
Financial (domestic sales—% of net sales)					
Gross Margin (index)	100.0	97.1	13.9	100.0	383.9
Operating Income ³ (index)	100.0	59.8	-132.6	100.0	28.8
Employment (direct)					
Employees (index)	100.0	100.0	57.9	100.0	92.3
Person-hours Worked (index)	100.0	103.1	86.7	100.0	92.9
Production Capacity					
Practical Capacity (index)	100.0	95.5	114.7	100.0	122.2
Utilization Rate (index)	100.0	112.4	73.1	100.0	95.1
Notes:	1. 1999=100; interim 2001=100.				
	2. For sales from domestic production.				
	3. Operating income is equal to the gross margin less general, selling and administrative expenses, and financial expenses.				
Source:	<i>Pre-hearing Staff Report</i> , Tribunal Exhibit NQ-2002-003-06A, Administrative Record, Vol. 1.1 at 107; <i>Protected Pre-hearing Staff Report</i> , Tribunal Exhibit NQ-2002-003-07 (protected), Administrative Record, Vol. 2.1 at 18, 24, 33, 38, 44, 47; <i>Protected Pre-hearing Staff Report</i> , Tribunal Exhibit NQ-2002-003-07A (protected), Administrative Record, Vol. 2.1 at 99.				

9. The evidence indicates that Reliable Industrial Supply Ltd. (Reliable), located in Lively, Ontario, distributes liquid xanthates to some domestic mines. The evidence also indicates that Reliable simply adds dry xanthates, currently supplied by Charles Tennant, to water to produce a solution. The Tribunal notes that no party argued that Reliable should be considered part of the domestic industry. See Reliable's response to the Producers' Questionnaire, Tribunal Exhibit NQ-2002-003-09.02A, Administrative Record, Vol. 3 at 94; *Transcript of Public Hearing*, Vol. 1, 3 February 2003 at 68.

The volume of xanthates produced by Charles Tennant declined by 20.0 percent from 1999 to 2001, largely as a result of a decrease in export sales.¹⁰ In the first nine months of 2002, production recovered and grew by 14.1 percent compared to the equivalent period in 2001.

The volume of total apparent imports declined in the first three years of the Tribunal's period of inquiry, by 22.1 percent from 1999 to 2001. This decrease in total volume occurred as the volume of subject imports from China declined by 30.4 percent and the volume of non-subject imports from Mexico, the only other source of imported xanthates during the Tribunal's period of inquiry, declined by 15.1 percent. The faster rate of decline in the volume of subject goods meant that the Chinese share of total imports decreased by 5 percentage points.¹¹ There was, however, a dramatic reversal of the downward trend in the volume of total imports in the first nine months of 2002, with total imports growing by 36.4 percent over the comparable period of 2001. An examination of imports by source reveals two quite different trends. Imports from China grew by 199.5 percent in the most recent period, while imports from Mexico almost disappeared. This divergence in trends resulted in the subject imports accounting for an overwhelming majority of the total volume of imports during the period from January to September 2002.¹² As a result of its recent growth, the volume of subject imports in the first nine months of 2002 was more than double the volume for 1999. However, the Tribunal notes that a large percentage of imports from China was re-exported during the period of inquiry.¹³ This was especially true in the first nine months of 2002 when almost all these imports were re-exported.

Between 1999 and 2001, the apparent annual domestic market for xanthates declined from 4.6 million kilograms to 3.9 million kilograms. This represents a decrease of 15.6 percent. In a declining market, Charles Tennant improved its share of the market by almost 6 percent, while the share of the market accounted for by imports from China declined from 8 percent to 4 percent. Compared to the same period in 2001, the market registered a further decline of 11.2 percent in the first nine months of 2002. During the latter period, Charles Tennant increased its share of the market by 25.5 percent, while the share of imports from China declined from 5 percent to 2 percent. It is noted that a significant factor in the reduction in sales volume of imports from China in 2001 and 2002 was the closure of two mines.¹⁴ Over the entire period, sales of imports from Mexico displayed a similar declining trend.¹⁵ This decline in sales reduced imports from Mexico to a small presence in the domestic market at the end of the period of inquiry.¹⁶ Overall, the market shrank, as some mines cut back on their consumption of xanthates and a number of mines closed their operations.

10. *Protected Pre-hearing Staff Report*, Tribunal Exhibit NQ-2002-003-07 (protected), Administrative Record, Vol. 2.1 at 30.

11. *Protected Pre-hearing Staff Report*, Tribunal Exhibit NQ-2002-003-07A (protected), Administrative Record, Vol. 2.1 at 99.

12. *Ibid.*

13. *Pre-hearing Staff Report*, Tribunal Exhibit NQ-2002-003-06, Administrative Record, Vol. 1.1 at 24; *Pre-hearing Staff Report*, Tribunal Exhibit NQ-2002-003-06A, Administrative Record, Vol. 1.1 at 99; Tribunal Exhibit NQ-2002-003-16.12C (protected), Administrative Record, Vol. 6 at 197.69-197.70, 197.94; Tribunal Exhibit NQ-2002-003-E-04 (protected), Administrative Record, Vol. 14 at 1-5; Tribunal Exhibit NQ-2002-003-24.01B, Administrative Record, Vol. 5.3 at 40-41; Tribunal Exhibit NQ-2002-003-25.01B (protected), Administrative Record, Vol. 6.3 at 12-14; Tribunal Exhibit NQ-2002-003-25.01C (protected), Administrative Record, Vol. 6.3 at 18-20.

14. Tribunal Exhibit NQ-2002-003-15.09, Administrative Record, Vol. 5 at 178; Tribunal Exhibit NQ-2002-003-15.10, Administrative Record, Vol. 5 at 187.

15. *Supra* note 10 at 24; *Supra* note 11 at 99.

16. *Supra* note 10 at 25.

Charles Tennant's average sales prices from domestic production showed little change from 1999 to 2001, but fell by 11.5 percent in the period from January to September 2002 compared to the same period in 2001. The domestic sales price of imports from China was always less than Charles Tennant's domestic sales price, except in 1999.¹⁷ The sales price of imports from China declined by 14.0 percent from 1999 to 2000 (from \$2.22/kg to \$1.91/kg), remained stable in 2001 and fell by a further 13.1 percent in the first nine months of 2002 compared to the same nine months in 2001 (from \$1.91/kg to \$1.66/kg). The sales price of imports from Mexico was always greater than Charles Tennant's domestic sales price over the period of inquiry.¹⁸

In 1999, Charles Tennant's financial performance was quite healthy, with its gross margin and operating income expressed as a percentage of net sales being at their highest levels over the period of inquiry.¹⁹ The company continued to be healthy in 2000, although there was some decline in its financial performance, as operating income declined as a percentage of net sales. The financial picture deteriorated in 2001, as unit costs increased significantly and operating income turned to a net loss. Cost pressures abated considerably in the first nine months of 2002, but there was a large decrease in average net sales revenue per kilogram and the company's financial performance remained weak.

Turning to other performance indices, Charles Tennant's level of total employment was cut almost in half over the period of inquiry. As well, even taking into account the increases in installed capacity in 2001 and 2002, there was a significant decline in the company's utilization of production capacity for xanthates.²⁰

In summary, the evidence shows that, although it managed to increase its share of the market for xanthates, Charles Tennant suffered a significant deterioration in performance during the period of inquiry. This has taken the form of reduced sales volumes, declines in production, price erosion, weakened financial performance, reduced employment and reduced capacity utilization.

The Tribunal must now determine whether the dumping was a cause of the deterioration in the company's performance and, if so, whether the effects of the dumping, in and of themselves, constitute material injury to a domestic industry in the context of SIMA.

Effects of Dumping

Before examining the events that occurred in 2001, it is helpful to briefly review some factors concerning the market for xanthates and conditions in the global mining industry. Xanthates are not a true commodity whose purchase is solely driven by price, given that they are considered to be a quasi-specialty chemical.²¹ A mine has to test xanthates from a new supplier before approving the products for purchase to ensure that the xanthates meet the specific technical requirements of the mine.²² Also, while there are no international standards to which xanthates can be certified, it is important that the physical and chemical properties of xanthates be consistent over time.²³

17. *Ibid.* at 33.

18. *Ibid.*

19. *Ibid.* at 38.

20. *Ibid.* at 47.

21. *Transcript of Public Hearing*, Vol. 2, 4 February 2003 at 183-84, 326-27.

22. *Ibid.* at 185-86, 243, 297; *Transcript of In Camera Hearing*, Vol. 2, 4 February 2003 at 186-87.

23. *Supra* note 21 at 326-27.

Although xanthates are not a pure commodity, they are still very price sensitive. Purchasers of xanthates responding to a Tribunal questionnaire indicated that quality and, closely behind, price were the two most important factors affecting choice of suppliers.²⁴ This price sensitivity means that suppliers must react to price offers in the market and that relatively small volumes of xanthates can affect market price stability.²⁵ As an example, a witness for Charles Tennant suggested that an offer for an amount as small as 60 tonnes could become the market price if it became known.²⁶

Current conditions in the mining industry combined with the price sensitivity of xanthates placed added pressure on xanthate suppliers. The Tribunal heard testimony that global copper and zinc prices have been depressed for a number of years.²⁷ Witnesses indicated that this, in turn, has led mines to be more cost conscious and to look to suppliers to help them reduce the costs of their inputs.²⁸ The availability of imported xanthates from China at low prices, if the xanthates meet with technical approval, provides mines with another choice in their quest to lower input costs.

In 2001, Charles Tennant's situation changed dramatically, as offers of low-priced Chinese product became more common in the market and it had to reduce its own xanthate prices.²⁹ Charles Tennant submitted four allegations of injury caused by dumping for the first half of 2001.³⁰ Three of the allegations were for transactions in April 2001. In one case, the volume was greater than 60 tonnes. The fourth allegation was for a lost sale that occurred in June 2001 and was for less than 60 tonnes. There was no evidence placed on the record or testimony provided in the hearing that refuted these allegations. The Tribunal has considered these allegations and is convinced that they are well founded. The total dollar value of the allegations is not, in and of itself, sufficient to cause material injury and must be considered along with the effects of the Chinese bids in the Quadrem reverse Internet auction.

In early 2001, Noranda decided to use the Quadrem Internet portal to conduct a reverse auction³¹ for 1,200 tonnes of xanthates required for the three mines that it owned (the Brunswick Mine, supplied by imports from Mexico, and the Horne Mine and the Matagami Mine, supplied by Charles Tennant) and one mine owned by its affiliate Falconbridge Ltd. (the Raglan Mine, supplied by Charles Tennant).³² The auction was subject to the following rules: (1) suppliers were pre-qualified for their capability to produce and deliver the volume and quality of xanthates required by the mines;³³ (2) bids, which were made on the basis of 100 percent active xanthate content,³⁴ were binding on participants, but not on the purchaser, and were considered firm offers, i.e. there was to be no further negotiation of prices after the auction;³⁵ (3) once the auction was completed, participants had to supply documents that showed, among other things, pricing by location and product;³⁶ and (4) the conclusion of a contract depended on post-auction events.³⁷ The latter

24. *Pre-hearing Staff Report*, Tribunal Exhibit NQ-2002-003-06, Administrative Record, Vol. 1.1 at 56.

25. *Transcript of Public Hearing*, Vol. 1, 3 February 2003 at 63-66, 82-84.

26. *Ibid.* at 82-84.

27. *Ibid.* at 52-54; *Supra* note 21 at 316.

28. *Supra* note 25 at 52-53; *Supra* note 21 at 282-83, 316.

29. *Supra* note 25 at 86-88.

30. *Supra* note 11 at 106.

31. In a reverse auction, prices are bid down until a winning bid is accepted.

32. Tribunal Exhibit NQ-2002-003-15.08A, Administrative Record, Vol. 5 at 172-74; *Supra* note 25 at 51; *Supra* note 21 at 332-33, 343-44.

33. *Transcript of Public Hearing*, Vol. 2, 4 February 2003 at 318-19, 321-23, 335; Tribunal Exhibit NQ-2002-003-16.08I (protected), Administrative Record, Vol. 6 at 113.12-113.33.

34. *Supra* note 21 at 319-20.

35. *Supra* note 25 at 153-54; *Transcript of Public Hearing*, Vol. 2, 4 February 2003 at 321, 338-39.

36. *Supra* note 25 at 154-55.

37. *Supra* note 21 at 325.

events included coming to an agreement on additional freight charges, such as stevedoring, and the testing of suppliers' xanthates to ensure that their performance was the same as that stipulated in product specification sheets.³⁸

The Quadrem auction was held on July 19, 2001, and involved nine pre-qualified suppliers.³⁹ The auction produced two co-equal low bids of US\$1.4 million made by Chinese suppliers.⁴⁰ These bids represented a 35 percent reduction from the starting point of the auction, which had been set just below the price structure of the existing contracts.⁴¹ The Tribunal notes that the auction, which involved several potential Chinese suppliers, took place during the period of investigation, during which 100 percent of the subject goods imported from China were found to be dumped by a significant margin.

Noranda's evaluation of the bids showed that Charles Tennant's last bid and the two low Chinese bids were more or less equal when stevedoring costs, which applied only to the Chinese bids, were included.⁴² Noranda notified Charles Tennant that it was considered the preferred vendor and undertook laboratory and full-scale plant testing of its products. A difference then arose between the parties on the measurement of the active xanthate content.⁴³ Negotiations on this issue were not concluded until January 2002 and resulted in a significant downward adjustment in Charles Tennant's bid.⁴⁴ Consequently, Charles Tennant had to issue substantial credits at the beginning of 2002 for the shipments that had been made to the four mines from September to December 2001.⁴⁵

Charles Tennant claimed that the low bids made by the Chinese suppliers in the Quadrem auction caused significant price erosion. A witness for Charles Tennant indicated that the auction was an all-or-nothing proposition. He indicated that, although the company stood to gain volume from the Brunswick Mine if it won the auction, the company was extremely concerned about the loss of the existing volumes that it supplied to the other three mines if it did not win the auction.⁴⁶

Considering the volumes involved with the three existing accounts, the Tribunal is of the view that the loss of volume from sales to the three mines would have called into question the continued viability of Charles Tennant's manufacturing operations. It notes that the loss of volume from the three accounts would have driven up Charles Tennant's per unit fixed costs and placed pressure on the company to make further layoffs in an already substantially reduced workforce.⁴⁷

The Tribunal compared the average transaction prices for sales under the Quadrem contract and notes that they were below Charles Tennant's average cost of goods manufactured in both 2001 and 2002.⁴⁸ It also considered the argument put forward by parties opposing a finding that the lowest bidder would not necessarily have won the contract. The Tribunal heard testimony from a witness for Noranda that the two

38. *Ibid.* at 322-23, 325-26.

39. *Ibid.* at 321.

40. *Ibid.* at 297, 304, 336-37, 340.

41. *Ibid.* at 339, 346.

42. *Ibid.* at 336-37.

43. *Supra* note 25 at 122; *Transcript of In Camera Hearing*, Vol. 1, 3 February 2003 at 13, 72-73; *Transcript of In Camera Hearing*, Vol. 2, 4 February 2003 at 177, 184.

44. *Supra* note 25 at 121-22; *Transcript of In Camera Hearing*, Vol. 1, 3 February 2003 at 13, 56-57, 71-73, 80; *Transcript of In Camera Hearing*, Vol. 2, 4 February 2003 at 177-78.

45. *Supra* note 25 at 87-88, 167.

46. *Ibid.* at 51; *Transcript of In Camera Hearing*, Vol. 1, 3 February 2003 at 13-14, 74, 80-81.

47. In 2001, Charles Tennant's total number of employees declined by 41 percent. See *supra* note 10 at 44.

48. Manufacturer's Exhibit A-01, para. 39d, Administrative Record, Vol. 11.

lowest Chinese bids and Charles Tennant's bid were generally equal once stevedoring costs were included.⁴⁹ This witness also indicated that, if an agreement could not have been concluded with Charles Tennant, the fallback position was to go to the next lowest bidder.⁵⁰ The Tribunal is convinced that, if Charles Tennant had not agreed to the pricing terms of the contract, Noranda would have turned to the Chinese suppliers.

In summary, in the latter half of 2001 and in early 2002, Charles Tennant faced a most difficult choice: refuse to go below a certain price level and jeopardize the survival of its manufacturing operation; or accept a price level that gave the company the contract for one year, albeit at an average price below the average cost of goods manufactured, and keep the plant running while the company searched for a solution to this predicament.

The Tribunal examined the impact that Quadrem prices had on Charles Tennant's revenues from domestic sales in 2001 and 2002. A comparison of the average net sales revenue per kilogram earned by the company in the last three months of 2001, the period in which the impact of the Quadrem auction on prices would be expected to first appear, to the corresponding figure for the first nine months of 2001 shows that the net sales revenue per kilogram declined by only 1.9 percent.⁵¹ Witnesses for Charles Tennant indicated, however, that most of the impact from the Quadrem auction was felt in 2002. They further explained that revenues in the latter part of 2001 show only a slight decline because negotiations were not completed until January 2002, at which time substantial credit notes applicable to 2001 were issued.⁵²

In the Tribunal's view, by far the more relevant comparison is that of net sales revenue per kilogram for the first nine months of 2002 with that for the same period in 2001. For this comparison, the Tribunal excluded the Brunswick account, as it was not held by Charles Tennant prior to the auction. The analysis shows that Charles Tennant's prices to the three accounts retained in the Quadrem auction declined by 26.3 percent for the one-year contract.⁵³ Overall, Charles Tennant's prices declined by approximately 6 percent in the first nine months of 2002 as compared to the first nine months of 2001, a significant decline, in the Tribunal's view.⁵⁴ Even adjusting for the fact that Charles Tennant issued some credit notes at the beginning of 2002 that properly belonged to 2001,⁵⁵ thereby reducing revenues and average selling prices in 2002, price declines in 2002 remained not insignificant and kept the company in a loss position.

With regard to the Brunswick account, the Tribunal is of the view that, although winning this account allowed Charles Tennant to improve its plant loading and reduce its per unit costs, this was done at such a low price that Charles Tennant lost money on this business.⁵⁶

The low-priced Chinese bids in the Quadrem auction had the effect of significantly eroding the prices for xanthates at the three mine accounts where Charles Tennant was the incumbent. Also, given that the auction was an all-or-nothing proposition, Charles Tennant was forced to bid very low prices for the Brunswick account, thus adding to its losses. Coupled with four uncontradicted allegations for the

49. *Supra* note 21 at 336-37.

50. *Ibid.* at 349.

51. *Supra* note 10 at 38.

52. *Supra* note 25 at 87-88, 167.

53. *Supra* note 11 at 106.

54. *Supra* note 10 at 38.

55. *Supra* note 25 at 87-88, 167.

56. *Supra* note 10 at 38, 39; *Supra* note 11 at 106.

pre-auction period, and one for the post-auction period,⁵⁷ the Tribunal comes to the conclusion that Charles Tennant suffered material injury from the dumping of the subject goods.

Other Factors

Parties opposed to an injury finding argued that any injury suffered by Charles Tennant was not due to dumped imports from China sold in Canada, but to factors such as lost export sales, adverse market conditions and bad business decisions that led to overcapacity, high production costs and factory shutdowns.

In 2001, Charles Tennant's export sales declined by 30.4 percent⁵⁸ and, at the beginning of 2002, Charles Tennant lost a substantial part of its export sales of xanthates to the Red Dog Mine in Alaska to Quadra.⁵⁹ These events resulted in an increased level of per unit fixed costs and reduced profitability.

The Tribunal heard evidence that xanthate prices around the world have been placed under increasing pressure in recent years. This has occurred because of a decline in the demand for xanthates and the existence of overcapacity in one of the largest exporting countries. In addition, world prices for copper and zinc have been depressed for a number of years.⁶⁰ This has led mining companies, which have become global in their operations, to seek lower input prices from suppliers on a global basis.⁶¹

With regard to certain business decisions that may have been harmful to Charles Tennant, the Tribunal notes that, in 2000, Charles Tennant ordered a new reactor to replace an old one that had been mothballed because of safety concerns.⁶² This new reactor, which increased xanthate production capacity, was installed in 2001,⁶³ the same year in which export sales declined by 30.4 percent and domestic sales were flat.⁶⁴ The obvious result was a reduction in capacity utilization,⁶⁵ leaving the fixed costs of the new investment to be spread across fewer units of production.

The Tribunal further notes that part of the deterioration in Charles Tennant's financial performance in 2001 was due to a sharp increase in the unit cost of goods sold.⁶⁶ This increase in costs was due to, among other things, the increase in unit fixed costs, increased depreciation costs associated with the new reactor and other factors explained by a witness for Charles Tennant.⁶⁷ The Tribunal finds that the increase in the cost of goods sold was not due to the dumped imports. Furthermore, it is of the view that the decisions to shut down the manufacturing operation on several occasions in 2001 were not linked to the dumped imports.

However, after assessing the impact that all the above factors had on the performance of Charles Tennant's domestic operations, the Tribunal finds that, while these factors may have caused injury to Charles Tennant, the significant price erosion suffered by Charles Tennant was not attributable to these factors, but was caused by dumped imports.

57. *Supra* note 11 at 106; *Transcript of In Camera Hearing*, Vol. 1, 3 February 2003 at 19-24, 83.

58. *Supra* note 10 at 30.

59. *Supra* note 25 at 24-25; *Transcript of In Camera Hearing*, Vol. 1, 3 February 2003 at 1-3.

60. *Supra* note 25 at 52-54; *Supra* note 21 at 316.

61. *Supra* note 25 at 13, 46-49, 52-54, 93; *Supra* note 21 at 282-84, 316-17, 330.

62. *Supra* note 25 at 112-13.

63. *Ibid.* at 112. *Supra* note 10 at 47; Manufacturer's Exhibit A-07, para. 20, Administrative Record, Vol. 11.

64. *Supra* note 10 at 24, 30.

65. *Ibid.* at 47.

66. *Supra* note 10 at 38.

67. *Transcript of In Camera Hearing*, Vol. 1, 3 February 2003 at 37-39.

CONCLUSION

For the foregoing reasons, the Tribunal hereby finds that the dumping of xanthates originating in or exported from China has caused material injury to the domestic industry.

Pierre Gosselin
Pierre Gosselin
Presiding Member

Richard Lafontaine
Richard Lafontaine
Member

James A. Ogilvy
James A. Ogilvy
Member