

## **CANADA BORDER SERVICES AGENCY**

*The Dumping of Polyethylene Terephthalate Resin  
Originating in or Exported from China, India, Oman,  
Pakistan and Turkey and the Subsidization of  
Polyethylene Terephthalate Resin Originating in or  
Exported from China, India, Oman and Pakistan*

### **Public Statement of Evidence of Adam Davis (Davis PRM)**

June 29, 2017

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*The Dumping of Polyethylene Terephthalate Resin  
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**Public**  
**Statement of Evidence of**  
**Adam Davis (Davis PRM)**

**I. Introduction**

1. My name is Adam Davis. I am President at DavisPET Resin USA, Inc. (“**Davis PRM**”). I have been in this role since June 2014. It is my responsibility to provide (under contract to Davis PET Resin Management Inc.) the following sales and marketing services for Selenis Canada:
  - (i) Providing sales budgeting and forecasting for managed accounts;
  - (ii) Managing existing customers and developing new accounts;
  - (iii) Developing sales strategies and plans in designated Territory;
  - (iv) Maintaining needed relationships with customers;
  - (v) Providing market feedback to Selenis Canada’s sales team;
  - (vi) Travelling to and meeting with customers on a regular basis; and
  - (vii) Attending Selenis Canada’s sales meetings as required.
2. DavisPET Resin USA, Inc. (A Maryland Corporation) acts under contract to Davis PET Resin Management Inc. (incorporated in the province of Ontario) and has been doing so since its formation in June 2014. Davis PET Resin Management Inc. is the exclusive sales agent for Selenis Canada and has been under contract with Selenis Canada since Selenis Canada’s commercialization in 2011.

## **II. PET resin market in Canada**

3. Selenis Canada is the only Canadian producer of PET resin meeting the product definition in the complaint.
4. Sales of PET resin in Canada are made either on a spot or a contract basis. Contracts are short term and are typically a year or less in duration. Pricing, whether for imported or domestically produced PET resin, is quoted in United States dollars, usually on a cents per pound (“cpp”) basis.
5. In addition to conditions of supply and demand and other competitive pressures, pricing for PET resin in Canada is based on raw material (i.e. PTA and MEG) index pricing established and published by global consultants such as IHS. Contracts are often tied to these indices and specify a positive or negative margin to raw materials. For example, Selenis Canada may agree to a contract of “raws + 2 cpp”. In this contract, Selenis would be agreeing to sell at the published index price for PTA and MEG plus a 2 cpp margin. In some cases, particularly where offshore imports are depressing pricing in the market, Selenis Canada may be forced to sell at a negative margin to the published raw materials price.
6. Raw materials pricing in Selenis Canada’s contracts is determined according to the following formula:  
$$\text{Raws} = (\text{PTA} \times 0.855) + (\text{MEG} \times 0.355)$$
7. This formula is based on the necessary rate of consumption of these raw materials to produce one unit of PET resin.
8. Selenis Canada usually sells PET resin via rail cars or into a customer’s silo using a bulk/tanker truck. Rail cars can hold 195,000 to 220,000 lbs of PET resin. Trucks hold roughly 45,000 lbs. to 79,000 lbs. of PET resin. If the customer does not have a silo, Selenis Canada will sell PET resin in bags, also known as “super sacks”, which hold roughly 2,400 lbs. If a customer has a silo, there is an extra cost to receiving material in bags, as the bags

require extra floor space for storage and handling. If a customer has a bag handling system, these costs are reduced.

9. Offshore imports of PET resin to Canada are mostly sold in bags, although some shipments arrive in sea bulk containers. These containers carry roughly 50,000 lbs of PET resin.

### **III. Customers**

10. Most customers of PET resin in Canada are in the bottling and container markets. While a low Intrinsic Viscosity ("IV") version of PET can be used to produce carpeting, these customers have generally moved out of Canada and into the US.
11. PET resin is primarily sold in Canada through brokers, who purchase both imported and domestically produced PET resin and re-sell this material to end users. These brokers buy on behalf of end-users and may or may not hold inventory for distribution. The main PET resin brokers in Canada are as follows:
  - (a) Novara International
  - (b) M. Holland
  - (c) Jean Peck (Arc Polymers Inc.)
  - (d) Muehlstein (acquired by Ravago Holdings in 2006)
  - (e) Ravago
  - (f) Burcham International (acquired by Ravago Holdings in 2012)
  - (g) Vinmar International
  - (h) Other independent agents
12. I am not aware of whether any of these brokers are acting as importers of record, although commercial intelligence discussed below indicates that [ ] have offered Subject Goods for sale in Canada. To my knowledge, these brokers earn either a commission on sales or buy and sell product and deliver to the customer. Material may be warehoused locally and delivered upon request. Transactions are frequently billed to the broker and shipped to the end-user.
13. Some end users in Canada buy direct (without a broker or agent) for their own consumption, generally for use in producing bottles and thermoforming.

#### IV. Specific Examples of Injury

14. The examples below are based on information that I and other individuals involved in selling PET resin for Selenis Canada have learned from customers and other sources. These other individuals include Garry Davis (Davis PRM), Salvator (Sam) Cawa (DAK Americas LLC) and John Cullen (DAK Americas LLC).
15. We estimate that [ ] purchases [ ] MT of PET Resin annually from all sources.<sup>1</sup> In December 2013, Jade material (China) was arriving at less than 74.47 cpp (\$1,642/MT, or 70 cpp). The imported material price remained far below Selenis Canada's price to this customer, leading to significant loss of this customer's business at the end of 2013 and into 2014. This is supported by Selenis Canada's monthly customer-specific sales data, which shows that sales volumes to [ ] were [ ] MT in 2013 and fell to [ ] MT in 2014.<sup>2</sup> Selenis Canada was able to establish a supply agreement with [ ] at the beginning of 2015 at a price of raws plus [ ] cpp (\$[ ]/MT, or US [ ] cpp). However, we had to lower our price to raws plus [ ] cpp (\$[ ]/MT or US [ ] cpp) in January 2016 due to competition from Dragon (China), which was being-offered through [ ] at 62 cpp delivered (\$1,366/MT or US 47 cpp).<sup>3</sup>
16. Indeed, the price-depressing effect of head-to-head competition with the Subject Goods is evident in communications between Garry Davis of Davis PRM and [ ] of [ ].<sup>4</sup> After [ ] indicated that the Asian material was arriving at 81.80 cpp (\$1,803/MT, US 81 cpp) in February 2013, Mr. Davis offered a revised price of [ ] cpp (\$[ ]/MT, or [ ] cpp) for [ ] and [ ] for March 2013. [ ] response clearly indicates that [ ] would like to support the Canadian supplier but is unable to justify paying \$[ ] more per month, or \$[ ]

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<sup>1</sup> Confidential Attachment 1: Estimated Annual Purchase Volume by Customer.

<sup>2</sup> Confidential Attachment 80 to the Complaint: Sales volumes by customer.

<sup>3</sup> Confidential Attachment 2: Support for [ ] Import Competition Report, Tab 2.

<sup>4</sup> Confidential Attachment 2: Support for [ ] Import Competition Report, Tab 3.

more per year, to his benefactors. [ ] states that if he were to accept this pricing delta, he would “become persona non grata pretty quick”. [ ] notes that he could justify a 2.5 cent differential and buy mostly Selenis Canada’s material, but otherwise would buy “mostly Asian” and only a small amount from Selenis Canada.

17. We estimate that [ ] purchases [ ] MT of PET Resin annually from all sources.<sup>5</sup> In March 2014, [ ] was offering a three-month fixed price of 79.97 cpp (\$1,763/MT, US 72 cpp) for what may have been Indian Subject Goods.<sup>6</sup> This information was communicated to Garry Davis of Davis PRM in conversations with [ ]. Selenis was able to retain this business, but only after lowering its price to [ ] cpp (\$[ ]/MT, or US [ ] cpp). The customer bought [ ] MT, at this price.
18. In July 2016, Selenis Canada was once again pitted against dumped imports at [ ]. Confidential Attachment 4 shows communications between myself and [ ] of [ ]. I reached out to [ ] in late June 2016 regarding offerings for July through September of 2016, with [ ] initially suggesting a price of raws [ ] cpp at 150 MT per month.<sup>7</sup> Selenis Canada agreed to sell at this price, but we did not hear back from [ ]. I reached out again to [ ] on July 7, 2016<sup>8</sup> and July 21, 2016<sup>9</sup>. I inquired about August requirements, to which [ ] responded that [ ] had enough import stock to last three months, and that the customer had decided to use all imported material and no domestic material for the time

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<sup>5</sup> Confidential Attachment 1: Estimated Annual Purchase Volume by Customer.

<sup>6</sup> I note that public import statistics show 714 MT Indian PET Resin arriving in April 2014 at a price of \$1,671/MT. Adjusted for logistics, this would be consistent with our intelligence on the price being offered by [ ]. See Public Attachment 3: Monthly Statistics Canada Import data for July to December 2016, September to December 2014 and April 2014.

<sup>7</sup> Confidential Attachment 4: Support for [ ] Import Competition Report, Tab 1.

<sup>8</sup> *Ibid*, Tab 2.

<sup>9</sup> *Ibid*, Tab 3.

being.<sup>10</sup> My understanding is we were competing with PET Resin from Oman in this instance, based on this customer's purchasing pattern at the time and public import statistics showing that Oman had a significant presence in the market in this period.

19. In the fall of 2016, [ ] indicated that [ ] had extra imported stock that would last until the end of 2016 and, therefore, would not be purchasing from Selenis Canada for any 2016 requirements. On October 21, 2016, [ ] sent me an email stating that import prices were under 62.28 cpp (\$1,373/MT, or US 46 cpp) delivered to [ ] and that the customer would need 1000 MT for Q1 2017.<sup>11</sup> We lowered our price to be competitive and sold at [ ] cpp (\$[ ]/MT, or US [ ] cpp) for the first quarter of 2017.<sup>12</sup> I believe this customer was being offered Omani material for Q1 2017 based on the customer's purchasing pattern and public import statistics. Import statistics show that Omani material was imported to Canada in Q1 2017 at a value for duty of 1,303/MT.<sup>13</sup>
20. We estimate that [ ] purchases [ ] MT of PET Resin annually from all sources.<sup>14</sup> In January 2014, Chinese PET resin was being offered to [ ] at 76.59 cpp (\$1,689/MT, or US 70 cpp) in bags through [ ].<sup>15</sup> Selenis Canada could not compete at this price, as raws were 76.96 cpp (\$1,697/MT, or US 70.33 cpp) in January 2014.<sup>16</sup> We lost most of this customer's business at the end of 2013 and beginning of 2014 as a result of competition with dumped offshore material. Confidential Attachment 5 shows a clear trend in this regard. In 2013, Selenis

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<sup>10</sup> *Ibid.*

<sup>11</sup> Confidential Attachment 4: Support for [ ] Import Competition Report, Tab 4.

<sup>12</sup> Converted at the October 2016 exchange rate of 1.325145.

<sup>13</sup> Public Attachment 11 to the Complaint: Public Import Table, 2014-Q1 2017

<sup>14</sup> Confidential Attachment 1: Estimated Annual Purchase Volume by Customer.

<sup>15</sup> Confidential Attachment 5 : Support for [ ] Import Competition Report, Tab 1.

<sup>16</sup> Confidential Attachment 37 to the Complaint: Summary of IHS Monthly Average PET RM Costs.

Canada sold [ ] MT to this customer. In 2014 and 2015, these annual volumes decreased to [ ] MT and [ ] MT respectively.

21. In September 2016, [ ] was offered an offshore price of [ ] cpp (\$[ ]/MT, or US [ ] cpp). Commercial intelligence indicates that the offshore material that Selenis Canada was competing against in this case originated in either Oman (Octal) or Pakistan (Gatronova). This is based on information learned by Garry Davis at a meeting with [

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]. This is consistent with import statistics in August through November 2016, when Pakistan (9,272 MT) and Oman (4,266 MT) were both significant suppliers to the Canadian market.

22. We estimate that [ ] purchases [ ] MT of PET Resin annually from all sources. In October 2016, Selenis Canada understands that [ ] was purchasing Subject Goods at [ ], i.e. [ ] cpp (\$[ ]/MT, or US [ ] cpp. This customer [

]. However, Selenis Canada was unable to [ ] as the price of [ ] cpp (\$[ ]/MT, or US [ ] cpp was too low to compete with. For the same reasons discussed above with respect to [ ], I believe we were competing with material from Oman (Octal) or Pakistan (Gatronova).

23. We estimate that [ ] purchases [ ] MT of PET Resin annually from all sources.<sup>18</sup> [ ]. Therefore, this account is especially vulnerable to material [ ]. As shown in Confidential Attachment 6, [ ] had offshore material available CIF port of Montreal

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<sup>17</sup> Confidential Attachment 5: Support for [

] Import Competition Report, Tab 2.

<sup>18</sup> Confidential Attachment 1: Estimated Annual Purchase Volume by Customer.



for \$1,487/MT (US\$1,350/MT) in September 2014.<sup>19</sup> I believe this material originated in India, based on subsequent purchases from India by [ ] and the monthly import statistics, which show 277 MT of Indian material at a VFD of \$1,387/MT in September 2014.<sup>20</sup> This customer [

] . Because this lowered the customer's cost [ ] in December 2015 to retain some business.

24. In the fourth quarter of 2015, we understand that Indian material produced by Dhunseri (India) was arriving through [ ] at around 57.42 cpp (\$1,266/MT, or US 43 cpp) at the port of Montreal and as low as 58.75 cpp (\$1,295/MT or US 44 cpp) delivered in bags.<sup>21</sup> At the same time, the sales prices that Selenis Canada was able to achieve to [ ] declined from [ ] cpp (\$[ ]/MT, or US [ ] cpp) in October 2015 to [ ] cpp (\$[ ]/MT or US [ ] cpp) in December 2015. This drop of \$[ ]/MT [ ] outstripped the much more modest drop in raws pricing of \$11.11/MT over this period.<sup>22</sup>
25. In July 2016, Adam Davis reached out to Mr. [ ] of [ ] to obtain an indication of Subject Goods pricing at the time. Mr. [ ] reported initially that "\$920 to \$930 is easily available, CIF Montreal". However, mere hours later, he followed up that "Actually, offers today are well under \$900!!".<sup>23</sup> Converted to Canadian dollars and metric tonnes, this amounts to pricing as low as \$1,276/MT. It is very difficult for Selenis Canada to maintain sustainable pricing where import pricing is not only low, but consistently dropping on very short notice. I believe that this material originated in Oman based on my understanding of [ ] sourcing patterns at that time. Monthly import statistics show that 726 MT of Omani PET resin landed in Canada in July 2016 at a price of \$1,281/MT.

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<sup>19</sup> Confidential Attachment 6: Support for [ ] Import Competition Report, Tab 1.

<sup>20</sup> Public Attachment 3: Statistics Canada PET Resin Import data for certain months.

<sup>21</sup> Converted at the quarterly average exchange rate of 1.335256.

<sup>22</sup> Confidential Attachment 37 to the Complaint: Summary of IHS Monthly Average PET RM Costs.

<sup>23</sup> Confidential Attachment 6: Support for [ ] Import Competition Report, Tab 2.

Further, in August 2016, 1,622 MT of Omani PET resin landed at an even lower price of \$1,204/MT.<sup>24</sup>

26. In October 2016, we were again forced to lower our price to [ ] in competition with what we understand was Omani material based on the purchasing patterns of this customer at that time. This is consistent with import statistics at the time, which show that from September to November 2016, 2,644 MT of Omani Subject Goods were imported to Canada at a weighted average value for duty of \$1,221/MT.<sup>25</sup> Our intelligence showed that the imported material was arriving CIF port of Montreal at a price of 57 cpp (\$1,256/MT, or US 43 cpp) CIF. We estimate that the price of this material delivered to the customer would have been roughly 59.63 cpp (\$1,315/MT, or US 45 cpp). In response, we sold to [ ] at a price of [ ] cpp) (\$[ ]/MT or US [ ] cpp).
27. We estimate that [ ] purchases [ ] MT of PET Resin annually from all sources.<sup>26</sup> [ ] is another account that is vulnerable to imports to the port of Montreal. In October 2014, Selenis lost at least [ ]% of [ ]'s business to imported material arriving at the Port of Montreal at 66.15 cpp (\$1,458/MT, or US 59 cpp), or 70.64 cpp (\$1,557/MT, or US 63 cpp) to the customer's silo. We understand that this sale was lost to Dhunseri PET Resin from India. This is based on the customer's purchasing patterns at the time, as well as import statistics showing that Indian resin landed in Canada in October and November of 2014.<sup>27</sup>
28. In February of 2016, Garry Davis reported that [ ] was receiving import pricing at 57.94 cpp (\$1,277/MT or US 42 cpp) to its facility.<sup>28</sup> Mr. Davis confirmed a few days later that this material was being supplied by Dhunseri and confirmed that the CIF Montreal

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<sup>24</sup> Public Attachment 3: Statistics Canada PET Resin Import data for certain months.

<sup>25</sup> Public Attachment 3: Statistics Canada PET Resin Import data for certain months.

<sup>26</sup> Confidential Attachment 1: Estimated Annual Purchase Volume by Customer.

<sup>27</sup> *Ibid.*

<sup>28</sup> Confidential Attachment 7: Support for [ ] Import Competition Report, Tab 1.

port price was 56.56 cpp (\$1,247/MT, or US 41 cpp), with a price of 1.38 cpp (\$30.42/MT, or US 1 cpp) to deliver to [ ] facility and 2.76 cpp (\$60.83/MT or US 2 cpp) to provide the material in bulk trucks to their Silo. Mr. Davis reported that [ ] was looking at purchasing 2,000 MT of this material, necessitating a quick decision from Selenis Canada on whether to sell at a depressed price of [ ] cpp (\$[ ]/MT, or US [ ] cpp).<sup>29</sup>

29. This competition with the Subject Goods had a depressing effect on Selenis Canada's pricing. Selenis Canada was able to secure a sale of 1,000 MT to this customer the following week, for delivery in April and May, although this was at the low price of [ ] cpp (\$[ ]/MT or US [ ] cpp).<sup>30</sup> I asked Mr. [ ] of [ ] to deliver a request to the customer for more favourable payment terms as a result of this lower pricing. Mr. [ ] response was: [ ].<sup>31</sup>
30. In October of 2016, the pressure on Selenis Canada's prices at this account continued. [ ] sent an email asking for a quote for Q1 and Q2 2017 pricing to [ ] while noting that [ ] (In Canadian dollars, 56.98 cpp (\$1,256/MT)).<sup>32</sup> I suspect that this was in reference to Omani material, as nearly 1,200 MT of Omani PET Resin landed in Canada in November 2016 at a value for duty of \$1,230/MT.<sup>33</sup> In March 2017, Selenis Canada once again experienced price pressure from the Subject Goods. Subject Goods pricing at that time was 68.28 cpp (\$1,505/MT, or US 51 cpp) CIF Port of Montreal. Selenis Canada was forced to reduce its price to [ ] cpp (\$[ ]/MT or US [ ] cpp) for Q2 2017 to capture this sale. I understand that the Subject Goods pricing fell even further to 63.84 cpp (\$1,407/MT or US

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<sup>29</sup> *Ibid*, Tab 2.

<sup>30</sup> *Ibid*, Tab 3.

<sup>31</sup> *Ibid*.

<sup>32</sup> *Ibid*, Tab 4.

<sup>33</sup> Public Attachment 3: Statistics Canada PET Resin Import data for certain months.

47.5 cpp) in April 2017. In both March and April 2017, we suspect that this material was sold by Octal and therefore originated in Oman.

31. We estimate that [ ], located in [ ], purchases [ ] MT of PET Resin annually from all sources.<sup>34</sup> In January 2015, [ ] rejected pricing of [ ] cpp (\$[ ]/MT or US [ ] cpp) from Selenis Canada for February 2015 delivery as they were receiving pricing in the mid-40s US cpp (Canadian 54.52 cpp, \$1,202/MT) for offshore material. Commercial intelligence indicates that these were Subject Goods of Chinese origin.<sup>35</sup> In November 2015, Selenis Canada was able to secure a sale to [ ] for 10 rail cars per month spanning the first quarter of 2016, although this was at a [ ] price of [ ] cpp).<sup>36</sup> The terms of that sale are included in an email from myself to [ ] of [ ], attached at Confidential Attachment 8, tab 2. Our price to this customer was under pressure due to the availability of very low priced Subject Goods, paired with this customer's demonstrated willingness to purchase these imports as shown in the examples above and below.
32. The following information with respect to [ ] was communicated to me by Sam Cawa of DAK Americas, who was managing this account at the relevant times on behalf of Selenis Canada.
33. In August 2016, Selenis Canada bid on a significant requirement for [ ]. [ ] [ ] [ ]. [ ] was [ ], which [ ] in 2016. Following [ ], [ ] embarked on a "[ ]" and [ ] to this end on August [ ], 2016.<sup>37</sup> Selenis Canada submitted a bid for these requirements at raw materials [ ]

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<sup>34</sup> Confidential Attachment 1: Estimated Annual Purchase Volume by Customer.

<sup>35</sup> Confidential Attachment 8: Support for [ ] Import Competition Report, Tab 1.

<sup>36</sup> *Ibid*, Tab 2.

<sup>37</sup> *Ibid*, Tab 3 ("[ ]").

].<sup>38</sup> The

response from the [ ] representative was as follows:

[

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34. Per this email, all of [ ] volume (i.e. [ ])  
[ ] for the first quarter of 2017 went to sources from the Middle East (i.e. Oman) and Asia (i.e. China, Pakistan or India) on account of the “[ ]” offered by these sources that was “[ ]”.
- [ ]”. Using our estimate of [ ]’s annual purchases, we estimate that this customer purchases roughly [ ] MT per quarter. [ ] is the [ ] offshore country that supplied [ ] PET resin to Canada in Q1 2017 [ ], at [ ] MT. Based on this and [ ]’s subsequent purchases from [ ] documented below, I believe we lost the customer’s Q1 2017 business to [ ].
35. In late February 2017, [ ], a purchaser for [ ], contacted Sam Cawa of DAK Americas requesting a quote for 2,000 MT of [ ] IV PET Resin for May 2017 delivery to [ ]. Mr. Cawa quoted a price of [ ] cpp (\$[ ]/MT, or US [ ] cpp). Mr. [ ] response was “thanks for the quote but unfortunately your prices are higher than imports at this time”.<sup>40</sup> Mr. [ ] of DAK Americas noted in an internal email on March 1, 2017, in respect of this sale, that “we are very confident that the business remained with Gatronova”. Mr. Cawa followed up that Mr. [ ] was actually

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<sup>38</sup> *Ibid*, (“[ ]”).

<sup>39</sup> *Ibid*.

<sup>40</sup> *Ibid*, Tab 4.

in Pakistan at the time, and that he believes the Gatronova price that Selenis Canada was competing with was raws minus 6.55 to 9.83 cpp (\$145 to \$217/MT, or US 5 to 7.5 cpp).<sup>41</sup>

36. In March [ ] 2017, Mr. [ ] requested pricing for another 2,000 MT of [ ] IV PET Resin, for delivery from mid May to mid June, 2017. Mr. Cawa of DAK Americas recommended internally that, based on the business being lost the previous month at a price of [ ] cpp (\$[ ]/MT, or US [ ] cpp), the offer should be [ ] (\$[ ]/MT or [ ] cpp) for this requirement. Mr. Cawa ultimately went slightly lower than this, offering [ ] cpp (\$[ ]/MT or US [ ] cpp) to [ ]. Mr. [ ] delayed the purchase as “the feed back I am getting from the market is that prices are softening”. Mr. [ ] then requested pricing again on March 30, 2017, for delivery from mid May to the end of June, 2017. Mr. Cawa responded with an even lower offer of [ ] cpp (\$[ ]/MT or US [ ] cpp), following a consensus internally that the “rock bottom” price would be [ ] cpp (\$[ ]/MT or US [ ] cpp).<sup>42</sup>
37. Despite Selenis Canada’s significant drop in the price offered to [ ] ([ ] cpp (\$[ ]/MT or US [ ] cpp within a month), Mr. [ ] response to this offer was that prices had dropped, remarking “You need to sharpen the pencil!”. Mr. Cawa then spoke with Mr. [ ], who informed him that Selenis Canada would need to go down to [ ] cpp (\$[ ]/MT or US [ ] cpp), which would amount to raws [ ]. Mr. Cawa agreed to this price and made an offer on March 30, 2017.
38. In early June 2017, Mr. Cawa was informed by Mr. [ ] that he was buying PET Resin from India, and placed Selenis Canada against an Indian offer of 61.25 cpp (\$1,350/MT or US 45.5 cpp). Mr. [ ] indicated that Selenis Canada would have to be lower than this price to get any of his business. The internal consensus at Selenis Canada was to not allow our price to be pushed lower than [ ] cpp (\$[ ]/MT, or US [ ]

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<sup>41</sup> *Ibid*, Tab 4.

<sup>42</sup> *Ibid*, Tab 6.

cpp). As such, Selenis Canada lost a sale of [ ] MT for delivery to [ ] for delivery in mid August to September 2017.<sup>43</sup>

39. We estimate that [ ] purchases a total of [ ] MT of PET Resin per year from all sources.<sup>44</sup> In January 2016, [ ] was being offered Gatronova material through a major distributor at 66.85 cpp (\$1,474/MT or US 47 cpp) in bulk delivered, which Selenis Canada could not match. Selenis Canada offered a price of [ ] cpp (\$[ ]/MT, or US [ ] cpp) to the customer, which was initially declined. The customer ultimately purchased [ ] ([ ] MT) at this price, which Selenis Canada understands was because they were desperate and the Subject Goods were late in arriving. Please see the attached email chain between myself and [ ] of [ ].<sup>45</sup> After this, the customer did not purchase from Selenis Canada again.<sup>46</sup> We understand that this is because this customer resumed purchasing Subject Goods.

40. We estimate that [ ] purchases [ ] MT of PET resin per year from all sources.<sup>47</sup> In February 2016, [ ] was offered a price of 62.08 cpp (\$1,369/MT or US 45 cpp) in bags or 66.22 cpp (\$1,460/MT or US 48 cpp) into the customer's silo by [ ] selling Indian PET Resin from Dhunseri. Selenis Canada reduced its price from raws plus [ ] cpp (\$[ ]/MT or US [ ] cpp) to a fixed price of [ ] cpp (\$[ ]/MT or US [ ] cpp) as a direct result of competition with Subject Goods. Confidential Attachment 10 tab 1 shows an email from Garry Davis of Davis PRM (as corrected by me) supporting the pricing of the Dhunseri resin through [ ].<sup>48</sup> Tab 2 of Confidential Attachment 10 shows an email chain between me and [ ]

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<sup>43</sup> *Ibid*, tab 7. All prices converted at the daily noon exchange rate for June 6, 2017: 1.3461. At the time of filing, an exchange rate for the full month was not yet available.

<sup>44</sup> Confidential Attachment 1: Estimated Annual Purchase Volume by Customer.

<sup>45</sup> Confidential Attachment 9: Support for [ ] Import Competition Report, Tab 1.

<sup>46</sup> Confidential Attachment 80 to the Complaint: Sales Volumes by Customer.

<sup>47</sup> Confidential Attachment 1: Estimated Annual Purchase Volume by Customer.

<sup>48</sup> Confidential Attachment 10: Support for [ ] Import Competition Report.

43. We estimate that [ ] purchases [ ] MT of PET annually from all sources, although this customer [ ]

<sup>53</sup> Confidential Attachment 12: [ ] Import Competition Report.



].<sup>54</sup> In January 2014, [ ] requested fixed pricing from Selenis Canada for 6 months to compete with material from Gatronova, a producer of PET Resin in Pakistan. Selenis Canada was unable to compete on this basis and declined the opportunity. To the extent that this customer [

].

44. I do not have any specific information on instances where Selenis Canada was in competition with Turkish PET resin. Unfortunately, in many and even most instances we do not know who all of our competitors are at a given account. Customers will often use low-priced offshore offers to pressure us to lower our prices without informing us of the source of these offers. These offers nevertheless have a depressing effect on the prices that Selenis Canada can achieve.
45. We do know from public import statistics that Selenis Canada's average selling price in Canada was undercut by Turkish imports by \$[ ]/MT in 2015 and \$[ ]/MT in 2016. In Q4 2015 and Q1 2016, Turkey exported 1,577 MT and 812 MT at \$1,000/MT and \$1,163/MT respectively. In both quarters, this made Turkey the price leader among the Subject Countries.<sup>55</sup> At these prices, I believe Turkey's imports have injured Selenis Canada by taking volume and depressing our pricing.

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<sup>54</sup> Confidential Attachment 1: Estimated Annual Purchase Volume by Customer.

<sup>55</sup> Public Attachment 11 to the Complaint: Public Canadian Import Table, 2014-Q1 2017.

**The Dumping and Subsidizing of  
Polyethylene Terephthalate Resin**

**Public Statement of Evidence of  
Adam Davis, Davis PRM**

I, Adam Davis, President at DavisPET Resin USA, Inc., certify that the information in this Witness Statement is true, accurate and complete.

"Confidential Statement signed by Mr. Davis"

Adam Davis

<b>Attachment #</b>	<b>Description</b>
Confidential Attachment 1	Estimated Annual Purchase Volume by Customer
Confidential Attachment 2	Support for [ ] Import Competition Report
Public Attachment 3	Statistics Canada PET Resin Import data for certain months
Confidential Attachment 4	Support for [ ] Import Competition Report
Confidential Attachment 5	Support for [ ] Import Competition Report
Confidential Attachment 6	Support for [ ] Import Competition Report
Confidential Attachment 7	Support for [ ] Import Competition Report
Confidential Attachment 8	Support for [ ] Import Competition Report
Confidential Attachment 9	Support for [ ] Import Competition Report
Confidential Attachment 10	Support for [ ] Import Competition Report
Confidential Attachment 11	[ ] Import Competition Report
Confidential Attachment 12	[ ] Import Competition Report

**Complaint regarding:**

*The Dumping of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman, Pakistan and Turkey and the Subsidization of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman and Pakistan (PET Resin)*

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**Public Summary of  
Confidential Attachment 1**

**to the Statement of Evidence of Adam Davis**

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**Confidential Attachment 1** contains the estimated annual purchase volume for individual customers, which is based on commercially sensitive information. The disclosure of this information would cause harm to the business and commercial interests of Compagnie Selenis Canada.

**Complaint regarding:**

*The Dumping of Polyethylene Terephthalate Resin  
Originating in or Exported from China, India,  
Oman, Pakistan and Turkey and the Subsidization of  
Polyethylene Terephthalate Resin Originating in or  
Exported from China, India, Oman and Pakistan  
(PET Resin)*

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**Public Summary of  
Confidential Attachment 2**

**to the Statement of Evidence of Adam Davis**

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**Confidential Attachment 2** contains customer-specific commercial intelligence, the disclosure of which would cause harm to the business and commercial interests of Compagnie Selenis Canada.

	Dec-16				Nov-16				Oct-16				Sep-16				Aug-16				Jul-16			
	Volume								Volume				Volume				Volume				Volume			
	(MT)	Value	Unit pr.	% imports	Volume (MT)	Value	Unit pr.	% imports	(MT)	Value	Unit pr.	% imports	(MT)	Value	Unit pr.	% imports	(MT)	Value	Unit pr.	% imports	Volume (MT)	Value	Unit pr.	% imports
World	8,372.15	11,232,272.00	\$ 1,342	100.0%	7,759.75	11,314,185.00	\$ 1,458	100.0%	8,614	12,178,672.00	\$ 1,414	100.0%	10,198	14,862,245	\$ 1,457	100.0%	13,706.87	17,674,411.00	\$ 1,289	100.0%	8,177	12,827,467	\$ 1,569	100.0%
US	3,269.15	5,049,715.00	\$ 1,545	39.0%	2,868.64	4,559,353.00	\$ 1,589	37.0%	5,192	8,099,622.00	\$ 1,560	60.3%	5,404	8,519,928	\$ 1,577	53.0%	3727.721	5876374	\$ 1,576	27.2%	5,148	8,676,253	\$ 1,686	63.0%
Pakistan	2,304.74	2,797,288.00	\$ 1,214	27.5%	2,167.73	2,842,892.00	\$ 1,311	27.9%	1,238	1,488,857.00	\$ 1,202	14.4%	1,592	1,990,616	\$ 1,251	15.6%	4274.301	5335836	\$ 1,248	31.2%	712	875,241	\$ 1,229	8.7%
China	970.24	750,072.00	\$ 773	11.6%	750.36	758,362.00	\$ 1,011	9.7%	1,137	782,482	\$ 688	13.2%	1,391	1,637,379	\$ 1,177	13.6%	2780.995	2722573	\$ 979	20.3%	545	685,979	\$ 1,258	6.7%
Oman	449.06	552,767.00	\$ 1,231	5.4%	1,197.00	1,471,879.00	\$ 1,230	15.4%	267	331,860	\$ 1,242	3.1%	1,180	1,424,286	\$ 1,207	11.6%	1622.3	1953743	\$ 1,204	11.8%	727	931,277	\$ 1,281	8.9%
Turkey	-	-		0.0%	291.66	448,424.00	\$ 1,538	3.8%	210	309,709	\$ 1,474	2.4%	122	250,719	\$ 2,062	1.2%	105.87	173979	\$ 1,643	0.8%	275	349,118	\$ 1,269	3.4%
India	853.02	1,056,390.00	\$ 1,238	10.2%	84.25	128,875.00	\$ 1,530	1.1%	210	268,456	\$ 1,280	2.4%	277	341,219	\$ 1,232	2.7%	252.37	308701	\$ 1,223	1.8%	548	716,575	\$ 1,307	6.7%
All other countries	525.94	1,026,040.00	\$ 1,951	6.3%	400.12	1,104,400.00	\$ 2,760	5.2%	359.42	897,686.00	\$ 2,498	4.2%	232.19	698,098.00	\$ 3,007	2.3%	943.31	1,303,205.00	\$ 1,382	6.9%	221.22	593,024.00	\$ 2,681	2.7%
Total Subject Countries	4,577	5,156,517	\$ 1,127	54.7%	4,491	5,650,432	\$ 1,258	57.9%	3,062	3,181,364	\$ 1,039	35.5%	4,561	5,644,219	\$ 1,237	44.7%	9,036	10,494,832	\$ 1,161	65.9%	2,808	3,558,190	\$ 1,267	34.3%

	Dec-14				Nov-14				Oct-14				Sep-14				Apr-14			
	Volume								Volume				Volume				Volume			
	(MT)	Value	Unit pr.	% imports	Volume (MT)	Value	Unit pr.	% imports	(MT)	Value	Unit pr.	% imports	(MT)	Value	Unit pr.	% imports	Volume (MT)	Value	Unit pr.	% imports
World	8,629.95	13,924,664.00	\$ 1,614	100.0%	12,879.02	22,238,219.00	\$ 1,727	100.0%	10,529.57	18,709,019.00	\$ 1,777	100.0%	10,211.86	16,907,209.00	\$ 1,656	100.0%	11,607.54	19,239,282.00	\$ 1,657	100.0%
US	5,024.86	8,336,443.00	\$ 1,659	58.2%	6,240.37	11,184,768.00	\$ 1,792	48.5%	4,346.68	8,066,482.00	\$ 1,856	41.3%	5,830.96	10,002,141.00	\$ 1,715	57.1%	5,052.15	9,084,511.00	\$ 1,798	43.5%
Pakistan	1,109.83	1,723,466.00	\$ 1,553	12.9%	2,132.13	3,249,110.00	\$ 1,524	16.6%	1,679.52	2,757,708.00	\$ 1,642	16.0%	1,232.00	1,858,825.00	\$ 1,509	12.1%	201.75	317,563.00	\$ 1,574	1.7%
China	1,195.47	1,754,415.00	\$ 1,468	13.9%	1,765.39	2,481,320.00	\$ 1,406	13.7%	2,454.29	4,475,080.00	\$ 1,823	23.3%	1,343.30	2,075,989.00	\$ 1,545	13.2%	4,692.74	6,962,341.00	\$ 1,484	40.4%
Oman	81.16	136,069.00	\$ 1,677	0.9%	842.75	1,403,954.00	\$ 1,666	6.5%	450.23	746,481.00	\$ 1,658	4.3%	732.69	1,156,927.00	\$ 1,579	7.2%	559.13	905,133.00	\$ 1,619	4.8%
Turkey	31.37	66,146.00	\$ 2,108	0.4%	-	-		0.0%	-	-		0.0%	-	-		0.0%	-	-		0.0%
India	815.08	1,164,956.00	\$ 1,429	9.4%	1,297.20	2,615,876.00	\$ 2,017	10.1%	760.73	1,167,627.00	\$ 1,535	7.2%	277.20	384,460.00	\$ 1,387	2.7%	713.99	1,192,964.00	\$ 1,671	6.2%
All other countries	372.18	743,169.00	\$ 1,997	4.3%	601.19	1,303,191.00	\$ 2,168	4.7%	838.13	1,495,641.00	\$ 1,785	8.0%	795.71	1,428,867.00	\$ 1,796	7.8%	387.78	776,770.00	\$ 2,003	3.3%
Total Subject Countries	3,233	4,845,052	\$ 1,499	37.5%	6,037	9,750,260	\$ 1,615	46.9%	5,345	9,146,896	\$ 1,711	50.8%	3,585	5,476,201	\$ 1,527	35.1%	6,168	9,378,001	\$ 1,521	53.1%

**Complaint regarding:**

*The Dumping of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman, Pakistan and Turkey and the Subsidization of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman and Pakistan (PET Resin)*

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**Public Summary of  
Confidential Attachment 4**

**to the Statement of Evidence of Adam Davis**

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**Confidential Attachment 4** contains customer-specific commercial intelligence, the disclosure of which would cause harm to the business and commercial interests of Compagnie Selenis Canada.

**Complaint regarding:**

*The Dumping of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman, Pakistan and Turkey and the Subsidization of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman and Pakistan (PET Resin)*

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**Public Summary of  
Confidential Attachment 5**

**to the Statement of Evidence of Adam Davis**

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**Confidential Attachment 5** contains customer-specific commercial intelligence, the disclosure of which would cause harm to the business and commercial interests of Compagnie Selenis Canada.



**Complaint regarding:**

*The Dumping of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman, Pakistan and Turkey and the Subsidization of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman and Pakistan (PET Resin)*

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**Public Summary of  
Confidential Attachment 6**

**to the Statement of Evidence of Adam Davis**

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**Confidential Attachment 6** contains customer-specific commercial intelligence, the disclosure of which would cause harm to the business and commercial interests of Compagnie Selenis Canada.

**Complaint regarding:**

*The Dumping of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman, Pakistan and Turkey and the Subsidization of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman and Pakistan (PET Resin)*

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**Public Summary of  
Confidential Attachment 7**

**to the Statement of Evidence of Adam Davis**

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**Confidential Attachment 7** contains customer-specific commercial intelligence, the disclosure of which would cause harm to the business and commercial interests of Compagnie Selenis Canada.

**Complaint regarding:**

*The Dumping of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman, Pakistan and Turkey and the Subsidization of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman and Pakistan (PET Resin)*

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**Public Summary of  
Confidential Attachment 8**

**to the Statement of Evidence of Adam Davis**

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**Confidential Attachment 8** contains customer-specific commercial intelligence, the disclosure of which would cause harm to the business and commercial interests of Compagnie Selenis Canada.

**Complaint regarding:**

*The Dumping of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman, Pakistan and Turkey and the Subsidization of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman and Pakistan (PET Resin)*

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**Public Summary of  
Confidential Attachment 9**

**to the Statement of Evidence of Adam Davis**

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**Confidential Attachment 9** contains customer-specific commercial intelligence, the disclosure of which would cause harm to the business and commercial interests of Compagnie Selenis Canada.

**Complaint regarding:**

*The Dumping of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman, Pakistan and Turkey and the Subsidization of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman and Pakistan (PET Resin)*

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**Public Summary of  
Confidential Attachment 10**

**to the Statement of Evidence of Adam Davis**

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**Confidential Attachment 10** contains customer-specific commercial intelligence, the disclosure of which would cause harm to the business and commercial interests of Compagnie Selenis Canada.

**Complaint regarding:**

*The Dumping of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman, Pakistan and Turkey and the Subsidization of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman and Pakistan (PET Resin)*

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**Public Summary of  
Confidential Attachment 11**

**to the Statement of Evidence of Adam Davis**

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**Confidential Attachment 11** contains customer-specific commercial intelligence, the disclosure of which would cause harm to the business and commercial interests of Compagnie Selenis Canada.

**Complaint regarding:**

*The Dumping of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman, Pakistan and Turkey and the Subsidization of Polyethylene Terephthalate Resin Originating in or Exported from China, India, Oman and Pakistan (PET Resin)*

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**Public Summary of  
Confidential Attachment 12**

**to the Statement of Evidence of Adam Davis**

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**Confidential Attachment 12** contains customer-specific commercial intelligence, the disclosure of which would cause harm to the business and commercial interests of Compagnie Selenis Canada.