

**Investigation Nos. 701-TA-462  
and 731-TA-1156-1158 (Final)**

**Polyethylene Retail Carrier Bags From  
Indonesia, Taiwan, and Vietnam**

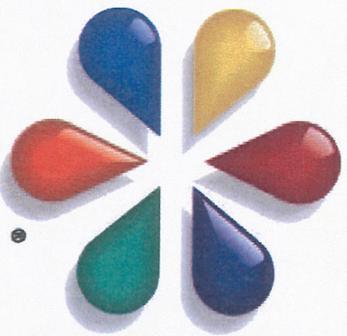
**Petitioners' Hearing Slides**

**March 16, 2009**



**superbag**

*Committed to Innovation*



**SPECTRUM BAGGS, INC.**

**AN IPD COMPANY**

**WWW.SPECTRUMBAGGS.COM**

## **Fotai's Massive Current Capacity And Imminent Doubling Of Capacity**

<b>Thu Dau Mot Town Facility Bag Capacity</b>	<b>10,638,820,000</b>
<b>Existing Capacity As A Share Of U.S. Capacity</b>	<b>13.3%</b>
<b>Bags Committed To Export If Operating At Full Capacity (80%)</b>	<b>8,511,056,000</b>
<b>Capacity After Expansion At Dai Dang Industrial Park</b>	<b>21,277,640,000</b>
<b>Expanded Capacity As A Share Of U.S. Capacity</b>	<b>26.6%</b>
<b>Expanded Capacity As A Share Of U.S. Consumption</b>	<b>21.0%</b>

Petitioners' Prehearing Brief at Exhibits 26, 28, and 29.

# May 2, 2008 E-Mail

## Regarding Super Exim's Capacity Expansion

From: Wilhelmina <mailto:wilhelmina@superexim.co.id>

Sent: Friday, May 02, 2008 5:30 AM

To: Salim Bana

Subject: RE : Visit to Indonesia

Dear Mr. Salim,

My name is Wilhelmina and I work in Marketing Department in handling both local and export customer. I got your email from my colleague Sisca, who handle local customer.

First of all, thank you very much for your message. We're very happy that you're interested in knowing us and we're welcome you in anytime you want to visit us.

We're one of manufacture for plastic bag in Indonesia and we do produce many different styles of bag. We use many higher machines from German, Japan and Taiwan. We can produce both bottom and side seal bag, except bag on roll.

Our specialty is in printing. We can print flawless image up to 10 colors, with a very good register.

**We currently export around 40 – 50 containers per month to US and Europe. We're doing expand in this year and it would increase our capacity from 1200 MT to 4000 MT at end of this year so that we're appreciated if you could visit us and discuss more about your inquiry.**

In regard to your inquiry of bag on roll, I apologize to say that we're not able to produce this bag.

Finally, I'm waiting for your reply soon. And please kindly let me know if you have settled your date and time to visit us. Therefore, I can arrange transportation to pick you up at the airport.

If you have any question, please feel free to contact me at +62-812-801-4345 or email to [wilhelmina@superexim.co.id](mailto:wilhelmina@superexim.co.id), or you also can email to my colleague, Elvy ([elvy@superexim.co.id](mailto:elvy@superexim.co.id)). She is my partner who assists me in export department, too.

Thanks and Best Regards,

*Wilhelmina Huang*

Menara Karya Building, 17th Floor

Jl. H.R Rasuna Said Blok X-5, Kav. 1-2

Jakarta 12950 - Indonesia

Tel. (62-21)57944681

Fax. (62-21)57944417, 57944651

# September 25, 2008 E-Mail

## Regarding Super Exim's Capacity Expansion

From: **Wilhelmina [mailto:wilhelmina@superexim.co.id]**

Sent: Thursday, September 25, 2008 9:10 PM

To: Salim Bana

Subject: RE: Question

Dear Mr. Salim,

How are you? We're doing well but quite busy. **As you know that we have a big expanding this year. The new machines are continuing arrived in this several months. The lasts are 3 big extruders from windmollerhauser and keifel have been being installed.**

We're very happy to hear that you have a customer using Since Wave bag. The bag is very suitable for our machine. We have one cutting machine from German that can do automatic cut the sine by the machine. But unfortunately, we can't process the thick/thn bag. We can do the straight one. But I suggest to you to reduce the gauge.

I will provide you the prices and you can see the big different between your gauge and mine.

Here they are :

19.5x20+6BG

White LLDPE/LDPE film

2color 2 sides

500 per case

Annual volume is 75,000,000 bags

2.5 mil : US\$97.05/M

3 mil : US\$115.25/M

And my suggestion is using 1.6 mil with glue patch handle and the pricing is US\$68.7/M

The benefits are:

1. The bag is using patch handle to replace the thick gauge on the handle but the appearance is still sine wave.
2. The film is using double layer which is LLDPE outside and HDPE inside. So you can get good appearance on the printing side and strong handle in the inner side.
3. And of course the important point is the pricing is competitive.

The price is for FOB and will valid until Oct 10, 2008.

Mr. Salim, since the resin in this year is very fluctuate and we can't predict what's going on in next year, so my price is only for quarter shipment. I think this is better for us to avoid huge losses for each other. Your understanding will be highly appreciated. So, finally, I'm looking forward to hear good news from you soon.

**Wilhelmina Huang**

Menara Karya Building, 17th Floor

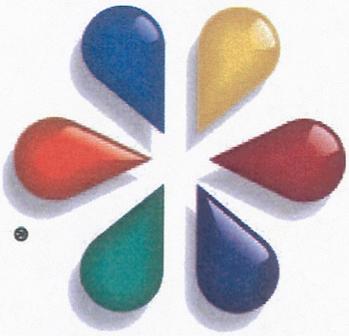
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**FN**  
**HILLEX**<sup>TM</sup>



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## Petition Effects

Vietnam's plastic bags under US lawsuit threat

By MINH QUANG

October 21, 2008

*Thanh Nien News*

Ken Pierce, a lawyer from Hughes Hubbard & Reed, was speaking at the conference organized by the Vietnam Plastic Association on Saturday to prepare for the eventuality.

Pierce said Vietnam was the second largest exporter of plastic bags to the US in the first eight months of this year. It is also the largest among plastic bag exporters that are not subject to anti-dumping taxes from the US.

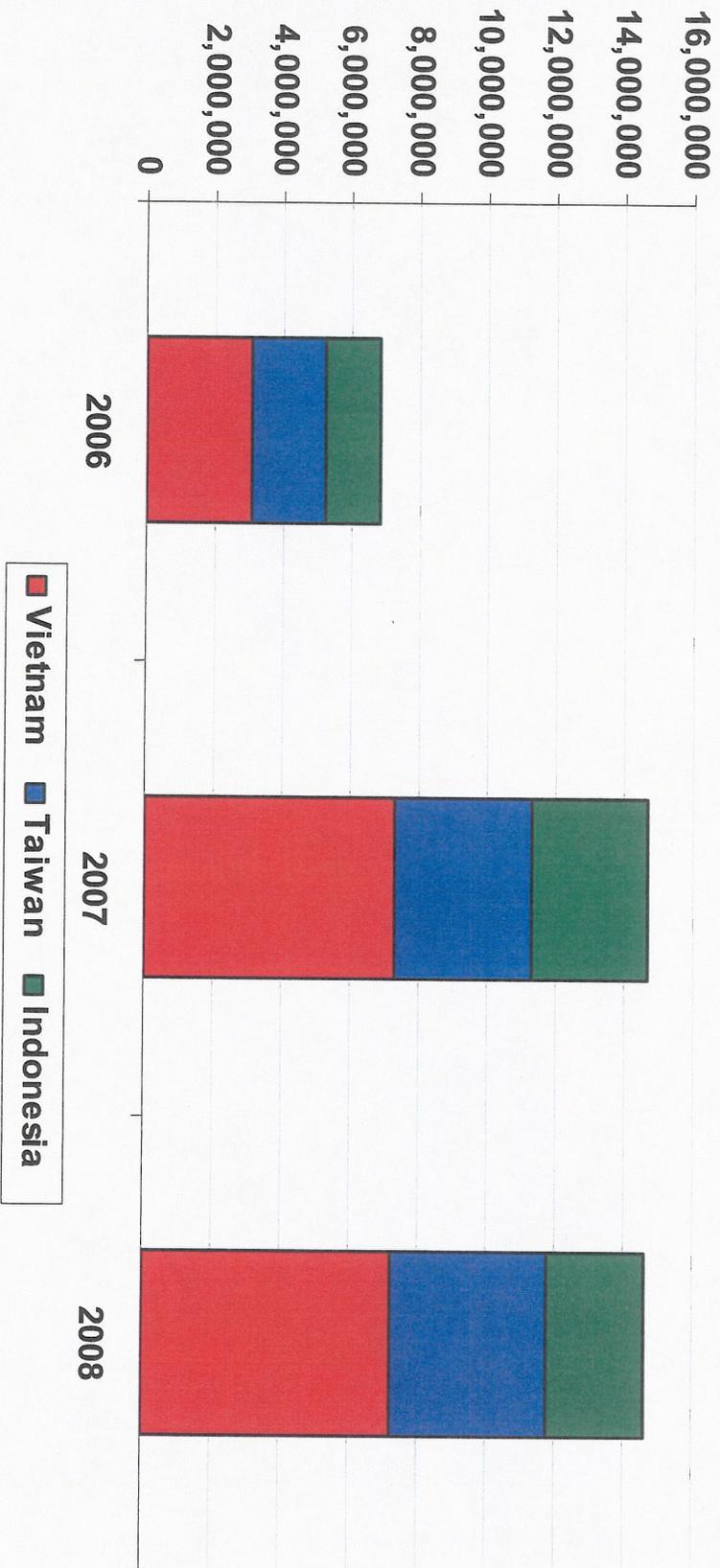
**He said exporters from Vietnam have offered the lowest prices for their products and American rivals who have suffered overall decline in revenues, considered this an unfair trading practice.**

The lawyer said US petitioners, supported by another US law firm, King & Spalding, had sent a letter to the US Trade Representative, opposing the government's policy to offer generalized system of preferences (GSP) to Vietnam's plastic bag exporters.

"It is an initial step for a lawsuit by them against Vietnam's exporters of the bags," said Pierce.

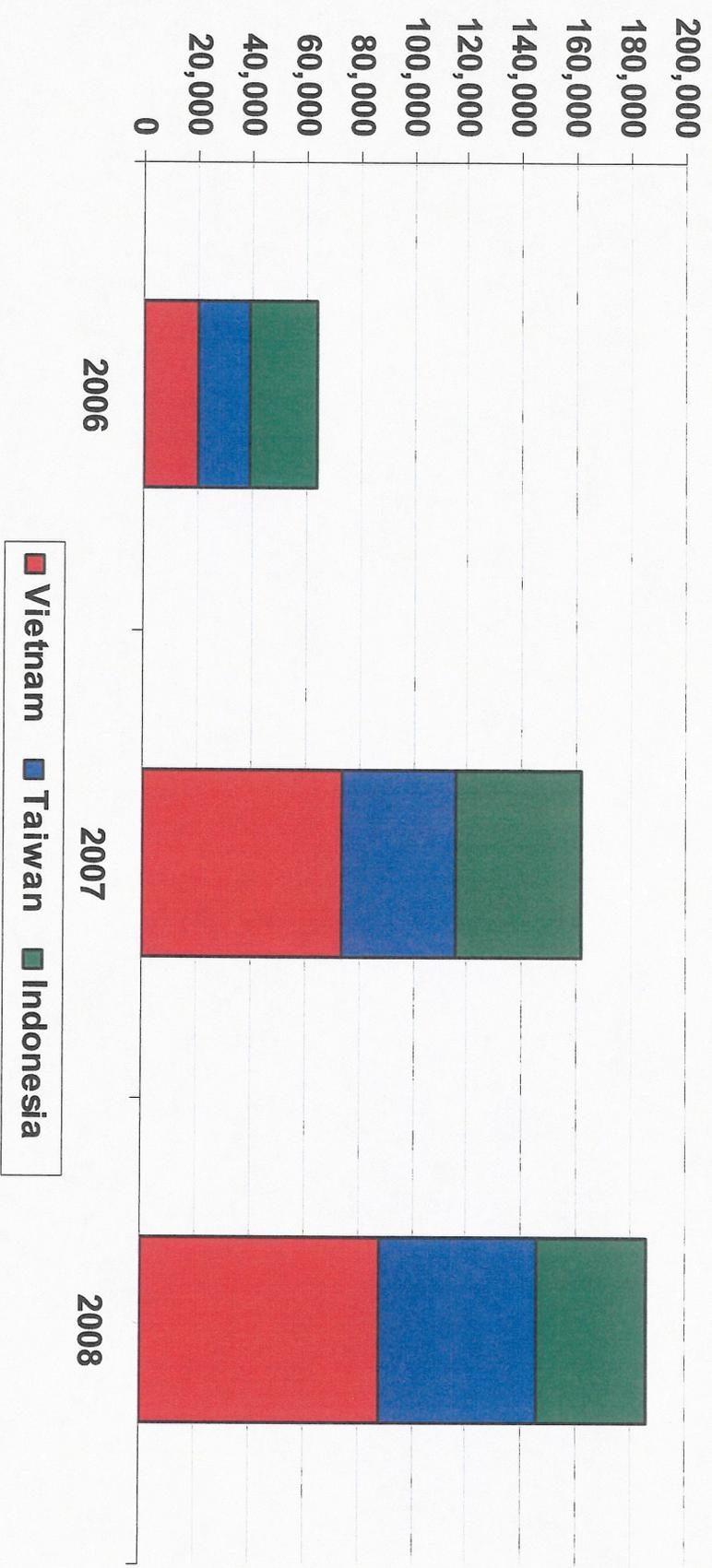
**Many factories from China and other countries and territories have moved to Vietnam to circumvent anti-dumping orders from the US government, said Pierce.**

### U.S. Imports Of PRCBs From Subject Countries (1,000 Bags)



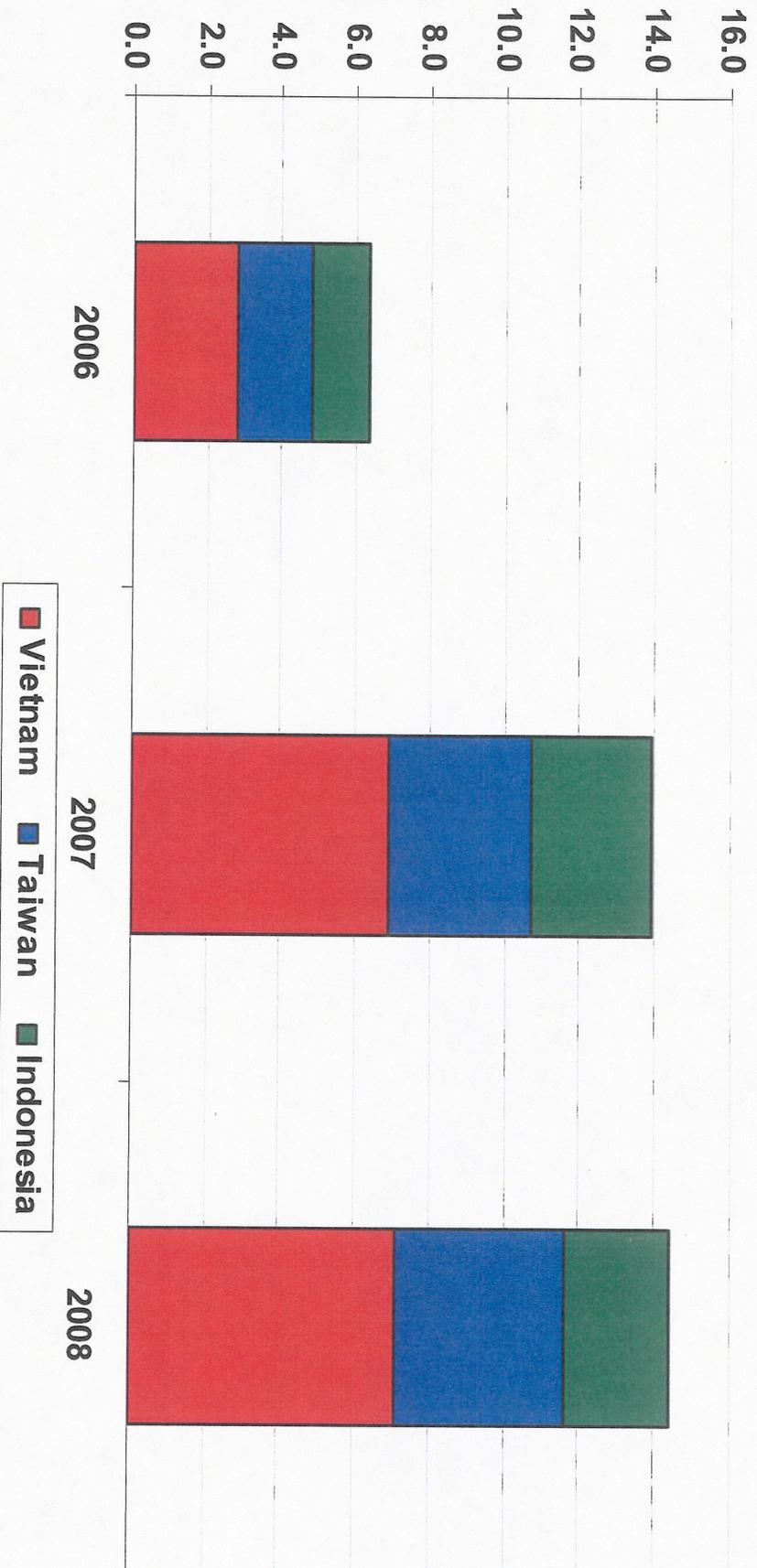
Source: Prehearing Report Table N-1 at N-2.

**U.S. Imports Of PRCBs From Subject Countries (\$1,000)**



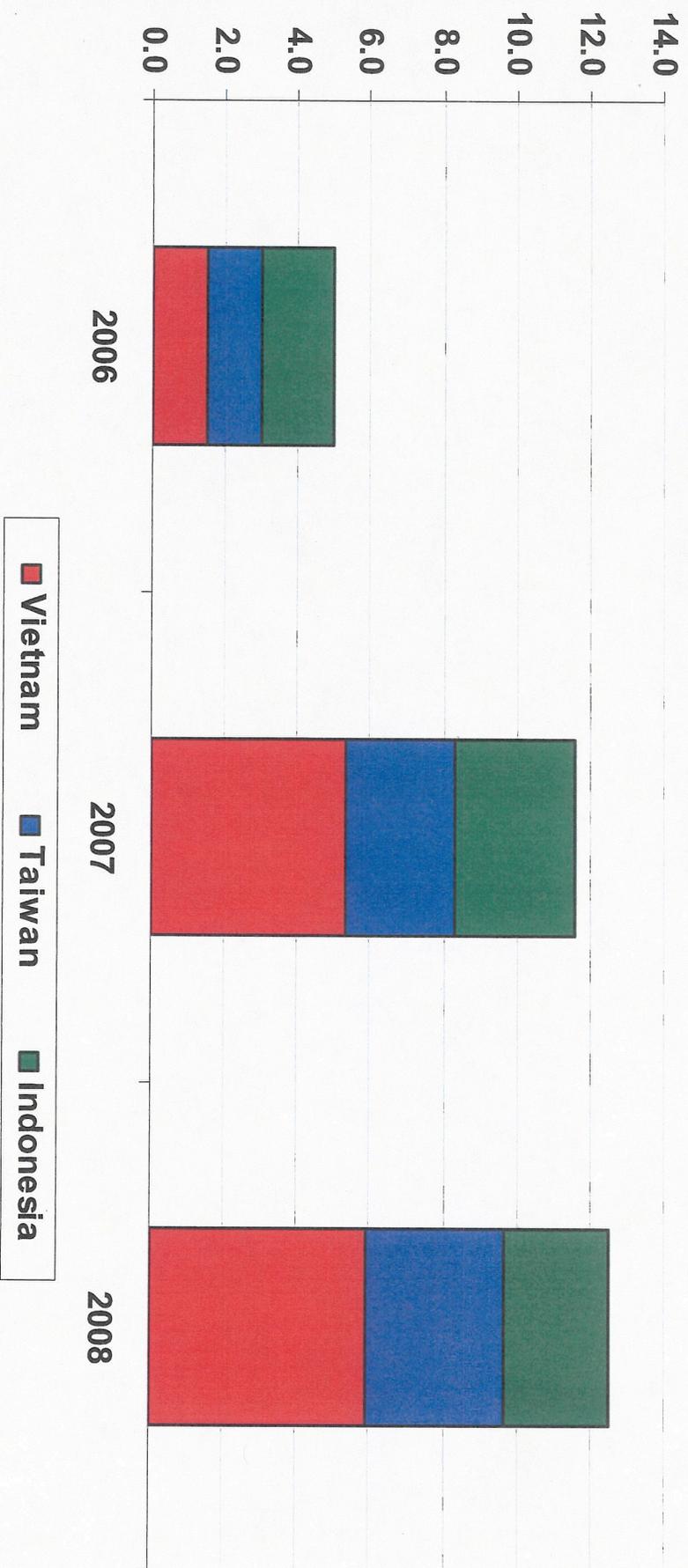
Source: Prehearing Report Table IV-1 at IV-2.

**Market Share of U.S. Imports Of PRCBs From Subject Countries  
(Quantity In Percent)**



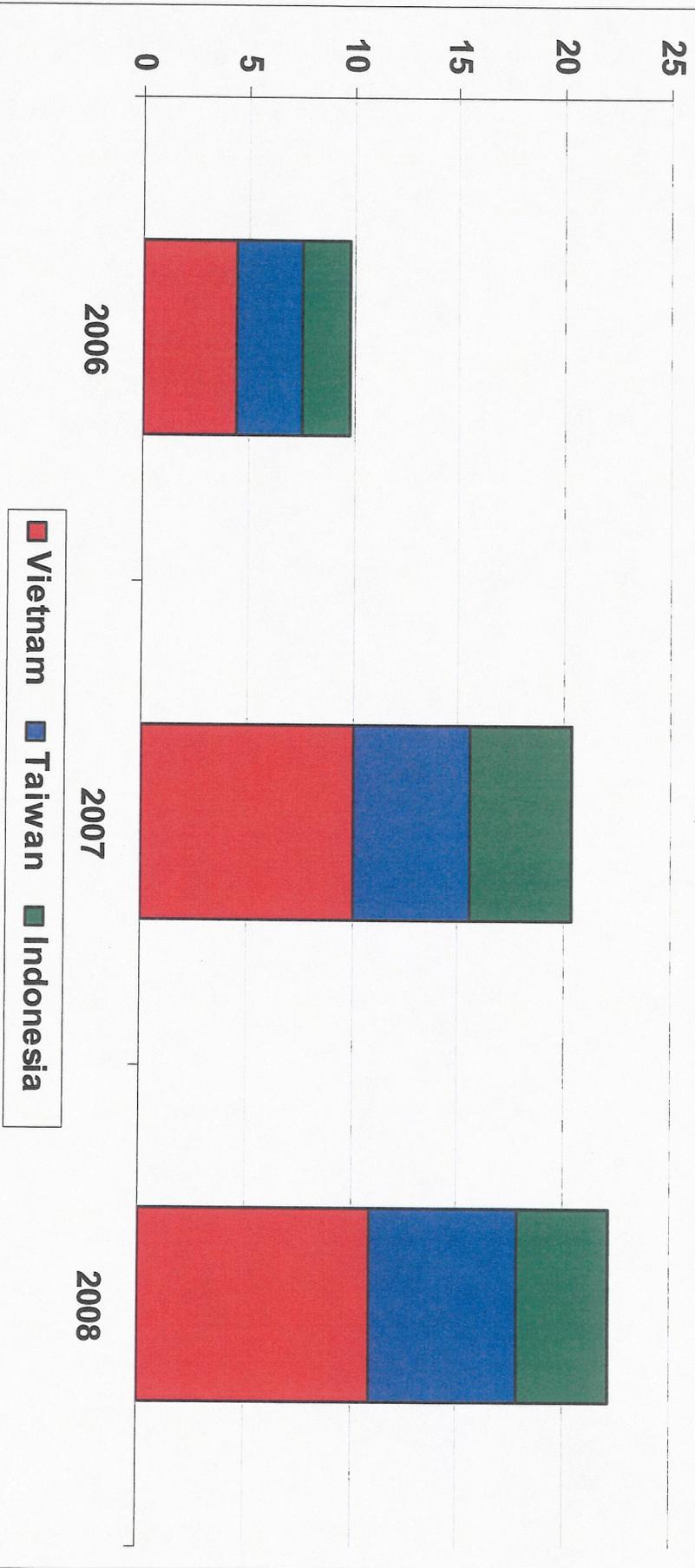
Source: Prehearing Report Table IV-3 at IV-8.

### Market Share of U.S. Imports Of PRCBs From Subject Countries (Value In Percent)



Source: Prehearing Report Table IV-3 at IV-9.

### Ratio Of Subject Imports To U.S. Production (Percent)



Source: Prehearing Report Table IV-4 at IV-10.

## AUV Price Comparison

	<u>2006</u>	<u>2007</u>	<u>2008</u>
	<b>\$U.S. Per 1,000 Bags</b>		
<b>U.S. Producers'</b>			
<b>U.S. Commercial Shipments</b>	14.35	13.23	15.10
<b>Subject Imports</b>	9.46	11.03	12.75
	<b>Underselling</b>		
<b>Subject Imports</b>	34.1%	16.6%	15.6%

Source: Prehearing Report Table C-1 at C-3 and C-4.

## Price Suppression

	<u>2006</u>	<u>2008</u>	
<b>U.S. Producers'</b>			
<b>COGS As A Share Of Net Sales</b>	90.0%	92.4%	
	<b>\$U.S. Per 1,000 Bags</b>		<b><u>Change</u></b>
			<b><u>'06-'08</u></b>
<b>Unit COGS</b>	13.05	13.94	6.8%
<b>Net Sales</b>	14.49	15.08	4.1%

Source: Prehearing Report Table C-1 at C-3 and C-4.

## **Declining Performance Indicators: 2006 To 2008**

	<b>Change</b>
Capacity	-4.1 %
Production	-5.6 %
U.S. Shipment Quantity	-2.5 %
PRWs	-15.0 %
Hours Worked	-9.1 %

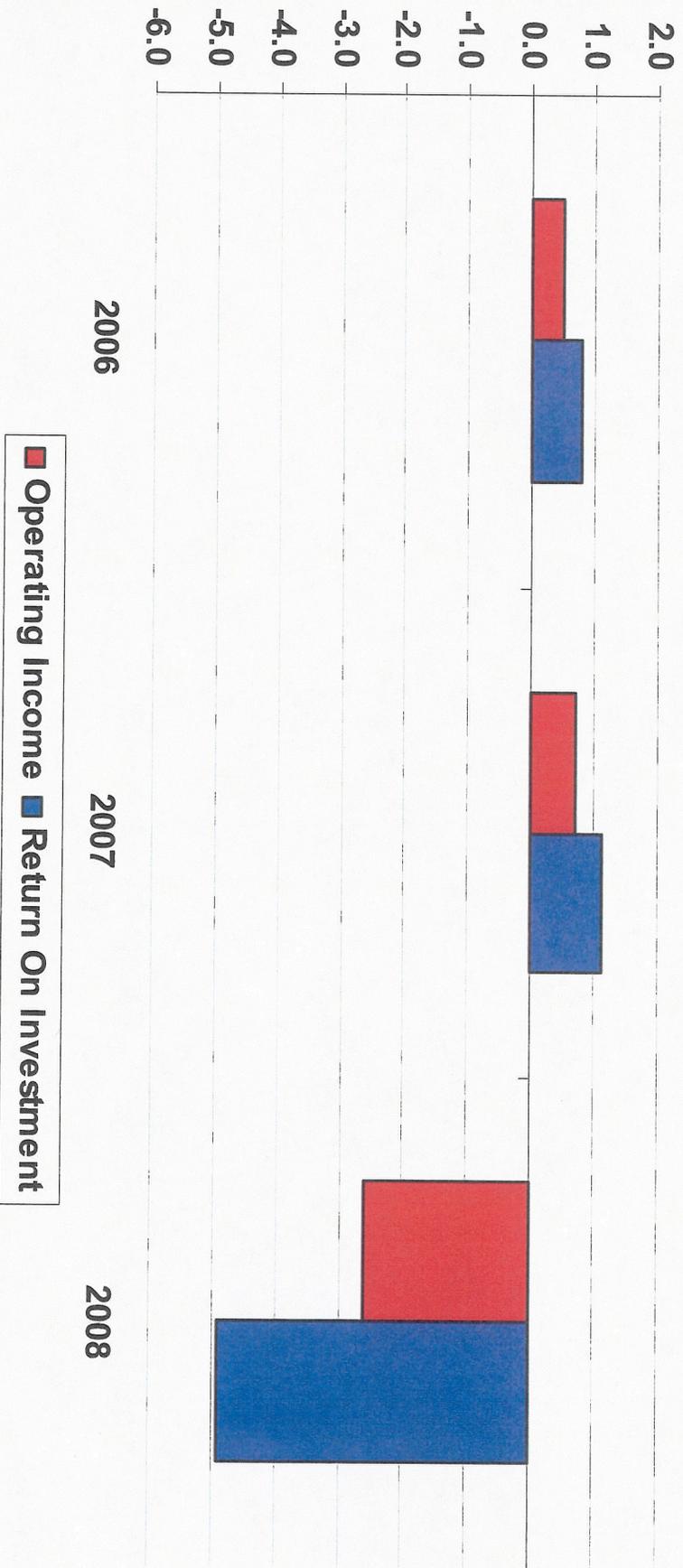
Source: Prehearing Report Table C-1 at C-4.

## **Declining Financial Indicators: 2006 To 2008**

	<b>Change</b>
<b>Net Sales (1,000 Bags)</b>	<b>-2.2 %</b>
<b>Gross profit or (loss)</b>	<b>-22.6 %</b>
<b>Capital Expenditures</b>	<b>-62.5 %</b>
<b>Operating Income</b>	<b>-644.5 %</b>

Source: Prehearing Report Table C-1 at C-4 and Table VI-5 at VI-16.

### Declining Financial Ratios (Percent)



Source: Prehearing Report Table C-1 at C-4 and VI-6 at VI-18.