

A-xxx-xxx

Investigation
Public Document

NAME
ADDRESS

Dear Sir or Madam:

I am writing to you on behalf of Import Administration, a unit of the United States Department of Commerce. On **[insert date]**, we initiated an investigation to determine whether merchandise imported into the United States that you are believed to produce and/or export is being sold at dumped prices. Dumping occurs when imported merchandise is sold in, or for export to, the United States at less than the normal value of the merchandise; *i.e.*, the United States price is less than the price at which identical or similar merchandise is sold in a foreign market (usually the home market of the producer and/or exporter merchandise), or less than the constructed value of the merchandise. The product under investigation is **[insert short name of product]** from **[insert country]**. We began the investigation based on a petition filed by **[insert name(s) of the petitioner(s)]** on behalf of the United States industry producing the merchandise under investigation.

On **[insert date]**, the United States International Trade Commission (ACommission@) preliminarily determined that there is a reasonable indication that imports of the product under investigation are injuring the United States industry. We will now determine whether sales of the subject merchandise in, or to, the United States are being dumped. If so, the Commission will decide whether those dumped imports are injuring the United States industry. If we find that sales are made at dumped prices, and the Commission finds that the dumped imports are a cause of injury, we will issue an antidumping order.

We are soliciting the information requested in the enclosed questionnaire to determine whether subject merchandise that you produced and/or exported was in fact sold in, or to, the United States at dumped prices. General instructions for responding to the questionnaire follow immediately after the table of contents. We have divided the questionnaire itself into five sections, A through E, and attached supplemental information, including a glossary of terms, in Appendices I through IV. Please review the contents page and ensure that you have received all the sections of the questionnaire. If you have not received the entire questionnaire, please contact the official in charge immediately.

All parties are requested to respond to sections A (General Information), B (Sales in the Home Market or to Third Countries), and C (Sales to the United States).

[Use these sentences if a cost of production inquiry has not been initiated: You are not requested to respond now to section D (Cost of Production/Constructed Value). However, if the petitioner alleges that your sales in the home or third country market are at prices below the cost of production **in accordance with section 773(b)(2)(A)(i) of the Act**, we may request that you respond to section D at a later date. Additionally, you are requested to respond to the

constructed value portion of section D with respect to products or models sold in the United States for which you had no sales of comparable merchandise in the home or third country market. If you believe that you might need to respond to section D, please contact the official in charge noted on the cover sheet to the questionnaire.] **[Use this sentence if a cost of production inquiry has been initiated: In accordance with section 773(b)(2)(A)(i) of the Act, because a domestic interested party has provided information that sales of the foreign like product under consideration for the determination of normal value have been made at prices which represent less than the cost of production, we have initiated a cost of production inquiry in this case, and you are requested to respond to section D.]**

You are not currently required to respond to section E (Cost of Further Manufacturing or Assembly Performed in the United States). However, we may request a response to this section if we determine, based on your response to section A, that we require the information to account for further processing expenses incurred in the United States.

Please refer to the cover page and general instructions of the enclosed questionnaire for the time period covered by this investigation, the due dates for responding to the questionnaire, and the instructions for filing the response. Remember that delivery of electronic media is to be made only to the Central Records Unit, Room 1870 of the main Commerce building. Also, please keep in mind that questionnaire responses must be received by the Central Records Unit before 5 p.m. on the day of the applicable deadline. If you have any questions about these or any other matters, please contact the official in charge.

If you are unable to respond to this questionnaire within the specified time limits, you must formally request an extension of time in writing before the due date. We will attempt to accommodate any difficulties that you encounter in answering this questionnaire. However, that accommodation cannot conflict with our obligation to conduct the investigation within the deadlines and informational requirements established by United States law.

Sincerely,

XXXXXX

**UNITED STATES DEPARTMENT OF COMMERCE
IMPORT ADMINISTRATION
OFFICE OF ANTIDUMPING AND
COUNTERVAILING DUTY ENFORCEMENT**

REQUEST FOR INFORMATION

*(NAME of RESPONDENT)
(COUNTRY)
(PRODUCT)*

PERIOD OF INVESTIGATION: *(period)*

For Department use only. This box should be deleted before sending the questionnaire to respondents. *The period of investigation should be the respondent=s last completed fiscal quarter before the filing of the petition and the three previous fiscal quarters.*

RESPONSE DUE DATE: *(specify by section)*

For Department use only. This box should be deleted before sending the questionnaire to respondents. *The response due date should be 21 days from the date of the questionnaire for section A and 37 days from the date of the questionnaire for the other sections.*

OFFICIAL IN CHARGE:

For Department use only. This box should be deleted before sending the questionnaire to respondents. *List two names here, the program manager and the lead analyst.*

PHONE: (202) 482-
FAX: (202) 482-
INTERNET:

PHONE: (202) 482-
FAX: (202) 482-
INTERNET:

Return the Questionnaire Response to:

**Office of AD/CVD Enforcement
Import Administration
U.S. Department of Commerce
Fourteenth Street and Constitution Avenue, N.W.
Room 1870
Washington, D.C. 20230**

Import Administration Website: <http://ia.ita.doc.gov>

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GENERAL INSTRUCTIONS

This questionnaire requests information to enable the United States Department of Commerce (the "Department") to determine whether your company dumped the **subject merchandise** in the United States.¹ **Dumping** is the sale of merchandise to the United States at prices below the **normal value** of the merchandise. If you have questions, we urge you to consult with the **official in charge** named on the cover page. If for any reason you do not believe that you can complete the response to the questionnaire by the date specified on the cover page of this questionnaire, or in the form requested, you should contact the official in charge immediately. you must formally request an extension of time in writing. Any extension will be approved in writing; otherwise the original deadlines will apply.

Your response to the questionnaire should include all of the information requested. It is essential and in your interest that the Department receive complete information early in the proceeding to ensure a thorough and accurate analysis and to provide all parties the fullest opportunity to review and comment on your submission and the Department's analysis. We appreciate your cooperation in this investigation.

This investigation will be conducted on a schedule dictated by law. If you fail to provide accurately the information requested within the time provided, the Department may be required to base its findings on the **facts available**. If you fail to cooperate with the Department by not acting to the best of your ability to comply with a request for information, the Department may use information that is adverse to your interest in conducting its analysis.

This questionnaire consists of the following sections:

Section A requests information about your organization and accounting practices, and general information regarding sales of the merchandise under investigation.

Section B requests information about your **home market**, or where appropriate, a **third-country market**,² including a sales list and other information necessary for us to calculate

¹ In each section of the questionnaire, the first use of each term included in the Glossary of Terms at Appendix I is shown in bold type face.

² Hereafter referred to as your **foreign market**.

the normal value of the merchandise.

Section C requests information about the United States market, including a sales list and other data necessary to calculate the price in or to the United States market.

Section D requests information about the **cost of production** of merchandise sold in the foreign market and the **constructed value** of merchandise sold in or to the United States, which may be required in connection with the calculation of normal value.³

Section E requests information about further manufacturing or assembly in the United States prior to delivery to **unaffiliated** United States customers.

Please comply with the following general instructions for filing and preparing your response to this questionnaire.

I. Instructions for Filing the Response

The following instructions apply not only to your questionnaire response but to all documents you submit to the Department during the course of this proceeding.

1. File your response in Washington, D.C., at the address listed on the cover of the questionnaire.
2. **Proprietary versions** of the response should be submitted on the day specified on the cover of the questionnaire. The **public version** of the response may be filed one business day after the proprietary version.
3. File the original and six copies of the proprietary version. However, if you file an electronic copy of the proprietary version in Word Perfect or Microsoft Word format, you need file only the original version and four copies. In case of any difference between the narrative response and the content of the electronic media, the narrative response is the controlling version. For either alternative, only one copy of sample printouts and electronic media containing sales files and cost files need be submitted. (Appendix II contains instructions for filing electronic media.)

File the original and three copies of the public version of your narrative response and attachments, including sample printouts.

4. Submit the required **certification of accuracy**. Providers of information and the person(s) submitting it, if different (*e.g.*, a legal representative), must certify that

³ If you are required to complete section D, it will be specified in the cover letter.

they have read the submission and that the information submitted is accurate and complete. The Department cannot accept questionnaire responses that do not contain the certification statements. A form for such certification is included at Appendix IV of this questionnaire. You may photocopy this form and submit a completed copy with each of your submissions.

5. Provide the required **certificate of service** with each proprietary version and public version submitted to the Department.

6. Request **proprietary treatment** for information submitted that you do not wish to be made publicly available. As a general rule, the Department places all correspondence and submissions received in the course of an antidumping proceeding in a public reading file. However, information deemed to be **proprietary information** will not be made available to the public.⁴ If you wish to make a request for proprietary treatment for particular information, refer to sections 351.304, 351.305, and 351.306 of the Department's **regulations**. Submit the request for proprietary treatment no later than one business day following the submission of the proprietary version of the questionnaire response accompanied by:
 - (1) a non-proprietary (public) version of your response that is in sufficient detail to permit a reasonable understanding of the information submitted in confidence,⁵ and/or
 - (2) an itemization of particular information that you believe you are unable to summarize. State the reasons why you cannot summarize each piece of information.

Responses, or portions thereof, that are not adequately summarized may be returned to you and not used.

7. Submit the statements required regarding limited release of proprietary information under the provisions of an **administrative protective order** (AAPO@). U.S. law permits limited disclosure to representatives of parties (*e.g.*, legal counsel) of certain business proprietary information, including electronic business proprietary information, under an APO. (Note that data received under an APO cannot be shared with others who are not covered by the APO.) Under the provisions governing APO disclosure, you must submit either:

⁴ Supplier names will not be considered proprietary information in situations where the Department has excluded the exporter from the antidumping duty order. Exclusions of non-producing exporters will be granted only to exporter/supplier combinations.

⁵ Generally, numerical data are adequately summarized if grouped or presented in terms of indices or figures ranged within ten percent of the actual figure. If a particular portion of the data is voluminous, use ranged figures for at least one percent of the voluminous portion.

- (1) a statement agreeing to permit the release under APO of information submitted by you in confidence during the course of the proceeding, or
- (2) a statement itemizing those portions of the information which you believe should not be released under APO, together with arguments supporting your objections to that release.⁶

We are required by our regulations to reject, at the time of filing, submissions of business proprietary information that do not contain one of these statements. You must state in the upper right-hand corner of the cover letter accompanying your questionnaire response whether you agree or object to release of the submitted information under APO. (See section 351.304 of our regulations for specific instructions.)⁷

8. Place brackets (“[]”) around information for which you request business proprietary treatment. Place double brackets (“[[]]”) around information for which you request proprietary treatment and which you do not agree to release under APO.
9. Provide to all parties whose representatives have been granted an APO (as listed in the cover letter to the questionnaire or as listed in a subsequent letter from the Department) a complete copy of the submission, proprietary and public versions, except for that information which you do not agree to release under APO. If you exclude information because you do not agree to release it under APO, submit with your response to the Department a certificate of service and a copy of the APO version of the document containing the information that you agree may be released under APO. For parties that do not have access to information under APO, please provide a public version only.

II. Instructions for Preparing the Response

1. Prepare your response in typed form and in English. Include an original and translated version of all pertinent portions of non-English language documents that accompany your response, including the financial statements. If this is

⁶ The Department will not disclose proprietary customer names under APO during an antidumping investigation until either an order is published or the investigation is suspended. To insure that proprietary customer names are properly treated in this case, place double brackets (“[[]]”) around all proprietary customer names in your submissions to the Department during the course of this investigation.

⁷ If you do not agree to release under APO all or part of the proprietary information, but we determine that the information should be released, you will have the opportunity to withdraw the information (see section 351.304(d) of our regulations). However, any information which you withdraw will be taken out of the official record and will not be used in our determination.

impractical for certain of the documents, please contact the official in charge.

2. Repeat the question to which you are responding in your narrative submission and place your answer directly below it. To assist you, we have provided a copy of the questionnaire on diskette in Word Perfect.
3. Refer to the instructions at Appendix II for information requested in electronic form (*i.e.*, sales lists and cost of production data).
4. Include all worksheets, financial reports and other requested documents as appendices to your response.
5. Report the **price adjustments** you made and expenses you actually incurred in making each sale reported in the computer data files requested in sections B and C of this questionnaire. Use allocations (*e.g.*, averages) only for price adjustments or expenses that cannot be tied to a specific sale (*e.g.*, indirect selling expenses).

In cases where reporting price adjustments or expenses on the same basis as they were granted or incurred (on a specific transaction or otherwise) would create a significant burden, the Department will accept allocated expenses if you can demonstrate that the allocation is calculated on as specific a basis as is feasible (*e.g.*, on a customer-specific basis, product-specific basis, and/or monthly-specific basis, etc.) and is not unreasonably distortive. In doing so, provide a complete explanation of (1) how the price adjustments or expenses are recorded in your records; (2) why you cannot report the price adjustment or expense on a more specific basis using your records; and (3) why your allocation methodology does not cause inaccuracies or distortions. For example, if you must allocate an expense between subject and non-subject merchandise and you perform the allocation on the basis of sales value, show that subject and non-subject merchandise incur or should bear the expense in such proportions. Explain how you allocated each price adjustment or expense to the products under investigation and include the allocation formula and supporting worksheets in your response.

6. Please note that you are required to establish the nature and amount of a particular adjustment. If this is not done, the Department may determine not to accept the adjustment as claimed. Include in your response all the information necessary for the Department to evaluate the nature of the adjustment and the methodology used for the adjustment. Explain whether expenses are tied directly or indirectly to your sales of the subject merchandise. Please refer to the Glossary of Terms (Appendix I) for a definition of **direct** and **indirect expenses**.
7. Report all expenses and revenues in the currencies in which they were incurred or earned. Identify all ratios, operating statistics and expenses or revenues used. In

addition, revenues and expenses should be identified by name and by the account or sub-account codes listed in your chart of accounts.

8. Identify all units of measurement, currencies and conversion factors used in your narrative response, worksheets or other appendices.
9. Identify any source documents maintained in the normal course of business you have relied on in preparing your response, and note the cities where these documents are maintained. Please include this information in an Appendix to your response. This information is used by the Department to prepare for **verification**.
10. Prepare sample printouts of information from each computer file submitted. The sample should contain the first and every fiftieth record (*i.e.*, observations 1, 50, 100, . . . , n) in each file submitted (always submit at least 60 records in the sample). However, if the total records in a file number less than 500, prepare a printout of the entire file.⁸ Submit the printouts with the electronic files (see Appendix II part D).
11. Prepare a single response that includes the information, including financial statements, you are required to report for **affiliates** involved with the production or sale of the products under investigation during the **period of investigation** ("POI") in the foreign market or the United States market or both. Include the sales and cost of these affiliates with your sales and cost in the same computer data file(s) and submit a single narrative response. If (a) you are uncertain whether a company is affiliated with you; (b) you do not believe you are able to prepare a response that includes the information of a known affiliate; or (c) you do not believe it is appropriate to prepare a response that includes the information of a known affiliate, contact the official in charge as soon as possible.
12. If you make sales to unaffiliated customers in the United States through an affiliated reseller located in the United States, your sales will generally be classified as **constructed export price** sales. For these sales, the Department deducts from the U.S. resale price to an independent purchaser all selling, distribution, and manufacturing expenses incurred in the United States. The Department also deducts an amount for profit allocable to these expenses. If you are required to respond to the cost-of-production section of this questionnaire, the Department will typically calculate a profit rate based on your reported revenues and expenses. Otherwise, the Department may use information obtained from

⁸ While the Department requires only sample printouts, if requested you are obligated to provide a full printout of all submitted data files to any party granted an APO.

your financial reports.

If you are not required to respond to the cost-of-production section of the questionnaire, you may voluntarily submit the information necessary to calculate a profit rate. Within legislative guidelines, we will use the information if it is practicable to do so and the information can be verified.

13. You must report all sales, including those sales which you believe are outside the **ordinary course of trade**. If you claim that some sales are outside the ordinary course of trade, you should then identify those sales. You must include a complete explanation in your narrative why you consider those sales to be outside the ordinary course of trade.
14. Provide a table of contents and a table of attachments. Assign a number to each attachment and include a descriptive name for each attachment and its number in the table.
15. Please respond to each question. If a particular question does not apply, please state so in your response. Failure to do so could lead to adverse assumptions for that particular question.
16. It is your responsibility to contact the official in charge if subsequent to your filing there are events that affect your response (*e.g.*, changes in your cost accounting system, changes as a result of an audit).

SECTION A

Organization, Accounting Practices, Markets and Merchandise

1. Quantity and Value of Sales

Information on the quantity and value of sales is necessary to determine whether we will attempt to compare the prices of merchandise under investigation sold to the United States market to (a) the prices of comparable merchandise in your **home market**, (b) prices of comparable merchandise in a **third-country** market or (c) **constructed value**.⁹ Refer to the term **viability** in the Glossary of Terms at Appendix I for a more complete discussion.

In this questionnaire we generally refer to the home market or third-country market selected for the calculation of normal value as the **foreign market**.

- a. State the total quantity and value of the merchandise under investigation that you sold during the **period of investigation** ("POI") in (or to):
 1. the United States,
 2. the home market, and

⁹ Throughout this questionnaire, whenever we refer to the "products under investigation" or "merchandise under investigation," we are referring generally to all products within the scope of the investigation that your company sold during the period of investigation in any market. When we use the term **subject merchandise**, we are referring to products sold to the United States. When we use the term **foreign like product**, we are referring to products sold in your home market or exported to a country other than the United States. We have provided a description of the merchandise included in the investigation in Appendix III.

3. if required, each of the three largest third-country markets.¹⁰

A chart for reporting the sales quantity and value is included at the end of this section.

Complete a combined chart for merchandise produced and sold by your company and its affiliates and, where appropriate, a separate chart for the merchandise of each unaffiliated manufacturer whose merchandise under investigation you sold during the POI. Report the value of all sales in U.S. dollars and convert your quantity of sales to a uniform unit of measure. List the conversion rates used. To the extent possible, sales values should be reported based on the same terms of sale. For sales of merchandise further manufactured or consumed by affiliates in the United States, report the quantity and value (based on the prices you charge to your U.S. affiliate) of the product as imported into the United States, and not as the further processed product.

- b. Report separately the quantity and value of sales in the home market and, if necessary, to each of the three largest third countries, that were made to affiliates. Include only those sales that involved the purchase of the foreign like product by affiliates for consumption rather than resale.
- c. Exclude your sales to affiliated resellers. Report instead the resales by the affiliates to unaffiliated customers. However, if sales to all affiliated customers constitute less than five percent of your total sales in the home or third-country markets, or if you are unable to collect information on such resales, please notify the official in charge in writing.
- d. Report third-country market information in the chart only if the volume of home

¹⁰ If the Department has requested that you file your response to section A before your responses to sections B and C, in responding to this question, you may use the **date of sale** you use in your accounting system to determine the quantity and value sold during the period of investigation. However, the viability of your home and third country markets will ultimately be based on the date of sale used in your responses to sections B and C of this questionnaire. Accordingly, if you use the date of sale you employ in your accounting system to prepare section A, but expect to use a different date of sale in the preparation of sections B and C, and your section A response for home market sales is close to the threshold of five percent of U.S. sales, contact the official in charge.

market sales of the foreign like product is less than five percent of the volume of United States sales of the subject merchandise. If the volume of your home market sales of the foreign like product is less than five percent of the volume of your sales to the United States of the subject merchandise (or if, for other reasons, you do not believe that your home market sales are usable as a basis for normal value), contact the official in charge because the Department, except in unusual situations, will not use your home market as the basis for calculating **normal value**. If home market sales are less than 5% of U.S. sales, you may present to the Department any special circumstances which might justify why your home market should be used as the basis for normal value.

- e. If your home market does not meet the five percent threshold described above, report the sales to each of the three largest (by volume) third-country markets (provided each meets the five percent threshold) in the chart and respond to each of the remaining questions in this section of the questionnaire by describing each of these three third-country markets. If the volume of your largest third-country market sales of the foreign like product is also less than five percent of the volume of your sales to the United States of the subject merchandise, do not report this market. If this is the case, you are required to respond to section D of this questionnaire.
- f. If there are special circumstances that you believe the Department should consider in selecting a third-country market for determining normal value, please describe these circumstances (*e.g.*, similarity of merchandise, similarity of channels of distribution) for each of the three largest third-country markets. In addition, if you believe that the foreign like product sold in the three largest third-country markets is not appropriate for comparison to the subject merchandise, then also report any third-country sales for the market to which you sold merchandise that is best compared to the U.S. market. Describe the circumstances that makes that market appropriate for making comparisons.
- g. If you export merchandise for entry into a foreign trade zone ("FTZ"), into a bonded warehouse in the United States, or under a temporary import bond, this may affect the way we treat these sales. Please note whether your merchandise goes into a FTZ or a bonded warehouse and contact the official in charge to discuss the reporting requirements.
- h. By the date of the preliminary determination, provide a complete package of documents and worksheets demonstrating how you identified the sales you reported to the Department and reconciling the reported sales to the total sales listed in your general ledger. Include a copy of all computer programs used to separate the reported sales from your total sales and to calculate expenses.

2. Corporate Structure and Affiliations

The purpose of the questions concerning operational and legal structures and affiliations is to provide the Department with an understanding of your company and its role in the manufacture, sale and distribution of the merchandise under investigation. The Department requests information not only about your company but also about affiliates, because it may be necessary to use information gathered from affiliated parties to establish prices, selling and general expenses, and production costs. In responding to questions about **affiliated persons**, please refer to the definition provided in the Glossary of Terms at Appendix I. For the purposes of the following questions, a Person@ includes any company, organization, individual, partnership or group.

- a. Provide an organization chart and description of your company's operating structure. Describe the general organization of the company and each of its operating units. For example, if your operations are structured by product or families of products, provide a description of each product group; if your operations are structured by function, provide a list of functional groups and the activities performed by each.

Although you may provide a general description of the structure of the company as a whole, it is particularly important that the description of those units involved in the development, manufacture, sale and distribution of the merchandise under investigation be sufficiently detailed to provide the Department with a good working understanding of how these units function within the company.

- b. Provide a list of all the manufacturing plants, sales office locations, research and development facilities and administrative offices involved in the development, manufacture and sale of the merchandise under investigation operated by your company and its affiliates. Please briefly describe the purpose of each.
3. Provide an organization chart and description of your company's legal structure. Include any parent companies and subsidiaries of your company and all other persons affiliated with your company and provide a description of all such persons.
- d. Provide a list of: (1) the shareholders who directly or indirectly own, control or hold with power to vote, 5 % or more of your company's outstanding voting stock; (2) the ten shareholders with the highest ownership percentage of your company, if such information is not provided in response to 1 above; (3) all companies in which your company directly or indirectly owns, holds or controls with power to vote, 5 % or more of the outstanding voting stock; (4) if your company is a subsidiary of another company, the ten largest shareholders of your parent company and of the other subsidiaries of your parent company which are involved in the development, production, sale or distribution of the merchandise

under investigation; and (5) if your parent company is itself a subsidiary of another company, the ten largest shareholders of its parent company. For all of the above, state the percentage of voting stock own, held or controlled, directly or indirectly.

Explain fully any business relationships your company had or has with the owners of the companies listed above and the effect such relationships may have on the development, production, sales or distribution of the merchandise under investigation.

If any of the affiliated persons identified above are in turn affiliated with other persons that are involved in the development, production (including inputs), sale or distribution of the merchandise under investigation, provide a list of those persons and describe the nature of the affiliation (*e.g.*, shared directors or managers, equity ownership, close supplier relationship). Include any such affiliated persons in the chart you provided in response to this section. Also, describe the nature of each person's involvement with the merchandise under investigation.

- e. State whether your company is part of a group. Examples of groups are: (1) a parent company and its subsidiaries; (2) a defined corporate group (*e.g.*, *kieretsu* or *chaebol*); (3) a network of companies with cross ownership; (4) two or more companies involved in the development, production, sale or distribution of the merchandise under investigation which are directly or indirectly controlled by a family or investor group. For more information pertaining to control, see section 771(33)(F) and (G) of the Act, section 351.102(b) of the regulations, the definition of **affiliated persons** in Appendix I and questions f and h below.

If your company is part of a group, provide:

- i. An organization chart of the companies in the group.
- ii. The amount of outstanding voting stock directly or indirectly owned, held or controlled, with power to vote, of each company in the group by: (a) any other company in the group; (b) any member of the family group; and/or (c) any member of the investor group.
- iii. The names of the officers, director and managers of each company in the group and indicate whether any of them is also: (a) an officer, director or manager of another company in the group; (b) a member of the family group; and/or (c) a member of the investor group. Explain all business or operational relationships affecting the development, production, sale or distribution of the merchandise under investigation which your company has or had with the parent company, any other company in the group, any

member of the family group, and/or any member of the investor group. Such business or operational relationships may include, but are not limited to, shared managers, employees, facilities, and borrowings.

- f. State whether your company is under a common control with another person by a third person (*e.g.*, a family group or investor group) and/or whether your company and another person commonly control a third person (*e.g.*, a joint venture). Control exists where a person is legally or operationally in a position to exercise restraint or direction over another person. Some factors, individually or in aggregate, which may influence your review for determining whether or not control may exist include, for example, ownership (with power to vote) of the voting stock of a company, substantial borrowings, intertwined business operations, and common officers, directors, or managers.

If there is such a relationship, describe the nature of the relationship (*e.g.*, ownership percentage, common officers/directors), your business relationship with such company or person and the effect such relationship may have on the development, production, sale or distribution of the merchandise under investigation.

- g. **If your company is affiliated with another producer that manufactures or has the potential to manufacture the merchandise under investigation, identify that producer and explain whether your company and the affiliated producer manufactures or could manufacture identical or similar products without substantial retooling of either facility.**

If you do not believe that the affiliated producer and your company could manufacture identical or similar products without substantial retooling, please explain the reasons for your conclusion and provide support for such a conclusion.

For each affiliated producer or potential producer of the merchandise under investigation: (1) state the level of common ownership (*e.g.*, the amount of cross equity ownership between the producers and/or ownership by any third party of both of the producers); (2) provide the names of any officers, directors and/or managerial employees of one company who are also officers, directors and/or managerial employees of the other company or of a company that is affiliated with both your company and the other producer; and (3) explain any intertwined operations (*e.g.*, shared employees and/or shared facilities, shared sales information, common involvement in production and pricing decisions, and transactions between your company and the affiliated producers).

As this is a complex area, please contact the official in charge if you have any

questions.

- h. Identify any supplier, (sub)contractor, lender, exporter, distributor, reseller, and any other person involved in the development, production, sale or distribution of the merchandise under investigation which the Department may also consider affiliated with your company, in accordance with section 771(33) of the Act and sections 351.102(b) and 351.401(f) of the regulations. Some factors which you should consider include, for example, whether you acquire a significant amount of a major input from only a single supplier, the length of time your company has had a relationship with a supplier, (sub)contractor, distributor, exporter or reseller, the exclusivity of the relationship, all business relationships your company has or had with these persons, and other relationships between your company and the other person (*e.g.*, director/manager relationships).
- i. Identify all business transactions that may directly or indirectly affect the development, production, sale or distribution of the merchandise under investigation which your company has or had with any affiliate (except to the extent you have provided this in response to one of the questions above).

Examples of such business transactions may include, but are not limited to, loans made by or to an affiliate, purchases and resales of the merchandise under investigation by an affiliated reseller, purchases made from a close supplier, and/or transactions with joint ventures, or a company acting as an agent for your company=s sales.

3. Distribution Process

The description you provide of your distribution and sales processes (see also question 4 below) is intended to provide the Department with the information necessary to make appropriate comparisons of sales at the same **level of trade** or to make a **level of trade adjustment**, if appropriate, when sales are compared at different levels of trade. Therefore, the Department requires detailed information about your channels of distribution, the categories of customers to whom you sell, the selling activities or services associated with each channel of distribution and category of customer, and the level of selling expenses for each channel and category of customer. Your response to this section is required regardless of whether you believe differences in levels of trade exist. Your response should include all the information requested and all information the Department should consider in making a comparison.

- a. Provide a flow chart and description of each of your company=s channels (or methods) of distribution in both the U.S. market and the foreign market. For example, for certain of your sales you may manufacture to order and ship directly to customers; for other sales you may ship from inventory maintained in distribution warehouses; additional sales may be made through consignees; etc.

- b. Provide a list of the categories of customers (*e.g.*, distributor, wholesaler, retailer, end-user) that purchase through each channel of distribution. In the case of **constructed export price** transactions (*i.e.*, sales to unaffiliated U.S. customers through an affiliated U.S. importer¹¹), describe both your affiliated U.S. importer(s) and your importer=s unaffiliated customers.
- c. Provide a complete list of all the selling activities performed and services offered in the U.S. market and the foreign market. Selling activities or services might include inventory maintenance, technical advice, warranty services, freight and delivery arrangements, advertising, and any other sales support activities. Please specify which services are provided by your company and which are provided by an affiliate. Describe each activity or service in detail. Identify the expense field in which the expenses associated with each selling activity will be captured in your response to sections B and C.

Please prepare a chart showing all selling functions you performed for each channel of distribution in the home market and the U.S. market. If you wish to distinguish between levels of function performance, you may. For example, if technical consultation is done for two channels, but more is done in one channel than the other, you might wish to indicate this difference by assigning a code for each level of activity. For each instance, however, you must provide a narrative explanation.

You should also indicate functions where differences may exist but are not easily categorized as Amore@ or Aless@ performed between channels. For example, if you pack the merchandise under investigation in bulk for sales in one channel but not in another channel, you should indicate this difference between channels. In addition, in this chart, indicate who performs the selling functions (the foreign parent, the U.S. affiliate, or both). If more than one sales unit performed the selling functions, please indicate all such sales units involved, and describe and rate the extent to which each performs the selling functions. For purposes of this chart, when preparing the column(s) for CEP sales, use different columns for the sale to the U.S. affiliate and for the sale to the unaffiliated customer.

A sample chart is included at the end of this section. The items included in this sample chart are for illustrative purposes only, and are not intended to be exhaustive. Your chart should include all the selling functions performed by your company and its U.S. affiliates for all your channels of trade, regardless of

¹¹ Please refer to the Glossary of Terms at Appendix I for a more exact definition.

whether those functions are included in the sample chart.

- d. For each category of customer (see part 3.b. above) to which you sold in each channel of distribution (see part 3.a. above) (*i.e.*, for each combination of distribution channel and customer category), provide the information requested below.
- ! From the list of selling activities and services you created in response to part 3.c. above, identify those activities or services performed. In the case of consignment sales, also describe any consignment arrangements and the activities of the consignee.
 - ! Indicate where and by whom each selling activity was performed on your reported sales.
 - ! Describe the degree to which each selling activity was performed on your reported sales.
 - ! If you had CEP sales, explain how each U.S. selling activity supported specific steps in your U.S. distribution system.

For constructed export price sales to the United States, if any, provide the information requested above for both your transactions with your affiliated importer and your U.S. affiliate=s resales to unaffiliated U.S. customers.

- e. Explain whether the prices you charge for the subject merchandise in the U.S. market and the foreign like product in the foreign market vary depending on the channel of distribution through which you sell and/or the customer category to whom you sell. If so, please explain how prices vary and why.
- f. If you have made CEP sales to the United States and you claim that a CEP offset should be made in calculating normal value, the Department=s **regulations** require the Department to examine price differences between levels of trade for sales in the foreign market of broader or different product lines. Under the antidumping regulations, the Department may grant a CEP offset only if it is unable to calculate a level of trade adjustment using such information (and if other requirements are met). Therefore, if you are claiming that a CEP offset should be made, then you must provide the information requested in 3.a through 3.d, above, with respect to other products your company sold in the foreign market, including any merchandise that is not a foreign like product. If you made sales of any merchandise at a level of trade similar to the level of trade of your CEP sales¹², provide average price information for the products sold at that level

¹² The level of trade for CEP sales is determined *net* of selling activities or services associated with economic activities performed in the United States in selling the subject merchandise to unaffiliated customers. In general, this means that the relevant level is the level of trade of your transactions with your affiliated U.S. reseller. Please refer to **constructed export price** and **level of trade** in the Glossary of Terms.

of trade and either of the levels of trade at which the foreign like product was also sold. You may provide your response to this question with your response to section B of this questionnaire.

4. Sales Process

The **date of sale** for your sales to the United States and the foreign market is important to the Department's analysis. It will determine which sales are reported in response to sections B and C of this questionnaire and the exchange rate used to convert normal value into U.S. dollars. Note, however, that the Department's criteria for determining date of sale may differ from those that you apply in the normal course of business. A description of the Department's criteria is included in the Glossary of Terms at Appendix I; please use these criteria in preparing your response to this questionnaire. If you have difficulty deciding which date to use as the date of sale, please contact the official in charge immediately.

- a. Describe the sales process for each method or channel of distribution described in response to question 3 above. Include a description of each step in the sales process.
- b. Explain how you determined the ultimate customer or market for the products sold through resellers. For these sales, explain whether you restrict the reseller's volume or geographic area for distribution. In addition, explain whether you provide customer lists to or make joint sales calls with the reseller, or provide post-sales support or purchase incentives to the reseller's customers. Provide written sales contracts or sales terms with these resellers. In addition, indicate whether different packing is required for products sold for export or domestic consumption or whether documentation is required with respect to exported merchandise. Finally, explain whether you classify these sales as export or home market sales in your business records, and describe the criteria you use to classify sales.
- c. Describe your agreement(s) for sales in the United States and the foreign market (*e.g.*, long-term purchase contract, short-term purchase contract, purchase order, order confirmation). Provide a copy of each type of agreement and all sales-related documentation generated in the sales process (including the purchase order, internal and external order confirmation, invoice, and shipping and export documentation) for a sample sale in the foreign market and U.S. market during the POI.
- d. Describe the types of changes that occur after the initial agreement that affect the terms of the sale other than delivery dates.
- e. Provide the approximate percentage of sales of the merchandise under

investigation in the United States market and the foreign market made pursuant to each type of agreement listed in response to question 4.c. above.

- f. Provide copies of all price lists used in sales of the merchandise under investigation to the United States and to the foreign market and identify the types of sales to which these price lists pertain. Include any **discount** or **rebate** schedules used with each price list.
- g. Describe your invoicing practice(s) for each channel of distribution described in response to question 3 above. Explain when invoices are issued in relation to when the merchandise is shipped. Also explain any circumstances under which you deviate from the usual practice and describe how often this occurs.

5. Sales to Affiliated Persons ("Affiliates") in the Foreign Market

An affiliated customer is considered to have resold the foreign like product if the product sold by the affiliate is within the definition of the merchandise in Appendix III. This is the case whether the affiliate resold the product in the same condition as it was purchased or whether the affiliate processed the product before resale. The affiliated customer is considered to have "consumed" the foreign like product if the affiliate uses it in the production of merchandise which does not fall within the description of the merchandise provided in Appendix III.

- a. Provide a list of affiliates that purchased and resold the foreign like product in the foreign market. Also, please state the approximate percentage of your sales of the foreign like product in the foreign market which were made by these affiliates.
- b. Describe the services provided by each of the affiliated resellers. For example, explain whether the reseller acts as a sales agent ordering and reselling in the same lot sizes without taking physical possession of the merchandise or whether the reseller warehouses the merchandise and resells it in different lot sizes or in a further processed form of the foreign like product. In addition, explain whether the reseller provides warranties and technical or customer service, registration services, or arranges for transportation to the unaffiliated customer.
- c. Provide a list of affiliates that purchased the foreign like product for consumption in the foreign market or elsewhere. Explain your policy for establishing prices to such affiliates. Indicate the approximate percentage of sales of the foreign like product that were made to these affiliates.

6. Accounting/Financial Practices

A detailed understanding of your accounting and financial practices will help to ensure an accurate **verification**, and is necessary for the Department to analyze your reporting and allocation of expenses.

- a. Describe your company's accounting and financial reporting practices, including your normal corporate accounting period.
- b. Please provide the following financial documents for the two most recently completed fiscal years plus all subsequent monthly or quarterly statements: (1) chart of accounts; (2) audited, consolidated and unconsolidated financial statements (including any footnotes and auditor's opinion); (3) internal financial statements or profit and loss reports of any kind that are prepared and maintained in the normal course of business for the merchandise under investigation or, in the absence of such reports, for the product line that corresponds most closely to the definition of the merchandise under investigation, including those for the next largest and smallest categories of merchandise and for the next largest and smallest internal business unit producing or selling the merchandise under investigation; (4) financial statements or other relevant documents (*i.e.*, profit and loss reports) of all affiliates involved in the production or sale of the subject merchandise in the foreign market and the U.S. market, of all affiliated suppliers to these affiliates, and of the parent(s) of these affiliates; (5) any financial statement or other financial report filed with the local or national government of the country in which your company is located.
- c. If in any month during the period of investigation the annual inflation rate in the foreign market was in excess of 25 percent, please contact the official in charge within two weeks of the receipt of this questionnaire. We may request that you respond to a modified questionnaire. (These instructions are provided to alert the Department to high inflation rates that might require adjustments to costs.)

7. Merchandise

The questions which follow relate to the merchandise under investigation sold in the United States and the foreign market.

- a. Provide a description of the types of merchandise under investigation produced or sold by your company. Include an explanation of the differences and similarities of the merchandise under investigation sold in the foreign market and that exported to the United States.
- b. Provide a key to your product codes assigned to the merchandise in the normal

course of business, including an explanation of the full range of prefixes, suffixes, or other notations that identify special features. Explain whether identical products are listed under different product codes in the United States and the foreign market. If so, provide a list showing how identical products are identified by product codes for each market.

- c. Describe the parts, materials, specifications, applications, standards, and production processes employed in the production of the merchandise sold in the foreign market and sold in the United States. Include copies of the industry specifications or standards for each market. Explain other factors that differentiate the products under investigation sold by your company.
- d. Provide all catalogs and brochures issued by your firm and affiliates that include the merchandise under investigation sold by your firm in the United States and in the foreign market. If translating the foreign market catalogs and brochures is burdensome, contact the official in charge. If this information is voluminous, please provide a table of contents for each catalog or brochure. The table of contents should be translated into English if it is in another language.

Additionally, if your firm has a website, identify the URL address and provide a copy of the site index. If the site index is in a language other than English, provide a translation.

- e. If your merchandise is sold in the foreign market in different quantity units than in the United States, describe any conversion factors necessary to put the sales on the same basis.
- f. State whether you had any transactions involving merchandise samples in either your foreign market or the U.S. market. Describe the terms and circumstances of any such transactions.

8. Further Manufacture or Assembly in the United States

This section of the questionnaire concerns subject merchandise exported to the United States and changed in value or physical condition (**Afurther manufacture@**) prior to delivery to the first unaffiliated customer in the United States.

Provide the following information with respect to merchandise that is further manufactured or assembled in the United States by an affiliate or contractor.

- a. Provide a list and description of the products sold to unaffiliated customers during the POI that were produced from or incorporate subject merchandise. For each such product sold, identify the particular subject merchandise used to produce that

final product.

- b. Provide the weighted-average net price for the period of investigation charged to the affiliated importer for each product included in the investigation that has been further manufactured and the weighted-average net price for the period of investigation charged the unaffiliated U.S. customers for each further manufactured final product. For each further manufactured product sold during the POI, list the product code and name of the subject merchandise included in that product, the net unit transfer price charged the affiliated importer, the amount of the subject merchandise consumed in the production of the further manufactured product, and the total value of the consumed subject merchandise (unit transfer price multiplied by the number of units consumed in production).¹³

¹³ This question is designed to provide the Department with the information necessary to determine whether the value-added in the United States exceeds substantially the value of the subject merchandise that has been processed. You may provide this information in any format that supplies the appropriate information.

9. Exports Through Intermediate Countries

If you are aware that any of the merchandise you sold to third countries was ultimately shipped to the United States, please contact the official in charge within two weeks of the receipt of this questionnaire.

10. Sales of Merchandise Under Investigation Supplied by an Unaffiliated Producer.

Please respond to this section of the questionnaire if neither your company nor an affiliate produced the merchandise under investigation that you sold either in the foreign market or to the United States.

- a. Provide the names, addresses and facsimile numbers of those companies that supplied you with the merchandise under investigation that your company or an affiliate sold to the United States or to the foreign market.
- b. State whether the supplier of the merchandise under investigation knew or had reason to know the ultimate destination of any merchandise purchased by your company at the time of sale. For example, did you request that the supplier ship the merchandise directly to the United States; was the destination apparent from the product codes or other markings; were there product characteristics or features typical of the United States market? Was there an explicit or implicit understanding giving permission to or responsibility for exporting to the United States, or restricting, discouraging, or prohibiting sales in the home market, the foreign market or elsewhere? Does the supplier have the right to review your sales records? Does the supplier provide after-sales service in the U.S., participate in U.S. sales calls or activities, provide sales incentives to your customers?

FORMAT FOR REPORTING QUANTITY AND VALUE OF SALES

Market	Period of Investigation	Unit of Measure	Total Quantity	Total Value in U.S. dollars
<u>United States</u> 1. Export Price 2. Constructed Export Price 3. Further Manufactured Total				
<u>Home</u> 1. Affiliated 2. Unaffiliated Total				
<u>Third Country 1</u> 1. Affiliated 2. Unaffiliated Total				
<u>Third Country 2</u> 1. Affiliated 2. Unaffiliated Total				
<u>Third Country 3</u> 1. Affiliated 2. Unaffiliated Total				

Sample Selling Functions ChartFunctions adjusted for under
' 772(d)

Selling Activity/ Function	Home Market Channel 1	Home Market Channel 2	Export to US affiliate (CEP sales)	US Channel 4 US affiliate to unaffiliated customer (CEP sales)	US Channel 5
Sales Forecasting					
Strategic/Economic Planning					
Personnel Training/Exchange					
Engineering Services					
Advertising					
Sales Promotion					
Distributor/Dealer Training					
Procurement/Sourcing Services					
Packing					
Inventory Maintenance					
Order Input/Processing					
Direct Sales Personnel					
Sales/Marketing Support					
Market Research					
Technical Assistance					
Provide Rebates					
Provide Cash Discounts					
Pay Commissions					
Provide Warranty Service					
Provide Guarantees					
Provide After-Sales Services					
Perform Repacking					
Provide Freight and Delivery					
Provide Post-Sale Warehousing					