

Questionnaire Responses

General Questionnaire Structure

□ AD

- Section A: General Information
- Section B: Comparison Market Sales (Home Market Sales)
- Section C: U.S. Market Sales
- Section D: Cost of Production & Constructed Value
- Section E: Further Manufacturing in the United States

□ CVD

- Section I: General Information
- Section II: Government
 - General Questions
 - Program Specific Questions
 - Appendices (Standard Questions, Allocation, Grants, Loans, Tax, Provision of Good & Services)
- Section III: Producer/Exporter
 - Same Topics as Government

Questionnaires in AD investigations are usually issued a few days after the ITC's preliminary injury determination, which occurs 45 days after the date on which the petition is filed. For administrative reviews, questionnaires usually are issued as soon as practicable after initiation, usually by the 45th day after the last day of the anniversary month.

AD Questionnaires

- **Section A:** This section requests general information concerning the company's corporate structure which includes all affiliated companies, business practices, including its sales and distribution processes, the merchandise under investigation or review that it sells, and the quantity and value of sales of the merchandise in all markets.
 - Staff Requirements: Management, sales and accounting teams.
 - Time Requirements: 2-3 weeks.
 - Key Legal Considerations:
 - affiliation,
 - corporate structure,
 - date of sale;
 - sales process and identifying the universe of sales to report;
 - explanation of accounting processes
 - The deadline for filing this section is normally 30 days after the questionnaire is issued.
 - The Department of Commerce will normally issue 2-3 supplemental questionnaires as the case proceeds on issues and legal concerns arising out of a company's response to Section A

AD Questionnaires

- **Section B:** This section requests a complete listing of sales transactions in the comparison market which is either the home market, or, if that is not viable, an appropriate third-country market. It consists of two parts. First, a sales database with complete sales details, including product and customer identifiers, sale dates, quantities, prices, and adjustments to be made to the prices. Adjustments include terms of the sales, discounts and rebates, movement charges, indirect expenses, packing costs, taxes, etc. Second, a narrative describing all of the variables reported in the sales listing is required.
 - Staff Requirements: Sales and accounting teams.
 - Time Requirements: 4-6 weeks.
 - Key Legal Considerations:
 - affiliated company sales in the home market;
 - prime vs. secondary merchandise classification (including sample sales);
 - identifying the correct product characteristics to match the scope of the investigation;
 - date of sale and identifying the date on which all terms of sale are finalized;
 - identifying price adjustments and reviewing all potential pre-sale and post-sale price adjustments and categorizing rebates and discounts;
 - Commissions and selling expenses
 - The deadline for filing this section is normally 45 days after the questionnaire is issued.
 - The Department of Commerce will normally issue 3-4 supplemental questionnaires as the case proceeds on issues and legal concerns arising out of a company's response to Section B

AD Questionnaires

- **Section C:** For investigations, this section requests a listing of the U.S. sales transactions for the POI for use in determining the export price (EP) and/or constructed export price (CEP) of the merchandise. For administrative reviews, companies are required to report each U.S. sale of merchandise entered for consumption during the POR, except:
 - (1) for EP sales, if you do not know the entry dates, report each transaction involving merchandise shipped during the POI/POR; and
 - (2) for CEP sales made after importation, report each transaction that has a date of sale within the POI/POR.
 - Like Section B, all circumstances of sale adjustments and a detailed narrative describing all variables must be provided.
 - **Sections B and C are very detailed, and as a result, time consuming. Respondents should expect large and burdensome staff outlays by the company.**
 - Staff Requirements: Sales and accounting teams.
 - Time Requirements: 4-6 weeks.
 - Key Legal Considerations are the same as Section B but with a focus on Exports to the United States
 - prime vs. secondary merchandise classification (including sample sales);
 - identifying the correct product characteristics to match the scope of the investigation;
 - date of sale and identifying the date on which all terms of sale are finalized;
 - identifying price adjustments and reviewing all potential pre-sale and post-sale price adjustments and categorizing rebates and discounts;
 - Commissions and selling expenses
 - The deadline for filing this section is normally 45 days after the questionnaire is issued.
 - The Department of Commerce will normally issue 3-4 supplemental questionnaires as the case proceeds on issues and legal concerns arising out of a company's response to Section C

AD Questionnaires

- **Section D:** This section requests cost of production (COP) and constructed value (CV) information. Unlike the previous three sections of the questionnaire, which focuses on the sales of the subject merchandise, this portion focuses on the manufacture of the merchandise.
- The Department does not always request this information, however if the U.S. petitioner alleges that sales are made in the home market at below the COP, the Department initiates a sales-below-cost investigation and respondents are then required to supply the COP information. The threshold for initiation is low and first-time respondents must be prepared to answer the Section D.
- Generally, for *each product* covered by the scope of the investigation, the company must provide the cost of manufacturing (COM); selling, general and administrative (SG&A) expenses; and packing expenses. COM includes the direct materials, direct labor, variable manufacturing overhead, and fixed manufacturing overhead costs incurred in the production of the merchandise. Again, this must be calculated per product.
- This section is also extremely burdensome on company staff, especially staff accountants and production personnel.
 - Staff Requirements: Accounting and production teams.
 - Time Requirements: 6-8 weeks.
 - Key Legal Considerations:
 - Purchases of affiliated inputs from related or affiliated parties
 - Costing methodology utilized to report the per-unit costs of production must be detailed enough to capture differences in cost related to differences in physical characteristics of the merchandise produced (e.g. size, thickness, finishing, etc.).
 - Costs must be reported on a POI/POR basis but must take into account fiscal year adjustments.
 - Reporting of consolidated financial expenses, general & administrative expenses, and overhead costs (including research & development)
- The deadline for filing this section is normally 45 days after the questionnaire is issued and **must** be submitted along with the Section B & C responses.
- The Department of Commerce will normally issue 4-5 supplemental questionnaires as the case proceeds on issues and legal concerns arising out of a company's response to Section D
- **Section E:** Further Manufacturing in the United States: Only required if value is added during further manufacturing processes in the United States.

CVD Questionnaires

- ❑ **Section I: General Information including companies required to respond, scope, period of investigation or review and filing instructions.**

- ❑ **Section II: Government**
 - **General Questions: Industry description, tariff schedule for products under the scope and Central Bank information requests.**

 - **Program Specific Questions: Detailed subsidy program description, application requirements and types of records kept and whether respondent companies benefitted.**

 - **Appendices (Standard Questions, Allocation, Grants, Loans, Tax, Provision of Good & Services)**
 - **Staff Requirements: Information is required from Local, State and National Government levels.**

 - **Time Requirements: 4-6 weeks.**

❑ **Section III: Producer/Exporter**

- General information section about the company and its organizational structure including affiliated parties, marketing/distribution systems etc.
- Detailed financial information including statements from last 2 years.
- Sales volume information including export sales, U.S. sales, etc.
- Program-specific information similar to requirements of Government.
 - Staff Requirements: Sales and accounting teams.
 - Time Requirements: 2-3 weeks.
 - Key Legal Considerations:
 - Reporting of sales values
 - Reporting of benefits received
 - Identification of both used and unused programs/benefits received
 - Affiliation concerns
 - Consolidated and Parent company benefits received and programs utilized
 - Upstream and downstream subsidies from suppliers and/or customers
- The deadline for filing this section is normally 30 days after the questionnaire is issued
- The Department of Commerce will normally issue 4-5 supplemental questionnaires as the case proceeds on issues and legal concerns arising out of a company's response to various programs/benefits received