

PRODUCERS' QUESTIONNAIRE
POLYVINYL ALCOHOL FROM TAIWAN

Return completed questionnaire to:

UNITED STATES INTERNATIONAL TRADE COMMISSION
Office of Investigations, Room 615-J
500 E Street, SW, Washington, DC 20436

So as to be received by the Commission by no later than September 21, 2004

The information called for in this questionnaire is for use by the United States International Trade Commission in connection with its antidumping investigation concerning polyvinyl alcohol ("PVA") from Taiwan (inv. No. 731-TA-1088 (Preliminary)). The information requested in the questionnaire is requested under the authority of the Tariff Act of 1930, title VII. This report is mandatory and failure to reply as directed can result in a subpoena or other order to compel the submission of records or information in your possession (19 U.S.C. § 1333(a)).

Name of firm _____
Address _____
City _____ State _____ Zip code _____
World Wide Web address _____
Has your firm produced polyvinyl alcohol (as defined in the instruction booklet) at any time since January 1, 2001?
<input type="checkbox"/> NO (Sign the certification below and promptly return only this page of the questionnaire to the Commission)
<input type="checkbox"/> YES (Read the instruction booklet carefully, complete all parts of the questionnaire, sign the certification, and return the entire questionnaire to the Commission)

CERTIFICATION

I certify that the information herein supplied in response to this questionnaire is complete and correct to the best of my knowledge and belief and understand that the information submitted is subject to audit and verification by the Commission.

By signing this certification I also grant consent for the Commission, and its employees and contract personnel, to use the information provided in this questionnaire and throughout this investigation in any other import-injury investigations conducted by the Commission on the same or similar merchandise. (If you do not consent to such use, please note the certification accordingly.)

I acknowledge that information submitted in this questionnaire response and throughout this investigation may be used by the Commission, its employees, and contract personnel who are acting in the capacity of Commission employees, for developing or maintaining the records of this investigation or related proceedings for which this information is submitted, or in internal audits and investigations relating to the programs and operations of the Commission pursuant to 5 U.S.C. Appendix 3. I understand that all contract personnel will sign non-disclosure agreements.

Name and Title of Authorized Official

Date

Signature of Authorized Official

() _____
Phone

() _____
Fax

PART I.--GENERAL QUESTIONS

The questions in this questionnaire have been reviewed with market participants to ensure that issues of concern are adequately addressed and that data requests are sufficient, meaningful, and as limited as possible. Public reporting burden for this questionnaire is estimated to average 40 hours per response, including the time for reviewing instructions, searching existing data sources, gathering the data needed, and completing and reviewing the questionnaire. Send comments regarding the accuracy of this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to the Office of Investigations, U.S. International Trade Commission, 500 E Street, SW, Washington, DC 20436.

I-1a. Please report below the actual number of hours required and the cost to your firm of preparing the reply to this questionnaire and completing the form.

_____ hours _____ dollars

I-1b. We are interested in any comments you may have for improving this questionnaire in general or the clarity of specific questions. Please attach such comments to your response or send them to the above address.

I-2. Provide the name and address of establishment(s) covered by this questionnaire (see page 3 of the instruction booklet for reporting guidelines). If your firm is publicly traded, please specify the stock exchange and trading symbol.

I-3. Do you support or oppose the petition? Please explain.

Support Oppose Take no position

As indicated at the top of the page, your response to this question will be treated as business proprietary. However, if the Commission's final determination in the investigation is affirmative and an antidumping duty order is issued, the Commission, pursuant to section 754 of the Tariff Act of 1930, will provide a list of firms supporting the petition to the Customs Service for possible distribution of any antidumping duties that may be collected. If you wish to waive business proprietary treatment of your response to this question in order to make your position with respect to the petition public and allow inclusion of your firm on that list, indicate "yes" below.

Yes No (that is, I do not wish my position on the petition to be made public)

I-4. Is your firm owned, in whole or in part, by any other firm?

No Yes--List the following information.

<u>Firm name</u>	<u>Address</u>	<u>Extent of ownership</u>
_____	_____	_____
_____	_____	_____

PART I.--GENERAL QUESTIONS--Continued

I-5. Does your firm have any related firms, either domestic or foreign, which are engaged in importing PVA from Taiwan into the United States or which are engaged in exporting PVA from Taiwan to the United States?

No Yes--List the following information.

<u>Firm name</u>	<u>Address</u>	<u>Affiliation</u>
_____	_____	_____
_____	_____	_____

I-6. Does your firm have any related firms, either domestic or foreign, which are engaged in the production of PVA?

No Yes--List the following information.

<u>Firm name</u>	<u>Address</u>	<u>Affiliation</u>
_____	_____	_____
_____	_____	_____

PART II.--TRADE AND RELATED INFORMATION

Further information on this part of the questionnaire can be obtained from Megan Spellacy, megan.spellacy@usitc.gov (202-205-3190). **Supply all data requested on a calendar-year basis.**

II-1. Who should be contacted regarding the requested trade and related information?

Company contact: _____
Name and title

Phone No. _____ E-mail address _____

II-2. Has your firm experienced any plant openings, relocations, expansions, acquisitions, consolidations, closures, or prolonged shutdowns because of strikes or equipment failure; curtailment of production because of shortages of materials; or any other change in the character of your operations or organization relating to the production of PVA since January 1, 2001?

No Yes--Supply details as to the time, nature, and significance of such changes.

PART II.--TRADE AND RELATED INFORMATION--Continued

II.-3. Describe the significance of the antidumping duty orders on imports of polyvinyl alcohol from China, Japan, and Taiwan into the United States that were revoked in mid-2001 and the imposition of antidumping duty orders on imports of PVA from China, Japan, and Korea in mid-2003. You may wish to compare your firm's operations while the antidumping duty orders were in place with your operations after their revocation. Use additional pages as necessary.

II-4. How many production lines does your firm currently operate in its production of PVA? If your firm has more than one line producing PVA, list the specific PVA products produced on each line and the volume (in 1,000 pounds) of each product produced on each line in 2003.

Does your firm produce other products on the same equipment and machinery used in the production of PVA?

No Yes--List the following information.

Basis for allocation of employment data (e.g., sales): _____

Products produced using the same workers and share of total production in 2003 (in percent):

<u>Product</u>	<u>Percent</u>	<u>Product</u>	<u>Percent</u>
PVA	_____	_____	_____
_____	_____	_____	_____

II-5. Please describe the constraint(s) that set the limit(s) on your production capabilities.

II-6. Does your firm produce other products using the same production and related workers employed to produce PVA?

No Yes--List the following information.

Basis for allocation of employment data (e.g., sales): _____

Products produced using the same workers and share of total production in 2003 (in percent):

<u>Product</u>	<u>Percent</u>	<u>Product</u>	<u>Percent</u>
PVA	_____	_____	_____
_____	_____	_____	_____

PART II.--TRADE AND RELATED INFORMATION--Continued

II-7. Since January 1, 2001, has your firm been involved in a toll agreement (see definition in the instruction booklet) regarding the production of PVA?

No Yes--Name firm: _____

II-8. Does your firm produce PVA in a foreign trade zone (FTZ)?

No Yes--Identify FTZ(s): _____

II-9. In 2003, did your firm internally transfer (captively consume) any portion of its production of PVA for use in the production of a downstream product?

No--Skip questions II-10 to II-16 Yes--Complete questions II-10 to II-16

II-10. Approximately what share (*in percent*) of the volume of your firm's production of PVA in 2003 was transferred internally for your production of downstream product(s)?

II-11. Please specifically identify the downstream products that your firm produces from your firm's internal transfers of PVA (*e.g.*, PVB, PVB sheet, etc.).

II-12. Was all of the PVA that your company transferred for internal processing actually processed into a downstream product?

Yes No--Please report the quantity and value sold in the PVA merchant market in 2003.

Quantity: _____ Value: _____

Please report the quantity and value in 2003 that was unusable and/or was used for some purpose other than the processing of a downstream product. Please also specify the purpose.

Quantity: _____ Value: _____ Purpose: _____

PART II.--TRADE AND RELATED INFORMATION--Continued

II-13. What share of the raw material cost of producing your downstream product(s) in 2003 was accounted for by PVA?

Downstream product	Share of raw material cost <i>(in percent)</i>

II-14. In 2003, was the PVA that you sold in the merchant market generally used in the production of downstream products by your customers?

No Don't know

Yes--Please identify your two largest customers and the major downstream product(s) involved. In addition, please identify the approximate portion (*in percent*) of the volume of your merchant market sales of PVA in 2003 that was used in the production of downstream products by **all** your customers.

II-15. In 2003, was any portion of your merchant market sales of PVA used by your customers to produce the same downstream product(s) that your firm produces from PVA that you produced?

No Don't know

Yes--Please indicate the approximate share (*in percent*) of the volume of your merchant market sales of PVA in 2003 that was used in the production of the same downstream products that your firm produces from your PVA.

II-16. Does the PVA that your firm produces and captively consumes differ from the PVA sold by your firm in the merchant market?

We don't sell PVA in the merchant market. No

Yes--Please explain any differences.

PART II.--TRADE AND RELATED INFORMATION--Continued

II-17. Please list each related company to which you transferred PVA during 2003, the ownership interest that your firm has in each related company, any other companies with an ownership interest in the related company, and their respective ownership shares in the related company.

Related company	Your ownership interest <i>(in percent)</i>	Other companies with an ownership interest	Their ownership interest <i>(in percent)</i>

II-18. In 2003, did the related company(ies) identified in the response to question II-17 source PVA from any companies other than your firm?

- No
 Yes—Please list the other sources from which each related company obtained PVA and what percentage came from each source. Please also indicate whether or not the PVA from each other source was provided under a toll agreement.

II-19. Are your transfers to the related company(ies) identified above made through a toll operation (i.e., do you maintain legal title to the PVA that you transfer to the related company(ies))?

- Yes
 No—Please indicate how the price at which your company sells PVA to the related company(ies) is established:
- Based on market prices for PVA.
 Based on a non-market formula.

If price is based on a non-market formula, please explain the formula for valuing the PVA, including what factors such as costs, profit, etc., are used to arrive at the value for the PVA transferred to the related company(ies).

PART II.--TRADE AND RELATED INFORMATION--Continued

II-20. What entity holds the marketing/distribution rights (i.e., sells) the product(s) produced by the related company(ies)?

- Your company (including any joint ventures). Related company(ies).

If the joint venture partners and other owners sell the products produced by the related company(ies), how is the production of the related company divided among the joint venture partners and other owners?

- By ownership share. Otherwise--please specify.

II-21. Are transfers to the related party(ies) valued differently from other internal transfers?

- No Yes--Please explain the basis for the difference in valuation.

II-22. Since January 1, 2001, has your firm imported PVA?

- No Yes--**COMPLETE AND RETURN THE ENCLOSED IMPORTERS' QUESTIONNAIRE**

II-23. Please list your firm's production quantities of the following hydrolysis ranges of PVA during the specified periods. **Total reported production as shown below should equal total production reported by your firm in question II-24.**

<i>(Quantity in 1,000 pounds)</i>					
Item	Calendar years			January-June	
	2001	2002	2003	2003	2004
Greater than or equal to 97%					
Greater than 85% but less than 97%					
Greater than 80% but less than 85%					
TOTAL					

PART II.--TRADE AND RELATED INFORMATION--Continued

II-24. Report your firm's production capacity, production, shipments, inventories, and employment related to the production of PVA in your U.S. establishment(s) during the specified periods. (See definitions in the instruction booklet.)

<i>(Quantity in 1,000 pounds, value in \$1,000)</i>					
Item	Calendar years			January-June	
	2001	2002	2003	2003	2004
AVERAGE PRODUCTION CAPACITY¹ <i>(quantity)</i>					
BEGINNING-OF-PERIOD INVENTORIES <i>(quantity)</i>					
PRODUCTION <i>(quantity)</i>					
U.S. SHIPMENTS:					
Commercial shipments:					
<i>Quantity</i> of commercial shipments					
<i>Value</i> of commercial shipments					
Internal consumption:					
<i>Quantity</i> of internal consumption					
<i>Value²</i> of internal consumption					
Transfers to related firms:					
<i>Quantity</i> of transfers to related firms					
<i>Value²</i> of transfers to related firms					
EXPORT SHIPMENTS:³					
<i>Quantity</i> of export shipments					
<i>Value</i> of export shipments					
END-OF-PERIOD INVENTORIES⁴ <i>(quantity)</i>					
U.S. SHIPMENTS TO DISTRIBUTORS <i>(quantity)</i>					
U.S. SHIPMENTS TO END USERS <i>(quantity)</i>					
AVERAGE NUMBER OF PRWs					
HOURS WORKED BY PRWs <i>(1,000 hours)</i>					
WAGES PAID TO PRWs <i>(value)</i>					

¹ The production capacity (see definitions in instruction booklet) reported is based on operating hours per week, weeks per year. Please describe the methodology used to calculate production capacity, and explain any changes in reported capacity (use additional pages as necessary).

² Internal consumption and transfers to related firms must be valued at fair market value. In the event that you use a different basis for valuing these transactions, please specify that basis (e.g., cost, cost plus, etc.) and provide value data using that basis for 2001, 2002, and 2003 below:

³ Identify your principal export markets: _____

⁴ Reconciliation of data.--Please note that the **quantities** reported above should reconcile as follows: beginning-of-period inventories, plus production, less total shipments, equals end-of-period inventories. Do the data reported reconcile?

Yes No--Please explain: _____

PART II.--TRADE AND RELATED INFORMATION--Continued

II-25. If you reported exports, please explain the reason for any disparity, if any exists, between your firm's export average unit values (value/quantity) and your firm's domestic commercial shipments average unit value.

II-26. Please list the enduse application(s) for the PVA produced by your firm in 2003. (If more than one application is listed, please estimate the volume (in 1,000 pounds) and the share of total production for each end use.) **Total reported production as shown below should equal total production reported by your firm in question II-24.**

Enduse application	Volume (in 1,000 pounds)	Share (in percent) of 2003 production
Emulsion polymerization		
Paper		
Adhesives		
Textile		
PVB		
Building materials		
Pharmaceuticals		
Other_____		
Other_____		
Unknown		
TOTAL		

II-27. At any time since January 1, 2001, has your firm produced polyvinyl alcohol other than PVA as defined in the instruction booklet (i.e., polyvinyl alcohol in fiber form)?

No Yes--Indicate the type(s) and amounts (in 1,000 pounds) of such polyvinyl alcohol your firm produced in 2003.

PART II.--TRADE AND RELATED INFORMATION--Continued

II-28. Other than direct imports, has your firm otherwise purchased PVA since January 1, 2001? (See definitions in the instruction booklet.)

No Yes--Report such purchases below for the specified periods.¹

<i>(Quantity in 1,000 pounds, value in \$1,000)</i>					
Item	Calendar years			January-June	
	2001	2002	2003	2003	2004
PURCHASES FROM U.S. IMPORTERS² OF PRODUCT FROM--					
TAIWAN:					
<i>Quantity</i>					
<i>Value</i>					
ALL OTHER COUNTRIES (please list country(ies)) _____:					
<i>Quantity</i>					
<i>Value</i>					
PURCHASES FROM DOMESTIC PRODUCERS:²					
<i>Quantity</i>					
<i>Value</i>					
PURCHASES FROM OTHER SOURCES:²					
<i>Quantity</i>					
<i>Value</i>					
¹ Please indicate your reasons for purchasing this product. If your reasons differ by source, please elaborate. <hr/> <hr/>					
² Please list the name of the firm(s) from which you purchased this product. If your suppliers differ by source, please identify the source for each listed supplier. <hr/> <hr/>					

PART III.--FINANCIAL INFORMATION

Address questions on this part of the questionnaire to Mary Pedersen, mary.pedersen@usitc.gov (202-205-3247).

III-1. Identify the individual who prepared or has knowledge of the requested financial information.

Company contact: _____
 Name and title _____
 Phone No. _____ Fax No. _____
 E-mail address _____ Company web address _____

III-2. Briefly describe your financial accounting system.

- A. When does your fiscal year end (month and day)? _____
 If your fiscal year changed during the period examined, explain below: _____
- B.1. Describe the lowest level of operations (e.g., plant, division, company-wide) for which financial statements are prepared that include subject merchandise: _____
2. Does your firm prepare profit/loss statements for the subject merchandise: Yes ___ No ___
3. How often did your firm (or parent company) prepare financial statements (including annual reports, 10Ks)? Please check relevant items below.
 Audited ___ unaudited ___ annual reports ___ 10Ks ___ 10Qs ___
 Monthly ___ quarterly ___ semi-annually ___ annually ___
4. Accounting basis: GAAP ___ cash ___ tax ___ other comprehensive (specify) _____

Note: The Commission may request that your company submit copies of its financial statements, including internal profit-and-loss statements for the division or product group that includes PVA, as well as those statements and worksheets used to compile data for your firm's questionnaire response.

III-3. Briefly describe your cost accounting system (e.g., standard cost, job order cost, etc.).

III-4. Briefly describe your allocation basis, if any, for COGS, SG&A, and interest expense and other income and expenses.

III-5. Other products.--Please list any other products you produced in the facilities in which you produced PVA, and provide the share of net sales accounted for by these other products in your most recent fiscal year:

Product(s)	Share of sales
_____	_____
_____	_____
_____	_____

PART III.--FINANCIAL INFORMATION--Continued

III-6. Operations on PVA--Report the revenue and related cost information requested below on the PVA operations of your U.S. establishment(s).¹ Do not report resales of products. Note that internal consumption and transfers to related firms must be valued at fair market value and purchases from related firms must be at cost. Provide data for your three most recently completed fiscal years in chronological order from left to right, and for the specified interim periods. If your firm was involved in tolling operations (either as the toller or as the tollee) please contact Mary Pedersen at (202) 205-3247 before completing this section of the questionnaire.

(Quantity in 1,000 pounds, value in \$1,000)					
Item	Fiscal years ended--			January-June	
	_____	_____	_____	2003	2004
Net sales quantities:²					
Commercial sales					
Internal consumption					
Transfers to related firms					
Total net sales quantities					
Net sales values:²					
Commercial sales					
Internal consumption					
Transfers to related firms					
Total net sales values					
Cost of goods sold (including internal consumption and transfers to related firms):					
Raw materials					
Direct labor					
Other factory costs					
Less credit for by-product revenue ³					
Total cost of goods sold					
Gross profit or (loss)					
Selling, general, and administrative (SG&A) expenses:					
Selling expenses					
General and administrative expenses					
Total SG&A expenses					
Operating income or (loss)					
Other income and expenses:					
Interest expense					
All other expense items					
Continued Dumping and Subsidy Offset Act funds received ⁴					
All other income items					
All other income or expenses, net					
Net income or (loss) before income taxes					
Depreciation/amortization included above					

¹ Include only sales (whether domestic or export) and costs related to your U.S. manufacturing operations.

² Less discounts, returns, allowances, and prepaid freight. The quantities and values should approximate the corresponding shipment quantities and values reported in Part II of this questionnaire.

³ Describe what by-products accounts for the credit: _____

⁴ Please report funds received under this act (and associated time periods) that are not included in the financial results above: _____

PART III.--FINANCIAL INFORMATION--Continued

III-7. Operations on PVA Commercial Sales Only.--Report the revenue and related cost information requested below on the PVA commercial operations of your U.S. establishment(s).¹ Provide data for your three most recently completed fiscal years in chronological order from left to right, and for the specified interim periods

<i>(Quantity in 1,000 pounds, value in \$1,000)</i>					
Item	Fiscal years ended--			January-June	
	_____	_____	_____	2003	2004
Net sales quantities:²					
Commercial sales					
Net sales values:²					
Commercial sales					
Cost of goods sold:					
Raw materials					
Direct labor					
Other factory costs					
Less credit for by-product revenue ³					
Total cost of goods sold					
Gross profit or (loss)					
Selling, general, and administrative (SG&A) expenses:					
Selling expenses					
General and administrative expenses					
Total SG&A expenses					
Operating income or (loss)					
Other income and expenses:					
Interest expense					
All other expense items					
Continued Dumping and Subsidy Offset Act funds received ⁴					
All other income items					
All other income or expenses, net					
Net income or (loss) before income taxes					
Depreciation/amortization included above					
¹ Include only sales (whether domestic or export) and costs related to your U.S. manufacturing operations. ² Less discounts, returns, allowances, and prepaid freight. The quantities and values should approximate the corresponding shipment quantities and values reported in Part II of this questionnaire. ³ Describe what by-products account for the credit: _____ ⁴ Please report funds received under this act (and associated time periods) that are not included in the financial results above: _____					

III-8. Asset values.--Report the total assets associated with the production, warehousing, and sale of PVA. If your firm does not maintain some or all of the specific asset data in the normal course of business, please estimate it based upon some rational method (such as production, sales, or costs) that is consistent with your cost allocations in the previous question. Your finished goods inventory value should reconcile with the inventory quantity data reported in Part II. Provide data as of the end of your three most recently completed fiscal years in chronological order from left to right, and as of the end of the specified interim periods.

<i>(Value in \$1,000)</i>					
Value of	Fiscal years ended--			January-June	
	_____	_____	_____	2003	2004
Assets associated with the production, warehousing, and sale of product:					
1. Current assets:					
A. Cash and equivalents					
B. Accounts receivable, net					
C. Inventories (Finished goods)					
D. Inventories (raw materials and work in process)					
E. Short-term investments					
F. Prepaid expenses					
G. Property held for resale					
H. Other (describe _____)					
I. Total current assets (lines 1.A. through 1.H.)					
2. Notes receivable					
3. Long-term investments					
4. Property, plant, and equipment					
A. Original cost of property, plant, and equipment					
B. Less: Accumulated depreciation					
C. Equals: Book value of property, plant, and equipment					
5. Goodwill					
6. Other (describe _____)					
7. Other (describe _____)					
8. Total assets (lines 1.I., 2, 3, 4.C., 5, 6, and 7)					

PART III.--FINANCIAL INFORMATION--Continued

III-9. Capital expenditures, research and development expenditures, and asset values.--Report your firm's capital expenditures and research and development expenditures on PVA. Provide data for your three most recently completed fiscal years in chronological order from left to right, and for the specified interim periods.

(Value in \$1,000)					
Item	Fiscal years ended--			January-June	
	_____	_____	_____	2003	2004
Capital expenditures					
Research and development expenditures					

III-10. Since January 1, 2001, has your firm experienced any actual negative effects on its return on investment or its growth, investment, ability to raise capital, existing development and production efforts (including efforts to develop a derivative or more advanced version of the product), or the scale of capital investments as a result of imports of PVA from Taiwan?

No Yes--My firm has experienced actual negative effects as follows:

Cancellation or rejection of expansion projects

Denial or rejection of investment proposal

Reduction in the size of capital investments

Rejection of bank loans

Lowering of credit rating

Problem related to the issue of stocks or bonds

Other (specify) _____

III-11. Does your firm anticipate any negative impact of imports of PVA from Taiwan?

No Yes--My firm anticipates negative effects as follows:

PART IV.--PRICING AND MARKET FACTORS

Further information on this part of the questionnaire can be obtained from Gerry Benedick (202-205-3244; E-mail: gerald.benedick@usitc.gov)

IV-1. Who should be contacted regarding the requested pricing and related information?

Company contact: _____

Name and title

Phone No.

E-mail address

Section IV-A.--PRICE DATA

This section requests total quarterly net sales value data (on a U.S. f.o.b. basis) and quantity data (in pounds) concerning your firm's U.S. shipments of its five specified U.S.-produced PVA products to U.S. customers UNRELATED (by ownership) to your firm during January 2001-June 2004. If your firm sells the specified U.S.-produced products on a U.S. delivered price basis, please estimate, to the extent possible, the net delivered U.S. f.o.b. selling value (for instance, deduct from the U.S. delivered price the U.S.-inland freight cost (or an estimate of this cost) you charged, or otherwise arranged, to deliver these products to your end-user customers at their U.S. receiving location(s)). Report the U.S. f.o.b. sales value and quantity data **NET of returns, discounts, allowances, and rebates; also deduct any U.S. freight costs to your customers' receiving points that was absorbed by your firm (i.e., not charged to your customers).**

The following five specified products are non-specialty products:

Product 1.—PVA for use in adhesive applications with a range of hydrolysis between 80-89 percent, a viscosity between 3-6 (centipois), standard granular particle size, and non-tackified

Product 2.—PVA for use in adhesive applications with a range of hydrolysis between 80-89 percent, a viscosity between 20-39 (centipois), standard granular particle size, and non-tackified

Product 3.—PVA for use in adhesive applications with a range of hydrolysis between 80-89 percent, a viscosity between 40-70 (centipois), standard granular particle size, and non-tackified

Product 4.—PVA for use in paper applications with a range of hydrolysis between 98-99 percent, a viscosity between 3-12 (centipois), standard granular particle size, and non-tackified

Product 5.—PVA for use in textile applications with a range of hydrolysis between 87-97 percent, a viscosity between 12-39 (centipois), standard granular particle size, and non-tackified

PART IV.--PRICING AND MARKET FACTORS--Continued

Section IV-A.--PRICE DATA--Continued

COPY THIS PAGE AS NECESSARY. Complete a separate page for each specified PVA product produced by your firm AND shipped to U.S. customers UNRELATED (by ownership) to your firm (check one box for each page).

PVA Product: 1 2 3 4 5

<i>(Quantity in pounds, value in dollars)</i>		
Date of shipment	Quantity	Total net U.S. f.o.b value ²
2001:		
January-March		
April-June		
July-September		
October-December		
2002:		
January-March		
April-June		
July-September		
October-December		
2003:		
January-March		
April-June		
July-September		
October-December		
2004:		
January-March		
April-June		
¹ The U.S. f.o.b. sales value should be net of returns, discounts, allowances, and rebates; also deduct any U.S. freight costs to your customers' receiving points <i>that were absorbed by your firm</i> (i.e., not charged to your customers).		

PART IV.--PRICING AND MARKET FACTORS--Continued

Unless otherwise instructed, please answer all questions in the rest of part IV based on your firm's total U.S sales of its U.S.-produced PVA to all U.S. customers during January 2001-June 2004. If your responses differ by sales to different types of U.S. customers (end users, distributors, or types of end users) or by product specifications of the PVA that you produce domestically, please explain in the margin or attach a separate response. **Please respond fully to the questions and attach additional pages of discussion as needed; identify attached responses with the question number.**

Section IV-B.--PRICING PRACTICES

IV-B-1. Please report below your firm's total U.S. sales quantity (in thousands of pounds) of its U.S.-produced PVA during January 2001-June 2004 that was on a (1) long-term basis (multiple deliveries for more than 12 months after the purchase agreement), (2) short-term basis (multiple deliveries up to 12 months), and (3) spot sales basis (usually one-time delivery, within 30 days of the purchase agreement). The three different sales bases include both written contracts and verbal agreements.

Type of Sale:	Quantity (in 1,000 pounds)
Long-term	
Short-term	
Spot sales	

IV-B-2. Please discuss the following provisions of your U.S. sales on a typical long-term basis that involved your U.S.-produced PVA.

- (a) What is the average duration of a contract? _____
- (b) How frequently are contracts renegotiated? _____
- (c) Does the contract fix quantity, price, or both? _____
- (d) Does the contract have a meet or release provision? _____
- (e) What are the standard quantity requirements, if any? _____
- (f) What is the price premium for sub-minimum shipments? ____ percent

IV-B-3. Please discuss the following provisions of your U.S. sales on a typical short-term basis that involved your U.S.-produced PVA.

- (a) What is the average duration of a contract? _____
- (b) How frequently are contracts renegotiated? _____
- (c) Does the contract fix quantity, price, or both? _____
- (d) Does the contract have a meet or release provision? _____
- (e) What are the standard quantity requirements, if any? _____
- (f) What is the price premium for sub-minimum shipments? ____ percent

PART IV.--PRICING AND MARKET FACTORS--Continued

Section IV-B.--PRICING PRACTICES--Continued

IV-B-4. Please describe below how your firm determines the prices that it charges for long-term and short-term sales of PVA to its U.S. customers (e.g., negotiate prices for each transaction, the role of quantity sold in arriving at prices, prices set by your price lists, use follow-up price quotes, sell PVA bundled with other products you produce, etc.). If your firm uses/issues price lists, please enclose a copy of the most recent price list, if possible, with your submission. Note if the price list differs by type of customer.

Long-term: _____

Short-term: _____

IV-B-5. Please explain how prices are established for sales of your U.S.-produced PVA on a spot basis.

IV-B-6. What are your firm's typical payment terms on sales of its U.S.-produced PVA shipped to U.S. customers during January 2001-June 2004 (e.g., 2/10 net 30 days, net 30 days, etc.)

_____?

PART IV.--PRICING AND MARKET FACTORS--Continued

Section IV-B.--PRICING PRACTICES--Continued

- IV-B-7. a) On what basis does your firm typically quote prices of its U.S.-produced PVA to its U.S. customers: f.o.b. plant/warehouse ____ or delivered ____ ? (Check one)
- b) If f.o.b., do your customers typically arrange the freight ____ or does your firm arrange the freight ____ ? (Check one)
- c) If your firm arranges freight on its f.o.b. sales, does it typically prepay the freight ____ or send the products freight collect ____ ? (Check one)
- d) Does your firm ever pay freight to your U.S. customers' locations *without charging for this cost*? Yes ____ No ____ ? (Check one)

If yes--

Please indicate the total quantity or value of PVA or other requirement(s) that must be purchased by your customers from your firm to absorb U.S. shipping charges to their facilities.

Please report below the total value (in dollars) of U.S. freight charges that your firm absorbed, based on all its U.S. shipments of its domestically produced PVA during 2001 and 2003.

2001: _____ 2003: _____

- IV-B-8. Please describe terms of your firm's discount policy, if any, (quantity discounts per shipment, annual total volume (quantity or value) based discounts, etc.) on U.S. sales of its U.S.-produced PVA during January 2001-June 2004. Do not include any payment discounts covered in question IV-B-6.

Please report below the total value (in dollars) of discounts that your firm allowed based on the discount policy terms, if any, cited above for all its U.S. shipments of its U.S.-produced PVA during 2001 and 2003.

2001: _____ 2003: _____

PART IV.--PRICING AND MARKET FACTORS--Continued

Section IV-C.--FACTORS AFFECTING PRICING

IV-C-1. a) Approximately what share of the total sales quantity (based on weight) of your firm's domestic shipments of its U.S.-produced PVA to its U.S. customers during January 2001-June 2004 occurred within the distances specified below? Also, for each distance category, approximately what percent of the total net delivered sales value of these products to your U.S. customers was accounted for by U.S.-inland transportation costs and what was the typical transportation mode (truck-T, rail-R, or air-A)?

	<u>Shipment share</u>	<u>Freight share</u>	<u>Mode</u>
Within 100 miles of your plant/warehouse	_____ %	_____ %	_____
100 to 500 miles from your plant/warehouse	_____ %	_____ %	_____
Over 500 miles from your plant/warehouse	_____ %	_____ %	_____
TOTAL	100 %	NA	NA

b) What is the geographic market area in the United States served by your firm's U.S.-produced PVA during January 2001-June 2004?

- | | | | |
|------------------------------------|---|-------------------------------------|------------------------------------|
| <input type="checkbox"/> Northeast | <input type="checkbox"/> Mid-Atlantic | <input type="checkbox"/> Midwest | <input type="checkbox"/> Southeast |
| <input type="checkbox"/> Southwest | <input type="checkbox"/> Rocky Mountains | <input type="checkbox"/> West Coast | <input type="checkbox"/> Northwest |
| <input type="checkbox"/> National | <input type="checkbox"/> Other (describe) _____ | | |

Note any changes in your U.S. market area since January 2001.

PART IV.--PRICING AND MARKET FACTORS--Continued

Section IV-C.--FACTORS AFFECTING PRICING--Continued

IV-C-2. a) What was the average lead time (in days) between your customers' orders and the date of delivery for your firm's 2003 U.S. shipments of its U.S.-produced PVA from its production and, if applicable, from its U.S. inventory?

Source	Share of 2003 sales quantity	Lead time
From inventory		
Direct from production		
Total	100%	

b) Have average lead times changed since January 2001? Yes ____ No ____ (Check one) If yes, note dates of any changes and explain how and why lead times changed and the significance it had on your ability to compete with the subject imported PVA.

IV-C-3. Does your firm sell its U.S.-produced PVA over the internet?

No Yes

If yes--

Please report the quantity (in thousands of pounds) of your firm's total U.S. shipments of its U.S.-produced PVA during January 2001-June 2004 that was sold over the internet. Please explain the effect of any internet sales on your U.S. selling prices and quantities.

PART IV.--PRICING AND MARKET FACTORS--Continued

Section IV-D.--SUPPLY FACTORS

IV-D-1. Have there been any significant changes in the product range or marketing of PVA in the United States since January 2001?

No Yes--Please describe below any such changes, the time periods any such changes occurred, and the impact such changes had on U.S. sales prices and quantities of your U.S.-produced PVA

IV-D-2. Based on your two largest sales of your U.S.-produced PVA to domestic customers during January 2001-September 2004, identify, to the extent possible, the principal end-use product associated with each sale and the percentage share of the total cost to produce the end product accounted for by PVA?

End use product Share of total cost accounted for by PVA (percent)

IV-D-3. a) Specify for your firm's U.S. production of PVA during 2003 the approximate percentage share of its total U.S. production costs that was variable and the share that was fixed; also, identify the specific costs that you consider variable and consider fixed.

Variable costs: _____

Fixed costs: _____

b) Please identify below the top two raw material inputs (by value) in your firm's U.S. production of PVA during 2003 and estimate the percentage share of your total production costs in 2003 accounted for by each of these inputs.

Top raw material inputs Share of total cost accounted for by these inputs (percent)

PART IV.--PRICING AND MARKET FACTORS--Continued

Section IV-D.--SUPPLY FACTORS--Continued

IV-D-4. Please discuss below how your firm defines standard versus specialty PVA products and then report the total quantity of your U.S. produced PVA that it shipped to domestic customers during January 2001-June 2004 that were standard and specialty products.

Standard products: _____

Shipment quantity (in 1,000 pounds) _____

Specialty products: _____

Shipment quantity (in 1,000 pounds) _____

PART IV.--PRICING AND MARKET FACTORS--Continued

Section IV-E.--DEMAND FACTORS

IV-E-1. How has the demand for PVA in the United States (and outside the United States, if known,) changed since January 1, 2001? What principal factors affected any changes in demand?

- Increased
- Unchanged
- Decreased
- Fluctuated

Substitution in demand refers to products that can, based on market price considerations and consumer /industrial user preferences/technical requirements, reasonably be expected to substitute for each other when the price of one product changes vis-a-vis the price of the other product—some consumers/industrial users may require greater price changes than others before they switch among the alternative products.

Discuss substitution in demand between PVA and alternative products (question IV-E-2).

IV-E-2. a) Please list in descending order of importance the top three products that may substitute for PVA, or vice-a-versa, in the U.S. market, based on your firm's experience during January 2001-June 2004, and show the type of PVA product for which each alternative product is the most probable substitute.

- 1. _____
- 2. _____
- 3. _____

b) For each possible substitute product-pair listed, please note the most likely principal application(s)/end-use product(s) in which they may substitute for each other.

- 1. _____
- 2. _____
- 3. _____

PART IV.--PRICING AND MARKET FACTORS--Continued

Section IV-E.--DEMAND FACTORS--Continued

IV-E-2. c) To what extent do changes in the relative prices of the substitute product-pairs affect the price or quantity of the PVA product? What is the time lag for any such impact and does this vary by type of PVA or final end-use?

1. _____

2. _____

3. _____

Discuss substitution in demand among various types of PVA (question IV-E-3).

IV-E-3. a) Please list in descending order of importance the top three pairs of PVA types that may substitute for each other in the U.S. market, based on your firm's experience during January 2001-June 2004.

1. _____
2. _____
3. _____

b) For each possible substitute product-pair listed, please note the most likely application(s)/end-use product(s) for which they may be substitutes.

1. _____
2. _____
3. _____

c) To what extent do changes in the relative prices of the substitute product-pairs affect the price or quantity of one PVA product vis-a-vis another? What is the time lag for any such impact and does this vary by type of PVA or final end-use?

1. _____

2. _____

3. _____

PART IV.--PRICING AND MARKET FACTORS--Continued

Section IV-E.--DEMAND FACTORS--Continued

IV-E-4. Are all types of PVA produced in the United States, imported from Taiwan, and imported from other countries used interchangeably (i.e., can they physically be used in the same applications)? Please indicate below, using "A" to indicate that the products from a specified country-pair are *always* interchangeable, "F" to indicate that the products are *frequently* interchangeable, "S" to indicate that the products are *sometimes* interchangeable, "N" to indicate that the products are *never* interchangeable, and "0" to indicate *no familiarity* with products from a specified country-pair.¹

Country-pair	United States	Taiwan	Other countries
United States			
Taiwan			

¹ For any country-pair producing PVA which is *sometimes or never* interchangeable, please explain the factors that limit or preclude interchangeable use. Also, identify any "other" countries referred to.

PART IV.--PRICING AND MARKET FACTORS--Continued

Section IV-E.--DEMAND FACTORS--Continued

IV-E-5. Are differences other than price (i.e., quality, availability, transportation network, product range, technical support, etc.) between PVA produced in the United States, imported from Taiwan, and imported from other countries a significant factor in your firm's sales of the U.S.-produced products? Please indicate below, using "A" to indicate that such differences are *always* significant, "F" to indicate that such differences are *frequently* significant, "S" to indicate that such differences are *sometimes* significant, "N" to indicate that such differences are *never* significant, and "0" to indicate *no familiarity* with products from a specified country-pair.¹

Country-pair	United States	Taiwan	Other countries
United States			
Taiwan			

¹ For any country-pair for which factors other than price *always or frequently* are a significant factor in your firm's sales of U.S.-produced PVA, identify the country-pair, the type of PVA, and report the advantages or disadvantages imparted by such factors. Also, identify any "other" countries referred to.

PART IV.--PRICING AND MARKET FACTORS--Continued

Section IV-F.--CUSTOMER IDENTIFICATION

Please provide the names and addresses of your firm's 10 largest U.S. customers for its domestically-produced PVA during January 2001-June 2004. Please also provide the name and telephone number of a contact person and the percentage share of the quantity (based on weight) of your firm's total domestic sales of its U.S.-produced PVA that each of these customers accounted for in 2003. For any customers related to your firm, place an R by the name of each such customer.

No.	Customer's name	Street address, state, and zip code	Contact person	Area code and telephone number	Share of 2003 sales (%)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

