

**PRODUCERS' QUESTIONNAIRE**

**SEBACIC ACID FROM CHINA**

*Return completed questionnaire to:*

**UNITED STATES INTERNATIONAL TRADE COMMISSION**

Office of Investigations, Room 615  
500 E Street, SW, Washington, DC 20436

**So as to be received by the Commission by no later than October 14, 2004**

The information called for in this questionnaire is for use by the United States International Trade Commission in connection with its five-year review concerning sebacic acid from China (inv. No. 731-TA-653 (Second Review)). 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)).

<p>Name of firm _____</p> <p>Address _____</p> <p>City _____ State _____ Zip code _____</p> <p>World Wide Web address _____</p> <p>Has your firm produced sebacic acid (as defined in the instruction booklet) since January 1, 1998?</p> <p><input type="checkbox"/> NO (Sign the certification below and promptly return only this page of the questionnaire to the Commission)</p> <p><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)</p>
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**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 review in any other import-injury investigations or reviews 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 review 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 review 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 pages 3-4 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 continuation of the antidumping duty order currently in place for sebacic acid from China? Please explain.

Support     Oppose     Take no position

\_\_\_\_\_  
\_\_\_\_\_

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 sebacic acid from China into the United States or which are engaged in exporting sebacic acid from China 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 importing sebacic acid from countries other than China into the United States or which are engaged in exporting sebacic acid from countries other than China to the United States?

No  Yes--List the following information.

<u>Country/firm name</u>	<u>Address</u>	<u>Affiliation</u>
_____	_____	_____
_____	_____	_____

I-7. Does your firm have any related firms, either domestic or foreign, which are engaged in the production of sebacic acid or its raw material inputs?

No  Yes--List the following information.

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

I-8. In Parts II and IV of this questionnaire we request a copy of your company's business plan. Does your company or any related firm have a business plan or any internal documents that describe, discuss, or analyze expected future market conditions for sebacic acid?

No  Yes--Please provide the requested documents. If you are not providing the requested documents, please explain why not.

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

**Note.--For questions II-2, II-3, and II-4, please supply details as to the time, nature, and significance of any relevant changes in the character of your operations, and provide underlying assumptions, along with relevant portions of business plans or other supporting documentation that address the issues raised.**

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 sebacic acid since July 14, 1994 (the date on which the antidumping duty order under review became effective)?

No             Yes--Supply the requested details and documentation.

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II-3. Does your firm anticipate any changes in the character of your operations or organization (as noted above) relating to the production of sebacic acid in the future?

No             Yes--Supply the requested details and documentation. **Include in your response a specific projection of your firm's capacity to produce sebacic acid (in 1,000 pounds) for 2004 and 2005.**

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II-4. Would your firm anticipate any changes in the character of your operations or organization (as noted above) relating to the production of sebacic acid in the future if the antidumping duty order on sebacic acid from China were to be revoked?

No             Yes--Supply the requested details and documentation.

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

II-5. Has your firm since 1994 (the year the antidumping duty order under review became effective) produced, or does your firm anticipate producing in the future, other products on the same equipment and machinery used in the production of sebacic acid and/or using the same production and related workers employed to produce sebacic acid?

No                       Yes--List the following information and report your firm's combined production capacity and production of these products and sebacic acid in the periods indicated.

<u>Product</u>	<u>Period</u>	<u>Basis for allocation of capacity and employment data (indicate if different)</u>
_____	_____	_____
_____	_____	_____

<i>(Quantity in 1,000 pounds)</i>						
<b>Item</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>AVERAGE PRODUCTION CAPACITY</b>						
<b>PRODUCTION</b>						

II-6. Please describe the constraint(s) that set the limit(s) on your production capacity.

\_\_\_\_\_

\_\_\_\_\_

II-7. Is your firm able to switch production between sebacic acid and other products in response to a relative change in the price of sebacic acid vis-a-vis the price of other products, using the same equipment and labor?

No                       Yes--Please identify the other products, the approximate time and cost involved in switching, and the minimum relative price change required for your firm to switch production to or from sebacic acid.

\_\_\_\_\_

\_\_\_\_\_

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

II-8a. Report your firm's production capacity, production, shipments, inventories, and employment related to the production of sebacic acid 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	1998	1999	2000	2001	2002	2003
<b>AVERAGE PRODUCTION CAPACITY</b> <sup>1</sup> ( <i>quantity</i> )						
<b>BEGINNING-OF-PERIOD INVENTORIES</b> ( <i>quantity</i> )						
<b>PRODUCTION</b> ( <i>quantity</i> )						
<b>U.S. SHIPMENTS:</b>						
<b>Commercial shipments:</b>						
<i>Quantity</i> of commercial shipments						
<i>Value</i> of commercial shipments						
<b>Internal consumption:</b>						
<i>Quantity</i> of internal consumption						
<i>Value</i> <sup>2</sup> of internal consumption						
<b>Transfers to related firms:</b>						
<i>Quantity</i> of transfers to related firms						
<i>Value</i> <sup>2</sup> of transfers to related firms						
<b>EXPORT SHIPMENTS:</b> <sup>3</sup>						
<i>Quantity</i> of export shipments						
<i>Value</i> of export shipments						
<b>END-OF-PERIOD INVENTORIES</b> <sup>4</sup> ( <i>quantity</i> )						
<b>U.S. SHIPMENTS TO DISTRIBUTORS</b> ( <i>quantity</i> )						
<b>U.S. SHIPMENTS TO END USERS</b> ( <i>quantity</i> )						
<b>AVERAGE NUMBER OF PRWs</b>						
<b>HOURS WORKED BY PRWs</b> ( <i>1,000 hours</i> )						
<b>WAGES PAID TO PRWs</b> ( <i>value</i> )						

<sup>1</sup> 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).

<sup>2</sup> 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 1998-2003 below:

<sup>3</sup> Identify your principal export markets: \_\_\_\_\_.

<sup>4</sup> 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-8b. Report your firm's production capacity, production, shipments, inventories, and employment related to the production of sebacic acid in your U.S. establishment(s) during the specified January-June periods. (See definitions in the instruction booklet.)

<i>(Quantity in 1,000 pounds, value in \$1,000)</i>		
Item	January-June 2003	January-June 2004
<b>AVERAGE PRODUCTION CAPACITY</b> <i>(quantity)</i>		
<b>BEGINNING-OF-PERIOD INVENTORIES</b> <i>(quantity)</i>		
<b>PRODUCTION</b> <i>(quantity)</i>		
<b>U.S. SHIPMENTS:</b>		
<b>Commercial shipments:</b>		
<i>Quantity</i> of commercial shipments		
<i>Value</i> of commercial shipments		
<b>Internal consumption:</b>		
<i>Quantity</i> of internal consumption		
<i>Value</i> of internal consumption		
<b>Transfers to related firms:</b>		
<i>Quantity</i> of transfers to related firms		
<i>Value</i> of transfers to related firms		
<b>EXPORT SHIPMENTS:</b>		
<i>Quantity</i> of export shipments		
<i>Value</i> of export shipments		
<b>END-OF-PERIOD INVENTORIES</b> <sup>1</sup> <i>(quantity)</i>		
<b>U.S. SHIPMENTS TO DISTRIBUTORS</b> <i>(quantity)</i>		
<b>U.S. SHIPMENTS TO END USERS</b> <i>(quantity)</i>		
<b>AVERAGE NUMBER OF PRWs</b>		
<b>HOURS WORKED BY PRWs</b> <i>(1,000 hours)</i>		
<b>WAGES PAID TO PRWs</b> <i>(value)</i>		
<sup>1</sup> <u>Reconciliation of data.</u> --Please note that the <b>quantities</b> 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? <input type="checkbox"/> Yes <input type="checkbox"/> No--Please explain: _____		

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

II-9. If you reported transfers to related firms in question II-8, please indicate the nature of the relationship between your firm and the related firms (e.g., joint venture, wholly owned subsidiary), whether the transfers were priced at market value or by a non-market formula, whether your firm retained marketing rights to all transfers, and whether the related firms also processed inputs from sources other than your firm.

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\_\_\_\_\_

II-10. Other than direct imports, has your firm otherwise purchased sebacic acid since January 1, 1998? (See definitions in the instruction booklet.)

No                       Yes--Report such purchases below for the specified periods.<sup>1</sup>

(Quantity in 1,000 pounds, value in \$1,000)								
Item	Calendar year						January-June	
	1998	1999	2000	2001	2002	2003	2003	2004
<b>PURCHASES FROM U.S. IMPORTERS<sup>2</sup> OF PRODUCT FROM--</b>								
<b>CHINA:</b>								
<i>Quantity</i>								
<i>Value</i>								
<b>ALL OTHER COUNTRIES:</b>								
<i>Quantity</i>								
<i>Value</i>								
<b>PURCHASES FROM DOMESTIC PRODUCERS:<sup>2</sup></b>								
<i>Quantity</i>								
<i>Value</i>								
<b>PURCHASES FROM OTHER SOURCES:<sup>2</sup></b>								
<i>Quantity</i>								
<i>Value</i>								
<sup>1</sup> Please indicate your reasons for purchasing this product. If your reasons differ by source, please elaborate. _____ _____								
<sup>2</sup> 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. _____ _____								

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

II-11. Please provide a narrative description of your sebacic acid production process, including all significant steps, as well as inputs and outputs at each step. If available, provide a process flow diagram. Attach additional pages as necessary.

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II-12. Please provide a discussion of the technical expertise involved in your firm's U.S. sebacic acid production-related activities, by stage of production. Attach additional pages as necessary.

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II-13. Please list the principal raw material inputs to your sebacic acid production process. Indicate whether materials are obtained from domestic or foreign sources (list materials separately).

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II-14. Does your firm produce, or obtain from a related firm, any of the raw material inputs to your sebacic acid production?

No  Yes--List the following information.

Raw material Whether produced or obtained from a related firm (identify firm)

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II-15. Does your firm produce sebacate esters from domestically produced sebacic acid?

No  Yes--List the following information.

Type of ester % of total 2003 ester production

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

II-16. Since January 1, 1998, has your firm been involved in a toll agreement (see definition in the instruction booklet) regarding the production of sebacic acid?

No  Yes--Name firm(s): \_\_\_\_\_

II-17. Does your firm produce sebacic acid in a foreign trade zone (FTZ)?

No  Yes--Identify FTZ(s): \_\_\_\_\_

II-18. Since July 14, 1994, has your firm imported sebacic acid?

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

II-19. Describe the significance of the existing antidumping duty order covering imports of sebacic acid from China in terms of its effect on your firm's production capacity, production, U.S. shipments, inventories, purchases, employment, revenues, costs, profits, cash flow, capital expenditures, research and development expenditures, and asset values. You may wish to compare your firm's operations before and after the imposition of the order.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

II-20. Would your firm anticipate any changes in its production capacity, production, U.S. shipments, inventories, purchases, employment, revenues, costs, profits, cash flow, capital expenditures, research and development expenditures, or asset values relating to the production of sebacic acid in the future if the antidumping duty order on sebacic acid from China were to be revoked?

No  Yes--Supply details as to the time, nature, and significance of such changes and provide underlying assumptions, along with relevant portions of business plans or other supporting documentation, for any trends or projections you may provide.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**PART III.--FINANCIAL INFORMATION**

Address questions on this part of the questionnaire to David Boyland (202-708-4725 or david.boyland@usitc.gov).

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 (1998-2003), 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 does 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 sebacic acid, 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.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**PART III.--FINANCIAL INFORMATION--Continued**

III-5. Describe your firm's corporate (legal) structure. In other words, is your firm a stand-alone entity or does it have a parent company or subsidiary companies? Also, is it related to other companies, and/or is it part of a larger organization? (Use additional pages as necessary.)

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III-6. If your firm transfers or otherwise sells sebacic acid to any related companies, or if your firm receives inputs (raw materials, labor, energy, or any other services) used in the production of sebacic acid from any related companies, describe the nature of the affiliation and the extent of control these related firms have on your firm and the extent of control your firm has on these related firms. (Use additional pages as necessary.)

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III-7. When your firm's financial statements are prepared, are they consolidated with the financial statements of any of the related companies identified in response to question III-6 above? (In other words, are any profits or losses arising from inter-company transactions eliminated?)

No                       Yes--Complete question III-8 below

III-8. Identify the inputs, if any, your firm receives from related parties whose financial statements are consolidated with the financial statements of your firm, in the production of sebacic acid. For each input item, provide the name of the related party and the basis for the transfer price (i.e., cost, cost plus, market). (Use additional pages as necessary.)

Input	Related Party	Transfer Price Basis
<hr/>	<hr/>	<hr/>

III-9. Other products.--Please list any other products you produced in the facilities in which you produced sebacic acid, and provide the share of net sales value accounted for by these other products in your most recent fiscal year:

<b>Product(s)</b>	<b>Share of sales value</b>
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<hr/>	<hr/>
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**PART III.--FINANCIAL INFORMATION--Continued**

III-10a. Operations on Sebacic Acid.--Report the revenue and related cost information requested below on the sebacic acid operations of your U.S. establishment(s).<sup>1</sup> Do not report resales of product. 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 six 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 David Boyland at (202) 708-4725 before completing this section of the questionnaire.

<b>(Quantity in 1,000 pounds, value in \$1,000)</b>						
<b>Item</b>	<b>FY___</b>	<b>FY___</b>	<b>FY___</b>	<b>FY___</b>	<b>FY___</b>	<b>FY___</b>
<b>Net sales quantities:<sup>2</sup></b>						
Commercial sales						
Internal consumption						
Transfers to related firms						
Total net sales quantities						
<b>Net sales values:<sup>2</sup></b>						
Commercial sales						
Internal consumption						
Transfers to related firms						
Total net sales values						
<b>Cost of goods sold (including internal consumption and transfers to related firms):</b>						
Raw materials--imported <sup>3</sup>						
Raw materials--domestic						
Direct labor						
Other factory costs						
Less: By-product credits						
Total cost of goods sold						
<b>Gross profit or (loss)</b>						
<b>Selling, general, and administrative (SG&amp;A) expenses:</b>						
Selling expenses						
General and administrative expenses						
Total SG&A expenses						
<b>Operating income or (loss)</b>						
<b>Other income and expenses:</b>						
Interest expense						
All other expense items						
Continued Dumping and Subsidy Offset Act funds received <sup>4</sup>						
All other income items						
All other income or expenses, net						
<b>Net income or (loss) before income taxes</b>						
<b>Depreciation/amortization included above</b>						

<sup>1</sup> Include only sales (whether domestic or export) and costs related to your U.S. manufacturing operations.  
<sup>2</sup> 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.  
<sup>3</sup> Describe the nature and, as a percentage of total imported raw material costs, the country of origin of the imported raw materials: \_\_\_\_\_  
<sup>4</sup> 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-10b. Operations on Sebacic Acid.--Report the revenue and related cost information requested below on the sebacic acid operations of your U.S. establishment(s).<sup>1</sup> 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 the specified January-June periods.

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

<sup>1</sup> Include only sales (whether domestic or export) and costs related to your U.S. manufacturing operations.  
<sup>2</sup> 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.  
<sup>3</sup> Describe the nature and, as a percentage of total imported raw material costs, the country of origin of the imported raw materials: \_\_\_\_\_  
<sup>4</sup> 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.11 By-products of sebacic acid production

- a. Please identify all relevant by-products of sebacic acid production that are recovered for use and/or sale. (Use additional pages as necessary.)

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- b. Indicate whether the relative quantity and/or value of the by-products generated has changed to a significant degree during the period examined. (Use additional pages as necessary.)

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- c. Describe the disposition made of each item; e.g., are sebacic acid by-products used captively by your firm or sold? (Use additional pages as necessary.)

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III.12 Effect of start up and closure of sebacic acid production

- a. Please indicate when your company initiated sebacic acid production and when full-scale sebacic acid production began.

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- b. If applicable, indicate when your company stopped manufacturing sebacic acid. Please indicate the periods during which previously-manufactured sebacic acid was being sold from inventory.

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- c. If applicable and with respect to the reported financial results on sebacic acid (table III-10), please describe how start-up activity impacted revenue and cost items. (Use additional pages as necessary.)

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- d. If applicable and with respect to the reported financial results on sebacic acid (table III-10), please describe how closure of sebacic acid production impacted revenue and cost items. (Use additional pages as necessary.)

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**PART III.--FINANCIAL INFORMATION--Continued**

III-13. Asset values.--Report the total assets associated with the production, warehousing, and sale of sebacic acid. 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 a 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 six most recently completed fiscal years in chronological order from left to right.

(Value in \$1,000)						
Value of	FY ____					
<b>Assets associated with the production, warehousing, and sale of product:</b>						
<b>1. Current assets:</b>						
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.)						
<b>2. Notes receivable</b>						
<b>3. Long-term investments</b>						
<b>4. Property, plant, and equipment</b>						
A. Original cost of property, plant, and equipment						
B. Less: Accumulated depreciation						
C. Equals: Book value of property, plant, and equipment						
<b>5. Goodwill</b>						
<b>6. Other (describe _____)</b>						
<b>7. Other (describe _____)</b>						
<b>8. Total assets (lines 1.I., 2, 3, 4.C., 5, 6, and 7)</b>						

**PART III.--FINANCIAL INFORMATION--Continued**

III-14. Capital expenditures and research and development expenditures.--Report your firm's capital expenditures and research and development expenditures on sebacic acid. Provide data for your six most recently completed fiscal years in chronological order from left to right, and for the specified interim periods.

<i>(Value in \$1,000)</i>						
Item	FY__	FY__	FY__	FY__	FY__	FY__
Capital expenditures						
Research and development expenditures						

<i>(Value in \$1,000)</i>		
Item	January-June 2003	January-June 2004
Capital expenditures		
Research and development expenditures		

III-15. For each period reported in table III-14, please describe the nature of the reported capital expenditures and identify the source of the funds. (Use additional pages as necessary.)

<u>Capital expenditures</u>	<u>Amount</u>	<u>Month/year</u>	<u>Source</u>
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**PART IV.--PRICING AND MARKET FACTORS--Continued**

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

Product 1   
  Product 2   
  Product 3 (Check one and copy as necessary)

<i>(Quantity in pounds, value in dollars)</i>		
Period of shipment	Quantity	Value <sup>1</sup>
<b>1998:</b>		
January-March		
April-June		
July-September		
October-December		
<b>1999:</b>		
January-March		
April-June		
July-September		
October-December		
<b>2000:</b>		
January-March		
April-June		
July-September		
October-December		
<b>2001:</b>		
January-March		
April-June		
July-September		
October-December		
<b>2002:</b>		
January-March		
April-June		
July-September		
October-December		
<b>2003:</b>		
January-March		
April-June		
July-September		
October-December		
<b>2004:</b>		
January-March		
April-June		

<sup>1</sup> Net values (i.e., gross sales values less all discounts, allowances, rebates, prepaid freight, and the value of returned goods), f.o.b. your U.S. point of shipment.

Note.--If your product does not exactly meet the product specifications but is competitive with the specified product, provide a description of your product:

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

**Section IV-B.--PRICE-RELATED QUESTIONS**

IV-B-1. Please describe how your firm determines the prices that it charges for sales of sebacic acid (transaction by transaction negotiation, contracts for multiple shipments, set price lists, etc.). If your firm issues price lists, please include a copy of a recent price list with your submission. If your price list is large, please submit sample pages.

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IV-B-2. Please describe your firm's discount policy (quantity discounts, annual total volume discounts, etc.).

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IV-B-3. What are your firm's typical sales terms for its U.S.-produced sebacic acid (e.g., 2/10 net 30 days)? \_\_\_\_\_  
On what basis are your prices of domestic sebacic acid usually quoted (e.g., f.o.b. warehouse, or delivered)? \_\_\_\_\_

IV-B-4. Approximately what share of your firm's sales of its U.S.-produced sebacic acid in 2003 were on a (1) long-term contract basis (multiple deliveries for more than 12 months), (2) short-term contract basis (multiple deliveries up to 12 months), and (3) spot sales basis (for a single delivery)?

Type of sale	Share of sales (percent)
Long-term contracts	
Short-term contracts	
Spot sales	

IV-B-5. If you sell on a long-term contract basis, please answer the following questions with respect to provisions of a typical long-term contract.

(a) What is the average duration of a contract? \_\_\_\_\_

(b) Can prices be renegotiated during the contract period? \_\_\_\_\_

(c) Does the contract fix quantity, price, or both? \_\_\_\_\_

(d) Does the contract have a meet or release provision? \_\_\_\_\_

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

**Section IV-B.--PRICE-RELATED QUESTIONS--Continued**

IV-B-6. If you sell on a short-term contract basis, please answer the following questions with respect to provisions of a typical short-term contract.

- (a) What is the average duration of a contract? \_\_\_\_\_
- (b) Can prices be renegotiated during the contract period? \_\_\_\_\_
- (c) Does the contract fix quantity, price, or both? \_\_\_\_\_
- (d) Does the contract have a meet or release provision? \_\_\_\_\_

IV-B-7. What is the average lead time between a customer's order and the date of delivery for your firm's sales of your U.S.-produced sebacic acid?

Source	Share of 2003 sales	Lead time
From inventory		
Produced to order		
<b>Total</b>	<b>100%</b>	

IV-B-8. (a) What is the approximate percentage of the total delivered cost of sebacic acid that is accounted for by U.S. inland transportation costs? \_\_\_\_\_ percent.

(b) Who generally arranges the transportation to your customers' locations? Your firm \_\_\_\_\_ or purchaser \_\_\_\_\_ (check one).

(c) What proportion of your sales occur within 100 miles of your storage or production facility? \_\_\_\_\_ percent. 101 to 1,000 miles? \_\_\_\_\_ percent. Over 1,000 miles? \_\_\_\_\_ percent.

IV-B-9. What is the geographic market area in the United States served by your firm's sebacic acid?

- Northeast     Mid-Atlantic     Midwest     Southeast
- Southwest     Rocky Mountains     West Coast     Northwest
- National     Other (describe) \_\_\_\_\_

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

**Section IV-B.--PRICE-RELATED QUESTIONS--Continued**

IV-B-10. Indicate the share of your U.S. shipments of domestically produced sebacic acid accounted for by the following end uses:

<u>End use</u>	<u>Share of total U.S. shipments of sebacic acid (percent)</u>
Nylon _____	_____
Plasticizer _____	_____
Plastic additive _____	_____
Resin/coatings/adhesives _____	_____
Other: _____	_____
Other: _____	_____

III-B-11. If you consume sebacic acid internally, describe the end uses below. For each end-use product, what percentage of the total cost is accounted for by sebacic acid?

<u>End use</u>	<u>Share of total cost accounted for by sebacic acid (percent)</u>
_____	_____
_____	_____
_____	_____

IV-B-12. Have there been any changes in the end uses of sebacic acid since 1994?

No       Yes--Please describe.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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

**Section IV-B.--PRICE-RELATED QUESTIONS--Continued**

IV-B-13. Do you anticipate any changes in terms of the end uses of sebacic acid in the future?

- No
- Yes--Please describe and identify the time period. Provide any underlying assumptions, along with relevant portions of business plans or other supporting documentation, that address this issue.

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IV-B-14. (a) Please list in order of importance any products that may be substituted for sebacic acid.

(1) \_\_\_\_\_ (2) \_\_\_\_\_ (3) \_\_\_\_\_

(b) For each possible substitute product, please give examples of applications and end uses for which they are substitutes.

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(c) Have changes in the prices of these products affected the price for sebacic acid?

- No
- Yes--To what degree do changes in their prices affect the price for sebacic acid? Does this effect have a time lag? If so, how long is the time lag for each substitute product? Does this vary by type of sebacic acid or final end use?

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IV-B-15. Have there been any changes in the number or types of products that can be substituted for sebacic acid since 1994?

- No
- Yes--Please explain.

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

**Section IV-B.--PRICE-RELATED QUESTIONS--Continued**

IV-B-16. Do you anticipate any changes in terms of the substitutability of other products for sebacic acid in the future?

- No                       Yes--Please describe. Provide any underlying assumptions, along with relevant portions of business plans or other supporting documentation, that address this issue.

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IV-B-17. To what extent have changes in the prices of raw materials affected your firm's selling prices for sebacic acid during January 1998-June 2004? Also discuss any anticipated changes in your raw material costs in the future, identifying the time period(s) involved and the factor(s) that you believe would be responsible for such changes. Provide any underlying assumptions, along with relevant portions of business plans or other supporting documentation, that address this issue.

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IV-B-18. Have any changes occurred in any other factors affecting supply (e.g., changes in availability or prices of energy or labor; transportation conditions; production capacity and/or methods of production; technology; export markets; or alternative production opportunities) that affected the availability of U.S.-produced sebacic acid in the U.S. market since 1994?

- No                       Yes--Please note the time period(s) of any such changes, the factors(s) involved, and the impact such changes had on your shipment volumes and prices.

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IV-B-19. (a) Do you anticipate any changes in terms of the availability of U.S.-produced sebacic acid in the U.S. market in the future?

- Increase                       No Change                       Decrease

(b) If you anticipate changes in supply, please identify the changes including the time period and the impact of such changes on shipment volumes and prices. Provide any underlying assumptions, along with relevant portions of business plans or other supporting documentation, that address this issue.

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

**Section IV-B.--MARKET FACTORS**

IV-B-20. Has the availability of NONSUBJECT (i.e. non-Chinese) imported sebacic acid changed since 1994?

No       Yes--Please explain.

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IV-B-21. Describe how easily your firm can shift its sales of sebacic acid between the U.S. market and alternative country markets. In your discussion, please describe any contracts, other sales arrangements, or other constraints that would prevent or retard your firm from shifting sebacic acid between the U.S. and alternative country markets within a 12-month period. Provide any underlying assumptions, along with relevant portions of business plans or other supporting documentation, that address this issue.

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IV-B-22. Do your customers require you to become certified or prequalified with respect to the quality, chemistry, strength, or other performance characteristic of the sebacic acid you sell to them?

No       Yes-- \_\_\_\_ percent of sales in 2003       Yes--all sales

IV-B-23. Since 1994, have you failed in any attempt to certify or qualify your sebacic acid with existing or potential customers, or have you lost your approved status?

No       Yes--Please identify these customers and the time period in which failure to qualify/loss of qualification occurred.

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IV-B-24. Have there been any significant changes in the product range, product mix, or marketing (including sales over the internet) of sebacic acid since 1994?

No       Yes--Please describe and quantify if possible.

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

**Section IV-B.--MARKET FACTORS--Continued**

IV-B-25. Do you anticipate any changes in terms of the product range, product mix, or marketing (including sales over the internet) of sebacic acid in the future? Provide any underlying assumptions, along with relevant portions of business plans or other supporting documentation, that address this issue.

No  Yes--Please identify, including the time period.

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IV-B-26. How has demand within the United States (and outside the United States, if known) for sebacic acid changed since 1994?

Increased  Unchanged  Decreased

Other (describe) \_\_\_\_\_

What were the principal factors affecting changes in demand?

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IV-B-27. Do you anticipate any future changes in sebacic acid demand in the United States and, if known, the rest of the world?

No  Yes--Please describe and identify the time period. Provide any underlying assumptions, along with relevant portions of business plans or other supporting documentation, that address this issue.

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IV-B-28. Please compare market prices of sebacic acid in U.S. and non-U.S. markets, if known. Provide specific information as to time periods and regions for any price comparisons.

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

**Section IV-B.--MARKET FACTORS--Continued**

IV-B-29. Please provide as a separate attachment to this request any studies, surveys, etc. that you are aware of that quantify and/or otherwise discuss sebacic acid supply (including production capacity and capacity utilization) and demand in (1) the United States, (2) each of the other major producing/consuming countries, including China, and (3) the world as a whole. Of particular interest is such data from 1994 to the present and forecasts for the future.

IV-B-30. Are your exports of sebacic acid subject to any tariff or non-tariff barriers to trade in other countries?

No             Yes--Please list the countries and describe any such barriers and any significant changes in such barriers that have occurred since 1994, or that are expected to occur in the future.

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IV-B-31. Does your firm sell sebacic acid over the internet?

No             Yes--Please describe, noting the estimated percentage of your firm's total sales of sebacic acid in 2003 accounted for by internet sales.

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

**Section IV-B.--MARKET FACTORS--Continued**

IV-B-33. Are differences other than price (i.e., quality, availability, transportation network, product range, technical support, etc.) between sebacic acid produced in the United States and in other countries a significant factor in your firm's sales of the 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.<sup>1</sup>

Country-pair	United States	China	Other countries
United States			
China			

<sup>1</sup> For any country-pair for which factors other than price *always or frequently* are a significant factor in your firm's sales of sebacic acid identify the country-pair and report the advantages or disadvantages imparted by such factors:

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