#### **IMPORTERS' QUESTIONNAIRE**

#### CERTAIN BRAKE DRUMS AND ROTORS 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 June 23, 2003

The information called for in this questionnaire is for use by the United States International Trade Commission in connection with its market disruption investigation concerning **certain brake drums and rotors** from China (inv. No. TA-421-03) under section 421(b) of the Trade Act of 1974 (the Act). The information requested in the questionnaire is requested under the authority of section 421(b) of the Act. 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)).

	of firm	
Address _	SS	<u> </u>
City	State Zip code	
World W	Wide Web address	
since Janua	ar firm imported <b>brake drums or rotors</b> (as defined in the instruction booklet) from <u>ANY source</u> at nuary 1, 1998? <b>Report TOTAL imports of ANY brake drums or rotors, whether or not they are</b> <b>m to the original equipment market of to the aftermarket or are used internally to manufacture</b> <b>t.</b>	sold by
	(Sign the certification below and promptly return only this page of the questionnaire to the Comn	ission)
YES	<b>S</b> (Read the instruction booklet carefully, complete all parts of the questionnaire, sign the certificative return the entire questionnaire to the Commission)	on, and

#### CERTIFICATION

The undersigned certifies that the information herein supplied in response to this questionnaire is complete and correct to the best of his/her knowledge and belief and understands that the information submitted is subject to audit and verification by the Commission. The undersigned acknowledges 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. The undersigned understands that the confidential business information that is furnished may be subject to, and may be released under, an administrative protective order issued by the Commission pursuant to section 206.47 of the Commission's Rules of Practice and Procedure. In addition, the confidential business information that is submitted may be included in a confidential version of the report that the Commission transmits to the President and U.S. Trade Representative, should the Commission transmit a confidential version. Your signature on the certification below will also serve as consent for the Commission, and its employees and contract personnel, to use the information you provide 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.

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 20 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-1. 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-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. Is your firm owned, in whole or in part, by any other firm?

N	[c]

Yes–List the following information.

	Firm name	Address	Extent of ownership
I-4.	importing certain brake drui	ated firms, either domestic or for ns or rotors from China into the U rums or rotors from China to the	United States or which are engaged

No Yes–List the following information.

Firm name	Address	Affiliation

#### PART I.-<u>GENERAL QUESTIONS</u>-Continued

I-5.	Does your firm have any relate production of certain brake dru	d firms, either domestic or foreign, which ms or rotors?	are engaged in the
	No Yes-List th	ne following information.	
	Firm name	Address	Affiliation
I-6.	Please indicate the nature of yo More than one answer may be	our firm's importing operations on certain applicable.	brake drums or rotors.
	Importer of record	Takes title to the imported product(	s)
	Consignee of the imported	product(s) Customs broker or	freight forwarder
I-7.		ecord of certain brake drums or rotors but v (company name, address, telephone, and	
I-8.	Please indicate whether your fi merchandise from, foreign trad	rm enters certain brake drums or rotors in e zones or bonded warehouses.	to, or withdraws such
	Foreign trade zones	Yes	
	Bonded warehouses	Yes	
I-9.	Please indicate whether your fi importation under bond) progra	rm imports certain brake drums or rotors am.	under the TIB (temporary
	No Yes		
I-10.		roducts subject to this investigation been he United States or in any other countries	
	No Yes-Please	e specify.	

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

Further information on this part of the questionnaire can be obtained from Debra Baker (202-205-3180). **Supply all data requested on a <u>calendar-year</u> basis.** 

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

	Company contact:			
	1 5	Name and title		
		Phone No.	E-mail address	
II-2.	consolidations, clo other change in the	sures, or prolonged shutd	gs, relocations, expansions, acquisitions, owns because of strikes or equipment failure, or ions or organization relating to the importation o 1, 1998?	
	No	Yes–Supply details as to	o the time, nature, and significance of such chang	ges.
II-3.		orted or arranged for the i after March 31, 2003?	mportation of certain brake drums or rotors fron	n
	No	Yes–Indicate when such	n orders are to be delivered and the quantities inv	volved.
II-4.			ms or rotors in the United States, please indicate easons differ by source, please elaborate.	your

#### PART II.-<u>TRADE AND RELATED INFORMATION</u>-Continued

II-5. IMPORTS BY SOURCE-CERTAIN BRAKE DRUMS.-Report your firm's imports and your firm's shipments and inventories of aftermarket brake <u>drums</u> imported by your firm during the specified periods. (See definitions in the instruction booklet.) Report <u>separately</u> for China and for all other sources <u>combined</u>. Photocopy as many pages as you need.

China		All other s	ources con	nbined <sup>1</sup>			
	(Quantity i	in 1,000 units	s, <i>value</i> in \$1	,000)			
ltom		C	Calendar yea	rs		January	y-March
ltem	1998	1999	2000	2001	2002	2002	2003
<b>BEGINNING-OF-PERIOD INVENTORIES</b> (quantity)		Τ					
IMPORTS: <sup>2</sup>		•		-	-		
Quantity of imports							
Value of imports							
U.S. SHIPMENTS:							
Commercial shipments:							
Quantity of commercial shipments							
Value of commercial shipments							
Internal consumption/company transf	ers:	<u> </u>	<u> </u>				
Quantity of internal consumption/ transfers							
Value <sup>3</sup> of internal consumption/transfers							
EXPORT SHIPMENTS:4		<u> </u>	<u> </u>				
Quantity of export shipments							
Value of export shipments							
END-OF-PERIOD INVENTORIES <sup>5</sup> (quantity)		Τ					
U.S. COMMERCIAL SHIPMENTS TO: Automotive parts distributors (quantity)							
Retail outlets (quantity)							
All other firms <sup>6</sup> (quantity)							
<sup>1</sup> Please identify these sources:							
<sup>2</sup> Please identify the foreign producers	s, if known: _						
<sup>3</sup> Sales to related firms (including interna basis for valuing these sales within your co that basis for 1997, 1998, 1999, 2000, 200 <sup>-</sup>	mpany, please	e specify that	basis (e.g., c	ost, cost plus	s, etc.) and pr	rovide value d	different Jata using
<sup>4</sup> Identify your principal export markets:							·
<sup>5</sup> <u>Reconciliation of data</u> Please note that inventories, plus imports, less total shipmen Yes No–Please explain:	at the <b>quantiti</b> ents, equals end	d-of-period in	iventories. Do	o the data rep	ported recond	nning-of-peric ;ile?	od

<sup>6</sup> Identify the type(s) of firms:

#### PART II.-<u>TRADE AND RELATED INFORMATION</u>-Continued

II-6. IMPORTS BY SOURCE-CERTAIN BRAKE ROTORS.-Report your firm's imports and your firm's shipments and inventories of aftermarket brake rotors imported by your firm during the specified periods. (See definitions in the instruction booklet.) Report separately for China and for all other sources combined. Photocopy as many pages as you need.

China		All other s	ources con	nbined <sup>1</sup>			
	(Quantity in	n 1,000 units	s, <i>value</i> in \$1	1,000)			
		с	alendar yea	rs		Januar	y-March
Item	1998	1999	2000	2001	2002	2002	2003
BEGINNING-OF-PERIOD INVENTORIES (quantity)							
IMPORTS:2							
<i>Quantity</i> of imports							
Value of imports							
U.S. SHIPMENTS:							
Commercial shipments:							
Quantity of commercial shipments							
Value of commercial shipments							
Internal consumption/company transfe	rs:						
<i>Quantity</i> of internal consumption/ transfers							
<i>Value</i> <sup>3</sup> of internal consumption/transfers							
EXPORT SHIPMENTS:4							
Quantity of export shipments							
Value of export shipments							
END-OF-PERIOD INVENTORIES⁵ (quantity)							
U.S. COMMERCIAL SHIPMENTS TO: Automotive parts distributors (quantity)							
Retail outlets (quantity)							
All other firms <sup>6</sup> (quantity)							
<sup>1</sup> Please identify these sources:			-		-		
<sup>2</sup> Please identify the foreign producers,	if known: _						
<sup>3</sup> Sales to related firms (including intern different basis for valuing these sales wit value data using that basis for 1997, 1998	hin your cor	mpany, pleas	se specify th	hat basis (e.c	g., cost, cost	t plus, etc.) a	and provide
<sup>4</sup> Identify your principal export markets							
<sup>5</sup> <u>Reconciliation of data</u> Please note th inventories, plus imports, less total shipn Yes No–Please explain: <sup>6</sup> Identify the type(s) of firms:	nents, equal	s end-of-per	riod inventor	ries. Do the	data reporte	ed reconcile?	?

#### PART II.-<u>TRADE AND RELATED INFORMATION</u>-Continued

II-7. IMPORTS BY SOURCE-ALL BRAKE DRUMS AND ROTORS.-Report your firm's imports of the products listed below (see definitions in the instruction booklet). Report <u>separately</u> for China and for all other sources <u>combined</u>. Photocopy as many pages as you need.

L China	(Quantitv i		ources com s, <i>value</i> in \$1				
	(		Calendar yea			Januar	y-March
Item	1998	1999	2000	2001	2002	2002	2003
AFTERMARKET (NON-OEM) BRAKE D	RUMS: <sup>1 2</sup>	-		-		-	<u> </u>
Quantity of imports							
Value of imports							
AFTERMARKET (NON-OEM) BRAKE R	OTORS: <sup>1 3</sup>			L	1		<u>I</u>
Quantity of imports							
Value of imports				1			
Value of commercial shipments				1			
OEM BRAKE DRUMS:1		•	-	•	•	•	<u>.</u>
Quantity of imports							
Value of imports							
OEM BRAKE ROTORS:1		·	•	-	<u>.</u>	·	<u> </u>
Quantity of imports							
Value of imports							
ALL OTHER BRAKE DRUMS:4		•		•		•	-
Quantity of imports							
Value of imports							
ALL OTHER BRAKE ROTORS:4		<u> </u>	<u> </u>			<u> </u>	
Quantity of imports							
Value of imports							

<sup>3</sup> If you are completing this page for China, reported quantities and values for these brake rotors should equal those reported in section II-6.

<sup>4</sup> ALL OTHER BRAKE DRUMS AND ROTORS consist of any brake drums and rotors which (1) are NOT made of gray cst iron and (2) do NOT range in diameter from 8 to 16 inches (20.32 to 40.64 centimeters) of weight from 8 to 45 pounds (3.63 to 20.41 kilograms).

#### PART II.--<u>TRADE AND RELATED INFORMATION</u>--Continued

#### II-8. COMPARABILITY OF AFTERMARKET AND OEM BRAKE DRUMS AND ROTORS .--

Please describe the differences and similarities in aftermarket and OEM brake drums and rotors for the following factors: (a) **physical properties**; (b) **manufacturing processes**—where and how they are made; (c) **end uses**; and (d) **channels of distribution**--describe the specific customer requirements and channels of distribution/market situation in which the products are sold. Use additional pages as necessary.

#### (a) Physical properties:

(b) Manufacturing processes:

(c) End uses:

(d) Channels of distribution:

#### PART III.-PRICING AND MARKET FACTORS

Further information on this part of the questionnaire can be obtained from Gerry Benedick (202-205-3270 or gbenedick@usitc.gov).

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

Company contact:

Name and title

Phone No.

E-mail address

#### Section III-A.-PRICE DATA

This section requests quarterly price and quantity data concerning your firm's U.S. commercial shipments to unrelated U.S. warehouse distributors of certain aftermarket (non-OEM) brake drums or rotors during January 1998-March 2003 (see definitions in the instructions booklet). **Report data only for products imported and sold by your firm in the United States.** 

**COPY THE FOLLOWING PAGE AS NECESSARY**. Complete a separate page for each of the brake drum and rotor products listed below that are imported from China and sold by your firm in the aftermarket to warehouse distributors:

Product 2: Aftermarket (non-OEM) brake <u>drums</u>, AIMCO part number 8940

Product 3: Aftermarket (non-OEM) brake <u>rotors</u>, AIMCO part number 5115

Product 4: Aftermarket (non-OEM) brake <u>rotors</u>, AIMCO part number 5329

Please note that total dollar values should be on an <u>f.o.b. U.S. point of shipment</u> basis (i.e., should <u>not</u> include U.S.-inland transportation costs) and on a <u>delivered</u> basis to your warehouse-distributor customers (i.e., should include U.S.-inland transportation costs). Total dollar values should reflect the <u>FINAL NET</u> amount paid to you (i.e., should be net of all deductions for discounts, rebates, and any U.S. freight to your customers' receiving points that was absorbed by your firm).

Please report below the approximate number of different certain brake drum and certain brake rotor products that your firm imported from China each year for the U.S. market during 1998-2002.

Year:	Brake drum products	Brake rotor products
1998		
1999		
2000		
2001		
2002		

#### PART III.-PRICING AND MARKET FACTORS-Continued

### Section III-A.-<u>PRICE DATA</u>-Continued

Product 1 Product 2 Product 3 Product 4 (Check one box for each page)

( <i>Valu</i> e in dollars, <i>quantity</i> in units)					
Period of shipment	Value <sup>1</sup>	Quantity	Value <sup>2</sup>	Quantity	
1998:					
JanMar.					
AprJune					
July-Sept.					
OctDec.					
1999:		•		•	
JanMar.					
AprJune					
July-Sept.					
OctDec.					
2000:		- -		•	
JanMar.					
AprJune					
July-Sept.					
OctDec.					
2001:					
JanMar.					
AprJune					
July-Sept.					
OctDec.					
2002:					
JanMar.					
AprJune					
July-Sept.					
OctDec.					
2003:					
JanMar.					
returned goods), f.o.b. y	our U.S. point of a	<b>shipment</b> . ss all discounts, allowar		freight, and the value of freight, and the value of	

#### PART III.-PRICING AND MARKET FACTORS-Continued

Unless otherwise instructed, please answer all questions in the rest of part III based on your firm's total sales of its imported Chinese certain brake drums and rotors to U.S. customers during January 1998-March 2003. If your responses differ by sales to different types of U.S. customers (wholesale distributors, jobbers, etc.), by specific products that you produce, or by brake drums versus brake rotors, 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 III-B.-PRICING PRACTICES

III-B-1. Please report below your firm's total U.S. sales quantity (in units) of its imported certain brake drums and certain brake rotors from China during January 1998-March 2003 that were on a (1) long-term contract basis (multiple deliveries for more than 12 months after the purchase agreement), (2) short-term contract basis (multiple deliveries up to 12 months), and (3) spot sales basis (usually one-time delivery, within 30 days of the purchase agreement).

Type of Sale:	Brake drums	Brake rotors
Long-term contracts		
Short-term contracts		
Spot sales		

- III-B-2. Please discuss the following provisions of your U.S. sales on a typical <u>long-term contract basis</u> that involved your imported Chinese certain brake drums and rotors.
  - (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

Identify below the top two factors, in descending order, discussed/considered between your firm and its U.S. customers in arriving at a price for a typical <u>long-term contract</u> sale. If your firm uses/issues price lists, please enclose a copy of your most recent price list with your submission.

1.\_\_\_\_\_

2.\_\_\_\_\_

#### PART III.-<u>PRICING AND MARKET FACTORS</u>-Continued

#### Section III-B.-<u>PRICING PRACTICES</u>-Continued

- III-B-3. Please discuss the following provisions of your U.S. sales on a typical <u>short-term contract basis</u> that involved your imported Chinese certain brake drums and rotors.
  - (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

Identify below the top three factors, in descending order, discussed/considered between your firm and its U.S. customers in arriving at a price for a typical <u>short-term contract</u> sale. If your firm uses/issues price lists, please enclose a copy of your most recent price list with your submission.

l		
2.		

- III-B-4. Identify below the top two factors, in descending order, discussed/considered between your firm and its U.S. customers in arriving at a price for a typical <u>spot</u> sale. If your firm uses/issues price lists, please enclose a copy of your most recent price list with your submission.
  - 1.\_\_\_\_\_2.
- III-B-5. What are your firm's typical sales terms for its imported Chinese certain brake drums and rotors shipped to U.S. customers (e.g., 2/10 net 30 days, net 30 days, etc.)

\_\_\_\_?

III-B-6. a) On what basis does your firm typically quote prices of its imported Chinese certain brake drums and rotors 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)

#### Section III-B.-PRICING PRACTICES-Continued

III-B-6. 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 sales volume (number of units or value in dollars) or other requirement(s)
that must be met for your firm to absorb U.S. shipping charges for delivery to your customers'
facilities. Also indicate whether such requirements involve purchases of only certain brake
drums and rotors or include other products as well (identify any other products).

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 imported Chinese certain brake drums and rotors during January 1998-March 2003.

III-B-7. Please describe your firm's discount policy (quantity discounts, annual total volume (quantity or value) based discounts, etc.). Do <u>not</u> include any payment discount covered in question III-B-5. Also indicate whether such discount bases involve purchases of only certain brake drums and rotors or include other products as well (identify any other products).

III-B-8. Please discuss below how your firm's selling prices of its certain brake drums and rotors may differ by type of customer (e.g., wholesale distributor, jobber, etc.), by type of sale (e.g., long-term contracts, short-term contracts, and spot sales), and by any other considerations.

Type of customer:	
Type of sale:	
Other:	

#### PART III.-PRICING AND MARKET FACTORS-Continued

#### Section III-C.-FACTORS AFFECTING PRICING

III-C-1. a) Approximately what share of the total sales quantity (in units) of your firm's domestic shipments of its imported Chinese certain brake drums and its imported Chinese certain rotors occurred within the distances specified below during January 1998-March 2003? Also, for each distance category, approximately what percent of the total net f.o.b sales value of these products was accounted for by U.S.-inland transportation costs and what was the typical transportation mode (truck-T, rail-R, or air-A)?

1	<u>C</u>	Certain brake drums			Certain brake rotors		
	SI	hipment	Freight		Shipment	Freight	
	sh	nare	share	Mode	share	share	Mode
Within 100 miles of yo	our						
plant/warehouse		%	%		%	%	<u> </u>
100 to 500 miles from	your						
plant/warehouse	- 	_%	%		%	%	
Over 500 miles from y	our						
plant/warehouse		%	%		%	%	
-	TOTAL	100 %			100 %		

b) Do U.S. freight-cost shares reported for the longer distances represent a competitive disadvantage for your firm vis-a-vis U.S. producers or other U.S. importers of certain brake drums and rotors? Yes \_\_\_\_\_ No \_\_\_\_ (Check one) If yes, please discuss the extent of the disadvantage, the geographic area(s) involved, and identify any such firms and the country(ies) of origin of the brake drums and rotors they sell.

c) What is the geographic market area in the United States served by your firm's imported Chinese certain brake drums and rotors? Note any changes in market area since January 1998.

IV-C-2. a) What is the average lead time (in days) between a customer's order and the date of delivery for your firm's U.S. shipments of its imported Chinese certain brake drums and rotors from its from its U.S. inventory and, if applicable, from production facilities in China?

Shipments from U.S. inventory\_\_\_\_\_

Shipments from China\_\_\_\_\_

( <sub>Yes</sub>

#### PART III.-PRICING AND MARKET FACTORS-Continued

#### Section III-C.-<u>FACTORS AFFECTING PRICING</u>-Continued

III-C-2. b) Have average lead times changed since January 1998? 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 U.S. produced Chinese certain brake drums and rotors.

III-C-3. Does your firm sell its imported Chinese certain brake drums and rotors over the internet?



If yes-

Please report the value (in dollars net f.o.b. your U.S. selling location(s)) of your firm's total U.S. sales of its imported Chinese certain brake drum and rotors during January 1998-March 2003 that were accounted for by internet sales. Also explain the impact such sales have had on your U.S. selling prices and quantities during this period.

III-C-4. Have fluctuations in China's currency exchange rate with the U.S. dollar (Chinese yuan/U.S. dollar exchange rate) affected U.S. dollar prices of your imported Chinese certain brake drums and rotors during January 1998-March 2003?



# No G Yes

If yes-

Please specify the exchange rate changes (in Chinese yuan per U.S. dollar), the resulting change in the U.S. dollar purchase prices of the imported Chinese certain brake drums and rotors, the period(s) when the exchange rate and U.S. dollar prices of the subject imported products changed, and any impact such changes had on the quantity of your U.S. imports of these products. For U.S. sales of the imported Chinese certain brake drums and rotors, discuss separately the impact of exchange rates on your U.S. dollar selling prices of these products to U.S. customers.

#### PART III.-<u>PRICING AND MARKET FACTORS</u>-Continued

#### Section III-C.-<u>FACTORS AFFECTING PRICING</u>-Continued

III-C-4. –Continued

If no-

Please explain the impact of exchange rate changes on factors such as, but not necessarily limited to, profit margins of the foreign producer/exporter or of your importing firm, and why U.S. dollar purchase/sales prices of the subject products were not affected.

#### Section III-D.-<u>SUPPLY FACTORS</u>

(j<sub>No</sub>

- III-D-1. How has supply within the United States for certain brake drums and rotors changed since January 1998? Identify principal factors affecting supply changes and the time periods when any such changes occurred.
- III-D-2. Have there been any significant changes in the product range or marketing of certain brake drums and rotors in the United States since January 1998?
  - G 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 imported Chinese certain brake drums and rotors.

IV-D-3. Describe how easily your firm can shift sales of its imported Chinese certain brake drums and rotors between the U.S. market and home/third-country markets. In your discussion, please describe any contracts, other sales arrangements, or other constraints (including any foreign-country trade barriers) that would prevent or retard your firm from shifting its Chinese certain brake drums and rotors between the United States and alternative country markets within a 12-month period.

#### PART III.-PRICING AND MARKET FACTORS-Continued

#### Section III-D.-<u>SUPPLY FACTORS</u>-Continued

IV-D-4. Please explain below differences between economy-line and premium-line certain brake drums and rotors sold in the U.S. market. In your discussion, please indicate when such products initially appeared in the U.S. market and identify specific product quality and feature differences, differences in types of vehicles using each type, and any other distinguishing factors between the economy and premium lines of certain brake drums and rotors.

III-D-3. Are there any certain brake drum and rotor products that are produced in the United States that you do not import from China? Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, identify these products and explain why you do not import such products from China and identify the use(s) and potential U.S. market in expected annual consumption of the number of such products. Also, identify any certain brake drum and rotor products that you import from China that, although not identically the same, nonetheless compete with such U.S.-produced products.

#### Section III-E.-DEMAND FACTORS

III-E-1. a) Is the U.S. certain brake drum and rotor market subject to business cycles, product cycles, seasonal factors, and/or conditions of competition distinctive to this product industry? If yes, please identify occurrences and the dates of such occurrences since January 1998 and provide estimates of the duration of any such cycles.

b) How has demand for certain brake drums and rotors within the United States and, if known, outside the United States changed since January 1998? Identify the principal factors affecting any such changes.

## PART III.-<u>PRICING AND MARKET FACTORS</u>-Continued

#### Section III-E.-<u>DEMAND FACTORS</u>-Continued

III-E-2. Please identify the top three U.S. end-use markets for the certain brake drums and rotors that you import from China, and describe the specific certain brake drum and rotor products that your firm imports for each of these markets. Also estimate the percentage (or range of percentages) of total costs to produce each such end use product accounted for by the certain brake drums and rotors.

Substitution in demand refers to products that can, based on market price considerations <u>and</u> consumer/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/users may require greater price changes than others before they switch among the alternative products.

Discuss substitution in demand between certain brake drums and rotors and alternative (other types of) products (questions III-E-3 through III-E-4).

- III-E-3. What alternative products (such as, but not exclusively, OEM brake drums and rotors) may substitute for certain brake drums and rotors in their end uses in the United States, and how frequently does any such substitution occur? For each such alternative product, also discuss the specific end use(s) where substitution occurs.
- III-E-4. Have there been any changes in the number or types of alternative products that can be substituted for certain brake drums and rotors in the United States since January 1998?

$\mathbf{C}$	$\mathbf{C}$
G No	<b>U</b> YesPlease explain.

Discuss substitution in demand among various certain brake drum and rotor products (questions III-E-5 through III-E-6).

III-E-5. What certain brake drum and rotor products substitute for each other in the United States, and how frequently does any such substitution occur? For each such pair of products also discuss the specific end use(s) where such substitution may occur.

#### PART III.-<u>PRICING AND MARKET FACTORS</u>-Continued

#### Section III-E.-<u>DEMAND FACTORS</u>-Continued

III-E-6. Since January 1998, have there been any changes in certain brake drum and rotor products that can substitute for each other in the United States?

G No G Yes--Please explain.

III-E-7. Are all certain brake drum and rotor products produced in the United States, imported from China, 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.<sup>1</sup>

Country-pair	United States	China	Other				
United States							
China							
<sup>1</sup> For any country-pair producing certain brake drum and rotor products which are <i>sometimes or never</i> used interchangeably, please explain below the factors that limit or preclude interchangeable use. Also, identify any "other" countries referred to.							

#### PART III.-PRICING AND MARKET FACTORS-Continued

#### Section III-E.-DEMAND FACTORS-Continued

III-E-8. Are differences other than price (i.e., quality, availability, transportation network, product range, technical support, etc.) between comparable certain brake drum and rotor products produced in the United States, imported from China, and imported from other countries a significant factor in your firm's sales of its imported Chinese 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				
United States							
China							
<sup>1</sup> For any country-pair for which factors other than price <i>always or frequently</i> are a significant factor in your firm's sales of its imported Chinese certain brake drums and rotors, identify the country-pair, the specific product, and report the advantages or disadvantages imparted by such factors. Also, identify any "other" countries referred to.							

#### Section III-F.-CUSTOMER IDENTIFICATION

Please provide the names and addresses of your firm's 10 largest U.S. customers separately for its imported Chinese certain brake drums and certain brake rotors during January 1998-March 2003. Please also provide the name and telephone number of a contact person and the share of the total value (in dollars net f.o.b. your U.S. selling location(s)) of your firm's total domestic sales of its imported Chinese certain brake drums and certain brake rotors that each of these customers accounted for in 2002. Copy this table to respond separately for certain brake drums and brake rotors (check one box for each page).

No.	Customer's name	Street address, state, and zip code	Contact person	Area code and telephone number	Share of 2002 sales (%)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

Certain brake drums Certain brake rotors