

**PRODUCERS' 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)).

Name of firm \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip code \_\_\_\_\_  
World Wide Web address \_\_\_\_\_

Has your firm produced **certain brake drums or rotors** (as defined in the instruction booklet) at any time since January 1, 1998?

- NO** (Sign the certification below and promptly return only this page of the questionnaire to the Commission)  
 **YES** (Read the instruction booklet carefully, complete all parts of the questionnaire, sign the certification, and return the entire questionnaire to the Commission)

**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 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 the 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 35 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.

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I-3. 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>
_____	_____	_____
_____	_____	_____

I-4. Do you support or oppose the petition? Please explain.

Support             Oppose             Take no position

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**PART I.--GENERAL QUESTIONS--Continued**

I-5. Does your firm have any related firms, either domestic or foreign, which are engaged in importing certain brake drums or rotors from China into the United States or which are engaged in exporting certain brake drums or rotors 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 the production of certain brake drums or rotors?

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 Debra Baker (202-205-3180; e-mail: dbaker@usitc.gov). **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 certain brake drums or rotors since January 1, 1998?

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

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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

II-3. Does your firm produce other products on the same equipment and machinery used in the production of certain brake drums or rotors?

No       Yes--List the following information.

Product

Basis for allocation of capacity data

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

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

II-4. Please describe the constraint(s) that set the limit(s) on your production capabilities.

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

II-5. Does your firm produce other products using the same production and related workers employed to produce certain brake drums or rotors?

No       Yes--List the following information.

Product

Basis for allocation of employment data

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

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

II-6. Since January 1, 1998, has your firm been involved in a toll agreement (see definition in the instruction booklet) regarding the production of certain brake drums or rotors?

No       Yes--Name firm: \_\_\_\_\_

II-7. Does your firm produce certain brake drums or rotors in a foreign trade zone (FTZ)?

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

II-8. Since January 1, 1998, has your firm imported certain brake drums or rotors?

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

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

II-9. **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:**

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**(b) Manufacturing processes:**

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**(c) End uses:**

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**(d) Channels of distribution:**

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

II-10. **Aftermarket brake drums.**-- Report your firm's production capacity, production, shipments, inventories, and employment related to the production of aftermarket brake drums in your U.S. establishment(s) during the specified periods. (See definitions in the instruction booklet.)

(Quantity in 1,000 units, value in \$1,000)							
Item	Calendar years					January-March	
	1998	1999	2000	2001	2002	2002	2003
AVERAGE PRODUCTION CAPACITY (quantity)							
BEGINNING-OF-PERIOD INVENTORIES (quantity)							
PRODUCTION (quantity)							
<b>U.S. SHIPMENTS:</b>							
<b>Commercial shipments:</b>							
Quantity of commercial shipments							
Value of commercial shipments							
<b>Internal consumption:</b>							
Quantity of internal consumption							
Value <sup>1</sup> of internal consumption							
<b>Transfers to related firms:</b>							
Quantity of transfers to related firms							
Value <sup>1</sup> of transfers to related firms							
<b>EXPORT SHIPMENTS:<sup>2</sup></b>							
Quantity of export shipments							
Value of export shipments							
END-OF-PERIOD INVENTORIES <sup>3</sup> (quantity)							
<b>U.S. COMMERCIAL SHIPMENTS TO:</b>							
<b>Automotive parts distributors (quantity)</b>							
Retail outlets (quantity)							
All other firms <sup>4</sup> (quantity)							
U.S. SHIPMENTS TO END USERS (quantity)							
AVERAGE NUMBER OF PRWs							
HOURS WORKED BY PRWs (1,000 hours)							
WAGES PAID TO PRWs (value)							

<sup>1</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, 1999, 2000, 2001, and 2002 below:

<sup>2</sup> Identify your principal export markets: \_\_\_\_\_

<sup>3</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: \_\_\_\_\_

<sup>4</sup> Identify the type(s) of firms: \_\_\_\_\_

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

II-11. **Aftermarket brake rotors.**-- Report your firm's production capacity, production, shipments, inventories, and employment related to the production of aftermarket brake rotors in your U.S. establishment(s) during the specified periods. (See definitions in the instruction booklet.)

<b>(Quantity in 1,000 units, value in \$1,000)</b>							
<b>Item</b>	<b>Calendar years</b>					<b>January-March</b>	
	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2002</b>	<b>2003</b>
<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> <sup>1</sup> of internal consumption							
<b>Transfers to related firms:</b>							
<i>Quantity</i> of transfers to related firms							
<i>Value</i> <sup>1</sup> of transfers to related firms							
<b>EXPORT SHIPMENTS:<sup>2</sup></b>							
<i>Quantity</i> of export shipments							
<i>Value</i> of export shipments							
<b>END-OF-PERIOD INVENTORIES<sup>3</sup></b> ( <i>quantity</i> )							
<b>U.S. COMMERCIAL SHIPMENTS TO:</b>							
<b>Automotive parts distributors</b> ( <i>quantity</i> )							
<b>Retail outlets</b> ( <i>quantity</i> )							
<b>All other firms<sup>4</sup></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> 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, 1999, 2000, 2001, and 2002 below:

<sup>2</sup> Identify your principal export markets: \_\_\_\_\_

<sup>3</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: \_\_\_\_\_

<sup>4</sup> Identify the type(s) of firms: \_\_\_\_\_

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

II-12. Other than direct imports, has your firm otherwise purchased aftermarket brake drums or rotors since January 1, 1998? (See definitions in the instruction booklet.)

No       Yes--Report such purchases **separately** for drums and for rotors below, duplicating this page as necessary.<sup>1</sup>

**Certain brake drums**       **Certain brake rotors**

(Quantity in 1,000 units, value in \$1,000)							
Item	Calendar years					January-March	
	1998	1999	2000	2001	2002	2002	2003
<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. <hr/> <hr/>							
<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. <hr/> <hr/>							



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

III-6. **Operations on aftermarket brake drums.**--Report the revenue and related cost information requested below on the aftermarket brake drums 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 your five most recently completed fiscal years in chronological order from left to right, and for the specified interim periods.

<b>(Quantity in 1,000 units, value in \$1,000)</b>							
<b>Item</b>	<b>Fiscal years ended--</b>					<b>January-March</b>	
	_____	_____	_____	_____	_____	<b>2002</b>	<b>2003</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							
Direct labor							
Tolling costs							
Other factory costs							
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							
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) or associated tolling revenue, as appropriate, and costs related to your U.S. manufacturing operations.

<sup>2</sup> Less discounts, returns, and allowances. The quantities and values should approximate the corresponding shipment quantities and values reported in Part II of this questionnaire.

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

III-7. **Operations on aftermarket brake rotors.**--Report the revenue and related cost information requested below on the aftermarket brake rotors 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 your five most recently completed fiscal years in chronological order from left to right, and for the specified interim periods.

<b>(Quantity in 1,000 units, value in \$1,000)</b>							
<b>Item</b>	<b>Fiscal years ended--</b>					<b>January-March</b>	
	_____	_____	_____	_____	_____	<b>2002</b>	<b>2003</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							
Direct labor							
Tolling costs							
Other factory costs							
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							
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) or associated tolling revenue, as appropriate, and costs related to your U.S. manufacturing operations.

<sup>2</sup> Less discounts, returns, and allowances. The quantities and values should approximate the corresponding shipment quantities and values reported in Part II of this questionnaire.

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

III-8. For the cost of goods sold (the sum of raw materials, direct labor, and other factory costs) that your firm reported in III-6 and III-7, report the variable and fixed costs, and selling, general, and administrative expenses in percent for your most recent full fiscal year:

Item	Percent	
	Brake drums	Brake rotors
Cost of goods sold: Variable costs		
Fixed costs		
Total COGS	100.0	100.0
Selling, general & administrative expenses: Variable costs		
Fixed costs		
Total SG&A	100.0	100.0

III-9. Capital expenditures, research and development expenditures, and asset values.--Report your firm's capital expenditures and research and development expenditures on brake drums, and the values of the property, plant, and equipment used in the production of brake drums. Provide data for your five 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-March	
	_____	_____	_____	_____	_____	2002	2003
<b>Brake drums:</b>							
Capital expenditures							
Research and development expenditures							
Property, plant, and equipment: Original cost							
Book value							
<b>Brake rotors:</b>							
Capital expenditures							
Research and development expenditures							
Property, plant, and equipment: Original cost							
Book value							

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

III-10. Since January 1, 1998, 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 brake drums or rotors from China?

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 brake drums or rotors from China?

No

Yes--My firm anticipates negative effects as follows:

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

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

(Value in dollars, quantity in units)				
Period of shipment	F.o.b. value <sup>1</sup>	Quantity	Delivered value <sup>2</sup>	Quantity
<b>1998:</b>				
Jan.-Mar.				
Apr.-June				
July-Sept.				
Oct.-Dec.				
<b>1999:</b>				
Jan.-Mar.				
Apr.-June				
July-Sept.				
Oct.-Dec.				
<b>2000:</b>				
Jan.-Mar.				
Apr.-June				
July-Sept.				
Oct.-Dec.				
<b>2001:</b>				
Jan.-Mar.				
Apr.-June				
July-Sept.				
Oct.-Dec.				
<b>2002:</b>				
Jan.-Mar.				
Apr.-June				
July-Sept.				
Oct.-Dec.				
<b>2003:</b>				
Jan.-Mar.				

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

<sup>2</sup> Net values (i.e., gross sales values less all discounts, allowances, rebates, absorbed freight, and the value of returned goods), ***delivered to your U.S. customers' locations.***

Note: Reported quantity figures in the same quarter should be equal for the two reported value bases if your firm was able to convert to both value bases. Otherwise the quantity figures will differ if your firm cannot convert to both value bases.

**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 sales of its U.S.-produced certain aftermarket 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 IV-B.--PRICING PRACTICES**

IV-B-1. Please report below your firm's total U.S. sales quantity (in units) of its U.S.-produced certain aftermarket brake drums and certain aftermarket brake rotors 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		

IV-B-2. Please discuss the following provisions of your U.S. sales on a typical long-term contract basis that involved your U.S.-produced certain aftermarket 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 long-term contract sale. If your firm uses/issues price lists, please enclose a copy of your most recent price list with your submission.

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

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

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

IV-B-3. Please discuss the following provisions of your U.S. sales on a typical short-term contract basis that involved your U.S.-produced certain aftermarket 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 short-term contract sale. If your firm uses/issues price lists, please enclose a copy of your most recent price list with your submission.

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_

IV-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 spot sale. If your firm uses/issues price lists, please enclose a copy of your most recent price list with your submission.

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_

IV-B-5. What are your firm's typical sales terms for its U.S.-produced certain aftermarket brake drums and rotors shipped to U.S. customers (e.g., 2/10 net 30 days, net 30 days, etc.)

\_\_\_\_\_?

IV-B-6. a) On what basis does your firm typically quote prices of its U.S.-produced certain aftermarket 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)

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

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

IV-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 aftermarket brake drums and rotors or include other products as well (identify any other products).

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

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

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IV-B-8. Please discuss below how your firm's selling prices of its certain aftermarket 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:\_\_\_\_\_

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**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 (in units) of your firm's domestic shipments of its U.S.-produced certain aftermarket brake drums and certain aftermarket brake 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)?

	<u>Certain aftermarket brake drums</u>			<u>Certain aftermarket brake rotors</u>		
	<u>Shipment share</u>	<u>Freight share</u>	<u>Mode</u>	<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 %			100 %		

b) Do U.S. freight-cost shares reported for the longer distances represent a competitive disadvantage for your firm vis-a-vis other U.S. producers or U.S. importers of certain aftermarket 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.

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

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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 U.S.-produced certain aftermarket brake drums and rotors from its U.S. inventory and, if applicable, its U.S. production.

Shipments from inventory \_\_\_\_\_

Shipments from production \_\_\_\_\_

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

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

IV-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 imported Chinese certain aftermarket brake drums and rotors.

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IV-C-3. Does your firm sell its U.S.-produced certain aftermarket brake drums and rotors over the internet?

**G** No      **G** Yes

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 U.S.-produced certain aftermarket 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.

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**Section IV-D.--SUPPLY FACTORS**

IV-D-1. How has supply within the United States for certain aftermarket brake drums and rotors changed since January 1998? Identify principal factors affecting supply changes and the time periods when any such changes occurred.

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IV-D-2. Have there been any significant changes in the product range or marketing of certain aftermarket brake drums and rotors in the United States since January 1998?

**G** No      **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 U.S.-produced certain aftermarket brake drums and rotors.

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

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

IV-D-3. Describe how easily your firm can shift sales of its U.S.-produced certain aftermarket brake drums and rotors between the U.S. market and foreign 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 certain U.S. produced brake drums and rotors between the U.S. and alternative country markets within a 12-month period.

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IV-D-4. Specify the approximate percentage share of total production costs that is variable and the share that is fixed in your firm's U.S. production of its certain aftermarket brake drums and rotors; also, identify the specific costs that you consider variable and consider fixed.

Variable costs \_\_\_\_\_

Fixed costs \_\_\_\_\_

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IV-D-5. Please estimate below the cost and time required to construct a greenfield plant to produce certain aftermarket brake drums and certain aftermarket brake rotors in the United States. Please indicate the size of the plant (in terms of annual capacity in number of brake drums and rotors) for which you report.

Brake drums: \_\_\_\_\_

Brake rotors: \_\_\_\_\_

IV-D-6. Please explain below differences between economy-line and premium-line certain aftermarket 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 aftermarket brake drums and rotors. Please also indicate by country of origin if the U.S. produced and the imported Chinese products are economy or premium-line products, or both.

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

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

IV-D-7. Are there any certain aftermarket brake drum and rotor products that are produced in and imported from China that you do not produce in the United States? Yes \_\_\_\_ No \_\_\_\_ If yes, identify these products and explain why you do not produce such products and identify the use(s) and potential U.S. market in expected annual consumption of the number of such products. Also, identify any certain aftermarket brake drum and rotor products that you produce in the United States that, although not identically the same, nonetheless compete with such imported Chinese products.

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**Section IV-E.--DEMAND FACTORS**

IV-E-1. a) Is the U.S. certain aftermarket 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.

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b) How has demand for certain aftermarket 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.

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IV-E-2. Please identify the top three U.S. end-use markets for the certain aftermarket brake drums and rotors that you produce in the United States, and describe the certain aftermarket brake drum and rotor products that your firm produces 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 aftermarket brake drums and rotors.

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

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

*Substitution in demand refers to products that can, based on market price considerations and 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 aftermarket brake drums and rotors and alternative (other types of) products (questions IV-E-3 through IV-E-4).

IV-E-3. What alternative products (such as, but not exclusively, OEM brake drums and rotors) may substitute for certain aftermarket 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.

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IV-E-4. Have there been any changes in the number or types of alternative products that can be substituted for certain aftermarket brake drums and rotors in the United States since January 1998?

**G** No      **G** Yes--Please explain.

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

IV-E-5. What certain aftermarket 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.

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

**G** No      **G** Yes--Please explain.

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**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 separately for its domestically-produced certain aftermarket brake drums and certain aftermarket 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 U.S.-produced certain aftermarket brake drums and certain aftermarket brake rotors that each of these customers accounted for in 2002. Copy this table to respond separately for certain aftermarket brake drums and brake rotors (check one box for each page).

Certain aftermarket brake drums

Certain aftermarket brake rotors

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					



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

**Section IV-H.--COMPETITION FROM IMPORTS--LOST SALES**

**Since January 1, 1998:** Did your firm lose sales of certain aftermarket brake drums and rotors to imports of these products from China?

Yes  No

If yes, please furnish as much of the following information as possible for each affected transaction. Document such allegations of lost sales whenever possible (documentation could include copies of invoices, sales reports, or letters from customers). **Please note that the Commission may contact the firms named to verify the allegations reported.**

- Customer name, contact person, phone and fax numbers
- Specific product(s) involved
- Date of your price quotation
- Quantity involved
- Your rejected price quotation (total delivered value)
- The country of origin of the competing imported product
- The accepted price quotation of the imported product (total delivered value)

<b>Customer name, contact person, phone and fax numbers</b>	<b>Brake drums or rotors</b>	<b>Date of quote</b>	<b>Quantity (Units)</b>	<b>Rejected U.S. price (total value-- dollars)</b>	<b>Country of origin</b>	<b>Accepted import price (total value-- dollars)</b>



