Last Revised October 1, 2003

SECTION B

Sales in the Home Market or to a Third Country

I. General Explanation of Section B

This section of the questionnaire provides instructions for reporting your sales of the **foreign like product** in your home market or a third-country market. The choice of the appropriate market is based, in part, on your response to question 1 in section A.

For simplicity, the instructions refer to the **foreign market**. The foreign market is the home market or a third-country market, whichever will be used to determine normal value.

II. Computer File of Foreign Market Sales

In accordance with the instructions provided in this section, prepare a computer data file containing all sales made during the period of investigation ("POI") of the foreign like product. Report all sales of the foreign like product, whether or not you consider particular merchandise to be that which is most appropriately compared to your sales of the subject merchandise. The Department will then select the appropriate comparison sales from your sales listing. Do not, however, report canceled sales. In addition, if you sold to an affiliate who resold the merchandise, report the affiliate's resales to unaffiliated customers rather than your sales to the affiliate.[1] If you are unable to collect this information, please contact the official in charge immediately.

For sales of merchandise that have been shipped to the customer and invoiced by the time this response is prepared, each "record" in the computer data file should correspond to an invoice line item (*i.e.*, each unique product included on the invoice). For sales of merchandise that have not yet been shipped and invoiced (in whole or in part) to the customer, a "record" should correspond to the unshipped portion of the sale.

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[1] Exceptions: (1) If your sales to all affiliated customers constitute less than five percent of your total sales in the foreign market, you may report your sales to affiliated resellers rather than the affiliates' resales to unaffiliated customers; and (2) If you believe your sales of the **foreign-like product** to an affiliated reseller were **arm's-length transactions**, you may report your sales to that affiliate rather than that affiliate's resales to unaffiliated customers. However, if the sales do not pass the arm's-length test, we may require that you report the affiliate's resales to the unaffiliated customer at a later time.

Each computer record submitted should contain the information requested concerning the product sold, the terms of the sale, the selling expenses incurred and other information. The following portion of section B describes the information the Department requires.[2]

III. Summary of Data Fields for Foreign Market

The chart which follows is a summary of the data fields for the foreign market sales file which are described in the remainder of this section of the questionnaire. In addition to the field number, description and name, the chart lists the page number in this section which contains the instructions for completing the field itself and the narrative response. Please refer to Appendix II Instructions for Submitting Computer Data for instructions on preparing the electronic file.

SECTION B

Summary Foreign Market Sales File

FIELD NUMBER	FIELD DESCRIPTION	FIELD NAME
1.0	Complete Product Code	PRODCODH[3]
2.0	Matching Control Number	CONNUMH
3.1 thru 3.n	Product Characteristics	
4.0	Customer Code	CUSCODH
4.1	Consolidated Customer Code	CCUSCODH
5.0	Customer Relationship	CUSRELH
6.0	Customer Category	CUSCATH
7.0	Channel of Distribution	CHANNELH
8.0	Sale Invoice Date	SALINDTH
9.0	Date of Sale	SALEDATH
10.0	Sale Invoice Number	INVOICEH
11.0	Date of Shipment	SHIPDATH
12.0	Date of Receipt of Payment	PAYDATEH
13.0	Terms of Delivery	SALETERH

[2] Refer also to the Instructions for Submitting Computer Data at Appendix II.

[3] For Third-Country sales, replace the "H" at the end of all field names with a "T".

FIELD NUMBER	FIELD DESCRIPTION	FIELD NAME
14.0	Terms of Payment	PAYTERMH
15.0	Quantity	QTYH
16.0	Quantity Unit of Measure	QTYUNITH
17.0	Gross Unit Price	GRSUPRH
18.1-n	Billing Adjustments	BILLADJH
19.1	Early Payment Discounts	EARLPYH
19.2	Quantity Discounts	QTYDISH
19.3-19.n	Other Discounts	OTHDIS(1-n)H
20.1-20.n	Rebates	REBATE(1-n)H
21.0	Level of Trade	LOTH
22.0	Level of Trade Adjustment	LOTADJH
23.0	Inland Freight - Plant to Distribution Warehouse	INLFTWH
24.0	Warehousing Expense	WAREHSH
25.0	Inland Freight - Plant/Warehouse to Customer	INLFTCH
26.0	Inland Insurance	INSUREH
27.0	Destination	DESTH
28.0	Commissions	COMMH
29.0	Selling Agent	SELAGENH
30.0	Selling Agent Relationship	SELARELH
31.0	Credit Expenses	CREDITH
32.0	Interest Revenue	INTREVH
33.0	Advertising Expenses	ADVERTH
34.0	Warranty Expense	WARRH
35.0	Technical Service Expense	TECHSERH
36.0	Royalties	ROYALH
37.1-37.n	Other Direct Selling Expenses	DIRSELH
38.0	Indirect Selling Expenses	INDIRSH
39.0	Inventory Carrying Costs	INVCARH
40.0	Packing Cost	PACKH
41.0	Variable Manufacturing Cost	VCOMH

FIELD NUMBER	FIELD DESCRIPTION	FIELD NAME
42.0	Manufacturer	MFRH
Additional Fields for Third-Country Sales		
43.0	International Freight	INTNFRT
44.0	Marine Insurance	MARNINT
45.0	Third-Country Inland Freight from Port to Warehouse	INLFPWT
46.0	Third-Country Inland Freight from Warehouse to the Unaffiliated Customer	INLFWCT
47.0	Third-Country Inland Insurance	TCINLINT
48.0	Third-Country Brokerage and Handling	TCBRKHT
49.0	Third-Country Customs Duty	TCDUTYT
50.0	Duty Drawback	DTYDRAWT

IV. Instructions for the Narrative Response and the Computer File of Foreign Market Sales

The following instructions combine the questionnaire with the computer data file format. "FIELD NUMBER" includes the number and descriptive name of the field in the computer data file. "FIELD NAME" is the variable name for the submitted printouts of the data file. "DESCRIPTION" describes the information you should report in the field of the computer data file, and "NARRATIVE" describes the additional information we request you provide, not in the computer data file, but in the narrative response.

Fields 1 through 3.
Report the information requested concerning the product sold. Fields 1 and 2 are reserved for the product code and a "matching" control number the Department will use in the calculation of the dumping margin. Fields numbered 3.1 to 3.n specify the product characteristics requested by the Department. You may add additional product characteristics in separate fields. However, if you add characteristics not specified in the questionnaire, describe in the narrative response why you believe that the Department should use this information to define **identical** and **similar merchandise**. At this point, do not incorporate these additional product characteristics into your response to CONNUMH (Field Number 2.0).

FIELD NUMBER 1.0: **Complete Product Code**

FIELD NAME: PRODCODH (or PRODCODT)[4]

DESCRIPTION: Report the commercial product code assigned by your company in the normal course of business to the specific product sold.

NARRATIVE: The product code should be described in response to question 7 b in section A of this questionnaire.

[4] If you are reporting sales made to a third-country, replace the "H" at the end of all field names with a "T".

FIELD NUMBER 2.0: **Matching Control Number**

FIELD NAME: CONNUMH

DESCRIPTION: Assign a control number to each unique product reported in the section B sales data file. Identical products should be assigned the same control number in each record in every file in which the product is referenced (*e.g.*, products with identical physical characteristics reported in the foreign market sales file and the U.S. market sales file should have the same control number).

For Department Use only. This box should be deleted prior to sending the questionnaire to respondents.
Fields numbered 3.1 through 3.n are specified for the product characteristics the Department requests each respondent submit. The field names and descriptions should be completed prior to sending the questionnaire to the respondents. A narrative response may be required. For example, if you wish the respondent to provide a description of a particular characteristic, add a "NARRATIVE" request in the field description below.

FIELD NUMBER 3.1:

FIELD NAME:

DESCRIPTION:

FIELD NUMBER 3.2:

FIELD NAME:

DESCRIPTION:

FIELD NUMBER 3.3:

FIELD NAME:

DESCRIPTION:

FIELD NUMBER 3.n:

FIELD NAME:

DESCRIPTION:

Fields 4 through 7.
Report the information requested concerning the customer and the channel of distribution for the merchandise. In the section A response, you have described the various channels through which you distribute the merchandise. The response to field 7 should correspond to the description you have provided in your response to section A.

FIELD NUMBER 4.0: Customer Code

FIELD NAME: CUSCODH

DESCRIPTION: Report the name of the customer or the internal accounting code designating the customer, as used in your normal course of business.

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NARRATIVE: Provide a list of customer names and codes as an attachment to your response. If known, identify customers that export some or all of their purchases of the foreign like product. Explain how you determined which sales were for consumption in the foreign market.

FIELD NUMBER 4.1: Consolidated Customer Code

FIELD NAME: CCUSCODH

DESCRIPTION: Report only one name or code for each of your customers, even if more than one name or accounting code exists for that customer in your books and records. For example, if you use different codes for regional offices of the same customer, report the same code for this customer, regardless of the location of the office.

NARRATIVE: Provide a list of customer names and codes as an attachment to your response, ensuring that each customer is assigned only one discrete code for this field.

FIELD NUMBER 5.0: Customer Relationship

FIELD NAME: CUSRELH

DESCRIPTION: Report the code designating whether the customer is affiliated. We request that you report your sales to affiliated customers that consume the foreign like product. Unless requested by the official in charge, do not report sales to affiliated resellers of the merchandise; report only the resales by the affiliated reseller to unaffiliated customers.

1 = Unaffiliated Customers
2 = Affiliated Customers

FIELD NUMBER 6.0: Customer Category

FIELD NAME: CUSCATH

DESCRIPTION:
1 = Original Equipment Manufacturers
2 = Trading Companies
3 = Distributors
4 = Retailers
5 - n Specify additional categories as required.

NARRATIVE: Identify any additional categories and indicate the code used for each. Identify any customers that have been classified in more than one customer category and explain the circumstances requiring such treatment.

FIELD NUMBER 7.0: Channel of Distribution

FIELD NAME: CHANNELH

DESCRIPTION: The channels of distribution designated in this field should conform to those described in the response to question 3 in section A of the questionnaire.

1 = Channel 1
2 = Channel 2
3 - n = Channel 3 - n.

NARRATIVE: Identify any additional channels and indicate the code used for each. The codes for channel of distribution listed above are examples only. You need not use them.

Fields 8 through 14.
Report the information requested concerning the terms of delivery and payment and the dates of the specified events of each sale. Please be sure to report dates in the specified eight-digit format. The Glossary of Terms at Appendix I describes the Department's criteria for determining the date of sale. The criteria used by the Department to determine the date of sale may be different from the criteria you use in your accounting system; please contact the official in charge if, after reviewing the Department's criteria, you are uncertain when a sale has occurred.

FIELD NUMBER 8.0: **Sale Invoice Date**

FIELD NAME: SALINDTH

DESCRIPTION: Positions 1 - 4 = Year
Positions 5 & 6 = Month
Positions 7 & 8 = Day

FIELD NUMBER 9.0: **Date of Sale (if different than Sale Invoice Date)**

FIELD NAME: SALEDATH

DESCRIPTION: Include this field only if the date of sale is different from the sale invoice date. The appropriate date to use as date of sale should be determined in consultation with the "Official in Charge."

Positions 1 - 4 = Year
Positions 5 & 6 = Month
Positions 7 & 8 = Day

FIELD NUMBER 10.0: **Sale Invoice Number**

FIELD NAME: INVOICEH

DESCRIPTION: Report the reference number assigned to the invoice in your accounting system.

NARRATIVE: Describe the invoice numbering system used by each sales entity

that originated a sale reported in this data file. Is it simply a sequential number or is additional information included in the code, such as place of sale? If additional information is contained in the code, provide a key describing each component of the code.

FIELD NUMBER 11.0: Date of Shipment

FIELD NAME: SHIPDATH

DESCRIPTION: Report the date of shipment from the factory or distribution warehouse to the customer.

Positions 1 - 4 = Year
Positions 5 & 6 = Month
Positions 7 & 8 = Day

FIELD NUMBER 12.0: Date of Receipt of Payment

FIELD NAME: PAYDATEH

DESCRIPTION: Report the date your records indicate payment was received from the customer.

Positions 1 - 4 = Year
Positions 5 & 6 = Month
Positions 7 & 8 = Day

NARRATIVE: Indicate the basis for determining the date of payment and the ledger from which this date was identified. If you cannot collect dates of payment in the time allowed for responding to this questionnaire, explain why and do not complete this field. If you collect the information but a particular invoice is unpaid, enter zeros in this field for that invoice.

FIELD NUMBER 13.0: Terms of Delivery

FIELD NAME: SALETERH

DESCRIPTION: 1 = Delivered
2 = FOB (specify delivery point; *e.g.*, FOB railroad)
3 - n Specify other delivery terms as required.

NARRATIVE: Describe the terms of delivery offered and indicate the code used for each. If the terms vary by channel of distribution, explain how these are related.

The codes for delivery terms listed above are examples only. You need not use them.

FIELD NUMBER 14.0: Terms of Payment

FIELD NAME: PAYTERMH

DESCRIPTION: Report terms of payment granted the customer.

1 = 30 days after invoice.
2 = 60 days after invoice.
3- n Specify other payment terms as required.

NARRATIVE: Describe each of the terms of payment you offer and indicate the code used for each. If the terms vary by channel of distribution, explain how these are related. If the payment terms you offer are tied to early payment discounts or to interest penalties for late payment, please explain. Indicate whether the payment terms are stated or coded on each invoice or, otherwise, how customers agree to payment terms.

The codes for payment terms listed above are examples only. You need not use them.

Fields 15 through 20.
Report the information requested concerning the quantity sold and the price per unit paid in each sale transaction. All **price adjustments** granted, including **discounts** and **rebates**, should be reported in these fields. The gross unit price less price adjustments should equal the net amount of revenue received from the sale. If the invoice to your customer includes separate charges for other services directly related to the sale, such as a charge for shipping, create a separate field for reporting each additional charge. Refer to the Glossary of Terms at Appendix I for a more complete description of each of the price adjustments listed.

FIELD NUMBER 15.0: Quantity

FIELD NAME: QTYH

DESCRIPTION: Report the sale quantity for this transaction. In general, this quantity will be the quantity of the specific shipment or invoice line, net of returns where possible. For sales that have not been fully shipped/invoiced at the time the computer data for this section is prepared, also report the quantity of the sale not yet shipped (*i.e.*, total quantity sold less the quantity shipped and invoiced to date - and reported in other records in this file).

For example, assume the date of sale is the date of the customer's order. In the last month of the POI a customer orders 100 tons to be shipped in 5 lots of 20 tons each once every 30 days. At the time of preparation of your questionnaire response, 3 of the 5 shipments have been made and an invoice sent for each shipment to the customer.

The file you submit to the Department should contain 4 records: one record for each shipment and invoice and a fourth record for the unshipped amount of 40 tons. For the record containing the unshipped 40 tons, complete the adjustment fields based on estimates.

NARRATIVE: Explain how returns, if you permit them, affect your sales recorded in the general ledger and sales ledger.

FIELD NUMBER 16.0: Quantity Unit of Measure

FIELD NAME: QTYUNITH

DESCRIPTION: Report all sales in this file in the same unit of measure. Use an abbreviation or code to indicate the unit of measure.

1 or MT = metric tons
2 or KG = kilograms
3 - n Specify as needed

NARRATIVE: Provide a table of the units of measure and abbreviations or codes used.

The codes for unit of measure listed above are examples only. You need not use them.

Fields 17 through 50.
Report the sale price, discounts, rebates and all other revenues and expenses in the currencies in which they were earned or incurred and net of taxes rebated or not collected when the product is exported (*e.g.*, net of value added taxes ("VAT")). If a revenue or expense field is expressed in the same currency in all records in the file, simply note the currency name on the descriptive chart requested in Appendix II section B (Instructions for Submitting Computer Data - File Formats). However, if a revenue or expense field is expressed in one currency in certain records and another currency in other records, create a companion field that designates the currency for each record with a code or abbreviation.

FIELD NUMBER 17.0: Gross Unit Price

FIELD NAME: GRSUPRH

DESCRIPTION: Report the unit price recorded on the invoice for sales shipped and invoiced in whole or in part. To report portions of sales not shipped, provide the agreed unit sale price for the quantity that will be shipped to complete the order. This value should be the gross price for a single unit of measure. Discounts and rebates should be reported separately in fields numbered 19.n and 20.n, respectively.

FIELD NUMBER 18.1-n: Billing Adjustments

FIELD NAME: BILLADJH

DESCRIPTION: Report any price adjustments made for reasons other than discounts or rebates. State whether these billing adjustments are reflected in your gross unit price.

FIELD NUMBER 19.1: Early Payment Discounts

FIELD NAME: EARLPYH

DESCRIPTION: Report the unit value of any discount granted to the customer for early payment.

NARRATIVE: Explain your policy and practice for granting early payment discounts. Describe the basis for eligibility for such discount. If discounts vary by channel of distribution (field 7.0) or by customer category (field 6.0), provide an explanation of the discounts given to each category. Explain how you calculated the per-unit discount. Where available, provide sample documentation, including sample agreements, for this type of discount.

FIELD NUMBER 19.2: Quantity Discounts

FIELD NAME: QTYDISH

DESCRIPTION: Report the unit value of any discount granted to the customer due to the quantity of the purchase.

NARRATIVE: Explain your policy and practice for granting quantity discounts. Describe the basis for eligibility for such discounts. If discounts vary by channel of distribution (field 7.0) or by customer category (field 6.0), provide an explanation of the discount given to each channel and category. Explain how you calculated the per-unit discount. Provide your quantity discount schedule or other documentation establishing the discount program.

FIELD NUMBER 19.3-n: Other Discounts

FIELD NAME: OTHDIS(1-n)H

DESCRIPTION: Report the unit value of other discounts granted to the customer. Create a separate field for reporting each discount applied.

NARRATIVE: Explain your policy and practice for granting each additional discount. Describe each type of discount granted and the basis for eligibility for such discount. If discounts vary by channel of distribution (field 7.0) or by customer category (field 6.0), provide an explanation of the discounts given to each category. Explain how you calculated each additional per-unit discount. Where available, provide sample documentation, including sample agreements, for each type of discount.

FIELD NUMBER 20.1-n: Rebates

FIELD NAME: REBATE(1-n)H

DESCRIPTION: Report the unit value of each rebate given to the customer. Create a separate field for reporting each rebate program. Rebates should be reported with the sales to which they apply.

NARRATIVE: Explain your policy and practice for granting rebates. Describe the terms and conditions of each rebate program and when the terms and conditions are established in the sales process. If rebates vary by customer category (field 6.0) or channel of distribution (field 7), provide an explanation of the rebates given to each. For rebates that have not yet been paid, describe how you computed the amount to be rebated. Include your worksheets as an attachment to the response. Where available, provide sample documentation, including sample agreements, for each type of rebate.

FIELD NUMBER 21.0 Level of Trade

FIELD NAME: LOTH

DESCRIPTION: Report the **level of trade**. Use an abbreviation or code to indicate the level of trade.

NARRATIVE: Provide a key to any abbreviation or codes used.

FIELD NUMBER 22.0 **Level of Trade Adjustment**

FIELD NAME: LOTADJH

DESCRIPTION: Report the amount of the claimed **level of trade adjustment**.

NARRATIVE: Explain why you believe a level of trade adjustment is appropriate and provide worksheets demonstrating the calculation of the adjustment as attachments to your response.

Fields 23 through 26 - **Movement Expenses**.

Report the information requested concerning the direct cost incurred to bring the merchandise from the original place of shipment to the customer's place of delivery if included in the price charged to your customer. The Department normally considers the production facility as being the "original place of shipment." However, if you are a reseller unaffiliated with the producer of the merchandise, you should treat the original place from which you shipped the merchandise as the "original place of shipment." If you report something other than the production facility as the original place of shipment, please provide an explanation in your narrative response.

All the costs incurred to transport the merchandise should be reported in these fields. You may add fields, if needed. For merchandise which was sold during the POI but which has not been shipped at the time of preparation of the response, report estimated charges and your basis for these estimates.

The fields listed below anticipate the types of transport expenses commonly incurred on domestic and, in the case of third-country sales, international shipments. However, it is not uncommon for certain of these transport expenses to be combined in a single fee paid a transport company (*e.g.*, combined transport and transport insurance). If expenses are combined, do not attempt to separate them but report them in a single field and explain in your narrative response.

FIELD NUMBER 23.0: **Inland Freight - Plant to Distribution Warehouse**

FIELD NAME: INLFTWH

DESCRIPTION: Report the unit cost of inland freight from the factory to the

distribution warehouse or other intermediate location. Where it is necessary to allocate because multiple items were included in a shipment, freight cost should be allocated on the basis incurred (*e.g.*, weight, volume). If you shipped the product directly from the factory to the customer, report the cost of transport in field 25.

NARRATIVE: Describe the forms of transport you used to deliver the merchandise to your distribution warehouse(s) or other intermediate location and any affiliations you had with the carriers during the POI. If you shipped by common carrier, please submit the specific freight charges incurred on each transaction and the method of allocation, when more than one type or size of merchandise was shipped. If it is not possible to specifically identify the cost of each shipment, describe how you calculated the freight cost per unit. Include your worksheets as attachments to the narrative response.

If you used your own vehicles to deliver the product, explain how you calculated the freight cost for each sale and provide the total expense incurred by type of expense (*e.g.*, fuel). Include your worksheets as attachments to the narrative response.

FIELD NUMBER 24.0: Warehousing Expense

FIELD NAME: WAREHSH

DESCRIPTION: Report the unit cost of **warehousing**. The cost of warehousing reported in this field should include only expenses incurred at a distribution warehouse not located at the factory that produced the merchandise, less any reimbursement received from the customer.

NARRATIVE: Describe the distribution warehousing system you operate and provide a list of the warehouse locations used to distribute the foreign like product. Describe any warehousing services provided to customers. Provide a list of customer names and codes that receive warehousing services, including the name and location of the warehouse used. Also, state whether the warehouse is operated by a separate entity that is affiliated with you and describe the nature of the affiliation.

Describe the manner in which you calculated the unit cost of warehousing and submit your worksheets as an attachment to the narrative response. If the warehouse is owned

by you or an affiliate, describe how you allocated the cost of the warehouse operations.

FIELD NUMBER 25.0: Inland Freight - Plant/Warehouse to Customer

FIELD NAME: INLFTCH

DESCRIPTION: Report the unit cost of inland freight to the customer's place of delivery from the factory or the distribution warehouse (or other intermediate location) . Where it is necessary to allocate because multiple items were included in a shipment, freight cost should be allocated on the basis incurred (*e.g.*, weight, volume).

NARRATIVE: Describe the forms of transport you used to deliver the merchandise to your customers and any affiliations you had with the carriers during the POI. If you shipped by common carrier, please submit the specific freight charges incurred on each transaction and the method of allocation, when more than one type or size of merchandise was shipped. If it is not possible to specifically identify the cost of each shipment please describe how you derived the freight cost per unit. Include your worksheets as attachments to the narrative response.

If you used your own vehicles to deliver the product, provide the total expense incurred by type of expense (*e.g.*, fuel) and describe the method you used to allocate the expenses incurred to each sale. Include your worksheets as attachments to the narrative response.

FIELD NUMBER 26.0: Inland Insurance

FIELD NAME: INSUREH

DESCRIPTION: Report the unit cost of inland insurance on shipments from the factory or distribution warehouse to the customer's place of delivery.

NARRATIVE: Describe how you calculated the unit cost of inland insurance and include your worksheets as attachments to the narrative response.

FIELD NUMBER 27.0: Destination

FIELD NAME: DESTH

DESCRIPTION: Report the internal destination code or other code, such as a postal code, that specifies the customer's place of delivery.

NARRATIVE: Provide a key to the codes and destinations.

Fields 28 through 37.
Report the information requested concerning the selling expenses listed. Include the expenses of any affiliated selling agents instead of the commissions paid to those agents. These expenses will be used to make adjustments for different **circumstances of sale**. Report only **direct expenses** in Fields 28 through 37. Refer to the definitions of **circumstances of sale** and direct and **indirect expenses** in the Glossary of Terms at Appendix I.

FIELD NUMBER 28.0: Commissions

FIELD NAME: COMMH

DESCRIPTION: Report the unit cost of commissions paid to selling agents and other intermediaries. If more than one commission was paid, report each commission in a separate field. Do not report commissions paid to affiliated selling agents unless there is a compelling reason that you cannot report an affiliated agent's actual expenses.

NARRATIVE: Describe the terms under which commissions were paid and how commission rates were determined. Explain whether the amount of the commission varies depending on the party to whom it is paid and whether that party is affiliated with you. Include samples of each type of commission agreement used.

If you report payments to any affiliated selling agent in lieu of the agent's actual expenses, provide an explanation of why you are unable to report those actual expenses. Indicate whether the commissions were paid at **arm's length** by reference to commission payments to unaffiliated parties in the foreign market and other markets. Submit evidence demonstrating the arm's-length nature of the commissions.

FIELD NUMBER 29.0: Selling Agent

FIELD NAME: SELAGENH

DESCRIPTION: Report the name or internal code designating the commissioned selling agent or intermediary. If more than one commission was paid, report the name or code of each selling agent in a separate field.

NARRATIVE: Provide a list of commissioned selling agents and intermediaries and an internal code for each, the applicable commission rates, and whether the agent is affiliated with you.

FIELD NUMBER 30.0: Selling Agent Relationship

FIELD NAME: SELARELH

DESCRIPTION: Report the code designating affiliation.

1 = Unaffiliated
2 = Affiliated

FIELD NUMBER 31.0: Credit Expenses

FIELD NAME: CREDITH

DESCRIPTION: Report the unit cost of credit computed at the actual cost of short-term debt borrowed by your company in the foreign market. If you did not borrow short-term during the period of investigation, use a published commercial short-term lending rate.

This expense should be calculated and reported on a transaction-by-transaction basis using the number of days between date of shipment to the customer and date of payment. If actual payment dates are not readily accessible in your accounting system, you may base the calculation on the average age of accounts receivable. If you are paid prior to shipment the imputed benefit will be added to the price.

NARRATIVE: Provide the equation you have used to calculate credit expenses and a worksheet showing the calculation of your average

short-term interest rate. Explain the calculation and any other factors that affect net credit costs, such as compensating deposits to the extent that they were a precondition for acquiring the loan. Indicate the source of the short-term interest rates used in the calculation.

FIELD NUMBER 32.0: Interest Revenue

FIELD NAME: INTREVH

DESCRIPTION: Report the per unit interest charges collected on each sale for late payment of the invoice.

NARRATIVE: Describe the conditions under which you charge customers interest. If the practice varies by channel of distribution or category of customer, explain why it varies and how.

FIELD NUMBER 33.0: Advertising Expenses

FIELD NAME: ADVERTH

DESCRIPTION: Report the unit cost of advertising specifically for the foreign like product that you have "assumed" on behalf of the customer. This is the cost you incurred to advertise to your customer's customers.

Report all advertising expenses incurred to advertise to your customers as part of indirect selling expenses (Field 38).

NARRATIVE: Describe separately advertising programs directed at your customer's customer (*e.g.*, co-op advertising) and advertising programs directed at your customers. Provide separate lists of the expenses incurred for each and provide worksheets demonstrating the allocation of the advertising to your customer's customer to each sale of the foreign like product.

FIELD NUMBER 34.0: Warranty Expense

FIELD NAME: WARRH

DESCRIPTION: Report the unit cost of warranty expenses incurred during the POI. Warranty expense should include only the direct expense less any reimbursement received from the customer or unaffiliated parts suppliers. Report indirect warranty expenses as part of indirect selling expenses (field 38). If you produce different models or types of the merchandise under investigation, warranty cost should be based upon your experience by model. If this is impractical, express warranty cost on the most product specific basis possible.

NARRATIVE: Describe both the warranty expenses incurred on sales of this merchandise and the reimbursement, if any, received or expected from the customer. Provide lists of the direct and indirect expenses incurred and worksheets demonstrating the allocation of the direct expense to each sale of the foreign like product. Describe the nature and terms of the warranty provided. Include a copy of each type of warranty agreement as an attachment to the response.

Include a schedule of direct and indirect warranty expenses incurred for the foreign like product for the three most recently completed fiscal years. In addition, calculate a cost per unit for each year.

FIELD NUMBER 35.0: Technical Service Expense

FIELD NAME: TECHSERH

DESCRIPTION: Report the unit cost of **technical services**. Include only the direct expense less any reimbursement received from the customer. Report indirect technical service expenses as part of indirect selling expenses (field 38).

NARRATIVE: Describe the technical services provided, including any service, repair, or consultation, that directly relate to sales of the foreign like product. Describe any reimbursement received for these services. Provide lists of the direct and indirect expenses incurred and worksheets demonstrating the allocation of the direct expense to each sale of the foreign like product.

FIELD NUMBER 36.0: Royalties

FIELD NAME: ROYALH

DESCRIPTION: Report the unit cost of any royalties you paid on the sale of the product. Create a separate field for each royalty paid.

NARRATIVE: Describe each royalty paid to third parties as a result of production or sale. Include a description of all royalties paid in this section of the narrative but include the unit cost of production royalties as a **cost of manufacture** (section D). The description should include the key terms of the agreements, the names of the parties that granted the rights, and a list of products covered by the agreements.

FIELD NUMBER: 37.1-n: Other Direct Selling Expenses

FIELD NAME: DIRSELH

DESCRIPTION: Report the unit cost of other direct selling expenses you incurred on the sale of the foreign like product which are not reported in other fields. Report each additional direct selling expense in a separate field. Include only the direct expenses incurred less any reimbursement received from the customer. Report the indirect expenses incurred as part of indirect selling expenses (field 38).

NARRATIVE: Describe each type of direct selling expense incurred and your basis for considering it directly related to the sales of the foreign like product. Include lists of the direct and indirect expenses incurred and provide worksheets demonstrating any allocation of the direct expense to each sale of the foreign like product.

Fields 38 and 39.

Report the information requested concerning indirect selling expenses in field 38 and **inventory carrying cost** in field 39. The Department will use these fields to calculate a **CEP offset** adjustment or a commission offset adjustment, where appropriate. Refer to the Glossary of Terms at Appendix 1 for a more complete description of these adjustments.

Indirect expenses include all sales overhead expenses (*e.g.*, salesmen's salaries and office rent) plus the indirect expenses excluded from the circumstance of sale adjustments in fields 33 through 37.

FIELD NUMBER 38.0: Indirect Selling Expenses

FIELD NAME: INDIRSH

DESCRIPTION: Report the unit cost of indirect selling expenses (*e.g.*, sales office rent and salesmen's salaries) incurred to sell the product in the foreign market. Where indirect selling expenses have been incurred by the producer and an affiliated reseller, create separate fields for the expenses of each company.

NARRATIVE: Describe the sales overhead expenses incurred. Include a list of the overhead expenses incurred and provide worksheets demonstrating the allocation of these expenses, as well as the indirect expenses excluded from the circumstance of sale adjustments reported in fields 33 through 37. Where more than one company incurred indirect selling expenses submit separate worksheets for each.

FIELD NUMBER 39.0: Inventory Carrying Costs

FIELD NAME: INVCARH

DESCRIPTION: Report the unit opportunity cost incurred from the time of final production to the time of sale in the foreign market, computed at the actual cost of short-term debt borrowed by your company in the foreign market. If you are a reseller, reported the unit opportunity cost incurred from the time you purchased the merchandise to the time of sale, computed at the actual cost of short-term debt incurred by your company in the foreign market.

If you did not borrow short-term during the period of investigation, use a published commercial short-term lending rate.

NARRATIVE: Describe how the products under investigation are stored prior to sale and provide the average length of time in inventory prior to sale to the first unaffiliated customer (or to the affiliated customer if you are reporting such sales). The cost reported should be based on the period from the end of production to the date of shipment to the customer. Indicate the source of the short-term interest rate used in the calculation.

FIELD NUMBER 40.0: Packing Cost

FIELD NAME: PACKH

DESCRIPTION: Report the unit cost of packing the foreign like product for sale in the foreign market. Include the cost of labor, materials and overhead. If a product is produced at more than one plant, report the weighted average packing cost of all plants combined.

NARRATIVE: Describe the packing types used in the foreign market. For each type of packing, provide a worksheet that demonstrates the calculation of packing material, labor and overhead for a single unit.

The worksheets should include a list of packing materials, the average cost of each material, and how much of each material was used. In addition, report the average labor hours by packing type and the average labor cost per hour including benefits. Include also a list of overhead expenses incurred in packing and demonstrate how these expenses were allocated to each packing type.

Field 41.
If for each product you sold during the POI in the United States, you sold the identical product in the foreign market, it is not necessary to supply this information. However, if you elect not to supply this information and the Department later determines for any reason that a U. S. sale should be compared to a sale of a similar product in the foreign market, the Department may have to resort to the **facts available**. Refer to **difference in merchandise adjustments** in the Glossary of Terms at Appendix I.

FIELD NUMBER 41.0: Variable Manufacturing Cost

FIELD NAME: VCOMH

DESCRIPTION: Report the actual variable unit cost of manufacturing including materials, labor and overhead derived from the cost accounting system used in the normal course of business.

NARRATIVE: If you are submitting the full cost of production in response to section D of this questionnaire, no additional narrative description is required. However, if you are not submitting a response to section D, provide a comprehensive description of how you derived the reported manufacturing cost and provide your worksheets. The narrative response should include a description of your cost accounting system and a comprehensive discussion of how you derived the variable costs reported. The reported variable manufacturing costs should not differ among products having the same control numbers.

For each product, the worksheets should list separately and provide the derivation of the variable cost of materials, labor and overhead. If you employ a standard cost system, the worksheets should include both the standard cost and the allocated variances used to derive the actual cost. Furthermore, the worksheet should include the derivation of the variance allocation factors.

FIELD NUMBER 42.0: Manufacturer

FIELD NAME: MFRH

DESCRIPTION: If you have sold the foreign like product of more than one manufacturer, identify the manufacturer in each record by the use of a code If the manufacturer is unknown, identify your supplier.

NARRATIVE: If you are not the manufacturer, report the manufacturer of the merchandise in your narrative response and provide a key to the code.

Fields 43 through 50.
Please respond to the following items if you are reporting third-country sales.

FIELD NUMBER 43.0: International Freight

FIELD NAME: INTNFRT

DESCRIPTION: Report the unit cost of ocean freight or air freight expense incurred on shipments from the port of exit in the country of manufacture to the third-country port of entry.

NARRATIVE: Indicate whether the ocean freight carrier is affiliated. Supply any contracts or tariff rate agreements with carriers that apply to the merchandise under investigation. Describe how you calculated the unit cost of ocean freight and include your worksheets as attachments to the narrative response.

FIELD NUMBER 44.0: Marine Insurance

FIELD NAME: MARNINT

DESCRIPTION: Report the unit cost of marine insurance expense incurred on shipments from the port of exit in the country of manufacture to the third- country port of entry.

NARRATIVE: Describe how you calculated the unit cost of marine insurance and include your worksheets as attachments to the narrative response.

FIELD NUMBER 45.0: Third-Country Inland Freight from Port to Warehouse

FIELD NAME: INLFPWT

DESCRIPTION: Report the unit cost of any freight expense incurred on shipments from the third-country port of entry to the affiliated reseller's warehouse or other intermediate location. If the sale is direct to an unaffiliated third-country customer, report the unit cost of freight from the port of entry to the unaffiliated customer.

NARRATIVE: Describe how you calculated the unit cost of inland freight and include your worksheets as attachments to the narrative response.

FIELD NUMBER 46.0: Third-Country Inland Freight from Warehouse to the Unaffiliated Customer

FIELD NAME: INLFWCT

DESCRIPTION: Report the unit cost of freight expense incurred on shipments from the affiliated third-country reseller's warehouse or other intermediate location to the unaffiliated customer.

NARRATIVE: Describe how you calculated the unit cost of third-country inland freight and include your worksheets as attachments to the narrative response.

FIELD NUMBER 47.0: Third-Country Inland Insurance

FIELD NAME: TCINLINT

DESCRIPTION: Report the unit cost of third-country inland insurance expense incurred on shipments within the third country.

NARRATIVE: Describe how you calculated the unit cost of third-country inland insurance and include your worksheets as attachments to the narrative response.

FIELD NUMBER 48.0: Third-Country Brokerage and Handling

FIELD NAME: TCBRKHT

DESCRIPTION: Report the unit cost of any additional brokerage and handling expense incurred on shipments within the third country.

NARRATIVE: Describe how you calculated the unit cost of third-country brokerage and handling and include your worksheets as attachments to the narrative response.

FIELD NUMBER 49.0: Third-Country Customs Duty

FIELD NAME: TCDUTYT

DESCRIPTION: Report the unit amount of any third-country customs duty and customs fees paid on foreign like product.

NARRATIVE: Describe how you calculated the unit cost of third-country customs duties and customs fees and include your worksheets as attachments to the narrative response.

FIELD NUMBER 50.0: Duty Drawback

FIELD NAME: DTYDRAWT

DESCRIPTION: Report the unit amount of any duty drawback received upon exportation of the foreign like product from the country of manufacture to the third country.

NARRATIVE: Explain how the amount of duty drawback received is calculated and submit your worksheets as attachments to the narrative response.

Other Revenues and Expenses.
The fields listed above have been designed to capture all revenues and expenses you have incurred in selling the foreign like product in the foreign market. If there are additional revenues or expenses that are not reported above, create a field for each in the computer file, describe the revenue or expense in your narrative response, and include all calculation worksheets as attachments to your narrative response.