

**U.S. PRODUCERS' QUESTIONNAIRE**

**XANTHAN GUM FROM AUSTRIA AND CHINA**

**This questionnaire must be received by the Commission by no later than June 19, 2012**

*See page 4 of the Instruction Booklet for filing instructions.*

The information called for in this questionnaire is for use by the United States International Trade Commission in connection with its countervailing duty/antidumping investigation(s) concerning xanthan gum from Austria and China (Inv. Nos. 731-TA-1202-03 (Preliminary)). The information requested in the questionnaire is requested under the authority of the Tariff Act of 1930, title VII. This report is mandatory and failure to reply as directed can result in a subpoena or other order to compel the submission of records or information in your possession (19 U.S.C. § 1333(a)).

<b>Name of firm</b> _____
<b>Address</b> _____
<b>City</b> _____ <b>State</b> _____ <b>Zip Code</b> _____
<b>World Wide Web address</b> _____
Has your firm produced xanthan gum (as defined in the instruction booklet) at any time since January 1, 2009?
<input type="checkbox"/> <b>NO</b> (Sign the certification below and promptly return only this page of the questionnaire to the Commission)
<input type="checkbox"/> <b>YES</b> (Read the instruction booklet carefully, complete all parts of the questionnaire, and return the entire questionnaire to the Commission so as to be received by the date indicated above)

**CERTIFICATION**

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

*By means of this certification I also grant consent for the Commission, and its employees and contract personnel, to use the information provided in this questionnaire and throughout this proceeding in any other import-injury proceedings conducted by the Commission on the same or similar merchandise.*

*I acknowledge that information submitted in this questionnaire response and throughout this proceeding 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 proceeding or related proceedings for which this information is submitted, or in internal audits and proceedings 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.*

_____ <i>Name of Authorized Official</i>	_____ <i>Title of Authorized Official</i>	_____ <i>Date</i>
_____ <i>Signature</i>	<i>Phone:</i> _____	_____ <i>E-mail address</i>
	<i>Fax:</i> _____	

**PART I.—GENERAL INFORMATION**

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 50 hours per response, including the time for reviewing instructions, searching existing data sources, gathering the data needed, and completing and reviewing the questionnaire. Send comments regarding the accuracy of this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to the Office of Investigations, U.S. International Trade Commission, 500 E Street, SW, Washington, DC 20436.

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

\_\_\_\_\_hours \_\_\_\_\_dollars

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

I-2. **Establishments covered**--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. **Petition support**--Do you support or oppose the petition?

Support     Oppose     Take no position

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**PART I.--GENERAL INFORMATION--Continued**

I-4. **Ownership.**--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-5. **Related importers/exporters.**--Does your firm have any related firms, either domestic or foreign, that are engaged in importing xanthan gum from Austria and/or China into the United States or that are engaged in exporting xanthan gum from Austria and/or China to the United States?

No       Yes--List the following information.

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

I-6. **Related producers.**--Does your firm have any related firms, either domestic or foreign, that are engaged in the production of xanthan gum?

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 **Cynthia Trainor (202-205-3354; cynthia.trainor@usitc.gov)**. **Supply all data requested on a calendar-year basis.**

II-1. **Contact information.**-- Please identify the responsible individual and the manner by which Commission staff may contact that individual regarding the confidential information submitted in part II.

Name	
Title	
Email	
Telephone	
Fax	

II-2. **Changes in operations.**--Please indicate whether your firm has experienced any of the following changes in relation to the production of xanthan gum since January 1, 2009.

- (check as many as appropriate)*                      *(please describe)*
- plant openings ..... \_\_\_\_\_  
\_\_\_\_\_
  - plant closings..... \_\_\_\_\_  
\_\_\_\_\_
  - relocations ..... \_\_\_\_\_  
\_\_\_\_\_
  - expansions..... \_\_\_\_\_  
\_\_\_\_\_
  - acquisitions..... \_\_\_\_\_  
\_\_\_\_\_
  - consolidations..... \_\_\_\_\_  
\_\_\_\_\_
  - prolonged shutdowns or  
production curtailments..... \_\_\_\_\_  
\_\_\_\_\_
  - revised labor agreements..... \_\_\_\_\_  
\_\_\_\_\_
  - other (*e.g.*, technology) ..... \_\_\_\_\_  
\_\_\_\_\_

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

II-3. **Same equipment, machinery, and workers.**--Has your firm since 2009 produced, or does your firm anticipate producing in the future, other products on the same equipment and machinery used in the production of xanthan gum and/or using the same production and related workers employed to produce xanthan gum?

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

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

(Quantity in 1,000 pounds)					
Item	Calendar years			January-March	
	2009	2010	2011	2011	2012
<b>Overall Production Capacity</b>					
<b>Production of:</b>					
Subject merchandise					
Other product 1					
Other product 2					

II-4. **Production constraints and product shifting.**--Please describe the constraint(s) that set the limit(s) on your production capacity and your ability to shift production capacity between products.

\_\_\_\_\_

\_\_\_\_\_

II-5. **Tolling.**--Since January 1, 2009, has your firm been involved in a toll agreement (see definition in the instruction booklet) regarding the production of xanthan gum?

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

II-6. **Foreign trade zone.**--Does your firm produce xanthan gum in a foreign trade zone (FTZ)?

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

II-7. **Importer.**--Since January 1, 2009, has your firm imported xanthan gum?

- No       Yes--**COMPLETE AND RETURN A U.S. IMPORTERS' QUESTIONNAIRE**

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

II-8a. **Trade data**--Report your firm's production capacity, production, shipments, inventories, and employment related to the production of xanthan gum in your U.S. establishment(s) during the specified periods. (See definitions in the instruction booklet.)

Quantity (in 1,000 pounds) and value (in \$1,000)					
Item	Calendar years			January-March	
	2009	2010	2011	2011	2012
<b>Average production capacity<sup>1</sup></b> (quantity)					
<b>Beginning-of-period inventories</b> (quantity)					
<b>Production</b> (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>2</sup> of internal consumption					
<b>Transfers to related firms:</b>					
Quantity of transfers					
Value <sup>2</sup> of transfers					
<b>Export shipments:<sup>3</sup></b>					
Quantity of export shipments					
Value of export shipments					
<b>End-of-period inventories<sup>4</sup></b> (quantity)					
<b>Channels of distribution:</b>					
U.S. shipments to distributors (quantity)					
U.S. shipments to end users (quantity)					
<b>Employment data:</b>					
Average number of PRWs (number)					
Hours worked by PRWs (1,000 hours)					
Wages paid to PRWs (value)					
<sup>1</sup> The production capacity (see definitions in instruction booklet) reported is based on operating ___ hours per week, ___ weeks per year. Please describe the methodology used to calculate production capacity, and explain any changes in reported capacity (use additional pages as necessary).					
<sup>2</sup> Internal consumption and transfers to related firms must be valued at fair market value. In the event that you use a different basis for valuing these transactions, please specify that basis (e.g., cost, cost plus, etc.) and provide value data using that basis for each of the periods noted above:					
<sup>3</sup> Identify your principal export markets: _____					
<sup>4</sup> Reconciliation of data.--Please note that the <b>quantities</b> reported above should reconcile as follows: beginning-of-period inventories, plus production, less total shipments, equals end-of-period inventories. Do the data reported reconcile?					
<input type="checkbox"/> Yes <input type="checkbox"/> No--Please explain: _____					

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

II-8b. **U.S. shipments by end use.**—Report your firm's U.S. shipments (commercial shipments and internal consumption and transfers of xanthan gum), by major end use.

(Quantity in 1,000 pounds, value in \$1,000)					
Item	Calendar years			January-March	
	2009	2010	2011	2011	2012
<b>FOOD &amp; BEVERAGE:<sup>1</sup></b>					
<i>Quantity</i>					
<i>Value</i>					
<b>CONSUMER APPLICATIONS:<sup>1</sup></b>					
<i>Quantity</i>					
<i>Value</i>					
<b>OILFIELD &amp; INDUSTRIAL APPLICATIONS:<sup>1</sup></b>					
<i>Quantity</i>					
<i>Value</i>					
<b>ALL OTHER:<sup>2</sup></b>					
<i>Quantity</i>					
<i>Value</i>					
<b>TOTAL U.S. SHIPMENTS:<sup>3</sup></b>					
<i>Quantity</i>					
<i>Value</i>					
<sup>1</sup> Please indicate the ranges of xanthan gum purity for reported U.S. shipments during 2011 as follows: <div style="text-align: center;">Purity (percent)</div> Food & beverage . . . . . _____ Consumer applications . . . . . _____ Oilfield & industrial applications . . . . . _____ Other . . . . . _____					
<sup>2</sup> Please describe: _____					
<sup>3</sup> U.S. shipment data (food & beverage + consumer applications + oilfield & industrial applications + all other) should reconcile with total U.S. shipment data reported in section II-8a.					
<b>Definitions for the above-specified U.S. shipment end use applications appear on the following page.</b>					

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

Definitions for U.S. shipment end use applications are as follows:

- 1. Food & Beverage**
- 2. Consumer Applications**
- 3. Oilfield & Industrial Applications**

Xanthan gum provides multiple forms of utility. Applications may benefit from xanthan gum's ability to suspend and stabilize dispersions of solids, immiscible fluids, and gases in aqueous systems. Practically speaking, this would include solids in drilling fluids, immiscible fluids such as oils in personal care products and salad dressings, and gases in fire fighting foams. Xanthan gum also provides lubricity, reducing friction in oilfield drilling applications as well as providing a particular type of skin feel in lotions and cosmetics.

**Food and Beverage** applications include products approved for use in food and beverage systems. Xanthan gum is used in condiments (e.g., relish, salad dressing, sauces), beverages (e.g., diet, low sugar, energy, or instant powder drinks), syrups, baked goods, frozen meals, prepared foods, bakery products, such as frozen dough, muffins, and gluten-free products. "Approved" refers to definitions and requirements as put forth by multiple regulatory bodies as well as definitive and compendia standards, including:

1. Food Chemicals Codex (FCC)
2. Canadian Food and Drug Law
3. JECFA
4. Japan's Specifications and Standards for Food Additives

These bodies and standards manifest requirements in terms of:

1. Microbiological plate counts
2. Organism types
3. Heavy metal levels
4. Isopropyl Alcohol (IPA) and Ethanol residual levels
5. Basic requirements around color and appearance
6. Consistent and characterized viscosity

**Consumer** end use applications include products intended for use in oral care (e.g., toothpaste), personal care (e.g., suncare lotions and sprays), and pharmaceutical (e.g., oral antibiotics such as amoxicillin). These products are designed to meet higher level purity standards as set forth in USP and NF monographs, and international bodies such as the Japanese Pharmaceutical Excipients, and European Pharmacopeia.

**Oilfield and industrial applications** include products used in drilling fluid (and other applications for the extraction of oil and gas), agricultural chemicals (e.g., sprayed onto leaves), fabric (e.g., stain removal), home care (e.g., toilet bowl, surface, and oven cleaners), paints and coatings (e.g., pigment suspension), and textiles. These products are regulated under TSCA, REACH etc.



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

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

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II-10. **Purchases.**--Other than direct imports, has your firm otherwise purchased xanthan gum since January 1, 2009? (See definitions in the instruction booklet.)

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

(Quantity in 1,000 pounds, value in \$1,000)					
Item	Calendar years			January-March	
	2009	2010	2011	2011	2012
<b>PURCHASES FROM U.S. IMPORTERS<sup>2</sup></b> <b>OF PRODUCT FROM—</b>					
<b>Austria:</b>					
Quantity					
Value					
<b>China:</b>					
Quantity					
Value					
<b>All other countries:</b>					
Quantity					
Value					
<b>PURCHASES FROM DOMESTIC PRODUCERS:<sup>2</sup></b>					
Quantity					
Value					
<b>PURCHASES FROM OTHER SOURCES:<sup>2</sup></b>					
Quantity					
Value					
<sup>1</sup> Please indicate your reasons for purchasing this product. If your reasons differ by source, please elaborate. <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/>					

**PART III.--FINANCIAL INFORMATION**

Address questions on this part of the questionnaire to **Mary Klir (202-205-3247; mary.klir@usitc.gov)**.

III-1. **Contact information**-- Please identify the responsible individual and the manner by which Commission staff may contact that individual regarding the confidential information submitted in part III.

Name	
Title	
Email	
Telephone	
Fax	

III-2. **Accounting system**--Briefly describe your financial accounting system.

A. When does your fiscal year end (month and day)? \_\_\_\_\_  
If your fiscal year changed during the period examined, explain below:

B.1. Describe the lowest level of operations (e.g., plant, division, company-wide) for which financial statements are prepared that include xanthan gum:  
\_\_\_\_\_

2. Does your firm prepare profit/loss statements for the xanthan gum:  
 Yes       No

3. How often did your firm (or parent company) prepare financial statements (including annual reports, 10Ks)? Please check relevant items below.  
 Audited,  unaudited,  annual reports,  10Ks,  10Qs,  
 Monthly,  quarterly,  semi-annually,  annually

4. Accounting basis:  GAAP,  cash,  tax, or  other comprehensive basis of accounting (specify) \_\_\_\_\_

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

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

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

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

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

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

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

<u>Products</u>	<u>Share of sales</u>
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

III-6. Does your firm purchase inputs (raw materials, labor, energy, or any other services) used in the production of xanthan gum from any related firms?

Yes--Continue to question III-7 below.       No--Continue to question III-9 below.

III-7. **Inputs from related firms.**--In the space provided below, identify the inputs used in the production of xanthan gum that your firm purchases from related firms.

<u>Input</u>	<u>Related party</u>
_____	_____
_____	_____
_____	_____
_____	_____

III-8. **Inputs from related firms at cost.**--All intercompany profit on inputs purchased from related firms should be eliminated from the costs reported to the Commission in question III-10 (i.e., costs reported in question III-10 should only reflect the related party's cost and not include an associated profit component). Reasonable methods for determining and eliminating the associated profit on inputs purchased from related parties are acceptable.

Has your firm complied with the Commission's instructions regarding costs associated with inputs purchased from related parties?

Yes       No

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

III-9. **Nonrecurring items (charges and gains) included in xanthan gum financial results.**--For each annual and interim period for which financial results are reported in question III-10, please specify all material (significant) nonrecurring items (charges and gains) in the schedule below, the specific line item in table III-10 where the nonrecurring items are included, a brief description of the relevant nonrecurring items, and the associated values (*in \$1,000*), as reflected in table III-10; i.e., if an aggregate nonrecurring item has been allocated to table III-10, only the allocated value amount included in table III-10 should be reported in the schedule below. Note: The Commission's objective here is to gather information only on material (significant) nonrecurring items which impacted the reported xanthan gum financial results in table III-10.

	Fiscal years ended--			January-March	
	_____	_____	_____	2011	2012
<b>Nonrecurring item:</b> In this column please provide a brief description of each nonrecurring item and indicate the specific table III-10 line item where the nonrecurring item is included.	<b>Nonrecurring item:</b> In these columns please report the amount ( <i>in \$1,000</i> ) of the relevant nonrecurring item reported in table III-10.				
1.					
2.					
3.					
4.					
5.					
6.					
7.					

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

III-10. **Operations on xanthan gum.**--Report the revenue and related cost information requested below on the xanthan gum operations of your U.S. establishment(s).<sup>1</sup> **Do not report resales of products. Note that internal consumption and transfers to related firms must be valued at fair market value and purchases from related firms must be at cost.**<sup>2</sup> Provide data for your three most recently completed fiscal years in chronological order from left to right, and for the specified interim periods.

Quantity (in 1,000 pounds) and value (in \$1,000)					
Item	Fiscal years ended--			January-March	
	_____	_____	_____	2011	2012
<b>Net sales quantities:</b> <sup>3</sup>					
Commercial sales ("CS")					
Internal consumption ("IC")					
Transfers to related firms ("Transfers")					
Total net sales quantities					
<b>Net sales values:</b> <sup>3</sup>					
Commercial sales					
Internal consumption					
Transfers to related firms					
Total net sales values					
<b>Cost of goods sold (COGS):</b> <sup>4</sup>					
Raw materials					
Direct labor					
Other factory costs					
Total COGS					
<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 (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) and costs related to your U.S. manufacturing operations.  
<sup>2</sup> Please eliminate any profits or (losses) on inputs from related firms pursuant question III-8.  
<sup>3</sup> Less discounts, returns, allowances, and prepaid freight. The quantities and values should approximate the corresponding shipment quantities and values reported in Part II of this questionnaire.  
<sup>4</sup> COGS should include costs associated with CS, IC, and Transfers, as well as export shipments in question II-8.

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

III-11. **Asset values.**--Report the total assets (i.e., both current and long-term assets) associated with the production, warehousing, and sale of xanthan gum. If your firm does not maintain some or all of the specific asset information necessary to calculate total assets for xanthan gum in the normal course of business, please estimate this information based upon a method (such as production, sales, or costs) that is consistent with your cost allocations in the previous question. Provide data as of the end of your three most recently completed fiscal years in chronological order from left to right.

**Note:** Total assets should reflect net assets after any accumulated depreciation and allowances deducted. Total assets should be allocated to the subject products if these assets are also related to other products. Please provide a brief explanation if there are any substantial changes in total asset value during the period; e.g., due to asset write-offs, revaluation, and major purchases.

Value (in \$1,000)			
Item	Fiscal years ended--		
	_____	_____	_____
<b>Total assets (net)</b>			

III-12. **Capital expenditures and research and development expenses.**--Report your firm's capital expenditures and research and development expenses on xanthan gum. Provide data for your three most recently completed fiscal years in chronological order from left to right, and for the specified interim periods.

Value (in \$1,000)					
Item	Fiscal years ended--			January-March	
	_____	_____	_____	2011	2012
<b>Capital expenditures</b>					
<b>Research and development expenses</b>					

III-13. **Data consistency and reconciliation.**--Please indicate whether the financial data for questions III-10, 11, and 12 are based on a calendar year or your fiscal year:

- Calendar year
- Fiscal year (specify \_\_\_\_\_)

Please note the quantities and values reported in question III-10 should reconcile with the data reported in question II-8 (including export shipments) as long as they are reported on the same calendar year basis.

Do these data in question III-10 reconcile with data in question II-8?

- Yes  No--Please explain \_\_\_\_\_

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

III-14. **Effects of imports**--Since January 1, 2009, 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 xanthan gum from Austria and/or China?

- No             Yes--My firm has experienced actual negative effects as follows:
- Cancellation, postponement, 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-15. **Anticipated effects of imports**--Does your firm anticipate any negative effects due to imports of xanthan gum from Austria and/or China?

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

**PART IV.--PRICING AND RELATED INFORMATION**

Further information on this part of the questionnaire can be obtained from **Clark Workman (202-205-3248; clark.workman@usitc.gov)**.

IV-1. **Contact information**--Please identify the individual that Commission staff may contact regarding the confidential information submitted in part IV.

Name	
Title	
Email	
Telephone	
Fax	

**PRICE DATA**

IV-2. This question requests quarterly quantity and value data, f.o.b. your U.S. point of shipment, for your commercial shipments to unrelated U.S. customers since January 1, 2009 of the following products produced by your firm. Data are requested separately for shipments to distributors and end users.

THE PRODUCT DESCRIPTIONS ARE THE CONTROLLING FACTOR IN DECIDING WHAT COMPANY-SPECIFIC PRODUCTS TO INCLUDE IN EACH PRODUCT CATEGORY; THE PRODUCT TRADE NAMES ARE PROVIDED AS GUIDELINES.

**Product 1.-- Consumer** xanthan gum that, at a minimum, meets typical food grade requirements globally, including the Food Chemicals Codex, 21 C.F.R. § 172.695 and JECFA. Applications include oral care, personal care, cosmetic and pharmaceutical. Microbiological count or Total Plate Count (“TPC”) limits range from Not More Than (“NMT”) 500 to as high as 2,000 Colony Forming Units per gram (“CFU/g”) for bacteria. Yeast and mold counts are typically NMT 100 CFU/g. The 1% KCl viscosity profiles typically range from 1200 to 1600 cP (test is 1% gum in 1% KCl solution, 60 rpm reading). Alcohol levels are NMT 750 ppm for countries complying with 21 CFR § 172.695 .

Furthermore, some variants of this product are tested to comply with United States Pharmacopeia (“USP”) <467> Residual Solvents and with purity criteria defined in the most current editions of the *National Formulary*, *Japanese Pharmaceutical Excipients*, and the *European Pharmacopoeia*. Other certifications include certification with widely recognized Kosher and Halal organizations and ECOCERT, and have a Chemical Abstract Service (CAS) number 98112-77-7.

In short, this product provides fitness to use and fitness to spec in that it provides a characterized viscosity profile along with microbiological specifications as dictated by market requirements and global regulatory bodies. Testing is done in a lot by lot manner in house or utilizing recognized third party test labs.

Product is manufactured under ISO 9001:2008 using a recognized certifying body.



**PART IV.--PRICING AND RELATED INFORMATION--Continued**

**Product 2.-- Food and Beverage** xanthan gum meets food grade requirements as dictated by the Food Chemicals Codex, 21 C.F.R. § 172.695 and JECFA. Applications include, but are not limited to, basic food and beverage applications including baking, condiments, instant beverages, and reduced calorie beverages. Microbiological counts are typically NMT than 2000 CFU/g for TPC and NMT 100 CFU/g for yeast and mold. The 1% KCl viscosity profiles are basic and may range from 1200-1600 cP or from 1300-1700 cP (test is 1% gum in 1% KCl solution, 60rpm reading). Alcohol levels are NMT 750 ppm for countries complying with CFR.

Other certifications include certification with widely recognized Kosher and Halal organizations.

In short, this product provides fitness to use and fitness to spec in that they provide a characterized viscosity profile along with microbiological specifications as dictated by market requirements and global regulatory bodies. Testing is done in a lot by lot manner in house or utilizing recognized third party test labs.

Product is manufactured under ISO 9001:2008 using a recognized certifying body.

**Product 3.--** xanthan gum intended for use in **Oilfield and Industrial** applications. The functionality provided in oilfield is viscosity, with 0.28% gum in seawater viscosities at 3 rpm at Not Less Than (“NLT”) 16.0 Fann dial readings and at 6 rpm NLT 18 Fann dial readings. These represent fitness to use. Typical household care applications include laundry products, liquid dish detergent, surfactant-containing systems, and hard surface cleaners. General industrial applications include fire fighting foams, agricultural chemicals, industrial and institutional cleaners, and architectural paints and coatings. These industries are heavily regulated due to waste water and sewer regulations. Characteristic viscosity ranges typically run from 800-1200 cP (test is 1% gum in DI water, 60 rpm reading). Despite being used for oilfield and industrial applications, a number of regulatory bodies still dictate what is considered a product that provides fitness to use. The TSCA Inventory is a common example of regulatory oversight. Microbiological requirements are not normally required in the Oilfield and Industrial segment. The specifications required for this set of applications are measured on a lot by lot basis. Chemical Abstract Service (CAS) number 98112-77-7.

**Please note that total dollar values should be f.o.b., U.S. point of shipment and should not include U.S.-inland transportation costs. Total dollar values should reflect the *final net* amount paid to you (i.e., should be net of all deductions for discounts or rebates). See instruction booklet.**

**PART IV.--PRICING AND RELATED INFORMATION--Continued**

III-2a. **Pricing data.**--Report below the quarterly price data<sup>1</sup> for pricing products<sup>2</sup> produced and sold by your firm to **end users**.

<b>(Quantity in pounds, value in dollars)</b>						
<b>Period of shipment</b>	<b>Product 1</b>		<b>Product 2</b>		<b>Product 3</b>	
	<b>Quantity</b>	<b>Value</b>	<b>Quantity</b>	<b>Value</b>	<b>Quantity</b>	<b>Value</b>
<b>2009:</b>						
January-March						
April-June						
July-September						
October-December						
<b>2010:</b>						
January-March						
April-June						
July-September						
October-December						
<b>2011:</b>						
January-March						
April-June						
July-September						
October-December						
<b>2012:</b>						
January-March						

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

<sup>2</sup> Pricing product definitions are provided on the first page of Part III.

<sup>3</sup> Please identify the specific company products (by trade name) that your firm reported for each product category where price data was reported.

\_\_\_\_\_

\_\_\_\_\_

**Note.**--If your product does not exactly meet the product specifications but is competitive with the specified product, provide a description of your product. Also, please explain any anomalies in your reported pricing data.

Product 1: \_\_\_\_\_

Product 2: \_\_\_\_\_

Product 3: \_\_\_\_\_:

**PART IV.--PRICING AND RELATED INFORMATION--Continued**

IV-2b. **Pricing data.**--Report below the quarterly price data<sup>1</sup> for pricing products<sup>2</sup> produced and sold by your firm to **distributors**.

<b>(Quantity in pounds, value in dollars)</b>						
<b>Period of shipment</b>	<b>Product 1</b>		<b>Product 2</b>		<b>Product 3</b>	
	<b>Quantity</b>	<b>Value</b>	<b>Quantity</b>	<b>Value</b>	<b>Quantity</b>	<b>Value</b>
<b>2009:</b>						
January-March						
April-June						
July-September						
October-December						
<b>2010:</b>						
January-March						
April-June						
July-September						
October-December						
<b>2011:</b>						
January-March						
April-June						
July-September						
October-December						
<b>2012:</b>						
January-March						

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

<sup>2</sup> Pricing product definitions are provided on the first page of Part III.

<sup>3</sup> Please identify the specific company products (by trade name) that your firm reported for each product category where price data was reported.

\_\_\_\_\_

\_\_\_\_\_

**Note.**--If your product does not exactly meet the product specifications but is competitive with the specified product, provide a description of your product. Also, please explain any anomalies in your reported pricing data.

Product 1: \_\_\_\_\_

Product 2: \_\_\_\_\_

Product 3: \_\_\_\_\_

**PART IV.--PRICING AND RELATED INFORMATION--Continued**

IV-3. **Price setting.**-- How does your firm determine the prices that it charges for sales of xanthan gum (*check all that apply*)? If your firm issues price lists, please submit sample pages of a recent list.

Transaction by transaction	Contracts	Set price lists	Other	If other, describe
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

IV-4. **Discount policy.**-- Please indicate and describe your firm's discount policies (*check all that apply*).

Quantity discounts	Annual total volume discounts	No discount policy	Other	Describe
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

IV-5. **Pricing terms for xanthan gum.**--

(a) What are your firm's typical sales terms for its U.S.-produced xanthan gum?

Net 30 days	Net 60 days	2/10 net 30 days	Other (specify)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

(b) On what basis are your prices of domestic xanthan gum usually quoted (*check one*)?

Delivered	F.o.b.	If f.o.b., specify point
<input type="checkbox"/>	<input type="checkbox"/>	

IV-6. **Contract versus spot.**--Approximately what share of your firm's sales of its U.S.-produced xanthan gum in 2011 was on a (1) long-term contract basis, (2) short-term contract basis, and (3) spot sales basis?

<u>Type of sale</u>	<u>Share of 2011 sales</u>
<b>Long-term contracts</b> (multiple deliveries for more than 12 months)	_____ %
<b>Short-term contracts</b> (multiple deliveries up to and including 12 months)	_____ %
<b>Spot sales</b> (for a single delivery)	_____ %
<b>Total</b>	<b>100 %</b>

**PART IV.--PRICING AND RELATED INFORMATION--Continued**

IV-7. **Contract provisions.**— Please fill out the table with respect to provisions of your typical sales contracts for xanthan gum (or check “not applicable” if your firm does not sell on a long term and/or short term contract basis).

Typical sales contract provisions	Item	Short term contracts (multiple deliveries up to and including 12 months)	Long term contracts (multiple deliveries for more than 12 months)
Average contract duration	<i>Number of days</i>		
Price renegotiation (during the contract period)	Yes	<input type="checkbox"/>	<input type="checkbox"/>
	No	<input type="checkbox"/>	<input type="checkbox"/>
Fixed quantity and/or price	<i>Quantity</i>	<input type="checkbox"/>	<input type="checkbox"/>
	<i>Price</i>	<input type="checkbox"/>	<input type="checkbox"/>
	<i>Both</i>	<input type="checkbox"/>	<input type="checkbox"/>
Meet or release provision	Yes	<input type="checkbox"/>	<input type="checkbox"/>
	No	<input type="checkbox"/>	<input type="checkbox"/>
Not applicable		<input type="checkbox"/>	<input type="checkbox"/>

IV-8. **Lead times.**--What is your share of sales both from inventory and produced to order and what is the average lead time between a customer's order and the date of delivery for your firm's sales of your U.S.-produced xanthan gum?

<u>Source</u>	<u>Share of 2011 sales</u>	<u>Lead time (days)</u>
From inventory	_____ %	_____
Produced to order	_____ %	_____
<b>Total</b>	<b>100 %</b>	

IV-9. **Shipping information.**--

- (a) What is the approximate percentage of the total delivered cost of xanthan gum that is accounted for by U.S. inland transportation costs? \_\_\_\_\_ %
- (b) Who generally arranges the transportation to your customers' locations?  
 Your firm     Purchaser (*check one*)
- (c) Indicate the approximate percentage of your sales of xanthan gum that are delivered the following distances from your production facility.

Distance from production facility	Share
Within 100 miles	%
101 to 1,000 miles	%
Over 1,000 miles	%
<b>Total</b>	<b>100 %</b>

**PART IV.--PRICING AND RELATED INFORMATION--Continued**

IV-10. **Geographical shipments.**-- What is the geographic market area in the United States served by your firm's shipments of xanthan gum? (check all that apply)

Geographic area	√ if applicable
<b>Northeast.</b> --CT, ME, MA, NH, NJ, NY, PA, RI, and VT.	<input type="checkbox"/>
<b>Midwest.</b> --IL, IN, IA, KS, MI, MN, MO, NE, ND, OH, SD, and WI.	<input type="checkbox"/>
<b>Southeast.</b> --AL, DE, DC, FL, GA, KY, MD, MS, NC, SC, TN, VA, and WV.	<input type="checkbox"/>
<b>Central Southwest.</b> --AR, LA, OK, and TX.	<input type="checkbox"/>
<b>Mountains.</b> --AZ, CO, ID, MT, NV, NM, UT, and WY.	<input type="checkbox"/>
<b>Pacific Coast.</b> --CA, OR, and WA.	<input type="checkbox"/>
<b>Other.</b> --All other markets in the United States not previously listed, including AK, HI, PR, and VI, among others.	<input type="checkbox"/>

IV-11. **End uses.**--List the end uses of the xanthan gum that you manufacture. For each end-use product, what percentage of the total cost is accounted for by xanthan gum and other inputs?

End use product	Share of total cost of end use product accounted for by		Total
	Xanthan gum (percent)	Other inputs (percent)	
	%	%	100%
	%	%	100%
	%	%	100%

**PART IV.--PRICING AND RELATED INFORMATION--Continued**

IV-12. **Substitutes.**-- Can other products be substituted for xanthan gum?

No                       Yes--Please fill out the table.

Substitute	End use in which this substitute is used	Have changes in the prices of this substitute affected the price for xanthan gum?		
		No	Yes	Explanation
1.		<input type="checkbox"/>	<input type="checkbox"/>	
2.		<input type="checkbox"/>	<input type="checkbox"/>	
3.		<input type="checkbox"/>	<input type="checkbox"/>	

IV-13. **Demand trends.**-- Indicate how demand within the United States and outside of the United States (if known) for xanthan gum has changed since January 1, 2008. Describe the principal factors that have affected these changes in demand.

Market	Increase	No change	Decrease	Fluctuate	Factors
Within the United States	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Outside the United States	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

IV-14. **Product changes.**--Have there been any significant changes in the product range, product mix, or marketing of xanthan gum since January 1, 2009?

No                       Yes--Please describe and quantify if possible.

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**PART IV.--PRICING AND RELATED INFORMATION--Continued**

IV-15. **Business cycles.**--

(a) Is the xanthan gum market subject to business cycles or conditions of competition (including seasonal business) distinctive to xanthan gum?

No (skip to question IV-17.)       Yes-- Please describe below and then answer part (b).

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(b) If yes, have there been any changes in the business cycles or conditions of competition for xanthan gum since January 1, 2009?

No       Yes-- Please describe.

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IV-16. **Supply constraints.**--Has your firm refused, declined, or been unable to supply xanthan gum since January 1, 2009 (examples include placing customers on allocation or "controlled order entry," declining to accept new customers or renew existing customers, delivering less than the quantity promised, been unable to meet timely shipment commitments, etc.)?

No       Yes-- Please describe.

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IV-17. **Raw materials.**--Please describe any trends in the prices of raw materials used to produce xanthan gum and whether your firm expects these trends to continue.

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**PART IV.--PRICING AND RELATED INFORMATION--Continued**

IV-19. **Factors other than price.**--Are differences other than price (*i.e.*, quality, availability, transportation network, product range, technical support, *etc.*) between xanthan gum produced in the United States and in other countries a significant factor in your firm's sales of the products?

Please indicate A, F, S, N, or 0 in the table below:

A = such differences are *always* significant

F = such differences are *frequently* significant

S = such differences are *sometimes* significant

N = such differences are *never* significant

0 = *no familiarity* with products from a specified country-pair

Country-pair	Austria	China	Other countries
United States			
Austria	X		
China	X	X	

For any country-pair for which factors other than price *always* or *frequently* are a significant factor in your firm's sales of xanthan gum, identify the country-pair and report the advantages or disadvantages imparted by such factors:

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**PART IV.--PRICING AND RELATED INFORMATION--Continued**

IV-B-20. Does your firm sell its U.S.-produced xanthan gum over the internet?

- No       Yes--Please describe, noting the estimated percentage of your firm's total sales of xanthan gum in 2011 accounted for by internet sales. Please explain the effect of any internet sales on your U.S. selling prices and quantities.

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IV-B-21. a) What technical support/service provisions are important for your firm's customers in your sales of xanthan gum?

None.

b) Were the technical support/service provisions priced separately from the xanthan gum product that your firm sold during January 2009-December 2011?

- No       Yes

Please explain.

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IV-B-22. a) Please explain the extent to which the carbohydrate source used as an input in the production of xanthan gum results in better quality and/or performance of this product.

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b) Do your customers ever specify/require the type(s) of carbohydrate source to be used in the xanthan gum that your firm produces for them?

- No       Yes--Please explain below whether your firm, your customer, or both jointly determine the type(s) of carbohydrate source used and why one form of carbohydrate is chosen over another form.

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**PART IV.--PRICING AND RELATED INFORMATION--Continued**

IV-B-23. Please explain below for the U.S. market the extent to which prices of xanthan gum in one end-use sector affect prices of xanthan gum in another sector during January 2009-December 2011. Please identify the xanthan gum products, the end-use sectors, and the time periods for any such effects.

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IV-B-24. a) Specify below among the listed products (and any other products that apply) those that were produced by your firm in the United States during January 2009--December 2011. For the products that were produced by your firm, indicate which, if any, have been used as alternatives to xanthan gum and identify the downstream product(s) and application(s) associated with each alternative input product.

<u>Produced</u>		<u>Alternative to</u>		<u>Downstream</u>	<u>Application(s)</u>
<u>By your firm</u>		<u>xanthan gum</u>			
<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>product(s)</u>	

Other hydrocolloids (specify):

_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Other products (specify):

_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

b) Are any such products also sold/marketed by your sales personnel that sell xanthan gum?

No       Yes

If yes--

Do your sales staff market xanthan gum separately from, or as a potential substitute for, these other products, or vice versa? (Check as appropriate)

\_\_\_\_\_ Separately--Explain the distinction in how these other products are sold.

\_\_\_\_\_ A potential substitute for xanthan gum--How does your sales staff determine which of these various product(s), including xanthan gum, to sell to a given prospective customer, and what determines the degree of substitutability?

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**PART IV.--PRICING AND RELATED INFORMATION--Continued**

IV-25. **Customer Identification**--Please identify the names and contact information for your firm's 10 largest U.S. customers for xanthan gum since January 1, 2009. Indicate the share of the quantity of your firm's total shipments of xanthan gum that each of these customers accounted for in 2011.

Customer's name		Contact person	Email	Telephone	Street address (not P.O. box), city, state, and zip code	Share of 2011 sales (%)
1					Street Address City           '   State    Zip Code	
2					Street Address City           '   State    Zip Code	
3					Street Address City           '   State    Zip Code	
4					Street Address City           '   State    Zip Code	
5					Street Address City           '   State    Zip Code	
6					Street Address City           '   State    Zip Code	
7					Street Address City           '   State    Zip Code	
8					Street Address City           '   State    Zip Code	
9					Street Address City           '   State    Zip Code	
10					Street Address City           '   State    Zip Code	

**PART IV.--PRICING AND RELATED INFORMATION--Continued**

**IV-26. COMPETITION FROM IMPORTS--LOST REVENUES.--**

Since January 1, 2009: To avoid losing sales to competitors selling xanthan gum from Austria and/or China, did your firm:

	<b>No</b>	<b>Yes</b>
<b>Reduce prices</b>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Roll back announced price increases</b>	<input type="checkbox"/>	<input type="checkbox"/>

**THE TABLE BELOW IS TO BE COMPLETED ONLY BY NON-PETITIONERS.** (Note: petitioners may provide allegations involving quotes made AFTER the filing of the petition.)

If you indicated "yes" above, please furnish the following information for each affected transaction. If possible, provide documentation (e.g., 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 initial price quotation
- Quantity involved
- Your initial *rejected* price quotation (total delivered value)
- Your *accepted* price quotation (total delivered value)
- The country of origin of the competing imported product
- The competing price quotation of the imported product (total delivered value)

Customer name, contact person, phone and fax numbers	Product	Country of origin	Date of quote	Quantity (SPECIFY)	Initial rejected U.S. price (total value-- dollars)	Accepted U.S. price (total value-- dollars)	Competing import price (total value-- dollars)
Firm  Contact  Phone      Fax							
Firm  Contact  Phone      Fax							
Firm  Contact  Phone      Fax							
Firm  Contact  Phone      Fax							

**PART IV.--PRICING AND RELATED INFORMATION--Continued**

**IV-27. COMPETITION FROM IMPORTS--LOST SALES.—**

Since January 1, 2009: Did your firm lose sales of xanthan gum to imports of these products from Austria and/or China?

**No**      **Yes**  
     

**THE TABLE BELOW IS TO BE COMPLETED ONLY BY NON-PETITIONERS.** (Note: petitioners may provide allegations involving quotes made AFTER the filing of the petition

If you indicated “yes” above, please furnish the following information for each affected transaction. If possible, provide documentation (e.g., 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>Product</b>	<b>Country of origin</b>	<b>Date of quote</b>	<b>Quantity (SPECIFY)</b>	<b>Rejected U.S. price (total value--dollars)</b>	<b>Competing import price (total value—dollars)</b>
Firm Contact Phone      Fax						
Firm Contact Phone      Fax						
Firm Contact Phone      Fax						
Firm Contact Phone      Fax						