

## U.S. IMPORTERS' QUESTIONNAIRE

### 4TH TIER CIGARETTES FROM KOREA

This questionnaire must be received by the Commission by **January 2, 2020**  
*See last page for filing instructions.*

The information called for in this questionnaire is for use by the United States International Trade Commission in connection with its antidumping duty investigation concerning 4th tier cigarettes from Korea (Inv. No. 731-TA-1465 (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 firm's 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>Website</b> _____
Has your firm imported 4th tier cigarettes (as defined on next page) from any country at any time since January 1, 2016?
<input type="checkbox"/> <b>NO</b> (Sign the certification below and promptly return <b>only</b> this page of the questionnaire to the Commission)
<input type="checkbox"/> <b>YES</b> (Complete all parts of the questionnaire, and return the entire questionnaire to the Commission)
<b>Return questionnaire via the U.S. International Trade Commission Drop Box by clicking on the following link: <a href="https://dropbox.usitc.gov/oinv/">https://dropbox.usitc.gov/oinv/</a>. (PIN: CIGS)</b>

#### 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, the undersigned, acknowledge that information submitted in response to this request for information and throughout this proceeding or other proceedings may be disclosed to and used: (i) by the Commission, its employees and Offices, and contract personnel (a) for developing or maintaining the records of this or a related proceeding, or (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission including under 5 U.S.C. Appendix 3; or (ii) by U.S. government employees and contract personnel, solely for cybersecurity purposes. I understand that all contract personnel will sign appropriate nondisclosure agreements.*

\_\_\_\_\_  
**Name of Authorized Official**

\_\_\_\_\_  
**Title of Authorized Official**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Phone**

\_\_\_\_\_  
**Email address**

**PART I.—GENERAL INFORMATION**

***Background.*** --This proceeding was instituted in response to a petition filed on December 18, 2019, by the Coalition Against Korean Cigarettes ("CAKC"), the coalition members are Xcaliber International, Pryor, Oklahoma and Cheyenne International, Grover, North Carolina. Antidumping duties may be assessed on the subject imports as a result of these proceedings if the Commission makes an affirmative determination of injury, threat, or material retardation, and if the U.S. Department of Commerce ("Commerce") makes an affirmative determination of dumping. Questionnaires and other information pertinent to this proceeding are available at [https://www.usitc.gov/investigations/701731/2019/4th\\_tier\\_cigarettes\\_korea/preliminary.htm](https://www.usitc.gov/investigations/701731/2019/4th_tier_cigarettes_korea/preliminary.htm).

***4th tier cigarettes*** covered by these investigations are certain tobacco cigarettes, commonly referred to as "4th tier cigarettes." The subject cigarettes are composed of tobacco rolled in paper, have a nominal minimum total length of 7.0 cm but do not exceed 12.0 cm in total nominal length, and have a nominal diameter of less than 1.3 cm. These sizes of cigarettes are frequently referred to as "Kings" and "100's," but subject merchandise that meets the physical description of the scope is included regardless of the marketing description of the size of the cigarettes. Subject merchandise typically has a tobacco blend that consists of 10 percent to 40 percent tobacco stems.

Subject merchandise is typically sold in packs of 20 cigarettes per pack which generally includes the marking "20 Class A Cigarettes" but are included regardless of packaging. 4th Tier cigarette packages typically sold in boxes without a rounded internal corner and without embossed aluminum foil inside the pack.

Both menthol and non-menthol cigarettes and cigarettes with or without a filter attached are covered by the scope of this investigation. Excluded from the scope of this investigation are cigarettes that legally bear the valid and enforceable brand and/or trademark of a company who is a participating member of the Master Settlement Agreement ("MSA") of November 1998.

Merchandise covered by this investigation is currently classified in the Harmonized Tariff Schedule of the United States ("HTSUS") under subheading 2402.20.8000. This HTSUS subheading is provided for convenience and customs purposes; the written description of the scope of the investigation is dispositive.

***Carton.***--contains 10 packs or 200 cigarettes.

***Importer.***--Any person or firm engaged, either directly or through a parent company or subsidiary, in importing 4th tier cigarettes (as defined above) into the United States from a foreign manufacturer or through its selling agent.

***Reporting of information.***--If information is not readily available from your records, provide carefully prepared estimates. If your firm is completing more than one questionnaire (i.e., a producer, importer, and/or purchaser questionnaire), you need not respond to duplicated questions.

**Confidentiality.**--The commercial and financial data furnished in response to this questionnaire that reveal the individual operations of your firm will be treated as confidential by the Commission to the extent that such data are not otherwise available to the public and will not be disclosed except as may be required by law (see 19 U.S.C. § 1677f). Such confidential information will not be published in a manner that will reveal the individual operations of your firm; however, general characterizations of numerical business proprietary information (such as discussion of trends) will be treated as confidential business information only at the request of the submitter for good cause shown.

**Verification.**--The information submitted in this questionnaire is subject to audit and verification by the Commission. To facilitate possible verification of data, please keep all files, worksheets, and supporting documents used in the preparation of the questionnaire response. Please also retain a copy of the final document that you submit.

**Release of information.**--The information provided by your firm in response to this questionnaire, as well as any other business proprietary information submitted by your firm to the Commission in connection with this proceeding, may become subject to, and released under, the administrative protective order provisions of the Tariff Act of 1930 (19 U.S.C. § 1677f) and section 207.7 of the Commission's Rules of Practice and Procedure (19 CFR § 207.7). This means that certain lawyers and other authorized individuals may temporarily be given access to the information for use in connection with this proceeding or other import-injury proceedings conducted by the Commission on the same or similar merchandise; those individuals would be subject to severe penalties if the information were divulged to unauthorized individuals.

**Valid number error messages.**--If you are completing this form in a country that uses periods (".") to delineate multiples of 1000 (e.g., one million would appear as \$1.000.000 rather than \$1,000,000), you may be unable to enter in numbers greater than 999 in numeric form fields. The solution to this data entry issue is to temporarily change your operating system's number formatting to be consistent with the U.S. number formatting system while you complete this form. Detailed instructions on how to resolve this issue is provided at the end of this questionnaire and is available upon request from **Lawrence Jones (202-205-3358, [lawrence.jones@usitc.gov](mailto:lawrence.jones@usitc.gov))**.

**D-GRIDS tool.**--The Commission has a tool that firms can use to move data from their own MS Excel compilation files into self-contained data tables within this MS Word questionnaire, thereby reducing the amount of cell-by-cell data entry that would be required to complete this form. This tool is a macro-enabled MS Excel file available for download from the Commission's generic questionnaires webpage ([https://www.usitc.gov/trade\\_remedy/question.htm](https://www.usitc.gov/trade_remedy/question.htm)) called the "D-GRIDs tool." Use of this tool to help your firm complete this questionnaire is *optional*. Firms opting to use the D-GRIDs tool to populate their data into this questionnaire will need the D-GRIDs specification sheet PDF file specific to this proceeding (available on the case page which is linked under the "Background" above) which includes the necessary references relating to this questionnaire, as well as the macro-enable MS Excel D-GRIDs tool itself from the generic questionnaires page. More detailed instructions on how to use the D-GRIDs tool are available within the D-GRIDs tool itself.

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

Hours	Dollars

The questions in this questionnaire have been reviewed with market participants to ensure that issues of concern are adequately addressed and that data requests are sufficient, meaningful, and as limited as possible. Public reporting burden for this questionnaire is estimated to average 40 hours per response, including the time for reviewing instructions, gathering data, and completing and reviewing the questionnaire.

We welcome comments regarding the accuracy of this burden estimate, suggestions for reducing the burden, and any suggestions for improving this questionnaire. Please attach such comments to your response or send to the Office of Investigations, USITC, 500 E St. SW, Washington, DC 20436.

I-2a. **Establishments covered.**--Provide the name and address of establishment(s) covered by this questionnaire.

**“Establishment”**--Each facility of a firm involved in the importation of 4th tier cigarettes, including auxiliary facilities operated in conjunction with (whether or not physically separate from) such facilities.

--

I-2b. **Stock symbol information.**-- If your firm or parent firm is publicly traded, please specify the stock exchange and trading symbol: \_\_\_\_\_.

I-2c. **External counsel.**-- If your firm or parent firm is represented by external counsel in relation to this proceeding, please specify the name of the law firm and the lead attorney(s).

Law firm:	
Lead attorney(s):	

I-3. **Ownership.**--Is your firm owned, in whole or in part, by any other firm?

No             Yes--List the following information, relating to the ultimate parent/owner.

Firm name	Country	Extent of ownership (percent)

I-4. **Related importers/exporters.**--Does your firm have any related firms, either domestic or foreign, that are engaged in importing 4th tier cigarettes from Korea into the United States or that are engaged in exporting 4th tier cigarettes from Korea to the United States?

No             Yes--List the following information.

Firm name	Country	Affiliation

I-5. **Related producers.**--Does your firm have any related firms, either domestic or foreign, that are engaged in the production of 4th tier cigarettes?

No             Yes--List the following information.

Firm name	Country	Affiliation

I-6. **Importing operations.**--Please indicate the nature of your firm's importing operations on 4th tier cigarettes. More than one answer may be applicable.

Importer of record	Takes title to the imported product(s)	Consignee of the imported products(s)	Customs broker or freight forwarder
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

I-7. **Consignee.**--If your firm is an importer of record of 4th tier cigarettes but is not the consignee, please list the consignees below (firm name, address, telephone number, and individual to contact).

Firm name	Address	Contact person and phone number

I-8. **FTZ, TIB, or bonded warehouses.**--Please indicate whether your firm enters 4th tier cigarettes into, or withdraws such merchandise from, foreign trade zones or bonded warehouses. Also indicate whether your firm imports 4th tier cigarettes under the TIB (temporary importation under bond) program.

**“Foreign trade zone”** is a designated location in the United States where firms utilize special procedures that allow delayed or reduced customs duty payments on foreign merchandise, as well as other savings. A foreign trade zone must be designated as such pursuant to the rules and procedures set forth in the Foreign-Trade Zones Act.

**“Bonded warehouse”** is a secured facility supervised by U.S. customs, where dutiable landed imports are stored pending their re-export, or release after payment of import duties, taxes, and other charges. A bonded warehouse must be designed as such pursuant to the rules and procedures set forth in 19 U.S.C. § 1555.

**“Temporary Importation under Bond (“TIB”) program”** is a procedure whereby imported merchandise may be entered under certain conditions for a limited time into the United States free of duty. Under the program, an importer posts a bond for twice the amount of duty, taxes, etc. that would otherwise be owed on the importation and agrees to export or destroy the merchandise within a specified time or pay liquidated damages. This program is restricted to certain categories of merchandise listed in subheadings 9813.00.05 through 9813.00.75 of the Harmonized Tariff Schedule of the United States (HTS).

Item	No	Yes
Foreign trade zones	<input type="checkbox"/>	<input type="checkbox"/>
Bonded warehouses	<input type="checkbox"/>	<input type="checkbox"/>
Temporary importation under bond	<input type="checkbox"/>	<input type="checkbox"/>

I-9. **Other trade actions.**--To your knowledge, have the products subject to this proceeding been the subject of any other import relief proceedings in the United States or in any other countries?

No	Yes	If yes, Yes--Please specify.
<input type="checkbox"/>	<input type="checkbox"/>	

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

Further information on this part of the questionnaire can be obtained from **Lawrence Jones (202-205-3358, [Lawrence.jones@usitc.gov](mailto:Lawrence.jones@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	

II-2. **Changes in operations.**--Please indicate whether your firm has experienced any of the following changes in relation to the importation of 4th tier cigarettes since January 1, 2016.

<i>(check as many as appropriate)</i>	<i>(If checked, please describe; leave blank if not applicable)</i>
<input type="checkbox"/> Office/warehouse openings	
<input type="checkbox"/> Office/warehouse closings	
<input type="checkbox"/> Relocations	
<input type="checkbox"/> Expansions	
<input type="checkbox"/> Acquisitions	
<input type="checkbox"/> Consolidations	
<input type="checkbox"/> Prolonged shutdowns or importation curtailments	
<input type="checkbox"/> Revised labor agreements	
<input type="checkbox"/> Other (e.g., technology)	



II-3a. **Arranged imports.**--Has your firm imported or arranged for the importation of 4th tier cigarettes for delivery after **September 30, 2019**?

**“Arranged imports”** are imports for which your firm has placed an order with a foreign supplier for subject merchandise, but delivery of those imports is not scheduled to occur until after the date listed above.

<b>No</b>	<b>Yes</b>	<b>If yes, fill out the table below.</b>
<input type="checkbox"/>	<input type="checkbox"/>	

Source	Period			
	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	Jul-Sep 2020
	<b>Quantity (in cartons)</b>			
Korea				
All other sources				

II-3b. **Imports in the 12 month period preceding the petition.**--Has your firm imported 4th tier cigarettes from any source between December 1, 2018 and November 30, 2019? (i.e., the last month in 2018 and first eleven months in 2019 combined).

<b>No</b>	<b>Yes</b>	<b>If yes, report the quantity of such import below by source.</b>
<input type="checkbox"/>	<input type="checkbox"/>	

Quantity (in cartons)	
Source	December 2018 through November 2019
Korea	
All other sources	

II-4. **Reasons for importing if producer.**--If your firm also produces 4th tier cigarettes in the United States, please indicate the reasons for importing this product. If your firm’s reasons differ by source, please elaborate.

**Definitions**

**“Imports”** –Those products identified for Customs purposes as imports for consumption for which your firm was the importer of record (i.e., was responsible for paying any import duty).

**“Import quantities”** –Quantities reported should be net of returns.

**“Import values”** –Values reported should be landed, duty-paid values at the U.S. port of entry, including ocean freight and insurance costs, brokerage charges, and import duties (i.e., all charges except inland freight in the United States).

**“Commercial U.S. shipments”**— Shipments made within the United States as a result of an arm’s length commercial transaction in the ordinary course of business. Report net values (i.e., gross sales values less all discounts, allowances, rebates, prepaid freight, and the value of returned goods) in U.S. dollars, f.o.b. your point of shipment.

**“Internal consumption”** –Product consumed internally by your firm. Such transactions are valued at fair market value.

**“Transfers to related firms”** –Shipments made to related firms. Such transactions are valued at fair market value.

**“Related firm”** –A firm that your firm solely or jointly owned, managed, or otherwise controlled; a firm that solely or jointly owned, managed, or otherwise controlled your firm; and/or a firm that was solely or jointly owned, managed, or otherwise controlled by a firm that also solely or jointly owned, managed, or otherwise controlled your firm.

**“Export shipments”**— Shipments to destinations outside the United States, including shipments to related firms.

**“Inventories”** --Finished goods inventory, not raw materials or work in progress.

*Note: As requested in Part I of this questionnaire, please keep all supporting documents/records used in the preparation of the trade data, as Commission staff may contact your firm regarding questions on the trade data. The Commission may also request that your company submit copies of the supporting documents/records (such as production and sales schedules, inventory records, etc.) used to compile these data.*

II-5a. **U.S. imports from Korea.**—Report your firm's imports and your firm's shipments and inventories of 4th tier cigarettes imported from Korea by your firm during the specified periods.

## Korea

<b>Quantity (in cartons), value (in \$1,000)</b>					
<b>Item</b>	<b>Calendar years</b>			<b>January-September</b>	
	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2018</b>	<b>2019</b>
<b>Beginning-of-period inventories</b> <i>(quantity)</i> (A)					
<b>Imports:</b> <sup>1</sup> <i>Quantity</i> (B)					
<i>Value</i> (C)					
<b>U.S. shipments:</b> <b>Commercial shipments:</b> <i>Quantity</i> (D)					
<i>Value</i> (E)					
<b>Internal consumption:</b> <sup>2</sup> <i>Quantity</i> (F)					
<i>Value</i> <sup>2</sup> (G)					
<b>Transfers to related firms:</b> <sup>2</sup> <i>Quantity</i> (H)					
<i>Value</i> <sup>2</sup> (I)					
<b>Export shipments:</b> <sup>3</sup> <i>Quantity</i> (J)					
<i>Value</i> (K)					
<b>End-of-period inventories</b> <i>(quantity)</i> (L)					

<sup>1</sup> Please identify the foreign producers, if known: \_\_\_\_\_.

<sup>2</sup> Internal consumption and transfers to related firms must be valued at fair market value. If your firm uses a different basis for valuing these transactions in your records, please specify that basis (e.g., cost, cost plus, etc.): \_\_\_\_\_. However, the data provided above in this table should be based on fair market value.

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

**II-5a. U.S. imports from Korea.–Continued**

**RECONCILIATION OF SHIPMENTS, IMPORTS, AND INVENTORIES.**--Generally, the data reported for the end-of-period inventories (i.e., line L) should be equal to the beginning-of-period inventories (i.e., line A), plus imports (i.e., line B), less total shipments (i.e., lines D, F, H, and J). Please ensure that any differences are not due to data entry errors in completing this form, but rather actually reflect your firm's records; and also provide any likely explanations for any differences (e.g., theft, loss, damage, record systems issues, etc.) if they exist.

Reconciliation	Calendar years			January-September	
	2016	2017	2018	2018	2019
A + B – D – F – H – J – L = should equal zero ("0") or provide an explanation. <sup>1</sup>	0	0	0	0	0
<sup>1</sup> Explanation if the calculated fields above are returning values other than zero (i.e., "0") but are nonetheless accurate: _____.					

**II-5b. Channels of distribution: Korea.**--Report your firm's U.S. shipments (i.e., commercial U.S. shipments, internal consumption, and transfers to related firms) of imports from Korea by channel of distribution.

## Korea

Item	Calendar years			January-September	
	2016	2017	2018	2018	2019
<b>Quantity (in cartons)</b>					
<b>Channels of distribution:</b>					
<b>U.S. shipments:</b>					
To distributors (M)					
To end users (N)					
To retail locations (O)					

**RECONCILIATION OF CHANNELS.**--Please ensure that the quantities reported for channels of distribution (i.e., lines M, N, and O) in each time period equal the quantity reported for U.S. shipments (i.e., line D, F, H) in each time period. If the calculated fields below return values other than zero (i.e., "0"), the data reported must be revised prior to submission to the Commission.

Reconciliation item	Calendar years			January-September	
	2016	2017	2018	2018	2019
M + N + O – D - F - H = zero ("0"), if not revise.	0	0	0	0	0

II-6a. **Imports from all other sources.**—Report your firm’s imports and your firm’s shipments and inventories of 4th tier cigarettes imported from **all other sources** by your firm during the specified periods.

## All other sources

**(list sources: \_\_\_\_\_)**

Quantity (in cartons), value (in \$1,000)					
Item	Calendar years			January-September	
	2016	2017	2018	2018	2019
<b>Beginning-of-period inventories</b> (quantity) (A)					
<b>Imports:</b> <sup>1</sup> Quantity (B)					
Value (C)					
<b>U.S. shipments:</b> <b>Commercial shipments:</b> Quantity (D)					
Value (E)					
<b>Internal consumption:</b> <sup>2</sup> Quantity (F)					
Value <sup>2</sup> (G)					
<b>Transfers to related firms:</b> <sup>2</sup> Quantity (H)					
Value <sup>2</sup> (I)					
<b>Export shipments:</b> <sup>3</sup> Quantity (J)					
Value (K)					
<b>End-of-period inventories</b> (quantity) (L)					
<sup>1</sup> Please identify the foreign producers, if known: _____. <sup>2</sup> Internal consumption and transfers to related firms must be valued at fair market value. If your firm uses a different basis for valuing these transactions in your records, please specify that basis (e.g., cost, cost plus, etc.): _____. However, the data provided above in this table should be based on fair market value. <sup>3</sup> Identify your firm’s principal export markets: _____.					

**II-6a. Imports from all other sources.--Continued**

RECONCILIATION OF SHIPMENTS, IMPORTS, AND INVENTORIES.--Generally, the data reported for the end-of-period inventories (i.e., line L) should be equal to the beginning-of-period inventories (i.e., line A), plus imports (i.e., line B), less total shipments (i.e., lines D, F, H, and J). Please ensure that any differences are not due to data entry errors in completing this form, but rather actually reflect your firm's records; and also provide any likely explanations for any differences (e.g., theft, loss, damage, record systems issues, etc.) if they exist.

Reconciliation	Calendar years			January-September	
	2016	2017	2018	2018	2019
A + B – D – F – H – J -L = should equal zero ("0") or provide an explanation. <sup>1</sup>	0	0	0	0	0
<sup>1</sup> Explanation if the calculated fields above are returning values other than zero (i.e., "0") but are nonetheless accurate: _____.					

**II-6b. Channels of distribution: All other sources.**--Report your firm's U.S. shipments (i.e., commercial U.S. shipments, internal consumption, and transfers to related firms) of imports from Korea by channel of distribution.

## All other sources

Item	Calendar years			January-September	
	2016	2017	2018	2018	2019
<b>Quantity (in cartons)</b>					
<b>Channels of distribution:</b>					
<b>U.S. shipments:</b>					
To distributors (M)					
To end users (N)					
To retail locations (O)					

RECONCILIATION OF CHANNELS.--Please ensure that the quantities reported for channels of distribution (i.e., lines M, N, and O) in each time period equal the quantity reported for U.S. shipments (i.e., line D, F, H) in each time period. If the calculated fields below return values other than zero (i.e., "0"), the data reported must be revised prior to submission to the Commission.

Reconciliation item	Calendar years			January-September	
	2016	2017	2018	2018	2019
M + N + O - D -F - H= zero ("0"), if not revise.	0	0	0	0	0

- II-7. **Transfers to related firms.**--If your firm reported transfers to related firms in any of the data tables in part II, please identify the firm(s) and indicate the nature of the relationship between your firm and the related firms (e.g., joint venture, wholly owned subsidiary) and whether the transfers were priced at market value or by a non-market formula.

- II-8. **Other explanations.**--If your firm would like to further explain a response to a question in Part II for which a narrative response box was not provided, please note the question number and the explanation in the space provided below. Please also use this space to highlight any issues your firm had in providing the data in this section, including but not limited to technical issues with the MS Word questionnaire.

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

Further information on this part of the questionnaire can be obtained from **James Horne (202-205-2722, [James.Horne@usitc.gov](mailto:James.Horne@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	

**PRICE DATA**

III-2. This question requests quarterly quantity and value data for your firm's commercial shipments to unrelated U.S. customers since January 1, 2016 of the following products your firm imported from Korea:

**Product 1.**--Non-menthol, Full Flavor, Length 100, Non-Menthol 4th tier cigarette (i.e. THIS Red Box or equivalent offerings) sold in Missouri

**Product 2.**--Non-menthol, Ultralight Flavor, Length 100, Non-Menthol 4th tier cigarette (i.e. THIS Blue Box or equivalent offerings) sold in Missouri

**Product 3.**--Menthol, Length 100, Menthol 4th tier cigarette (i.e. THIS Menthol Box or equivalent offerings) sold in Missouri

**Product 4.**--Non-menthol, Full Flavor, Length 100, Non-Menthol 4th tier cigarette (i.e. THIS Red Box or equivalent offerings) sold in Oklahoma

**Product 5.**--Non-menthol, Ultralight Flavor, Length 100, Non-Menthol 4th tier cigarette (i.e. THIS Blue Box or equivalent offerings) sold in Oklahoma

**Product 6.**--Menthol, Length 100, Menthol 4th tier cigarette (i.e. THIS Menthol Box or equivalent offerings) sold in Oklahoma

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

During January 2016-September 2019, did your firm import from Korea and sell to unrelated U.S. customers any of the above listed products (or any products that were competitive with these products)?

<input type="checkbox"/>	<b>Yes.</b> --Please complete the following pricing data tables as appropriate.
<input type="checkbox"/>	<b>No.</b> --Skip to question III-3.



III-2a. **Price data.**--Report below the quarterly price data<sup>1</sup> for pricing products<sup>2</sup> imported from Korea and sold by your firm.

## Korea

Report data in **Cartons (containing 10 packs or 200 cigarettes)** and **actual dollars** (not 1,000s).

<b>(Quantity in cartons, 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>2016:</b>						
January-March						
April-June						
July-September						
October-December						
<b>2017:</b>						
January-March						
April-June						
July-September						
October-December						
<b>2018:</b>						
January-March						
April-June						
July-September						
October-December						
<b>2019:</b>						
January-March						
April-June						
July-September						

<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 firm's U.S. point of shipment.

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

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

Product 1:

Product 2:

Product 3:

III-2b. **Price data**—Continued

Report data in **Cartons (containing 10 packs or 200 cigarettes)** and **actual dollars** (not 1,000s).

(Quantity in cartons, value in dollars)						
Period of shipment	Product 4		Product 5		Product 6	
	Quantity	Value	Quantity	Value	Quantity	Value
<b>2016:</b>						
January-March						
April-June						
July-September						
October-December						
<b>2017:</b>						
January-March						
April-June						
July-September						
October-December						
<b>2018:</b>						
January-March						
April-June						
July-September						
October-December						
<b>2019:</b>						
January-March						
April-June						
July-September						

<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 firm's U.S. point of shipment.

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

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

Product 4:

Product 5:

Product 6:

III-2b. **Price data checklist.**--Please check that the pricing data in question III-2(a) has been correctly reported.

Are the price data reported above:	<b>√ if Yes</b>
In actual dollars ( <b>not</b> \$1,000) and cartons ( <b>not</b> individual cigarettes)?	<input type="checkbox"/>
F.o.b. U.S. point of shipment (i.e., does not include U.S. transport costs)?	<input type="checkbox"/>
Prices include all Federal and State taxes?	<input type="checkbox"/>
Net of all discounts and rebates?	<input type="checkbox"/>
Have returns credited to the quarter in which the sale occurred?	<input type="checkbox"/>
Less than reported commercial shipments in part II in each year?	<input type="checkbox"/>

III-2c. **Pricing data methodology.**--Please describe the method and the kinds of documents/records that were used to compile your price data.

*Note: As requested in Part I of this questionnaire, please keep all supporting documents/records used in the preparation of the price data, as Commission staff may contact your firm regarding questions on the price data. The Commission may also request that your company submit copies of the supporting documents/records (such as sales journal, invoices, etc.) used to compile these data.*

III-3. **Price setting.**--How does your firm determine the prices that it charges for sales of 4th tier cigarettes (*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"/>	

III-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"/>	

III-5. **Pricing terms.**--On what basis are your firm's prices of imported 4th tier cigarettes from Korea usually quoted (*check one*)?

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

III-6. **Contract versus spot.**--Approximately what share of your firm's sales of 4th tier cigarettes imported from Korea in 2018 was on a (1) short-term contract basis, (2) annual contract basis, (3) long-term contract basis, and (4) spot sales basis?

Item	Type of sale				Total (should sum to 100.0%)
	Short-term contracts (multiple deliveries for less than 12 months)	Annual contracts (multiple deliveries for 12 months)	Long-term contracts (multiple deliveries for more than 12 months)	Spot sales (for a single delivery)	
Share of 2018 sales	%	%	%	%	0.0 %

III-7. **Contract provisions.**--Please fill out the table regarding your firm's typical sales contracts for 4th tier cigarettes imported from Korea (or check "not applicable" if your firm does not sell on a short-term, annual and/or long-term contract basis).

<b>Typical sales contract provisions</b>	<b>Item</b>	<b>Short-term contracts (multiple deliveries for less than 12 months)</b>	<b>Annual contracts (multiple deliveries for 12 months)</b>	<b>Long-term contracts (multiple deliveries for more than 12 months)</b>
Average contract duration	<i>No. of days</i>		365	
Price renegotiation (during contract period)	<i>Yes</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<i>No</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fixed quantity and/or price	<i>Quantity</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<i>Price</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<i>Both</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Indexed to raw material costs <sup>1</sup>	<i>Yes</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<i>No</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Not applicable		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<sup>1</sup> Please identify the indexes used:				

III-8. **Lead times.**--What is your firm's share of sales of 4th tier cigarettes imported from Korea from inventory and produced to order and what is the typical lead time between a customer's order and the date of delivery for your firm's sales of 4th tier cigarettes?

<b>Source</b>	<b>Share of 2018 sales</b>	<b>Lead time (Average number of days)</b>
From your firm's U.S. inventory	%	
From foreign manufacturers' inventory	%	
Produced to order	%	
<b>Total (should sum to 100.0%)</b>	0.0 %	

III-9. **Shipping information.**—

- (a) What is the approximate percentage of the cost of 4th tier cigarettes imported from Korea that is accounted for by U.S. inland transportation costs? \_\_\_\_\_ percent.
- (b) Who generally arranges the transportation to your firm's customers' locations?  
 Your firm     Purchaser *(check one)*
- (c) When your firm sells 4th tier cigarettes imported from Korea, from where is it shipped?  
 Point of importation     Storage facility *(check one)*
- (d) Indicate the approximate percentage of your firm's sales of 4th tier cigarettes imported from Korea that are delivered the following distances from your firm's U.S. point of shipment.

<b>Distance from your firm's U.S. point of shipment</b>	<b>Share</b>
Within 100 miles	%
101 to 1,000 miles	%
Over 1,000 miles	%
<b>Total (should sum to 100.0%)</b>	<b>0.0 %</b>

III-10. **Geographical shipments.**--What percentage of your firm's 4th tier cigarette sales are in each U.S. geographic market area in 2018?

<b>Geographic area</b>	<b>Share of sales (percent)</b>
<b>Northeast.</b> —CT, ME, MA, NH, NJ, NY, PA, RI, and VT.	
<b>Midwest.</b> —IL, IN, IA, KS, MI, MN, MO, NE, ND, OH, SD, and WI.	
<b>Southeast.</b> —AL, DE, DC, FL, GA, KY, MD, MS, NC, SC, TN, VA, and WV.	
<b>Central Southwest.</b> —AR, LA, OK, and TX.	
<b>Mountains.</b> —AZ, CO, ID, MT, NV, NM, UT, and WY.	
<b>Pacific Coast.</b> —CA, OR, and WA.	
<b>Other.</b> —All other markets in the United States not previously listed, including AK, HI, PR, and VI.	
<b>Total (should sum to 100.0%)</b>	<b>0.0</b>

III-11. **Substitutes.**--Can other products be substituted for 4th tier cigarettes?

No                       Yes--Please fill out the table.

	Substitute	End use in which this substitute is used	Have changes in the price of this substitute affected the price for 4th tier cigarettes?		
			No	Yes	Explanation
1.			<input type="checkbox"/>	<input type="checkbox"/>	
2.			<input type="checkbox"/>	<input type="checkbox"/>	
3.			<input type="checkbox"/>	<input type="checkbox"/>	

III-12. **Demand trends.**--Indicate how demand within the United States and outside of the United States (if known) for 4th tier cigarettes has changed since January 1, 2016. Explain any trends and describe the principal factors that have affected these changes in demand.

Market	Overall increase	No change	Overall decrease	Fluctuate with no clear trend	Explanation and 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"/>	

III-13. **Product changes.**--Have there been any significant changes in the product range, product mix or marketing of 4th tier cigarettes since January 1, 2016?

No	Yes	If yes, please describe.
<input type="checkbox"/>	<input type="checkbox"/>	

III-14. **Smoking alternatives.**--Have electronic cigarettes (e-cigs) or vaporizers (vapes) affected the demand for 4th tier cigarettes?

No	Yes	If yes, please describe.
<input type="checkbox"/>	<input type="checkbox"/>	

III-15. **Regulations**—

(a) Have changes to regulations or taxes changed your firms desire or ability to sell 4th tier cigarettes in the United States?

Source	No	Yes	If yes, please describe.
United States	<input type="checkbox"/>	<input type="checkbox"/>	
All other countries	<input type="checkbox"/>	<input type="checkbox"/>	
Sources unknown	<input type="checkbox"/>	<input type="checkbox"/>	

(b) Have differences in state or local regulations or taxes caused a divergence in regional demand for 4th tier cigarettes in the United States?

No	Yes	If yes, please describe.
<input type="checkbox"/>	<input type="checkbox"/>	

IV-16. **Brand loyalty.**—Do consumers of 4th tier cigarettes smoke multiple brands of 4th tier cigarettes or change brands of 4th tier cigarette based on price?

No	Yes	If yes, please describe.
<input type="checkbox"/>	<input type="checkbox"/>	



**III-17. Conditions of competition.—**

(a) Is the 4th tier cigarettes market subject to business cycles (other than general economy-wide conditions) and/or other conditions of competition distinctive to 4th tier cigarettes?

<b>Check all that apply.</b>	<b>Please describe.</b>
<input type="checkbox"/> <b>No</b>	Skip to question III-18.
<input type="checkbox"/> <b>Yes-Business cycles (e.g. seasonal business)</b>	
<input type="checkbox"/> <b>Yes-Other distinctive conditions of competition</b>	

(b) If yes, have there been any changes in the business cycles or conditions of competition for 4th tier cigarettes since January 1, 2016?

<b>No</b>	<b>Yes</b>	<b>If yes, describe.</b>
<input type="checkbox"/>	<input type="checkbox"/>	

**III-18. Supply constraints.—**Has your firm refused, declined, or been unable to supply 4th tier cigarettes since January 1, 2016 (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, being unable to meet timely shipment commitments, etc.)?

<b>No</b>	<b>Yes</b>	<b>If yes, please describe.</b>
<input type="checkbox"/>	<input type="checkbox"/>	

III-19. **Raw materials.**--How have 4th tier cigarettes raw material prices changed since January 1, 2016?

Overall increase	No change	Overall decrease	Fluctuate with no clear trend	Explain, noting how raw material price changes have affected your firm's selling prices for 4th tier cigarettes.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

III-20. **Interchangeability.**--Are 4th tier cigarettes produced in the United States and in other countries interchangeable?

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

A = the products from a specified country-pair are *always* interchangeable

F = the products are *frequently* interchangeable

S = the products are *sometimes* interchangeable

N = the products are *never* interchangeable

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

Country-pair	Korea	Other countries
United States		
Korea	X	
For any country-pair producing 4th tier cigarettes that is <i>sometimes</i> or <i>never</i> interchangeable, identify the country-pair and explain the factors that limit or preclude interchangeable use:		

III-21. **Factors other than price.**--Are differences other than price (e.g., quality, availability, transportation network, product range, technical support, etc.) between 4th tier cigarettes 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 O 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

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

Country-pair	Korea	Other countries
United States		
Korea	X	
For any country-pair for which factors other than price <i>always</i> or <i>frequently</i> are a significant factor in your firm's sales of 4th tier cigarettes, identify the country-pair and report the advantages or disadvantages imparted by such factors:		

III-22. **Customer identification.**--List the names and contact information for your firm's 10 largest U.S. customers for 4th tier cigarettes since January 1, 2016. Indicate the share of the quantity of your firm's total shipments of 4th tier cigarettes that each of these customers accounted for in 2018.

	Customer's name	Contact person	Email	Telephone	City	State	Share of 2018 sales (%)
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							

III-23. **Other explanations.**--If your firm would like to further explain a response to a question in Part III for which a narrative response box was not provided, please note the question number and the explanation in the space provided below. Please also use this space to highlight any issues your firm had in providing the data in this section, including but not limited to technical issues with the MS Word questionnaire.

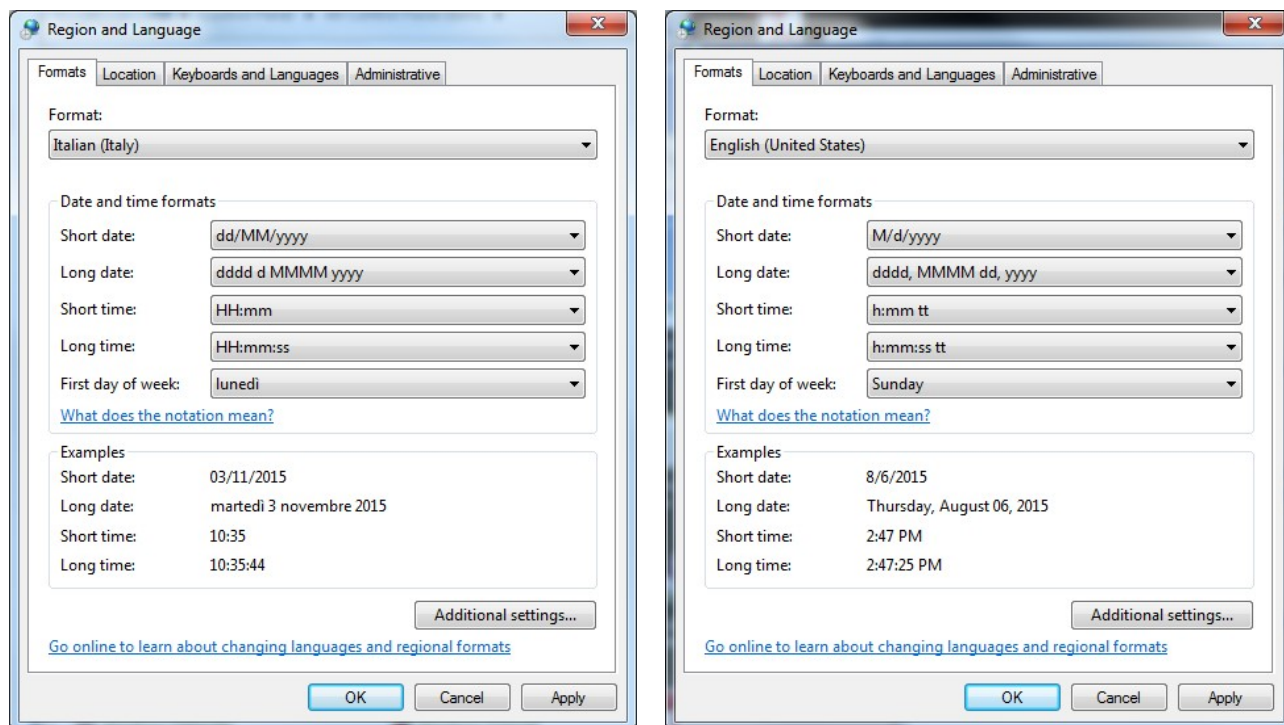
**Correcting Valid number error messages.**--If you are completing a Commission questionnaire in a country that uses periods (“.”) to delineate multiples of 1000 (e.g., one million would appear as \$1.000.000 instead of as \$1,000,000), you may be unable to enter in numbers greater than 999 in numeric form fields. This issues stem from your computer number formatting setting (e.g., not the MS Word document itself, but the computer from which you are opening up the document). In the United States commas (,) delineate multiples of 1000 and periods (.) delineate fractions less than one. Many EU countries use the reverse where multiples of 1000 are delineated with periods (.) and fractions less than one are delineated with commas (,). The U.S. International Trade Commission’s questionnaires are set-up in the United States with the U.S. number formatting. When this formatting interacts with a computer set to EU number formatting, we believe this may cause this issue.

The solution to this data entry issue is to temporarily change your operating system’s number formatting to be consistent with the U.S. number formatting system while you complete the questionnaire.

To temporarily change your computer’s number settings to U.S. settings, please do the following (for Microsoft Windows Operating system):

- START
- Control Panel
- Region and Language (under Clock, Language, and Region category)
- Format tab
- Change the Format from your existing one (e.g. “Italian (Italy)”) to “English (United States)” (see screen shots below)

When you do this the number “twelve million dollars and thirty five cents” would change from \$12.000.000,35 (Italy format) to \$12,000,000.35 (U.S. format), and then there will be no conflict with the questionnaire. When you finish reporting the data then you can close the questionnaire and switch back to Italy settings.



## HOW TO FILE YOUR QUESTIONNAIRE RESPONSE

This questionnaire is available as a “fillable” form in MS Word format on the Commission’s website at:

[https://www.usitc.gov/investigations/701731/2019/4th\\_tier\\_cigarettes\\_korea/preliminary.htm](https://www.usitc.gov/investigations/701731/2019/4th_tier_cigarettes_korea/preliminary.htm)

***Please do not attempt to modify the format or permissions of the questionnaire document.*** Please submit the completed questionnaire using one of the methods noted below. If your firm is unable to complete the MS Word questionnaire or cannot use one of the electronic methods of submission, please contact the Commission for further instructions.

- **Upload via Secure Drop Box.**—Upload the MS Word questionnaire along with a scanned copy of the signed certification page (page 1) through the Commission’s secure upload facility:

**Web address:** <https://dropbox.usitc.gov/oinv/>      **Pin:** CIGS

- **E-mail.**—E-mail the MS Word questionnaire to [Lawrence.jones@usitc.gov](mailto:Lawrence.jones@usitc.gov): include a scanned copy of the signed certification page (page 1). *Submitters are strongly encouraged to encrypt nonpublic documents that are electronically transmitted to the Commission to protect your sensitive information from unauthorized disclosure. The USITC secure drop-box system and the Electronic Document Information System (EDIS) use Federal Information Processing Standards (FIPS) 140-2 cryptographic algorithms to encrypt data in transit. Submitting your nonpublic documents by a means that does not use these encryption algorithms (such as by email) may subject your firm’s nonpublic information to unauthorized disclosure during transmission. If you choose a non-encrypted method of electronic transmission, the Commission warns you that the risk of such possible unauthorized disclosure is assumed by you and not by the Commission.*

**If your firm did not import this product**, please fill out page 1, print, sign, and submit a scanned copy to the Commission.

***Parties to this proceeding.***—If your firm is a party to this proceeding, it is required to serve a copy of the completed questionnaire on parties to the proceeding that are subject to administrative protective order (see 19 CFR § 207.7). A list of such parties may be obtained from the Commission’s Secretary (202-205-1803). A certificate of service must accompany the completed questionnaire you submit (see 19 CFR § 207.7). Service of the questionnaire must be made in paper form.