

LOST SALES AND LOST REVENUE SURVEY

4TH TIER CIGARETTES FROM KOREA

This survey must be received by the Commission by **January 2, 2020**

See last page for filing instructions.

The information called for in this survey 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 survey 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)). Further information on this survey can be obtained from James Horne (202-205-2722, James.Horne@usitc.gov).

Name of firm _____

Address _____

City _____ State _____ Zip Code _____

Website _____

Has your firm purchased, or imported for its own use or retail sale, 4th tier cigarettes (as defined on next page) at any time since January 1, 2016?

NO (Sign the certification below and promptly return **only** this page of the survey to the Commission)

YES (Complete all parts of the survey, and return the entire survey to the Commission)

Return questionnaire via the U.S. International Trade Commission *Drop Box* by clicking on the following link: <https://dropbox.usitc.gov/oinv/>. (PIN: **CIGS**)

CERTIFICATION

I certify that the information herein supplied in this survey 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 submitting this certification I also grant consent for the Commission, and its employees and contract personnel, to use the information provided in this survey 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 investigation or other proceeding 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

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.

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.

Reporting of information.-- If information is not readily available from your records, provide carefully prepared estimates.

Confidentiality.--The data furnished in response to this survey 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.

Release of information.--The information provided by your firm in response to this survey, 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. Please also retain a copy of the final document that you submit.

Contact information.--Please identify the responsible individual and the manner by which Commission staff may contact that individual regarding the confidential information submitted in this survey. This may or may not be the person whose signature is at the bottom of page 1.

Name	
Title	
Email	
Telephone	

Firms operating more than one establishment should combine the data for all establishments into a single response.

PURCHASE INFORMATION

1. **Purchases and imports.**— Report separately your firm’s domestic purchases and imports of 4th tier cigarettes.

“Purchase” – Purchase from a U.S. entity such as a U.S. producer, a U.S. importer, or other U.S. firm.

“Import” – Purchase directly from a foreign supplier and your firm is the importer of record.

Item	2016	2017	2018	Jan-Sep 2019
	Quantity in cartons (<i>containing 10 packs or 200 cigarettes</i>)			
Purchases of 4th tier cigarettes produced in—				
United States				
Korea				
All other countries ¹				
Sources unknown ²				
Total purchases	0	0	0	0
Imports of 4th tier cigarettes from—				
Korea				
All other countries ¹				
Total imports ³	0	0	0	0

¹ Please identify these countries:

² Please indicate the firm(s) from which you purchased this merchandise:

³ If your firm imported 4th tier cigarettes at any time since January 1, 2016, please also complete and return a U.S. importers' questionnaire in this proceeding.

2. **Changes in purchasing patterns.**—Please indicate how the shares of your firm’s purchases of 4th tier cigarettes from different sources have changed since January 1, 2016.

Source of purchases	Did not purchase	Decreased	Increased	Constant	Fluctuated	Explanation for trend
United States	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Korea	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
All other countries	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sources unknown	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

3. **Major purchasing factors.**--Please list, in order of their importance, the main factors your firm considers in deciding from whom to purchase 4th tier cigarettes.

1.	
2.	
3.	
Please list any other factors that are very important in your purchase decisions:	

4. **Purchasing subject imports rather than domestic products.**—

- (a) Since January 2016, did your firm import and/or purchase imports of 4th tier cigarettes from Korea instead of purchasing U.S.-produced 4th tier cigarettes?

Source	Yes (also respond to parts (b) and (c))	No (If “No”, skip to next question)
Korea	<input type="checkbox"/>	<input type="checkbox"/>

- (b) If you responded “Yes” to part (a), was the imported product priced lower than the domestic product?

Source	Yes	No
Korea	<input type="checkbox"/>	<input type="checkbox"/>

- (c) If you responded “Yes” to part (a), was price a primary reason for importing and/or purchasing subject imports rather than domestic product?

Source	Yes	If Yes, estimate the quantity of imports purchased and/or imported instead of domestic product since January 2016 (in cartons)	No	If No, please indicate the reason your firm imported and/or purchased imports instead of domestic product
Korea	<input type="checkbox"/>		<input type="checkbox"/>	

5. U.S. producers and import competition.—

- (a) Since January 1, 2016, in connection with a sale or offer to sell 4th tier cigarettes to your firm, did U.S. producers reduce their prices of domestically produced 4th tier cigarettes in order to compete with lower-priced imports of 4th tier cigarettes from the subject countries?

Source	Yes (also respond to question part (b))	No (If “No”, skip to next question)	Don’t know
Korea	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- (b) If your firm responded “yes” to any of the above countries, please provide an estimate of the reduction in U.S. producers’ prices, and any additional explanations, such as timing (e.g., months/years), frequency of price reductions, or other market/competitive factors.

Source	Estimated reduction in U.S. prices (percent)	Additional explanation, including such information as timing (e.g., months/years), frequency of price reductions, or other market/competitive factors
Korea	%	

6. **Other explanations**--Please provide any additional comments in this box.

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7. **Stock symbol information.**-- If your firm or parent firm is publicly traded, please specify the stock exchange and trading symbol: _____.

8. **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):	

OMB INFORMATION

9. **OMB statistics.**--Please report the actual number of hours required and the cost to your firm of completing this survey.

Hours	Dollars

The questions in this survey 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 survey is estimated to average 4 hours per response, including the time for reviewing instructions, gathering data, and completing and reviewing the survey.

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

HOW TO FILE YOUR SURVEY RESPONSE

Please do not attempt to modify the format or permissions of the survey document.

Please submit the completed survey using one of the methods noted below. If your firm is unable to complete the MS Word survey 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 survey 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 survey to James.Horne@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 purchase this product, please fill out page 1, print, sign, and submit a scanned copy to the Commission.