

U.S. PRODUCERS' QUESTIONNAIRE

LARGE VERTICAL SHAFT ENGINES FROM CHINA

This questionnaire must be received by the Commission by **October 21, 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 countervailing duty and antidumping duty investigations concerning large vertical shaft engines from China (Inv. Nos. 701-TA-637 and 731-TA-1471 (Final)). 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)).

<p>Name of firm _____</p> <p>Address _____</p> <p>City _____ State _____ Zip Code _____</p> <p>Website _____</p> <p>Has your firm produced large vertical shaft engines (as defined on next page) at any time since January 1, 2017?</p> <p><input type="checkbox"/> NO (Sign the certification below and promptly return only this page of the questionnaire to the Commission)</p> <p><input type="checkbox"/> YES (Complete all parts of the questionnaire, and return the entire questionnaire to the Commission)</p> <p>Return questionnaire via the U.S. International Trade Commission <i>Drop Box</i> by clicking on the following link: https://dropbox.usitc.gov/oinv/. (PIN: ENGCN)</p>
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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 January 15, 2020, by the Coalition of American Vertical Engine Producers (Kohler Co., Kohler, Wisconsin, and Briggs & Stratton Corporation, Wauwatosa, Wisconsin). Countervailing and/or antidumping duties may be assessed on the subject imports as a result of these proceedings if the Commission makes affirmative determinations of injury, threat, or material retardation, and if the U.S. Department of Commerce (“Commerce”) makes an affirmative determination of subsidization and/or dumping. Questionnaires and other information pertinent to this proceeding are available at https://usitc.gov/investigations/701731/2020/vertical_shaft_engines_china/final.htm.

Large vertical shaft engines covered by these investigations are spark-ignited, non-road, large vertical shaft engines, whether finished or unfinished, whether assembled or unassembled, designed primarily for use in riding lawn mowers and zero-turn radius lawn mowers. Engines meeting this physical description may also be designed for use in other non-hand-held outdoor power equipment. The subject engines are spark ignition, single or multiple cylinder, air cooled, internal combustion engines with vertical power take off shafts with a minimum displacement of 225 cubic centimeters ("cc") and a maximum displacement of 999cc. Typically, engines with displacements of this size generate gross power of between 6.7 kilowatts ("kw") to 42 kw.

Engines covered by this scope normally must comply with and be certified under Environmental Protection Agency (EPA) air pollution controls title 40, chapter I, subchapter U, part 1054 of the Code of Federal Regulations standards for small non-road spark-ignition engines and equipment. Engines that otherwise meet the physical description of the scope but are not certified under 40 CFR part 1054 and are not certified under other parts of subchapter U of the EPA air pollution controls are not excluded from the scope of this proceeding. Engines that may be certified under both 40 CFR part 1054 as well as other parts of subchapter U remain subject to the scope of this proceeding.

For purposes of these investigations, an unfinished engine covers at a minimum a sub-assembly comprised of, but not limited to, the following components: crankcase, crankshaft, camshaft, pistons(s), connecting rod(s), and oil pan. Importation of these components together, whether assembled or unassembled, and whether or not accompanied by additional components such as a manifold, cylinder head(s), valve train, or valve cover(s), constitutes an unfinished engine for purposes of these investigations. The inclusion of other products such as spark plugs fitted into the cylinder head or electrical devices (*e.g.*, ignition modules, ignition coils) for synchronizing with the motor to supply tension current does not remove the product from the scope. The inclusion of any other components not identified as comprising the unfinished engine subassembly in a third-country does not remove the engine from the scope.

The engines subject to these investigations are typically classified in the Harmonized Tariff Schedule of the United States (HTSUS) in subheading 8407.90.10 and imported under statistical reporting numbers: 8407.90.1020, 8407.90.1060, and 8407.90.1080. Engines subject to these investigations may also be imported under HTSUS 8407.90.9060 and 8407.90.9080. The engine subassemblies that are subject to these investigations are imported under HTSUS 8409.91.5085 and 8409.91.9990. The HTSUS statistical reporting numbers are provided for convenience and customs purposes only, and the written description of the merchandise under investigation is dispositive.

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.

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) 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-1a. **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 50 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-1b. **TAA information release.**—In the event that the U.S. International Trade Commission (USITC) makes an affirmative final determination in this proceeding, do you consent to the USITC's release of your contact information (company name, address, contact person, contact person's title, telephone number, email address) appearing on the front page of this questionnaire to the Departments of Commerce, Labor, and Agriculture, as applicable, so that your firm and its workers can be made eligible for benefits under the Trade Adjustment Assistance program?

Yes No

I-2a. **Establishments covered.**—Provide the city, state, zip code, and brief description of each establishment covered by this questionnaire. **Firms operating more than one establishment should combine the data for all establishments into a single report.**

“Establishment”—Each facility of a firm involved in the production of large vertical shaft engines, including auxiliary facilities operated in conjunction with (whether or not physically separate from) such facilities.

Establishments covered ¹	City, State	Zip (5 digit)	Description
1			
2			
3			
4			
5			
6			
¹ Additional discussion on establishments consolidated in this questionnaire: _____.			

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. **Petitioner status.**—Is your firm a petitioner in this proceeding or a member firm of the petitioning entity?

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

I-4. **Petition support.**—Does your firm support or oppose the petition?

Country	Support	Oppose	Take no position
China CVD	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
China AD	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

I-5. **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-6. **Related importers/exporters.**—Does your firm have any related firms, either domestic or foreign, that are engaged in importing large vertical shaft engines from China into the United States or that are engaged in exporting large vertical shaft engines from China to the United States?

No Yes—List the following information.

Firm name	Country	Affiliation

PART II.–TRADE AND RELATED INFORMATION

Further information on this part of the questionnaire can be obtained from Charlie Cummings (202-708-1666, Charles.Cummings@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-2a. **Changes in operations.**–Please indicate whether your firm has experienced any of the following changes in relation to the production of large vertical shaft engines since January 1, 2017.

<i>(check as many as appropriate)</i>	<i>(If checked, please describe the nature, date(s), and significance of any such reported changes as well as the business reasons for them; leave completely blank if not applicable)</i>
<input type="checkbox"/> plant openings	
<input type="checkbox"/> plant closings	
<input type="checkbox"/> relocations	
<input type="checkbox"/> expansions	
<input type="checkbox"/> acquisitions	
<input type="checkbox"/> consolidations	
<input type="checkbox"/> prolonged shutdowns or production curtailments	
<input type="checkbox"/> revised labor agreements	
<input type="checkbox"/> other (e.g., technology)	

II-2b. **COVID-19 pandemic.**-- Since January 1, 2020, has the COVID-19 pandemic or have any government actions taken to contain the spread of the COVID-19 virus resulted in changes in relation to the production and sales of large vertical shaft engines?

No	Yes	If yes, describe these changes including a separate discussion of the (a) supply chain impact, (b) production and sales impact, and (c) employment impact of the COVID-19 pandemic.
<input type="checkbox"/>	<input type="checkbox"/>	

II-3a. **Production using same machinery.**--Please report your firm's production of products using the same equipment, machinery, or employees as used to produce large vertical shaft engines, and the combined production capacity on this shared equipment, machinery, or employees in the periods indicated.

"Overall production capacity" or "capacity" – The level of production that your establishment(s) could reasonably have expected to attain during the specified periods. Assume normal operating conditions (*i.e.*, using equipment and machinery in place and ready to operate; normal operating levels (hours per week/weeks per year) and time for downtime, maintenance, repair, and cleanup).

Note.--If your firm does not produce any out-of-scope merchandise on the same machinery and equipment as scope merchandise then the "overall production capacity" numbers reported in this question should be exactly equal to the "average production capacity" numbers reported in question II-7. If, however, your firm does produce out-of-scope merchandise using the same machinery and equipment as scope merchandise, then the "average production capacity" reported in question II-7 should exclude the portion of "overall production capacity" that was used to produce this out-of-scope merchandise.

"Production" – All production in your U.S. establishment(s), including production consumed internally within your firm and production for another firm under a toll agreement.

II-3a. Production using same machinery.–Continued.

Quantity (in units)					
Item	Calendar years			January-June	
	2017	2018	2019	2019	2020
Overall production capacity¹					
Production of:					
Large vertical shaft engines ²	0	0	0	0	0
Other products ³					
Total production using same machinery or workers	0	0	0	0	0
¹ Data reported for capacity (first line) should be greater than data reported for total production (last line). ² Data entered for production of large vertical shaft engines will populate here once reported in question II-7. ³ Please identify these products: _____.					

II-3b. **Operating parameters.**—The production capacity reported in II-3a is based on the following operating parameters:

Hours per week	Weeks per year

II-3c. **Capacity calculation.**—Please describe the methodology used to calculate overall production capacity reported in II-3a, and explain any changes in reported capacity.

II-3d. **Production constraints.**—Please describe the constraint(s) that set the limit(s) on your firm's production capacity.

II-4. **Product shifting.**—

(a) Is your firm able to switch production (capacity) between large vertical shaft engines and other products using the same equipment and/or labor?

No	Yes	If yes—(i.e., have produced other products or are able to produce other products) Please identify other actual or potential products.
<input type="checkbox"/>	<input type="checkbox"/>	

(b) Please describe the factors that affect your firm's ability to shift production capacity between products (e.g., time, cost, relative price change, etc.), and the degree to which these factors enhance or constrain such shifts.

II-5. **Tolling.**—Since January 1, 2017, has your firm been involved in a toll agreement regarding the production of large vertical shaft engines?

“Toll agreement”—Agreement between two firms whereby the first firm furnishes the raw materials and the second firm uses the raw materials to produce a product that it then returns to the first firm with a charge for processing costs, overhead, etc.

No	Yes	If yes—Please describe the toll arrangement(s) and name the firm(s) involved.
<input type="checkbox"/>	<input type="checkbox"/>	

II-6. **Foreign trade zones.**–

- (a) **Firm's FTZ operations.**–Does your firm produce large vertical shaft engines in and/or admit large vertical shaft engines into a foreign trade zone (FTZ)?

“**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. A foreign trade zone must be designated as such pursuant to the rules and procedures set forth in the Foreign-Trade Zones Act.

No	Yes	If yes–Describe the nature of your Firm’s operations in FTZs and identify the specific FTZ site(s).
<input type="checkbox"/>	<input type="checkbox"/>	

- (b) **Other firms' FTZ operations.**–To your knowledge, do any firms in the United States import large vertical shaft engines into a foreign trade zone (FTZ) for use in distribution of large vertical shaft engines and/or the production of downstream articles?

No	Yes	If yes–Identify the firms and the FTZs.
<input type="checkbox"/>	<input type="checkbox"/>	

II-7. **Production, shipment, and inventory data**—Report your firm's production capacity, production, shipments, and inventories related to the production of large vertical shaft engines in its U.S. establishment(s) during the specified periods.

"Average production capacity" or "capacity" – The level of production that your establishment(s) could reasonably have expected to attain during the specified periods. Assume normal operating conditions (*i.e.*, using equipment and machinery in place and ready to operate; normal operating levels (hours per week/weeks per year) and time for downtime, maintenance, repair, and cleanup; and a typical or representative product mix).

"Production" – All production in your U.S. establishment(s), including production consumed internally within your firm and production for another firm under a toll agreement.

"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.

"Unfinished" – At a minimum, a subassembly comprised of, but not limited to, the following components: crankcase, crankshaft, camshaft, piston(s), and connecting rod(s). These components together, whether assembled or unassembled, and whether or not accompanied by additional components such as an oil pan, manifold, cylinder head(s), valve train, or valve over(s), constitute an unfinished engine.

"Finished, branded" – Large vertical shaft engines that are assembled and branded with the name of the mower's original equipment manufacturer (OEM).

"Finished, private label" – Large vertical shaft engines that are assembled and branded with another firm's own brand or private label (not branded with the name of the mower's OEM).

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-7. **Production, shipment, and inventory data.**–Continued

Quantity (in units) and value (in \$1,000)					
Item	Calendar years			January-June	
	2017	2018	2019	2019	2020
Average production capacity¹ (quantity) (A)					
Beginning-of-period inventories (quantity) (B)					
Production (quantity) (C)					
U.S. shipments:					
Commercial shipments:					
Quantity (D)					
Value (E)					
Internal consumption:²					
Quantity (F)					
Value ² (G)					
Transfers to related firms:²					
Quantity (H)					
Value ² (I)					
Export shipments:³					
Quantity (J)					
Value (K)					
End-of-period inventories (quantity) (L)					
<p>¹ The production capacity 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 _____.</p> <p>² 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.</p> <p>³ Identify your firm's principal export markets: _____.</p>					

RECONCILIATION OF SHIPMENTS, PRODUCTION, AND INVENTORY.–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 B), plus production (i.e., line C), 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 reflect your firm's actual records; and, also provide explanations for any differences (e.g., theft, loss, damage, record systems issues, etc.) if they exist.

Reconciliation	Calendar years			January-June	
	2017	2018	2019	2019	2020
B + C – D – F – H – J – L = should equal zero ("0") or provide an explanation. ¹	0	0	0	0	0
<p>¹ Explanation if the calculated fields above are returning values other than zero (i.e., "0") but are nonetheless accurate: _____.</p>					

II-8. **Channels of distribution.**—Report your firm's U.S. shipments (*i.e.* inclusive of commercial U.S. shipments, internal consumption, and transfers to related firms) by channel of distribution.

Quantity (<i>in units</i>)					
Item	Calendar years			January-June	
	2017	2018	2019	2019	2020
Channels of distribution:					
U.S. shipments:					
To distributors or dealers (M)					
To OEMs (N)					

***RECONCILIATION OF CHANNELS.**—Please ensure that the quantities reported for channels of distribution (*i.e.*, lines M and N) 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	Calendar years			January-June	
	2017	2018	2019	2019	2020
M + N – D - F- H = zero ("0"), if not revise.	0	0	0	0	0

II-9. **U.S. shipments by level of processing.**—Report your firm's U.S. shipments (i.e. inclusive of commercial U.S. shipments, internal consumption, and transfers to related firms) by level of processing during the specified periods.

Quantity (in units) and value (in \$1,000)					
Item	Calendar years			January-June	
	2017	2018	2019	2019	2020
U.S. shipments:					
Unfinished:¹					
<i>Quantity (O)</i>					
<i>Value (P)</i>					
Finished, branded:²					
<i>Quantity (Q)</i>					
<i>Value (R)</i>					
Finished, private label:³					
<i>Quantity (S)</i>					
<i>Value (T)</i>					

¹. At a minimum, a subassembly comprised of, but not limited to, the following components: crankcase, crankshaft, camshaft, piston(s), and connecting rod(s). These components together, whether assembled or unassembled, and whether or not accompanied by additional components such as an oil pan, manifold, cylinder head(s), valve train, or valve over(s), constitute an unfinished engine.

². Large vertical shaft engines that are assembled and branded with the name of the mower's original equipment manufacturer (OEM).

³. Large vertical shaft engines that are assembled and branded with another firm's own brand or private label (not branded with the name of the mower's OEM).

RECONCILIATION OF SHIPMENTS.—Please ensure that the quantities and values reported for U.S. shipments in this question (i.e., lines O through R) in each time period equal the quantities and values reported for U.S. shipments in previous question II-7 (i.e., lines D through I) 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	Calendar years			January-June	
	2017	2018	2019	2019	2020
Quantity: $O + Q + S - D - F - H = \text{zero}$ ("0"), if not revise	0	0	0	0	0
Value: $P + R + T - E - G - I = \text{zero}$, ("0"), if not revise.	0	0	0	0	0

II-10. **U.S. shipments of imports by nominal useful life rating.**—Report your firm’s U.S. shipments (*i.e.* inclusive of commercial U.S. shipments, internal consumption, and transfers to related firms) by nominal useful life category (residential, extended life residential, and commercial) during the specified periods.

Quantity (<i>in units</i>) and value (<i>in \$1,000s</i>)					
Item	Calendar years			January-June	
	2017	2018	2019	2019	2020
U.S. shipments:					
Residential:¹					
<i>Quantity (T)</i>					
<i>Value (U)</i>					
Extended life residential or general purpose:²					
<i>Quantity (V)</i>					
<i>Value (W)</i>					
Commercial:³					
<i>Quantity (X)</i>					
<i>Value (Y)</i>					
¹ . EPA-certified nominal useful life rating of no more than 250 hours ² . EPA-certified nominal useful life rating of more than 250 hours but less than 1,000 hours. ³ . EPA-certified nominal useful life rating of more than 1,000 hours.					

RECONCILIATION OF CHANNELS.—Please ensure that the quantities and values reported for nominal useful life rating (*i.e.*, lines T through Y) in each time period equal the quantities and values reported for U.S. shipments (*i.e.*, line D through I) 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	Calendar years			January-June	
	2017	2018	2019	2019	2020
Quantity: T + V + X – D – F – H = zero (“0”), if not revise.	0	0	0	0	0
Value: U + W + Y – E – G – I = zero (“0”), if not revise.	0	0	0	0	0

II-11. **Employment data.**—Report your firm’s employment-related data related to the production of large vertical shaft engines and provide an explanation for any trends in these data.

“Production and Related Workers” (PRWs) includes working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspecting, receiving, storage, handling, packing, warehousing, shipping, trucking, hauling, maintenance, repair, janitorial and guard services, product development, auxiliary production for plant’s own use (e.g., power plant), recordkeeping, and other services closely associated with the above production operations.

Average number employed may be computed by adding the number of employees, both full time and part time, for the 12 pay periods ending closest to the 15th of the month and divide that total by 12. For the January to September periods, calculate similarly and divide by 6.

If your firm had the same number of PRWs in all calendar years and had not experienced any changes in PRWs in the most recent interim period, you would have the same number of PRWs for the interim periods, regardless of whether the interim periods are Jan-Mar (Q1), Jan-June (Q1+Q2), or Jan-Sept (Q1+Q2+Q3).”

“Hours worked” includes time paid for sick leave, holidays, and vacation time. Include overtime hours actually worked; do not convert overtime pay to its equivalent in straight time hours.

“Wages paid”—Total wages paid before deductions of any kind (e.g., withholding taxes, old-age and unemployment insurance, group insurance, union dues, bonds, etc.). Include wages paid directly by your firm for overtime, holidays, vacations, and sick leave.

Item	Calendar years			January-June	
	2017	2018	2019	2019	2020
Average number of PRWs (<i>number</i>)					
Hours worked by PRWs (<i>1,000 hours</i>)					
Wages paid to PRWs (<i>\$1,000s</i>)					

Explanation of trends:

II-12. **Related firms.**—If your firm reported transfers to related firms in question II-7, 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), 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.

II-13. **Purchases.**—Has your firm purchased large vertical shaft engines produced in the United States or in other countries since January 1, 2017? (Do not include imports for which your firm was the importer of record. These should be reported in an importer questionnaire).

“Purchase” – A transaction to buy product from a U.S. corporate entity such as another U.S. producer, a U.S. distributor, or a U.S. firm that has directly imported the product.

“Import” –A transaction to buy from a foreign supplier where your firm is the importer of record.

No	Yes	If yes—Report such purchases in the table below and explain the reasons for your firms' purchases.
<input type="checkbox"/>	<input type="checkbox"/>	

Note: If your firm served as the importer of record for any purchases from foreign suppliers, either for your own account or as a service for another entity, those purchases are to be considered "imports" not "purchases" and **should not** be included in the table below

(Quantity in units)					
Item	Calendar years			January-June	
	2017	2018	2019	2019	2020
Purchases from U.S. importers¹ of large vertical shaft engines from— China					
All other sources					
Purchases from domestic producers²					
Purchases from other sources³					
¹ Please list the name of the importer(s) from which your firm purchased this product. If your firm’s import suppliers differ by source, please identify the source for each listed supplier: _____. ² Please list the name of the U.S. producer(s) from which your firm purchased this product: _____. ³ Please list the name of the firm(s) from which your firm purchased this product: _____.					

II-14. **Imports.**—Since January 1, 2017, has your firm imported large vertical shaft engines?

No	Yes	If yes—<u>COMPLETE AND RETURN A U.S. IMPORTERS' QUESTIONNAIRE</u>
<input type="checkbox"/>	<input type="checkbox"/>	

II-15. **Other explanations.**—If your firm would like to further explain a response to a question in Part II for which a narrative 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.–FINANCIAL INFORMATION

Address questions on this part of the questionnaire to Jennifer Brinckhaus (202-205-3188, jennifer.brinckhaus@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	

III-2. **Accounting system.**—Please provide the following information on your firm’s financial accounting system.

- A. When does your firm’s fiscal year end (month and day)? _____
If your firm’s fiscal year changed during the data-collection period, explain below:

- B.1. Describe the lowest level of operations (e.g., plant, division, company-wide) for which financial statements are prepared that include large vertical shaft engines:

- 2. Does your firm prepare profit/loss statements for large vertical shaft engines:
 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, 10 Qs,
 Monthly, quarterly, semi-annually, annually
- 4. Accounting basis: GAAP, IFRS, cash, tax, or other comprehensive basis of accounting (specify) _____

Note: As requested in Part I of this questionnaire, please keep all supporting documents/records used in the preparation of the financial data, as Commission staff may contact your firm regarding questions on the financial data. The Commission may also request that your company submit copies of the supporting documents/records (financial statements, including internal profit-and-loss statements for the division or product group that includes large vertical shaft engines, as well as specific statements and worksheets) used to compile these data.

Note.—Financial data in this section are being collected on a calendar-year basis.

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

--

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

--

III-5. **Product listing.**—Please list the products your firm produced in the facilities in which your firm produced large vertical shaft engines, and provide the share of net sales accounted for by these products in 2019.

Products	Share of sales
Large vertical shaft engines	%
	%
	%
	%
	%

III-6. **Inputs from related suppliers.**—Does your firm purchase **inputs** (raw materials, labor, energy, or any services) used in the production of large vertical shaft engines from any related suppliers (e.g., inclusive of transactions between related firms, divisions and/or other components within the same company)?

Yes—Continue to question III-7	No—Skip to question III-9a.
<input type="checkbox"/>	<input type="checkbox"/>

III-7. **Inputs from related suppliers detailed.**—Please identify the inputs used in the production of large vertical shaft engines that your firm purchases from related suppliers and that are reflected in question III-9a. For “Share of total COGS” please report this information by relevant input for 2019. For “Input valuation” please describe the basis, as recorded in your company’s own accounting system, of the purchase cost from the related supplier; e.g., the related supplier’s actual cost, cost plus, negotiated transfer price to approximate fair market value.

Input	Related supplier	Share of total COGS in 2019 (percent)
		%
		%
		%
		%
Methodology used to value the inputs as recorded in the firm’s accounting books and records		

III-8. **Inputs purchased from related suppliers.**—Please confirm that the inputs purchased from related suppliers, as identified in III-7, are reported in III-9a (financial results on large vertical shaft engines) in a manner consistent with your firm’s accounting books and records.

Yes	No	If no—In the space below, please report the valuation basis of inputs purchased from related suppliers as reported in question III-9a.
<input type="checkbox"/>	<input type="checkbox"/>	

III-9a. **Operations on large vertical shaft engines.**—Report the revenue and related cost information requested below on the large vertical shaft engines operations of your firm’s U.S. establishment(s).¹ Do not report resales of products. **Note that internal consumption and transfers to related firms must be valued at fair market value.** Provide data for the specified **calendar years** and interim periods. If your firm was involved in tolling operations (either as the toller or as the tollee), please contact Jennifer Brinckhaus at (202) 205-3188 before completing this section of the questionnaire.

Quantity (<i>in units</i>) and value (<i>in \$1,000</i>)					
Item	Calendar years			January-June	
	2017	2018	2019	2019	2020
Net sales quantities: ²					
Commercial sales (“CS”)					
Internal consumption (“IC”)					
Transfers to related firms (“Transfers”)					
Total net sales quantities	0	0	0	0	0
Net sales values: ²					
Commercial sales					
Internal consumption					
Transfers to related firms					
Total net sales values	0	0	0	0	0
Cost of goods sold (COGS): ³					
Cost of metal components					
Cost of all other raw materials					
Subtotal, raw materials	0	0	0	0	0
Direct labor					
Other factory costs					
Total COGS	0	0	0	0	0
Gross profit or (loss)	0	0	0	0	0
Selling, general, and administrative (SG&A) expenses					
Operating income (loss)	0	0	0	0	0
Other expenses and income:					
Interest expense					
All other expense and income items, net ⁴					
Net income or (loss) before income taxes	0	0	0	0	0
Depreciation/amortization included above					

¹ Include only sales (whether domestic or export) and costs related to your U.S. manufacturing operations.
² 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.
³ COGS (whether for domestic or export sales) should include costs associated with CS, IC, and Transfers.
⁴ If the total reported amount is net other expenses, report as a positive number. If the total reported amount is net other income, report as a negative number. Please check the calculated “Net income or (loss) before income taxes” to ensure proper reporting of these items.

Note –The table above contains calculations that will appear when you have entered data in the MS Word form fields.

III-9b. **Financial data reconciliation.**—The calculable line items from question III-9a (*i.e.*, total net sales quantities and values, subtotal raw materials, total COGS, gross profit (or loss), operating income (or loss), and net income (or loss)) have been calculated from the data submitted in the other line items. Do the calculated fields return the correct data according to your firm's financial records ignoring non-material differences that may arise due to rounding?

		<p>If no— If the calculated fields do not show the correct data, please double check the feeder data for data entry errors and revise. Also, check signs of the line item "All other expense and income items, net." If the net value of the all other items reported here is an expense/loss, it should be reported as a positive number. If the net value is an income/gain it should be reported as a negative value. If after reviewing and potentially revising the feeder data your firm has provided, the differences between your records and the calculated fields persist please identify and discuss the differences in the space below.</p>
Yes	No	
<input type="checkbox"/>	<input type="checkbox"/>	

III-9c. **Raw material procurement.**—Approximately what share of your firm's 2019 raw material costs (as reported in question III-9a) were purchased/acquired on a (1) short-term contract basis, (2) annual contract basis, (3) long-term contract basis, and (4) spot purchase basis?

Type of purchase	Share of 2019 raw material purchases
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)	%
Total (should sum to 100.0%)	0.0 %

III-9d. **Impact of tariffs on raw material costs.**—Did your firm experience an increase in the 2019 raw material costs for large vertical shaft engines (as reported in table III-9a) compared to 2017?

No	Yes	If yes, please complete the table below by reporting the approximate share of the increase in raw material costs attributable to (1.) Section 232 tariffs, (2.) Section 301 tariffs, or (3.) Other factors.
<input type="checkbox"/>	<input type="checkbox"/>	

Item	Share
Section 232 tariffs	%
Section 301 tariffs	%
Other factors ¹	%
Total (should sum to 100.0%)	0.0 %
¹ Please describe the other factors contributing to your firms' increase in raw material costs comparing 2019 to 2017:	

III-9e. **Warranty expense.**—Please report the amount of warranty expense recorded for large vertical shaft engines in the specified periods.

Item	Calendar years			January-June	
	2017	2018	2019	2019	2020
Warranty expense					

III-9f. **Warranty accounting.**--Please describe how your firm accounts for warranty expenses and where this expense is recorded within the financial performance data in question III-9a. Include a description of how the amount of warranty expense is calculated each period.

III-9g. **Warranty accounting changes.**--Has your firm changed its estimated warranty expense liability at any time since January 1, 2017?

No	Yes	If yes —please describe the changes, including their magnitude and timing, as well as the reasons for those changes.
<input type="checkbox"/>	<input type="checkbox"/>	

III-9h. **Warranty claims and cash outlays.**--Regardless of your firm's accrual accounting of warranty expenses over the period, please report actual cash outlays your firm made in the specified periods relating to warranty claims and the associated number of claims those outlays satisfied.

Item	Calendar years			January-June	
	2017	2018	2019	2019	2020
Cash outlays for warranty claims (\$1,000)					
Number of claims (count)					

III-10. **Nonrecurring items (charges and gains) included in the subject product financial results.**—For each annual and interim period for which financial results are reported in question III-9a, please specify all material (significant) nonrecurring items (charges and gains) in the schedule below, the specific question III-9a line item where the nonrecurring items are included, a brief description of the relevant nonrecurring items, and the associated values (*in \$1,000s*), as reflected in question III-9a; *i.e.*, if an aggregate nonrecurring item has been allocated to question III-9a, only the allocated value amount included in question III-9a 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 financial results of the subject product in question III-9a.

Item	Calendar years			January-June	
	2017	2018	2019	2019	2020
	Value (\$1,000)				
Nonrecurring item 1					
Nonrecurring item 2					
Nonrecurring item 3					
Nonrecurring item 4					
Nonrecurring item 5					
Nonrecurring item 6					
Nonrecurring item 7					

Nonrecurring item: In this table please provide a brief description of each nonrecurring item reported above and indicate the specific line item in table III-9a where the nonrecurring item is classified.

	Description of the nonrecurring item	Income statement classification (<i>i.e.</i> , where the item is included within question III-9a)
Nonrecurring item 1		
Nonrecurring item 2		
Nonrecurring item 3		
Nonrecurring item 4		
Nonrecurring item 5		
Nonrecurring item 6		
Nonrecurring item 7		

III-11. **Classification of identified nonrecurring items (charges and gains) in the accounting books and records of the company.**—If non-recurring items were reported in question III-10 above, please identify where your company recorded these items in your accounting books and records in the normal course of business; *i.e.*, just as responses to question III-10 identify where these items are reported in question III-9a.

III-12a. **Asset values.**—Report the total assets (*i.e.*, both current and long-term assets) associated with large vertical shaft engines. If your firm does not maintain some or all of the specific asset information necessary to calculate total assets for large vertical shaft engines in the normal course of business, please estimate this information.

For any assets that are not specific to large vertical shaft engines please allocate the asset(s) based upon a method (such as production, sales, or costs) that is consistent with relevant cost allocations in question III-9a.

Value (in \$1,000)			
Item	Calendar years		
	2017	2018	2019
Total assets (net)			

III-12b. **Description of asset values.**— Please describe the main asset categories (both current and long-term assets) in the above response. 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.

III-13a. **Capital expenditures and research and development expenses.**—Report your firm's capital expenditures and research and development expenses for large vertical shaft engines. Provide data for the specified calendar years and interim periods.

Value (in \$1,000)					
Item	Calendar years			January-June	
	2017	2018	2019	2019	2020
Capital expenditures					
Research and development expenses					

III-13b. **Description of reported capital expenditures.**—Please describe the nature, focus, and significance of your firm's reported capital expenditures. If no capital expenditures were reported, please explain the reason.

III-13c. **Description of reported R&D expenses.**—Please describe the nature, focus, and significance of your firm's reported R&D expenses. If no R&D expenses were reported, please explain the reason.

III-14. **Data consistency and reconciliation.**—Please confirm that the financial data provided for questions III-9a, 12a, and 13a are based on a calendar year basis:

Yes	No	If not, please explain.
<input type="checkbox"/>	<input type="checkbox"/>	

Please note the quantities and values reported in question III-9a should reconcile with the data reported in question II-7 (including export shipments).

***RECONCILIATION OF TRADE VS FINANCIAL DATA.**—Please ensure that the quantities and values reported for total shipments in part II equal the quantities and values reported for total net sales in part III of this questionnaire in each time period. If the calculated fields below return values other than zero (i.e., "0"), please explain the discrepancy below.*

Reconciliation	Calendar years			January-June	
	2017	2018	2019	2019	2020
Quantity: Trade data from question II-7 (lines D, F, H, and J) less financial total net sales quantity data from question III-9a, = zero ("0").	0	0	0	0	0
Value: Trade data from question II-7 (lines E, G, I, and K) less financial total net sales value data from question III-9a, = zero ("0").	0	0	0	0	0

Do these data in question III-9a reconcile with data in question II-7?

Yes	No	If no, please explain.
<input type="checkbox"/>	<input type="checkbox"/>	

III-15. **Effects of imports on investment.**—Since January 1, 2017, has your firm experienced any actual negative effects on its return on investment or the scale of capital investments as a result of imports of large vertical shaft engines from China?

No	Yes	If yes, my firm has experienced actual negative effects as follows.
<input type="checkbox"/>	<input type="checkbox"/>	

<i>(check as many as appropriate)</i>		<i>(please describe)</i>
<input type="checkbox"/>	Cancellation, postponement, or rejection of expansion projects	
<input type="checkbox"/>	Denial or rejection of investment proposal	
<input type="checkbox"/>	Reduction in the size of capital investments	
<input type="checkbox"/>	Return on specific investments negatively impacted	
<input type="checkbox"/>	Other	

III-16. **Effects of imports on growth and development.**—Since January 1, 2017, has your firm experienced any actual negative effects on its growth, ability to raise capital, or existing development and production efforts (including efforts to develop a derivative or more advanced version of the product) as a result of imports of large vertical shaft engines from China?

No	Yes	If yes, my firm has experienced actual negative effects as follows.
<input type="checkbox"/>	<input type="checkbox"/>	

<i>(check as many as appropriate)</i>		<i>(please describe)</i>
<input type="checkbox"/>	Rejection of bank loans	
<input type="checkbox"/>	Lowering of credit rating	
<input type="checkbox"/>	Problem related to the issue of stocks or bonds	
<input type="checkbox"/>	Ability to service debt	
<input type="checkbox"/>	Other	

III-17. **Anticipated effects of imports.**—Does your firm anticipate any negative effects due to imports of large vertical shaft engines from China?

No	Yes	If yes, my firm anticipates negative effects as follows.
<input type="checkbox"/>	<input type="checkbox"/>	

III-18. **Other explanations.**—If your firm would like to further explain a response to a question in Part III for which a narrative 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 IV.–PRICING AND MARKET FACTORS

Further information on this part of the questionnaire can be obtained from Cindy Cohen (202-205-3230, cindy.cohen@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	

PRICE DATA

IV-2. This question requests quarterly quantity and value data for your firm’s commercial shipments to unrelated U.S. OEM customers since January 1, 2017 of the following products produced by your firm.

Product 1.– Vertical Shaft Engine, Air-Cooled, Single Cylinder, Carbureted, 340-400cc displacement, residential (EPA-certified nominal useful life rating of no more than 250 hours)

Product 2.– Vertical Shaft Engine, Air-Cooled, Single Cylinder, Carbureted, 410-550cc displacement, residential (EPA-certified nominal useful life rating of no more than 250 hours)

Product 3.– Vertical Shaft Engine, Air-Cooled, Twin Cylinder, Carbureted, 650-700cc displacement, residential (EPA-certified nominal useful life rating of no more than 250 hours)

Product 4.– Vertical Shaft Engine, Air-Cooled, Twin Cylinder, Carbureted, 701-750cc displacement, extended life residential (EPA-certified nominal useful life rating of more than 250 hours but less than 1,000 hours)

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 including those provided to your OEM customers (*direct rebates*) and any rebates your firm provided to retailers (*indirect rebates*)).

IV-2a. During January 2017-June 2020, did your firm produce and sell to unrelated U.S. OEM customers any of the above listed products (or any products that were competitive with these products)?

<input type="checkbox"/>	Yes. –Please complete the following pricing data table as appropriate. Report sales only to OEMs. Do not report sales of replacement engines.
<input type="checkbox"/>	No. –Skip to question IV-3.

IV-2b. **Price data.**—Report below the quarterly price data¹ for pricing products² produced and sold to OEMs by your firm.

Report data in **units** and **actual dollars** (not 1,000s).

(Quantity in units, value in dollars)								
Period of shipment	Product 1		Product 2		Product 3		Product 4	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
2017:								
January-March								
April-June								
July-September								
October-December								
2018:								
January-March								
April-June								
July-September								
October-December								
2019:								
January-March								
April-June								
July-September								
October-December								
2020:								
January-March								
April-June								

¹ 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. Please subtract any discounts, rebates, and returns from the quarter in which the sale occurred.

² Pricing product definitions are provided on the first page of Part IV.

Note.— Please list the specifications of the engines for which data were reported. Also, please explain any anomalies in your firm's reported pricing data.

Product 1:

Product 2:

Product 3:

Product 4:

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

Are the price data reported above:	√ if Yes
In actual dollars (not \$1,000s)?	<input type="checkbox"/>
F.o.b. U.S. point of shipment (<i>i.e.</i> , does not include U.S. transport costs)?	<input type="checkbox"/>
Net of all direct discounts and rebates to your customers?	<input type="checkbox"/>
Net of all indirect discounts and rebates to your customers' customers (<i>e.g.</i> lawn mower retailers)?	<input type="checkbox"/>
Have discounts, rebates, and returns been credited to the quarter in which the sale occurred?	<input type="checkbox"/>
Include only sales to OEMs (<i>i.e.</i> , excluding aftermarket and retail sales)?	<input type="checkbox"/>
Less than reported commercial shipments in question II-7 in each year?	<input type="checkbox"/>
Explanation(s) for any boxes not checked:	

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

IV-2e. **Rebates.**—

(a) Does your firm give direct or indirect rebates to retailers for its sales of large vertical shaft engines?

No Yes—Please answer parts b and c.

(b) Please describe how such rebates were applied in your reported pricing data and indicate the average unit values of rebates excluded from pricing product values for 2019.

Describe how rebates to retailers were applied in pricing data.	Average rebates excluded from pricing data, 2019 (dollars per unit)			
	Product 1	Product 2	Product 3	Product 4

(c) Provide the names of the retailers to which your firm provided rebates for large vertical shaft engines since January 1, 2017, and report the terms of these rebates for each of your five largest retail customers.

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.

IV-3. **Price setting.**— How does your firm determine prices for sales of large vertical shaft engines? Briefly describe the price negotiation process and timeline, and when during the process prices are finalized. If your firm issues price lists, please submit sample pages of a recent list.

--

IV-4. **Discount policy.**—Please indicate and describe your firm’s discount policies for large vertical shaft engines (*check all that apply*).

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

IV-5. **Pricing terms.**—On what basis are your firm’s prices of domestic large vertical shaft engines 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 large vertical shaft engines in 2019 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 2019 sales	%	%	%	%	0.0 %

IV-7. Contract provisions.—

(a) Please fill out the table regarding your firm's typical sales contracts for U.S.-produced large vertical shaft engines (or check "not applicable" if your firm does not sell on a short-term, annual and/or long-term contract basis).

Typical sales contract provisions	Item	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)
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 ¹	<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"/>
¹ Please identify the indexes used: _____.				

(b) Briefly describe your firm's contracts for large vertical shaft engines.

(c) Since January 1, 2017, has your firm raised its prices for large vertical shaft engines to any customers during the contract period?

No	Yes	If yes, please describe including when such increases took place.
<input type="checkbox"/>	<input type="checkbox"/>	

IV-8. Lead times.—What is your firm's share of sales 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 its U.S.-produced large vertical shaft engines?

Source	Share of 2019 sales	Lead time (Average number of days)
From inventory	%	
Produced to order	%	
Total (should sum to 100.0%)	0.0 %	

IV-9. Shipping information.–

(a) Who generally arranges the transportation to your firm's customers' locations?
 Your firm Purchaser (*check one*)

(b) Indicate the approximate percentage of your firm's sales of large vertical shaft engines that are delivered the following distances from its production facility.

Distance from production facility	Share
Within 100 miles	%
101 to 1,000 miles	%
Over 1,000 miles	%
Total (should sum to 100.0%)	0.0 %

IV-10. Geographical shipments.–In which U.S. geographic market area(s) has your firm sold its U.S.-produced large vertical shaft engines since January 1, 2017 (check all that apply)?

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

IV-11. Warranties.–Does your firm provide product warranties for large vertical shaft engines? If yes, please briefly summarize the warranties provided and indicate the percentage of the price of an engine that is accounted for by warranty costs.

No	Yes	If yes, describe the warranties and indicate the percentage of the price of an engine that is accounted for by warranty costs.
<input type="checkbox"/>	<input type="checkbox"/>	

IV-12. Inland transportation costs.–What is the approximate percentage of the cost of U.S.-produced large vertical shaft engines that is accounted for by U.S. inland transportation costs? _____ percent

IV-13. **End uses.**—List the end uses of the large vertical shaft engines that your firm manufactures. For each end-use product, what percentage of the total cost is accounted for by large vertical shaft engines and other inputs?

End-use product	Share of total cost of end use product accounted for by		Total (should sum to 100.0% across)
	Large vertical shaft engines	Other inputs	
	%	%	0.0 %
	%	%	0.0 %
	%	%	0.0 %

IV-14. **Substitutes.**—Can other products be substituted for large vertical shaft engines?

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 large vertical shaft engines?		
		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-15. **Demand trends.**—Indicate how demand within the United States and outside of the United States (if known) for large vertical shaft engines has changed since January 1, 2017. Explain any trends and describe the principal factors that have affected these changes in demand (*e.g.*, new home construction, weather, overall economy, emissions regulations/environmental policies, commercial lawn services, and COVID-19).

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"/>	

IV-16. **Product changes.**—Have there been any significant changes in the product range, product mix, or marketing of large vertical shaft engines since January 1, 2017?

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

IV-17. Conditions of competition.–

(a) Is the large vertical shaft engines market subject to business cycles and/or other conditions of competition distinctive to large vertical shaft engines? If yes, describe.

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

(b) If yes, have there been any changes in the business cycles or conditions of competition for large vertical shaft engines since January 1, 2017?

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

IV-18. Supply constraints.–Has your firm refused, declined, or been unable to supply large vertical shaft engines since January 1, 2017 (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.)?

No	Yes	If yes, please describe, including the time period(s) when your firm experienced supply constraints.
<input type="checkbox"/>	<input type="checkbox"/>	

IV-19. **Raw materials.**—

(a) How have large vertical shaft engines raw material prices changed since January 1, 2017?

Factor	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 large vertical shaft engines.
Cost of raw materials	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

(b) How did the imposition of tariffs under section 232 on imported steel/aluminum products impact raw material costs for large vertical shaft engines?

Factor	Overall increase	No change	Overall decrease	Fluctuate with no clear trend
Cost of raw materials after section 232 tariffs imposed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(c) How did the imposition of tariffs under section 232 on imported steel/aluminum products impact your firm's sales price for large vertical shaft engines?

Factor	No change	Overall Increase	Overall Decrease	Fluctuate with no clear trend	Explanation
Prices for large vertical shaft engines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

(d) Did your firm raise its prices, or attempt to raise prices, at any time since January 1, 2017 in order to cover increases in production costs?

No	Yes-raised prices	Yes-tried to raise prices	If yes, please describe, noting the time periods in which such increases or attempted increases occurred.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

IV-20. **Interchangeability.**—Are large vertical shaft engines produced in the United States and in other countries interchangeable (*i.e.*, can they physically be used in the same applications)?

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	China	Other countries
United States		
China		
For any country-pair producing large vertical shaft engines that is <i>sometimes</i> or <i>never</i> interchangeable, identify the country-pair and explain the factors that limit or preclude interchangeable use: _____		

IV-21. **Factors other than price.**—Are differences other than price (*e.g.*, quality, availability, transportation network, product range, technical support, *etc.*) between large vertical shaft engines 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	China	Other countries
United States		
China		
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 large vertical shaft engines, identify the country-pair and report the advantages or disadvantages imparted by such factors: _____		

IV-22. **Impact of section 301 tariffs.**– Did the imposition of tariffs on Chinese-origin products under section 301 have an impact on the large vertical shaft engines market in the United States?

Yes — Please indicate the impact in the table below.	No	Don't know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Factor	Overall increase	No change	Overall decrease	Fluctuate with no clear trend	Explain, noting how the imposition of tariffs under section 301 affected each factor of the large vertical shaft engines market in the United States.
Supply of U.S.-produced large vertical shaft engines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Supply of large vertical shaft engines imported from China	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Supply of large vertical shaft engines imported from other countries	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Prices for large vertical shaft engines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Overall U.S. demand for large vertical shaft engines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Raw material costs for large vertical shaft engines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

IV-23. **Customer identification.**—List the names and contact information for your firm’s 10 largest U.S. customers for large vertical shaft engines since January 1, 2017. Indicate the share of the quantity of your firm’s total shipments of large vertical shaft engines that each of these customers accounted for in 2019.

	Customer’s name	City	State	Share of 2019 sales (%)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

IV-24. **Competition from imports.**—

(a) **Lost revenue.**—Since January 1, 2017: To avoid losing sales to competitors selling large vertical shaft engines from China, did your firm:

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

(b) **Lost sales.**—Since January 1, 2017: Did your firm lose sales of large vertical shaft engines to imports of this product from China?

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

IV-25. **Other explanations.**—If your firm would like to further explain a response to a question in Part IV 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.

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://usitc.gov/investigations/701731/2020/vertical_shaft_engines_china/final.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:** **ENG CN**

- **E-mail.**—E-mail the MS Word questionnaire to Charles.Cummings@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 does not produce 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.