

## U.S. PURCHASERS' 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 possession (19 U.S.C. § 1333(a)). Further information on this questionnaire can be obtained from Cindy Cohen (202-205-3230, cindy.cohen@usitc.gov).

<b>Name of firm</b> _____		
<b>Address</b> _____		
<b>City</b> _____	<b>State</b> _____	<b>Zip Code</b> _____
<b>Website</b> _____		
Has your firm purchased, or imported for its own use, large vertical shaft engines (as defined on next page) from <u>any</u> source (domestic or foreign) at any time since January 1, 2017?		
<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 <i>Drop Box</i> by clicking on the following link: <a href="https://dropbox.usitc.gov/oinv/">https://dropbox.usitc.gov/oinv/</a>. (PIN: <b>ENGCN</b>)</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 submitting 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](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.

**Purchaser.**--Any firm engaged, either directly or through a parent company or subsidiary, in purchasing large vertical shaft engines from another firm that produces, imports, or otherwise distributes large vertical shaft engines.

**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.

I-1a. **Establishments covered.**--Provide the name and address of your U.S. establishment(s) covered by this questionnaire, if different from that listed on the cover page. **Firms operating more than one establishment should combine the data for all establishments into a single response.**

**"Establishment"**--Each facility of a firm involved in the purchase of large vertical shaft engines, including auxiliary facilities operated in conjunction with (whether or not physically separate from) such facilities.

I-1b. **Stock symbol information.**-- If your firm or parent firm is publicly traded, please specify the stock exchange and trading symbol: \_\_\_\_\_.

I-1c. **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-2. **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-3. **Related importers/exporters.**--Does your firm have any related firms, either domestic or foreign, which import large vertical shaft engines into the United States or which export large vertical shaft engines to the United States?

No       Yes--List the following information.

Firm name	Country	Affiliation

I-4. **Related producers.**--Does your firm have any related firms, either domestic or foreign, which produce large vertical shaft engines?

No       Yes--List the following information.

Firm name	Country	Affiliation

**PART II.--PURCHASES**

**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 questionnaire.

Name	
Title	
Email	
Telephone	

II-1. **Purchases and imports.**--Report separately your firm's domestic purchases and imports of large vertical shaft engines.

**"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	2017	2018	2019	January-June 2020
	Quantity (in units)			
<b>Purchases of large vertical shaft engines produced in—</b>				
United States				
China				
All other countries <sup>1</sup>				
Sources unknown <sup>2</sup>				
Total purchases	0	0	0	0
<b>Imports of large vertical shaft engines from—</b>				
China				
All other countries <sup>1</sup>				
Total imports <sup>3</sup>	0	0	0	0

<sup>1</sup> Please identify these countries: \_\_\_\_\_

<sup>2</sup> Please indicate the firm(s) from which you purchased this merchandise: \_\_\_\_\_

<sup>3</sup> If your firm imported large vertical shaft engines at any time since January 1, 2017, please also complete and return a U.S. importers' questionnaire in this proceeding.

II-2. **Changes in purchasing patterns.**--Please indicate how the shares of your firm's purchases of large vertical shaft engines from different sources have changed since January 1, 2017.

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"/>	
China	<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"/>	

II-3. **Country knowledge.**--Please indicate the countries of origin with which your firm has experience or information in the large vertical shaft engines market.

United States	China	Other countries	Other countries (specify)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

II-4. **Supplier identification.**--Please list your firm's **FIVE** largest suppliers for large vertical shaft engines since January 1, 2017. Also, provide the share of the quantity of your firm's total purchases of large vertical shaft engines that each of these suppliers accounted for in 2019.

No.	Supplier's name	City and state	Share of quantity of 2019 purchases
<b>1</b>			%
<b>2</b>			%
<b>3</b>			%
<b>4</b>			%
<b>5</b>			%

**PART III.--MARKET CHARACTERISTICS AND PURCHASING PRACTICES**

III-1. **Firm type.**--Which of the following best describes your firm as a purchaser of large vertical shaft engines (check all that apply)?

OEM	Distributor or dealer	Other	Describe other
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

III-2. **Competition for sales.**--Does your firm compete for sales to customers with the manufacturers or importers from which your firm purchases large vertical shaft engines?

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

***If your firm is a distributor of large vertical shaft engines, please answer question III-3.***

III-3. **Types of customers.**--What are the major types of consumers to which your firm sells large vertical shaft engines?

***If your firm is an end user of large vertical shaft engines, please answer questions III-4 to III-7.***

III-4. **End uses.**--List the top 3 products your firm makes using large vertical shaft engines and estimate the percent of your total production cost that is accounted for by large vertical shaft engines and by other inputs (such as labor, energy, and other raw materials).

Product(s) your firm produces	Share of total cost in each of the product(s) your firm produces accounted for by				Total (should sum to 100.0% across)
	Large vertical shaft engines		Other inputs		
	%	+	%	=	0.0 %
	%	+	%	=	0.0 %
	%	+	%	=	0.0 %

**III-5. Demand for end-use products.--**

- (a) Has the demand for your firm's final products incorporating large vertical shaft engines changed since January 1, 2017?

Increased	No change	Decreased	Fluctuated
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- (b) Has this had any effect on your firm's demand for large vertical shaft engines?

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

**III-6. Engine selection.—**

- (a) Please describe how your firm selects the large vertical shaft engines to pair with the mowers your firm produces.

- (b) Please explain how your firm analyzes the total value proposition of purchasing a vertical shaft engine (or set of engines) from different sources.

- (c) Does your firm work with engine producers to develop large vertical shaft engines for particular mower models? If yes, explain how this process works, whether competition for mowers with engine producers affects these relationships, and how important it is commercially to match the engine brand to the mower brand.

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

- (d) Do your firm's expenses for procuring engines vary by engine producer (or country)?

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



**III-7. Price and contract negotiations.—**

- (a) Please describe the price negotiation process with your firm's suppliers of large vertical shaft engines, the timeline, and when during the process prices are finalized.

- (b) Describe your firm's contracts with each of your firm's suppliers of large vertical shaft engines, including the length of each contract, and whether prices or quantities are fixed.

**III-8. 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"/>	

- III-9. 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"/>	

III-10. **Country preferences.**--Do you or your customers ever specifically order large vertical shaft engines from one country in particular over other possible sources of supply?

No	Yes	If yes, identify the countries and explain.
<input type="checkbox"/>	<input type="checkbox"/>	

III-11. **Importance of purchasing domestic product.**--Please fill out the table below, estimating the percentage of your firm's total 2019 purchases of large vertical shaft engines that required large vertical shaft engines produced in the United States.

	Estimated percentage of your firm's total 2019 purchases of large vertical shaft engines
<b>Purchases that did not require domestic product</b>	%
<b>Purchases that were required by law or regulation to be domestic product</b> (e.g., government purchases under "Buy American" provisions)	%
<b>Purchases that were not required by law or regulation, but were required by your customers to be domestic product</b>	%
<b>Purchases that were required to be domestic product for other reasons</b> (explain: _____.)	%
<b>Total</b> (should sum to 100.0%)	0.0 %

III-12. **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?

Check all that apply.	Please describe.
<input type="checkbox"/> No	Skip to question III-13.
<input type="checkbox"/> Yes-Business cycles (e.g. seasonal business)	
<input type="checkbox"/> Yes-Other distinctive conditions of competition	

(b) 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"/>	

III-13. **Decisions based on producer and country-of-origin.**--How often does your firm, and if known, do your customers, make purchasing decisions involving large vertical shaft engines based on its producer or country of origin?

Item	Always	Usually	Sometimes	Never	If at least sometimes, explain.
<b>Decision based on producer</b>					
Your firm	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Your customers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Decision based on country of origin</b>					
Your firm	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Your customers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

III-14. **Availability of supply.**--Has the availability of large vertical shaft engines in the U.S. market changed since January 1, 2017?

Availability in the U.S. market	No	Yes	Please explain, noting the countries and reasons for the changes.
U.S.-produced product	<input type="checkbox"/>	<input type="checkbox"/>	
Subject imports	<input type="checkbox"/>	<input type="checkbox"/>	
Nonsubject imports	<input type="checkbox"/>	<input type="checkbox"/>	

III-15. **Supply constraints.**--Has any firm refused, declined, or been unable to supply your firm with 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) and supplier(s).
<input type="checkbox"/>	<input type="checkbox"/>	

III-16. **Availability of specific product types.**--Are certain types/sizes of large vertical shaft engines only available from certain country sources?

No	Yes	If yes, please identify the countries and the type/size.
<input type="checkbox"/>	<input type="checkbox"/>	

III-17. **Purchasing frequency.**--

- (a) How frequently does your firm make purchases of large vertical shaft engines (check one)?

Daily	Weekly	Monthly	Quarterly	Annually	Other	<i>If other, specify</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

- (b) Has this purchasing frequency changed since January 1, 2017?

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

III-18. **Raw material prices.**—

- (a) Is your firm familiar with the prices for raw materials used in the production of large vertical shaft engines?

No	Yes – please answer (b)
<input type="checkbox"/>	<input type="checkbox"/>

- (b) Has information on raw material prices affected your firm's negotiations or contracts to purchase large vertical shaft engines since 2017?

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

- III-19. **Number of suppliers contacted.**--How many suppliers does your firm generally contact before making a purchase? Between \_\_\_\_ and \_\_\_\_ firms

- III-20. **Supplier negotiations.**--Do your firm's purchases of large vertical shaft engines usually involve negotiations between supplier and purchaser?

No	Yes	If yes, explain the factors your firm generally negotiates and note whether your firm quotes competing prices during negotiations.
<input type="checkbox"/>	<input type="checkbox"/>	

III-21. **Change in suppliers.**--Has your firm changed suppliers since January 1, 2017?

No	Yes	If yes, please list the supplier(s), whether the firm was added or dropped, and the reasons for the change.
<input type="checkbox"/>	<input type="checkbox"/>	

III-22. **New suppliers.**--Are you aware of any new suppliers, either foreign or domestic, that have entered the market since January 1, 2017?

No	Yes	If yes, please identify the firms.
<input type="checkbox"/>	<input type="checkbox"/>	

III-23. **Supplier qualification.**--Do you require your suppliers to be or to become certified or qualified to sell large vertical shaft engines to your firm?

If yes, provide the following information.

- The number of days to qualify a new supplier.
- A general description of the certification or qualification process. Also, a brief description of the factors that you consider when qualifying a new supplier (e.g., quality of product, reliability of supplier, etc.).

No	Yes	Number of days	Process and factors
<input type="checkbox"/>	<input type="checkbox"/>		

III-24. **Failure to certify.**--Since January 1, 2017, have any domestic or foreign producers failed in their attempts to certify or qualify their large vertical shaft engines with your firm or have any producers lost their approved status?

No	Yes	If yes, please identify these firms, the countries where they are located, and the reasons why they failed the certification/qualification.
<input type="checkbox"/>	<input type="checkbox"/>	

III-25. **Major purchasing factors.**--Please list, in order of their importance, the main factors your firm considers in deciding from whom to purchase large vertical shaft engines (examples include availability, extension of credit, contracts, price, quality, range of supplier's product line, traditional supplier, etc.).

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

III-26. **Purchasing factors.**--Please rate the importance of the following factors in your firm's purchasing decisions for large vertical shaft engines.

Factor	Very important	Somewhat important	Not important
Availability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Brand	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Delivery terms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Delivery time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Discounts offered	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Engine features	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Engine safety	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Meet purchaser specifications	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Minimum quantity requirements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Packaging	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Payment terms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Price	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Product consistency	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Product range	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quality meets industry standards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quality exceeds industry standards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reliability of supply	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Technical support/service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
U.S. transportation costs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Warranty	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

III-27. **Quality characteristics.**--What characteristics does your firm consider when determining the quality of large vertical shaft engines?

--

III-28. **Minimum quality.**--How often does large vertical shaft engines from the following countries meet minimum quality specifications for your uses or your customers' uses?

Source	Always	Usually	Sometimes	Rarely or never	Don't know
United States	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
China	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

III-29. **Frequency of decisions based on price.**--How often does your firm purchase the large vertical shaft engines that is offered at the lowest price?

Always	Usually	Sometimes	Never
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

III-30. **Price leaders.**--A price leader is defined as (1) one or more firms that initiate a price change, either upward or downward, that is followed by other firms, or (2) one or more firms that have a significant impact on prices. *A price leader is not necessarily the lowest-priced supplier.*

Please list the names of any firms you considered price leaders in the large vertical shaft engines market since January 1, 2017.

Firm(s)	Describe how the firm(s) exhibited price leadership

III-31. **Purchasing subject imports rather than domestic products.**—

(a) Since January 2017, did your firm import and/or purchase imports of large vertical shaft engines from China instead of purchasing U.S.-produced large vertical shaft engines?

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

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

<b>Source</b>	<b>Yes</b>	<b>No</b>
China	<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?

<b>Source</b>	<b>Yes</b>	<b>If Yes, estimate the quantity of imports purchased and/or imported instead of domestic product since January 2017 (in units)</b>	<b>No</b>	<b>If No, please indicate the reason your firm imported and/or purchased imports instead of domestic product</b>
China	<input type="checkbox"/>		<input type="checkbox"/>	



III-32. **U.S. producers and import competition.**—

- (a) Since January 1, 2017, in connection with a sale or offer to sell large vertical shaft engines to your firm, did U.S. producers reduce their prices of domestically produced large vertical shaft engines in order to compete with lower-priced imports of large vertical shaft engines from China?

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

- (b) If your firm responded “yes”, 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.

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

III-33. **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?

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

<b>Factor</b>	<b>Overall increase</b>	<b>No change</b>	<b>Overall decrease</b>	<b>Fluctuate with no clear trend</b>	<b>Explain, noting how the imposition of tariffs under section 301 affected each factor of the large vertical shaft engines market in the United States.</b>
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"/>	

III-34. **Warranties.** --Do your suppliers provide product warranties for large vertical shaft engines? If yes, please briefly summarize the warranties provided by each supplier and indicate the percentage of the price of an engine that is accounted for by warranty costs.

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

**PART IV.—PRODUCT COMPARISONS**

IV-1. **Interchangeability.**--Is 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:  <hr/>		

IV-2. **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 purchases 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 purchases of large vertical shaft engines, identify the country-pair and report the advantages or disadvantages imparted by such factors:  <hr/>		

IV-3. **Factor country comparisons.**--For the factors listed below, please rate how large vertical shaft engines produced in each country you identified in your response to the first question in Part IV compares with large vertical shaft engines produced in each of the other countries identified.

*If you are unfamiliar with the product from a particular country, please leave the boxes for those country comparisons blank.*

Factor	Product from <u>United States</u> compared to product from <u>China</u>			Product from <u>United States</u> compared to product from <u>Nonsubject countries</u>			Product from <u>China</u> compared to product from <u>Nonsubject countries</u>		
	Superior	Comparable	Inferior	Superior	Comparable	Inferior	Superior	Comparable	Inferior
Availability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Brand	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Delivery terms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Delivery time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Discounts offered	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Engine features	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Engine safety	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Meet purchaser specifications	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Minimum quantity requirements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Packaging	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Payment terms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Price <sup>1</sup>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Product consistency	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Product range	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quality meets industry standards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quality exceeds industry standards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reliability of supply	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Technical support/service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
U.S. transportation costs <sup>1</sup>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Warranty	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<sup>1</sup> A rating of superior on price and U.S. transportation costs indicates that the first country generally has lower prices/U.S. transportation costs than the second country.

**PART V.—ADDITIONAL INFORMATION**

- V-1. **Other explanations.**--If your firm would like to further explain a response to any question for which a narrative response box was not provided, please note the question number and the explanation in the space provided below.

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- V-2. **OMB statistics.**--Please report the actual number of hours required and the cost to your firm of completing this questionnaire.

<b>Hours</b>	<b>Dollars</b>

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 25 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.

## 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](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:** **ENGCN**

- **E-mail.**—E-mail the MS Word questionnaire to [cindy.cohen@usitc.gov](mailto:cindy.cohen@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 purchase 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 your firm submits (see 19 CFR § 207.7). Service of the questionnaire must be made in paper form.