



## Exporter Questionnaire

**Case number: 496**

**Product: Resealable Can End Closures (TRFs)**

**From:** Malaysia, the Republic of the Philippines and the Republic of Singapore

**Review period: 1 October 2017 to 30 September 2018**

**Response due by:** 3 January 2019. **Extended to 17 January 2019.**

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**Return completed questionnaire**  
**to:** [investigations3@adcommission.gov.au](mailto:investigations3@adcommission.gov.au)

**Anti-Dumping Commission website:** [www.adcommission.gov.au](http://www.adcommission.gov.au)

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## INSTRUCTIONS

### Why you have been asked to fill out this questionnaire?

The Anti-Dumping Commission (the Commission) is conducting a review into resealable can end closures (TRFs or the goods) exported to Australia from the Republic of the Philippines by Genpacco Inc.

The Commission will use the information you provide to determine normal values and export prices over the review period (the period). This information will determine whether TRFs are dumped.

### If you do not manufacture the goods

If you play a role in the export of the goods but do not produce or manufacture the goods (for example, you are a trading company, broker, or vendor dealing in the goods), it is important that you forward a copy of this questionnaire to the relevant manufacturers and inform the case manager of the contact details for these manufacturers **immediately**.

The Commission will still require your company to complete this exporter questionnaire except Section G – Cost to make and sell.

### What happens if you do not respond to this questionnaire?

You do not have to complete the questionnaire. However, if you do not respond, do not provide all of the information sought, do not provide information within a reasonable time period, or do not allow the Commission to verify the information, we may deem your company to be an uncooperative exporter. In that case the Commission must determine a dumping margin having regard to all relevant information.

Therefore, it is in your interest to provide a complete and accurate response to this exporter questionnaire, capable of verification.

### Extension requests

If you require a longer period to complete your response to this exporter questionnaire, you must submit a request to the case manager, in writing, for an extension to the due date for all or part of the questionnaire. This request must be made prior to the due date. A request for extension will be rejected if received after the due date.

When considering the extension request, the Commission will have regard to:

- the Commission's responsibility to conduct the case in a timely and efficient manner;
- the reasons why you could not provide a response within the whole period and not only the period remaining between the request and the due date;
- ordinary business practices or commercial principles;
- the Commission's understanding of the relevant industry;
- previous correspondence and previous dealings with your company; and
- information provided by other interested parties.

More information on extensions can be found in the Customs (Extension of Time and Non-cooperation) Direction 2015 at <https://www.legislation.gov.au/Details/F2015L01736>.

You will be informed of the decision whether your request for an extension has been rejected, granted in full or granted in part. For example, you may be granted an extension to submit all sections except for Section A or you may be granted a shorter extension than you requested.

A summary of any requests and grants of extensions to submit a response to this exporter questionnaire will be published in the public record.

### Submitting a response to the exporter questionnaire

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Responses to the exporter questionnaire should be lodged by email listed on the cover page. In submitting the response to the exporter questionnaire, you must answer all questions, include all attachments and spreadsheets, and provide a non-confidential version of your response to this exporter questionnaire.

If your response to this exporter questionnaire contains major deficiencies that, in the Commissioner's view, cannot be quickly and easily rectified in a further response, then your company may be deemed as an uncooperative exporter.

### **Confidential and non-confidential responses**

You are required to lodge a confidential version (for official use only) and a non-confidential version (for public record) of your response to this exporter questionnaire by the due date. Please ensure that *each page* of information you provide is clearly marked either "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD".

All information provided to the Commission in confidence will be treated accordingly. The non-confidential version of your submission will be placed on the public record, and must contain sufficient detail to allow a reasonable understanding of the substance of the information, but does not breach confidentiality nor adversely affect those interests.

A person is not required to provide a summary for the public record if the Commission can be satisfied that no such summary can be given that would allow a reasonable understanding of the substance of the information.

All submissions are required to have a bracketed explanation of deleted or blacked out information for the non-confidential version of the submission. An example of a statement to accompany deleted/blacked out text is:

[Explanation of cost allocation through the divisions, by reference to machine hours or weight].

If such an explanation is not provided, the Commission may disregard the information in the submission. Where the public record version of your response to the exporter questionnaire does not contain sufficient detail, your company may be deemed to have significantly impeded the case and be deemed an uncooperative exporter.

### **Verification of the information that you supply**

The Commission may wish to conduct a visit to your company to verify your questionnaire response for completeness, relevance and accuracy of the information to your company's records.

The verification visit is not meant to be a chance for you to provide new or additional information. The Commission expects your response to the questionnaire to be relevant, complete and accurate.

Any verification visit typically commences approximately 2 to 4 weeks after the due date of the response to the exporter questionnaire. To assist with planning of a verification visit, please contact the case manager as soon as possible for a potential verification date to be scheduled.

Verification is usually conducted over 4 days. However, in complex cases, a verification visit may be scheduled over 5 days. A verification visit will include a detailed examination of your company's records and we will collect copies of relevant documents. The verification will require the participation of key staff, including your financial accountant, production manager and sales staff. A tour of the manufacturing facility may also be required during the verification visit.

Note that the Commission may disregard any data or information that is not verified, including new or additional information provided after the verification visit.

A report will be prepared following the verification visit, which details the outcomes of the visit. This report will be placed on the public record and may include the publication of the preliminarily-assessed

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dumping margin. The Commission considers that the dumping margin is not confidential information, but rather an aggregate figure derived from confidential data.

You will be provided with an opportunity to comment on the accuracy and confidentiality of the verification report prior to its publication on the public record.

The Commission may elect to undertake an alternative verification methodology than an on-site verification to satisfy itself of the completeness, relevance and accuracy of the data.

For information on the Commission's verification procedures, refer to Anti-Dumping Notice No. 2016/30 available on the Commission's website.

### **Important instructions for preparing your response**

- All questions in this exporter questionnaire must be completed. If a question is not applicable to your situation, please answer the question with "Not Applicable" and provide an explanation as to why.
- All questions must be answered in English. An English translation must be provided for documents not originally in English.
- Clearly identify all units of measurement (e.g. KG) and currencies (e.g. AUD) used. Apply the same measurement consistently throughout your response to the questionnaire.
- Label all attachments to your response according to the section of the questionnaire it relates to (e.g. label the chart of accounts as Attachment A-5.6)
- The data must be created as spreadsheet files in Microsoft Excel.
- If you have used formulas to complete spreadsheets, these formulas must be retained and not hard-coded.
- You must retain all worksheets used in answering the questionnaire. Be prepared to provide these worksheets during the Commission's verification of your data.
- If you cannot present electronic data in the requested format contact the case officer as soon as possible.
- Where possible, electronic data should be emailed or shared with the Commission via SIGBOX, a secure online document repository. Please contact the case manager to request access to SIGBOX if required.

## CHECKLIST

This section is an aid to ensure that you have completed all sections of this questionnaire.

<b>Section</b>	Please tick if you have responded to all questions
Section A Company information	x
Section B Export sales to Australia	x
Section C Exported goods & like goods	x
Section D Domestic sales	x
Section E Due allowance	x
Section F Third country sales	x
Section G Cost to make and sell	x
• Exporter's declaration	x
Non-confidential version of this response	x

<b>Attachments</b>	Please tick if you have provided spreadsheet
B-2 Australian sales	x
B-4 Upwards sales	x
B-5 Upwards selling expenses	x
D-2 Domestic sales	x
F-2 Third country sales	x
G-3 Domestic CTM	x
G-4.1 SG&A listing	x
G-4.2 Dom SG&A calculation	x
G-5 Australian CTM	x
G-7.2 Raw material CTM	
G-7.4 Raw material purchases	x
G-8 Upwards costs	x

## GOODS UNDER CONSIDERATION / GOODS SUBJECT TO ANTI-DUMPING MEASURES

The goods subject to anti-dumping measures (the goods) are resealable can end closures (also referred to as tagger, ring and foil (TRF) ends, or TRFs) comprising:

- a tinplate outer ring with or without compound;
- an aluminium foil membrane for attachment to the outer ring; and
- a plug or tagger, which fits into the outer ring.

### Further information

The goods are commonly manufactured in the following nominal sizes (diameters):

- 73mm;
- 99mm;
- 127mm; and
- 153/4mm

The goods may be coated or uncoated and/or embossed or not embossed.

The goods can also be known as RLTs (ring, lid tagger), RLFs (ring, lid, foil) or Penny Lever ends.

### Goods specifically excluded

Resealable can end closures of the following nominal sizes are excluded from the measures:

- 52mm;
- 65mm;
- 189mm; and
- 198mm.

### Model Control Code

Details of the model control code (MCC) structure for the goods are detailed in the table below. Export sales data (Section B-2), domestic sales data (Section D-2) and cost to make and sell data (Section G-3, G-4 & G-5) submitted in this response must follow this MCC structure. At a minimum, the data must report sales and cost data separately for each of the mandatory MCC categories identified by the Commission.

Category	Sub-category	Sales Data	Cost data	Key category
Diameter	73mm 99mm 127mm 153/4mm	Mandatory	Mandatory	Yes

The MCCs will be used to model match export models to the identical or comparable domestic models. In addition, the MCCs will be used to determine the profitability of domestic sales in the ordinary course of trade test by comparing domestic selling prices to the corresponding cost to make and sell. The MCC may also be used to compare the export price to the cost to make the exported model as part of the constructed normal value.

If there are models manufactured and sold by your company that do not align within the MCC structure above, this should be raised by lodging a submission with the Commission as soon as is practicable, but no later than the time this questionnaire is due, otherwise the response may be deemed deficient.

## SECTION A COMPANY INFORMATION

### A-1 Company representative and location

1. Please nominate a contact person within your company:  
Name: XXXXXXXXXXXXX  
Position in the company: VP-FINANCE AND ADMIN  
Telephone: XXXXXXXXXXXX  
E-mail address: XXXXXXXXXXXXXXXXXXXX
2. If you have appointed a representative, provide the their contact details:  
Name: JOHN BRACIC  
Address: PO BOX 3026, MANUKA ACT 2603  
Telephone: +61 (0)499056729  
E-mail address: john@jbracic.com.au

*In nominating a representative, you are granting authority to the Commission to discuss matters relating to the case with the nominated representative, including your company's confidential information.*

3. Please provide the location of the where the company's financial records are held.  
BO. PITTLAND, CABUYAO, LAGUNA
4. Please provide the location of the where the company's production records are held.  
BO. PITTLAND, CABUYAO, LAGUNA

### A-2 Company information

1. What is the legal name of your business?  
GENPACCO, INC.
2. Does your company trade under a different name and/or brand? If yes, provide details.  
NO.
3. Was your company ever known by a different legal and/or trading name? If yes, provide details  
NO.
4. Provide a list of your current board of directors and any changes in the last two years.  
  
XXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXX
5. Is your company part of a group (e.g. parent company with subsidiaries, common ownership, joint-ventures)? If yes, provide: NO  
(a) A diagram showing the complete ownership structure; and  
(b) A list of all related companies and its functions
6. Is your company or parent company publically listed?  
If yes, please provide: NO  
(a) The stock exchange where it is listed; and  
(b) Any principle shareholders<sup>1</sup>

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<sup>1</sup> Principal shareholders are those who are able to cast, or control the casting of, 5% or more of the maximum amount of votes that could be cast at a general meeting of your company.



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If no, please provide:

(a) A list of all principal shareholders and the shareholding percentages.

XXXXXXXXXXXXXXXX - XXXX%  
XXXXXXXXXXXXXXXX - XXXX%  
XXXXXXXXXXXXXXXX - XXXX%

7. What is the overall nature of your company's business? Include details of the products that your company manufacture and sell and the market your company sells into.

Genpacco, Inc. is engaged into tin can manufacturing. It produces three-piece sanitary cans used for powdered milk, processed meat products and crabmeats. It caters both domestic and export market.

8. If your business does not perform all of the following functions in relation to the goods under consideration, then please provide names and addresses of the companies which perform each function: **N/A**

- (a) produce or manufacture;
- (b) sell in the domestic market;
- (c) export to Australia; and
- (d) export to countries other than Australia.

9. Provide your company's internal organisation chart.

Please see attached (Attachment A-2.1)

10. Describe the functions performed by each group within the organisation.

Please see attached (Attachment A-2.2)

11. Does your company produce brochures, pamphlets or other promotional material? If yes, please provide them.

NO.

**A-3 General accounting information**

1. What is your financial accounting period?

Fiscal year ending June 30.

2. Are your financial accounts audited? If yes, who is the auditor?

Yes. XXXXXXXXXXXXXXXX

3. What currency are your accounts kept in?

Philippine Peso (Php).

4. What is the name of your financial accounting system?

We use XXXXXXXX ERP (only for Sales/ Accounts Receivable Subsidiary ledger and Purchases/ Accounts Payable Subsidiary Ledger). Trial balance and financial statements are manually done.

5. What is the name of your sales system?

XXXXXXXXX ERP.

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6. What is the name of your production system?

N/A. Manually done.

7. If your financial accounting, sales and production systems are different, how do the systems interact? Is it electronically or manual? Please provide a detailed explanation and include diagrams.

Monitoring is done electronically through MS Excel. Once the sales are posted in the system, sales report/summary, sales accounting entries and receivables can be generated. This will then be posted electronically on MS Excel spreadsheet to prepare a trial balance. Productions are posted on separate spreadsheet. Production reports will then be reflected in the COGM spreadsheet in which at the end of the month COGM and COS accounting entries are manually prepared for input in the trial balance.

8. Do your accounting practices differ in any way from the generally accepted accounting principles in your country? If yes, please provide details.

No.

9. Have there been any changes to your accounting practices and/or policies over the last two years? If yes, please provide details.

There are no changes that will materially affect the overall financial accounting.

### A-4 Financial Documents

1. Please provide the two most recently completed annual reports and/or financial statements for your company and any other related companies involved in the production and sale of the goods .

- 1.) Audited Financial Statements as of June 30, 2017 (Attachment A-4.1)
- 2.) Audited Financial Statements as of June 30, 2018 (Attachment A.4.2)

2. If the financial statements in A-4.1 are unaudited, provide for each company: N/A

- (a) the tax returns relating to the same period; and
- (b) reconciliation of the revenue, cost of goods sold, and net profit before tax between the financial statements and tax returns.

3. Does your company maintain different profit centres? If yes, provide profit & loss statements for the profit centre that the goods falls into for: NO

- (a) the most recent financial year; and
- (b) the period.

4. If the period is different to your financial period, please provide:

- (a) Income statements directly from your accounting information system covering the most recent financial period and the period; or Please see attached (Attachment A-4.3)
- (b) Quarterly or half yearly income statements directly from your accounting system covering the most recent financial period and the period.

5. Please provide a copy of your company's trial balance covering the most recent financial year.

Please see attached (Attachment A-4.4)

6. Please provide your company's chart of accounts

Please see attached (Attachment A-4.5)

*If any of the documents are not in English, please provide a complete translation of the documents.*

## SECTION B EXPORT SALES TO AUSTRALIA

If your company exported low or no volumes of the goods to Australia during the review period, please contact the case manager as soon as possible. You may be required to complete this section (and G-5) as it relates to export sales to a country other than Australia. You may also be asked other supplementary questions. Extensions will not be granted as a result of delays in contacting the case manager in this regard.

### B-1 Australian export sales process

1. Provide details (and diagrams if appropriate) of the export sales process of your company and any entities (e.g. agents) including:
  - (a) Marketing and advertising activities
    - Genpacco caters to the institutional and industrial customers, hence, there are no marketing or advertising activities.
  - (b) Price determination and/or negotiation process
    - Pricing determination are negotiated by Genpacco's top management directly with the key representative of the customer. The dela is made upon mutual agreement of both parties.
  - (c) Order placement process
    - Orders are made via issuance of Purchase Order or email correspondence by the customer. Genpacco confirms based on the agreed standards, terms and conditions and pricing.
  - (d) Order fulfilment process and lead time
    - Depending on the product, the lead time normally averages XXXX weeks.
  - (e) Delivery terms and process
    - Delivery and Shipment to export customers are XXXXXXXXXXXXXXXXXXXX.
  - (f) Invoicing process
    - Invoicing process is done by the Finance Group upon receipt of the supporting delivery documents.
  - (g) Payment terms and process
    - Terms are XXXXXXXXXXXXXXXX. Payment is done via XXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXX. The payment is remitted upon receipt of the goods and corresponding export documents by the customer.
2. In what currency do you invoice your Australian customers? If it is not in your local currency:
  - (a) Do your customers pay you into a foreign currency denominated account? If yes, provide details; **Yes. XXXXXXXXXX.**
  - (b) Do you use forward contracts to lock in the foreign exchange rate relating to the export sales? If yes, provide details; **NO.**
  - (c) How is the exchange rate determined and how often is it updated in your accounting system? **We use exchange rates publish by Central Bank of the Philippines.**
3. Are there any Australian customers related to your company? If yes, please provide a list of each related customer and provide details on how the selling price is set. **NONE.**
4. If sales are in accordance with price lists or price extras list, provide copies of these lists.  
**See Attachment B-1.1**
5. Do your export selling prices vary according to the distribution channel identified? If yes, provide details. Real differences in trade levels are characterised by consistent and distinct differences in

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functions and prices. **NO.** For our Export to Australia, there is no selling price variation as there is only one distribution channel.

6. Did you provide on-invoice discounts and/or off-invoice rebates to any Australian customer or an associate of the customer in relation to the sale of the goods during the period? If yes, provide a description and explain the terms and conditions that must be met by the customer to obtain the discount. **NO.**
7. Did you issue any credit or debit notes (directly or indirectly) to the customer or associate of the customer in relation to the sale of the goods during the period? If yes, provide details of the credit/debit notes including the reasons the credit/debit notes were issued. **NO.**
8. The invoice date will normally be taken to be the date of sale. If you are making a claim that a different date should be taken as the date of sale: **NO, we are not.**
  - (a) What date are you claiming as the date of sale?
  - (b) Why does this date best reflect the material terms of sale?

## B-2 Australian sales listing

1. Complete the worksheet named "B-2 Australian sales" (**See B-2 Australian sales worksheet**)
  1.
    - This worksheet lists all export sales (i.e. transaction by transaction) to Australia of the goods invoiced within the period.
    - If you have claimed in B-1.8 that the date of sale is one other than the invoice date, then add the sales within your claimed date of sale.
    - You must provide this list in electronic format using the template provided.
    - If you have used formulas to complete this worksheet, these formulas must be retained.
    - If there are any direct selling expenses incurred in respect of the exports to Australia not listed in the spreadsheet, add a column. For example, if the delivery terms make you responsible for arrival of the goods at an agreed point within Australia (e.g. delivered duty paid), insert additional columns in the spreadsheet for all other costs incurred.
  2. Provide a table listing the source of the data for each column in the export sales listing (B-2.1).

## B-3 Sample export documents (**Attachment B-3.1**)

1. Select the two largest invoices by value and provide the following documentation:
  - Contracts
  - Purchase order and order confirmation
  - Commercial invoice and packing list
  - Proof of payment and accounts receivable ledger
  - Documents showing bank charges
  - Invoices for inland transport
  - Invoices for port handling and other export charges
  - Bill of lading
  - Invoices for ocean freight & marine insurance (if applicable)
  - Country of origin certificates (if applicable)

*If the documents are not in English, please provide a translation of the documents.*

2. For each document, please annotate the documents or provide a table reconciling the details in the export listing (in B-2) to the source documents (in B-3.1).

## B-4 Reconciliation of sales to financial accounts

1. Please complete the worksheet named "B-4 Upwards sales" to demonstrate that the sales listing in B-2, D-2 and F-2 are complete. (**See B-4 Upwards sales worksheet**)
  - You must provide this list in electronic format using the template provided.

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- Please use the currency that your accounts are kept in.
  - If you have used formulas to complete this worksheet, these formulas must be retained.
2. Please provide all documents (e.g. general ledgers, trial balances), other than those in A-5, B-2 and D-2, required to complete the “Upwards sales” worksheet. If the documents include spreadsheets, all formulas used must be retained.
  3. For any amount in the “Upwards sales” worksheet that is hard coded (i.e. not a formula), please cross-reference by providing:
    - the name of the source document, including the relevant page number, in column F of the worksheet; and
    - highlight or annotate the amount shown in the source document.

### **B-5 Reconciliation of direct selling expenses to financial accounts**

1. Please complete the worksheet named “B-5 Upwards selling expense” to demonstrate that the direct selling expenses (e.g. Inland transport) in B-2 and D-2 are complete. **(See B-5 Upwards selling expense worksheet)**
  - You must provide this list in electronic format using the template provided.
  - Please use the currency that your accounts are kept in.
  - If you have used formulas to complete this worksheet, these formulas must be retained.
2. Please provide all documents (e.g. general ledgers, trial balances), other than those in A-5, B-2 and D-2, required to complete the “Upwards SG&A” worksheet. If the documents include spreadsheets, all formulas used must be retained.
3. For any amount in the “Upwards sales” worksheet that is hard coded (i.e. not a formula), please cross-reference by providing:
  - the name of the source document, including the relevant page number, in column F of the worksheet; and
  - highlight or annotate the amount shown in the source document.

## SECTION C EXPORTED GOODS & LIKE GOODS

The Commission considers the MCC structure in and of itself is not likely to be commercially sensitive information. Any claim that disclosing the MCC information is confidential or would adversely affect your business or commercial interests must be raised by lodging a submission as soon as practicable, but no later than the time this questionnaire is due.

### C-1 Models exported to Australia

1. Fully describe all of the goods your company exported to Australia during the period. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the goods exported to Australia. (Attachments C-1.1, C-1.2, C-1.3, C-1.4)
2. Provide a list of MCCs of the goods exported to Australia. This must cover all MCCs listed in the Australian sales listing in B-2.
  - 73mm
  - 83mm
  - 99mm
  - 127mm
  - 153mm

Refer to Attachment C-1.5.

- This list must be disclosed in the public record version of the response.

### C-2 Models sold in the domestic market

1. Fully describe all like goods your company sold on the domestic market during the period. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the like goods sold on the domestic market. **There are no like goods sold to the domestic market.**
2. Provide a list of MCCs of like goods sold on the domestic market. This must cover all MCCs listed in the domestic sales listing in D-2. **N/A**
  - This list must be disclosed in the public record version of the response.

### C-3 Internal product codes

1. Does your company use product codes or stock keeping unit (SKU) codes? **NO**  
If yes:
  - (a) Provide details of the product or SKU coding system for the goods, such as a legend or key of the meaning for each code within the product or SKU code.
  - (b) Provide details on how you mapped the product or SKU codes to the MCC for the purpose of completing this questionnaire.
  - (c) Provide a table of showing the product or SKU codes for each MCC.  
If no:
  - (a) Provide details on the method used to identify the MCC in the sales and cost spreadsheets. **MCC posted in the sales and cost spreadsheets is identified based on the can size diameter and height along with its product description.**

## SECTION D DOMESTIC SALES

### D-1 Domestic sales process

1. Provide details (and diagrams if appropriate) of the domestic sales process of your company and any other related entities including:
  - (a) Marketing and advertising activities
    - Genpacco caters to the institutional and industrial customers, hence, there are no marketing or advertising activities.
  - (b) Price determination and/or negotiation process
    - Pricing determination are negotiated by Genpacco's top management directly with the key representative of the customer. The deal is made upon mutual agreement of both parties.
  - (c) Order placement process
    - Orders are made via issuance of Purchase Order by the customer. Genpacco confirms based on the agreed standards, terms and conditions and pricing.
  - (d) Order fulfilment process and lead time
    - Depending on the product, the lead time normally averages XXXX weeks.
  - (e) Delivery terms and process
    - Goods are delivery to the customer. Trucking/Delivery expense is for the account of Genpacco.
  - (f) Invoicing process
    - Invoicing process is done by the Finance Group upon receipt of the supporting delivery documents.
  - (g) Payment terms and process
    - Payment terms averages XX days.
2. Are any domestic customers related to your company? If yes, please provide a list of each related customer and provide details on how the selling price is set. **NO**.
3. If sales are in accordance with price lists or price extras list, provide copies of these lists. Use price list of Vhi. **See Attachment B-1.1**
4. Do your domestic selling prices vary according to the distribution channel identified? If yes, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices. **NO**.
5. Did you provide on-invoice discounts and/or off-invoice rebates to the customer or an associate of the customer in relation to the sale of the like goods during the period? If yes, provide a description; and explain the terms and conditions that must be met by the importer to obtain the discount. **NO**.
6. Did you issue any credit or debit notes (directly or indirectly) to the customer or associate of the customer in relation to the sale of the like goods during the period? If yes, provide details of the credit/debit notes including the reasons the credit/debit notes were issued.

Yes. Credit notes were issued for returns and to compensate quality issues raised by customers.

7. The invoice date will normally be taken to be the date of sale. If you are making a claim that a different date should be taken as the date of sale: **NO, we are not.**
  - (a) What date are you claiming as the date of sale?
  - (b) Why does this date best reflect the material terms of sale?

## **D-2 Domestic sales listing**

2. Complete the worksheet named “D-2 Domestic sales” (**See D-2 Domestic sales worksheet**)
  - This worksheet lists all domestic sales (i.e. transaction by transaction) of like goods invoiced within the period, even if they are models not exported to Australia
  - If you have claimed in D-1.7 that the date of sale is one other than the invoice date, then add the sales within your claimed date of sale.
  - You must provide this list in electronic format using the template provided.
  - If you have used formulas to complete this worksheet, these formulas must be retained.
  - If there are any other costs, charges or expenses incurred in respect of the sales listed which have not been identified in the table in question D-2 above, add a column for each item. For example, certain other selling expenses incurred.
3. Provide a table listing the source of the data for each column in the domestic sales listing (D-2.1).

## **D-3 Sample domestic sales documents (Attachments D-3.1, D-3.2)**

1. Select the two largest invoices by value and provide the following documentation:
  - Contracts
  - Purchase order and order confirmation
  - Commercial invoice and packing list
  - Proof of payment and accounts receivable ledger
  - Documents showing bank charges
  - Delivery invoices

*If the documents are not in English, please provide a translation of the documents.*

2. For each document, please annotate the documents or provide a table reconciling the details in the domestic sales listing (in D-2) to the source documents (in D-3.1).

## **D-4 Reconciliation of sales to financial accounts**

This section is not required if you have completed B-4.

1. Please complete the worksheet named “B-4 Upwards sales” to demonstrate that the sales listing in D-2 is complete.
  - You must provide this list in electronic format using the template provided.
  - Please use the currency that your accounts are kept in.
  - If you have used formulas to complete this worksheet, these formulas must be retained.
2. Please provide all documents (e.g. general ledgers, trial balances), other than those in A-5 and D-2, required to complete the “Upwards sales” worksheet. If the documents include spreadsheets, all formulas used must be retained.
3. For any amount in the “Upwards sales” worksheet that is hard coded (i.e. not a formula), please cross-reference by providing:
  - the name of the source document, including the relevant page number, in column F of the worksheet; and
  - highlight or annotate the amount shown in the source document.



## SECTION E DUE ALLOWANCE

### E-1 Credit expense

1. Do you provide credit to any domestic customers in relation to sales of like goods (i.e. payment terms that are not on a cash or pre-payment basis)? If yes: **YES**
  - (a) Do you provide a rolling credit facility to your domestic customers (i.e. no specific payment terms agreed at the time of sale)? If yes: **NO**.
    - i. Calculate the accounts receivable turnover for each domestic customer (credit sales divided by the average accounts receivable). **N/A**
    - ii. Calculate the average credit term for each domestic customer by dividing 365 by the accounts receivable turnover **N/A**
  - (b) Do you have short term borrowings or an overdraft facility? If yes, what is the interest rate, or average of interest rates? **NONE**
  - (c) Do you have term deposits or other cash product (e.g. bonds)? If yes, what is the interest rate, or average of interest rates? **NONE**
  
2. Do you provide credit to any Australian customers in relation to sales of the goods (i.e. payment terms that are not on a cash or pre-payment basis)? If yes: **XXXXXXXXXXXXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXXXX**
  - (a) Do you provide a rolling credit facility to your Australian customers (i.e. no specific payment terms agreed at the time of sale)? If yes: **NO**
    - i. Calculate the accounts receivable turnover for each domestic customer (credit sales divided by the average accounts receivable). **N/A**
    - ii. Calculate the average credit term for each domestic customer by dividing 365 by the accounts receivable turnover **N/A**
  - (b) If your Australian customers pay you into a foreign currency denominated account (question B-1.2(a) refers):
    - i. Do you have short term borrowings or an overdraft facility denominated in the same foreign currency? If yes, what is the interest rate, or average of interest rates? **NONE**
    - ii. What is the interest rate, or average of interest rates, applying to term deposits or other cash product (e.g. bonds) denominated in the same foreign currency? If yes, what is the interest rate, or average of interest rates? **N/A**

### E-2 Packaging **Please see Attachment E-2.1**

1. What is the packaging used for your domestic sales of like goods?
2. What is the packaging used for your export sales of the goods to Australia?
3. If there are distinct differences in packaging between your domestic and export sales:
  - (a) Provide details of the differences
  - (b) Calculate the weighted average packaging cost for each model sold on the domestic market
  - (c) Calculate the weighted average packaging cost for each model exported to Australia

### E-3 Delivery

1. Are any domestic sales of like goods delivered to the customer? If yes, how were the transportation costs calculated in the domestic sales listing in D-2? **There are no like goods delivered to domestic customers.**
2. What are the delivery terms of the export sales of the goods to Australia? **XXXX**
3. If the delivery terms of the Australian sales includes delivery to the port, how were the inland transport and port charges calculated in the Australian sales listing in B-2? **N/A**

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4. If the delivery terms of the Australian sales includes ocean freight, how was the ocean freight cost calculated in the Australian sales listing in B-2? **N/A**
5. If the delivery terms of the Australian sales includes marine insurance, how was the marine insurance calculated in the Australian sales listing in B-2? **N/A**
6. If the delivery terms of the Australian sales includes delivered duty paid, how were the Australian importation and delivery costs calculated in the Australian sales listing in B-2? **N/A**

**E-4 Other direct selling expenses**

1. Do you provide sales commissions for domestic sales of like goods and/or export sales of the goods? If yes, provide details. **NO**
2. Are there any differences in tax liability between domestic and export sales? If yes, provide details, for example: **YES**
  - What is the rate of value-added tax (VAT) on sales of the goods and like goods? **VAT Zero-rated for export sales while 12% VAT for domestic sales.**
  - How is VAT accounted for in your records in relation to sales of the goods and like goods? **VAT is accounted for as tax payable**
  - Do you receive a VAT refund in relation to sales of the goods and/or like goods? **NO**
  - Do you receive a remission or drawback of import duties on inputs consumed in the productions of the goods or like goods? **NO**
3. Are there any other direct selling expenses incurred by your company in relation to domestic sales of like goods? **YES**
  - These direct selling expenses must be included in the reconciliation of direct selling expenses in B-5
4. Are there any other direct selling expenses incurred by your company in relation to export sales of the goods to Australia? **Typical delivery terms is XXXX. However, in some uncommon cases, XX XXX.**
  - These direct selling expenses must be included in the reconciliation of direct selling expenses in B-5

**E-5 Other adjustment claims**

1. Are there any other adjustments required to ensure a fair comparison between the export price and the normal value (based on domestic sales, costs and/or third country sales)? If yes, provide details. **YES. Please see below description. You may refer also to Attachment E-5.1 for detailed product specifications.**
  - An adjustment will only be made where there is evidence that the difference affects price comparability.
  - Refer to Chapter 14 of the Dumping and Subsidy Manual for more information.

<b>Customer</b>	<b>Brief Description / Remarks</b>
XXXXXXX	1) XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX 2) XXX XXXXXXXXXXXXX 3) XXXXXXXXXXXXXXXXXXXX : 4) XXX XXXXX.

XXXXXXX	1) XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
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	<p>2) XXX XXXXXXXXXXXX</p> <p>3) XXXXXXXXXXXXXXXX : XX XXXXX.</p>
XXXXXXX	<p>1) XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX</p> <p>2) XXX XXXXXXXXXXXX</p> <p>3) XXXXXXXXXXXXXXXX : XX XXXXX.</p>

## SECTION F THIRD COUNTRY SALES

### F-1 Third country sales process

1. Are your sales processes to any third country (i.e. exports to countries other than Australia) different to the sales process described in B-1.1? If yes, provide details of the differences.  
**NO**
2. Are there any third country customers related to your company? If yes, please provide a list of each related customer and provide details on how the selling price is set.  
**NO**
3. The invoice date will normally be taken to be the date of sale. If you are making a claim that a different date should be taken as the date of sale: **NO, we are not.**
  - (a) What date are you claiming as the date of sale? **N/A**
  - (b) Why does this date best reflect the material terms of sale? **N/A**

### F-2 Third country sales listing

1. Complete the worksheet named "F-2 Third country sales" (**See F-2 Third country sales worksheet**)
  - This worksheet lists all export sales, summarised by country and customer, to third countries of like goods invoiced within the period.
  - If you have claimed in F-1.3 that the date of sale is one other than the invoice date, then add sales with your claimed date of sale.
  - You must provide this list in electronic format using the template provided.
  - If you have used formulas to complete this worksheet, these formulas must be retained.
2. Provide a table listing the source of the data for each column in the export sales listing (F-2.1).

### F-3 Differences in sales to third countries

1. Are there any differences in sales to third countries which may affect their comparison to export sales to Australia? If yes, provide details. **Yes. Sales to third countries have different product specifications in terms of raw materials used such as tinplate thickness and coating. Can size dimensions in terms of diameter and height are also different. Some require printing job.**

Please refer to Attachment E-5.1 for the detailed product specifications.

## SECTION G COST TO MAKE AND SELL

### G-1. Production process **Attachment G-1.1**

1. Describe the production process for the goods and provide a flowchart of the process. Include details of all products manufactured using the same production facilities as those used for the goods. Also specify all scrap or by-products that result from producing the goods.
2. Are any of your suppliers related to your company (regardless of whether it is relevant to the manufacture of the goods)? If yes, please provide details including the product or services supplied by the related company.**NO**

### G-2. Cost accounting practices

1. Is your company's cost accounting system based on actual or standard costs (budgeted)?  
**ACTUAL**
2. If your company uses standard costs:**N/A**
  - (a) Were standard costs used as the basis of actual costs in your responses G-3.1 & G-5.1?
  - (b) Have all variances (i.e. differences between standard and actual production costs) been allocated to the goods?
  - (c) How were those variances allocated?
  - (d) Provide details of any significant or unusual cost variances that occurred during the period.
3. Do you have different cost centres in your company's cost accounting system? If yes, list the cost centres, provide a description of each cost centre and the allocation methodology used in your accounting system.**NONE**
4. To what level of product specificity (models, grades etc.) does your company's cost accounting system normally record production costs?

*Recording of Production Costs is classified on a per Product Basis and the raw materials used for the specific product. This can be seen in our COGM.*

5. Are there any costs for management accounting purposes valued differently to financial accounting purposes? If yes, provide details of the differences.**NONE**
6. Has your company engaged in any start-up operations in relation to the goods? If yes:**NO**
  - (a) Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.
  - (b) State the total cost of the start-up operation and the way that your company has treated the costs of the start-up operation in its accounting records.
7. What is the method of valuation for raw material, work-in-process, and finished goods inventories (e.g. last in first out –LIFO, first in first out- FIFO, weighted average)?**Weighted Average**
8. What are the valuation methods for damaged or sub-standard goods generated at the various stages of production?**If the manufacturing process is disrupted, the resulting inventory is valued at cost. The cost of damaged goods is taken by good inventories.**
9. What are the valuation methods for scrap, by products, or joint products?**Miscellaneous or other income method.**
10. Are any management fees/corporate allocations charged to your company by your parent or related company? If yes, provide details**N/A**

### G-3 Cost to make on domestic market

1. Complete the worksheet named "G-3 Domestic CTM". **(See G-3 Domestic CTM worksheet)**
  - This worksheet lists the quarterly cost to make the domestic models of like goods by MCC manufactured within the period, even if they are models not exported to Australia.
  - The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold) for each MCC.
  - If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture like goods, report the costs excluding the imputation tax. All other taxes payable (e.g. import duty) must be included as 'other costs' if not already included, for example, under material costs.
  - You must provide this list in electronic format using the template provided.
  - If you have used formulas to complete this worksheet, these formulas must be retained.
  - If you have claimed in D-1.7 that the date of sale is one other than the invoice date, then provide the cost for the quarters that all domestic sales are made within your claimed date of sale, even if doing so means that such cost data predates the commencement of the period.
2. Provide a table listing the source of the data for each column of the "Domestic CTM" listing (G-3.1).

### G-4 Selling, General & Administration expenses

1. Complete the worksheet named "G-4.1 SG&A listing". **(See G-4.1 SG&A listing worksheet)**
  - This worksheet lists all selling, general and administration expenses by account code for the most recent accounting period and the period.
  - You must provide this list in electronic format using the template provided.
  - If you have used formulas to complete this worksheet, these formulas must be retained.
2. Complete the worksheet named "G-4.2 Domestic SG&A calculation". **(See G-4.2 Domestic SG&A calculation worksheet)**
  - This worksheet calculates the unit domestic SG&A for each MCC.
  - You must provide this list in electronic format using the template provided.
  - Please use the formulas provided.

### G-5 Cost to make the goods exported to Australia

1. Complete the worksheet named "Australian CTM". **(See Australian CTM worksheet)**
  1. This worksheet lists all raw material
    - This worksheet lists the quarterly cost to make the Australian models of the goods under consideration by MCC manufactured within the period.
    - The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold) for each MCC.
    - If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture the goods, report the costs excluding the imputation tax. All other taxes payable (e.g. import duty) must be included as 'other costs' if not already included, for example, under material costs.
    - You must provide this list in electronic format using the template provided.
    - If you have used formulas to complete this worksheet, these formulas must be retained.
    - If you have claimed in B-1.8 that the date of sale is one other than the invoice date, then provide the cost for the quarters that all Australian sales are made within your claimed date of sale, even if doing so means that such cost data predates the commencement of the period.
2. Provide a table listing the source of the data for each column of the "Australian CTM" listing (G-5.1).

### G-6 Cost allocation methodology– Attachment G-6.1

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1. What is the allocation methodology used to complete in G-3 domestic CTM and G-5 Australian CTM for:
  - (a) Raw materials-
  - (b) Labour
  - (c) Manufacturing overheads
2. Select the domestic model (export model if you have no domestic production of like goods) with the largest production volume over the period and provide worksheets demonstrating the allocation methodology described in G-6.1 from your normal cost accounting system to the cost for that model reported in G-3.1. **Attachment G-6.2**

### G-7 Major raw material costs

2. What are the major raw materials used in the manufacture of the goods?  
**The major raw materials used were tinplate, foil and sealing compound.**
3. Are any raw materials sourced as part of an integrated production process or from a subsidiary company which your company exercise control? If yes, complete the worksheet named "G-7.2 Raw material CTM" for these raw materials. **NO**
  - This worksheet lists the quarterly cost to make the raw material manufactured within the period.
  - The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold).
  - If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture the raw material, report the costs excluding the imputation tax. All other taxes payable (e.g. import duty) must be included as 'other costs' if not already included, for example, under material costs.
  - You must provide this list in electronic format using the template provided.
  - If you have used formulas to complete this worksheet, these formulas must be retained.
4. Using the domestic cost data in G-3, calculate the weighted average percentage of each raw material cost (listed in G-7.1) as a proportion of total cost to make.
5. For each raw material identified in G-7.3 which individually account for 10% or more of the total cost to make, complete the worksheet named "G-7.4 Raw material purchases" (**See G-7.4 Raw material purchases worksheet**)
  - This worksheet lists all raw material purchases (i.e. transaction by transaction) purchased by your company within the period.
  - You must provide this list in electronic format using the template provided.
  - If you have used formulas to complete this worksheet, these formulas must be retained.
6. Provide a table listing the source of the data for each column of the "Raw material purchases" listing (G-7.4).
7. For each raw material: (**See Attachments G-7.1 and G-7.2**)
  - (a) Select the two largest invoices by value and provide the commercial invoice and proof of payment.
  - (b) Reconcile the total value listed of the purchases in G-7.4 to relevant purchase ledgers or trial balances in your accounting system. Provide copies of all documents used to demonstrate the reconciliation.
8. Are any of the suppliers listed in G-7.4 related to your company? If yes, please provide details on how the price is set. **NONE**

### G-8 Reconciliation of cost to make to audited financial statements

9. Please complete the worksheet named "Upwards costs". (**See Upward costs worksheet**)
  - You must provide this list in electronic format using the template provided.
  - Please use the currency that your accounts are kept in.

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- If you have used formulas to complete this worksheet, these formulas must be retained.
1. Please provide any documents, other than those in A-5, G-3 and G-5, required to complete the “Upwards costs” worksheet.
  2. For any amount that is hard coded (i.e. not a formula), please cross-reference by providing:
    - the name of the source document, including the relevant page number, in column F of the worksheet; and
    - highlight or annotate the amount shown in the source document.

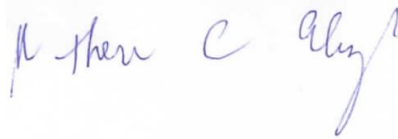


## **EXPORTER'S DECLARATION**

I hereby declare that GENPACCO, INC. (company) have completed the attached questionnaire and, having made due inquiry, certify that the information contained in this submission is complete and correct to the best of my knowledge and belief.

**Name** : XXXXXXXXXXXXXXXXXXXX

**Signature** :

A handwritten signature in blue ink, appearing to read "P. Steven C. Aly", is written over a light blue rectangular background.

**Position in**

**Company** : VP- FINANCE AND ADMIN

**Date** : JANUARY 17, 2019

## APPENDIX

# GLOSSARY OF TERMS

This glossary is intended to provide you with a basic understanding of technical terms that appear in the questionnaire.

### **Adjustments**

To enable a fair comparison between the export price and the normal value Australian legislation provides for the adjustment of the domestic price paid for like goods. Adjustments are made to account for sales occurring at different times, specification differences, and differences in the terms or circumstances of the sales. The adjustment to the normal value may be upward or downward. Areas where you believe an adjustment is necessary should be identified. Section E of the questionnaire refers.

Examples of adjustments that may be made include: *sales occurring at different times* (it is sometimes necessary to compare domestic and export sales made at different times - in these circumstances an adjustment may be made to reflect price movements during that time); *specification differences; packaging; taxes; level of trade; advertising; servicing/warranty; inland freight; warehousing; export charges; credit terms; duty drawback; commissions.*

Adjustments may also be required where the normal value is based on costs to make and sell.

### **Arms length**

Sales are not considered to be at “arms length” on your domestic market if there is any consideration payable for the goods other than their price, or there is an association between the buyer and the seller which affects the price, or there will be a reimbursement, compensation or benefit for, or in respect of, the price.

### **Constructed value**

In cases where prices paid for like goods sold in the country of export cannot be used for the determination of normal value, i.e. when there are no or insufficient sales or where such sales were not made in the ordinary course of trade, normal value may be based on a constructed value. Constructed value is calculated on the basis of the cost of production of the goods under consideration plus a reasonable amount for selling, general and administration costs, and for profits, that are associated with sales on the domestic market of the country of export.

### **Cost of production/manufacturing**

The cost of production or manufacture consists of all manufacturing costs associated with the goods. It is the sum of direct materials, direct labour and factory overheads.

### **Cost to make and sell**

The cost to make and sell is the sum of the cost of production or manufacture, and the selling, general and administration costs associated with the sale of those goods.

### **Country of origin**

The country in which the last significant process in the manufacture or production of the goods was performed.

### **Date of sale**

The Commission will normally use the invoice date as recorded in the exporter or producer's records. Another date may be used if this better reflects the material terms of sale. The questionnaire directs attention to matching data sets of domestic and export sales where some other date is used, as well as matching cost information.

### **Direct labour cost**

Direct labour is categorised as a variable cost, i.e. the value varies with the level of production.

### **Dumping**

Dumping occurs when the products of one country are exported to another country at a price less than their normal value.

### **Dumping margin**

Where the export price is less than the normal value the dumping margin is the amount of the difference. It can be expressed as a value or as a percentage of the export price.

### **Export price**

The export price of the goods is usually the price paid or payable to the exporter in arms length transactions, in most instances calculated at the Free on Board (FOB) level.

### **Exporting country**

The country of export is normally the country of origin from which the goods are shipped. The country of export may be an intermediate country, except where the products are merely transhipped through that country, or the products concerned are not produced in that country, and there is no comparable price in that country.

### **Factory overheads**

Factory overheads consist of variable costs e.g. power, supplies, indirect labour and fixed costs e.g. factory rent, factory insurance, factory depreciation etc.

### **Goods under consideration (the goods)**

The goods to which the application for anti-dumping action relates. That is, the goods that you have exported to Australia allegedly at dumped prices.

### **Incoterms**

The following abbreviations are commonly used (comment is provided concerning costs that are normally borne by the seller):

EXW	ex works (the seller's minimum obligation as costs relate to goods being made available at the sellers premises)
FCA	free carrier (main carriage not paid by seller. Pay costs until such time that the goods have been delivered at the named point into custody of a carrier named by the seller. Customs formalities, taxes etc. paid if required)
FAS	free alongside ship (main carriage not paid by seller. Deliver the goods alongside the ship)
FOB	free on board (main carriage not paid by seller. Deliver the goods on board, provide export clearance if required, pay loading costs to the point the goods have passed the ship's rail, pay customs formalities, taxes etc. payable upon exportation)
CFR	cost and freight (main carriage paid by seller. Pay all costs until delivered as well as freight, loading and unloading, pay customs formalities, taxes etc. payable upon exportation)
CIF	cost, insurance and freight (main carriage paid by seller. Pay all costs as under CFR as well as marine insurance) the terms CFR and CIF are only used where goods are carried by sea or waterway transport
CPT	carriage paid to
CIP	carriage and insurance paid to the terms CPT and CIP are used as alternatives to CFR and CIF where the goods are carried by air, road, rail etc.
DAF	delivered at frontier (goods carried by rail or road and cleared for export at the named place at the frontier. Pay costs until delivered at the frontier plus any discharge costs incurred to place the goods at the customer's disposal)

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DES	delivered ex ship (goods made available to the buyer on board the ship uncleared for import at the named port of destination. Pay all costs incurred in placed at the disposal of the buyer, pay customs formalities, taxes etc. payable upon exportation, and where necessary for transit through another country)
DDU	delivered duty unpaid (Pay all costs for carriage to the agreed point, pay customs formalities, taxes etc. payable upon exportation, and where necessary for transit through another country)
DDP	delivered duty paid (goods made available at the named place in the country of importation – all risks and costs being incurred by the seller including duties, taxes etc. incurred upon importation)

### **The period**

A period defined by the Commission over which importations of the goods are examined.

### **Like goods**

Like goods are goods sold on the domestic market of the country of export (or to a third country) that are identical in all respects to the goods or that, although not alike in all respects have characteristics closely resembling those of the goods. The term 'like goods' also refers to the goods produced by the Australian industry allegedly being injured by dumped imports.

### **Normal value**

Australian legislation sets out several ways to assess "normal value".

The preferred method is to use the price paid for like goods sold for domestic consumption in the country of export. Usually, these sales are made by you, but there may be circumstances where it is appropriate to use sales made by other sellers on the domestic market.

Sale prices must be at arms length and in the ordinary course of trade. In the absence of relevant or suitable domestic sales, the normal value may be determined by constructing a price based on all costs to make and sell the goods, and an amount for profit. Alternatively the normal value may be ascertained using the price paid for like goods sold in the ordinary course of trade at arms length to customers in a country other than Australia, however this option is rarely used.

Finally, when a normal value cannot be ascertained by any of the above methods, or if no information is provided, the Commission will determine the normal value by considering all the relevant information, including the applicant's information. This allows the applicant's information to be used where sufficient information has not been furnished or is not available.

Where domestic price generally, and the trade of the exporting country are determined or substantially influenced by the government of the exporting country, an alternative/surrogate market economy is selected by the Commission and the normal value is determined as if the surrogate country were the export source.

### **Ordinary course of trade**

Testing for "ordinary course of trade" includes a comparison of the selling price and the unit cost to make and sell for the same period. If sales in respect of a substantial quantity of goods over an extended period of time, usually 12 months, do not recover all costs and these losses are not likely to be recovered within a reasonable period of time, (again usually 12 months) then the sales are regarded as being not in the ordinary course of trade.

There may be circumstances where it is appropriate to use a period other than 12 months in assessing whether sales are in the ordinary course of trade.

Unprofitable sales are to be taken to have occurred in substantial quantities during an extended period where the unprofitable sales amount to 20% or more of the total volume of sales of the goods by the exporter over the period. An extended period of time is usually taken to be a period not less than 12 months. Where unprofitable sales are rejected, normal value is based upon remaining profitable sales provided they occur in

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sufficient number. Where all sales have been made at a loss, or profitable sales are insufficient, the normal value may be constructed from costs to make and sell.

### **Selling, general and administration expenses (SG&A)**

The selling, general and administration expenses includes all selling, distribution, general and administration expenses including finance costs that would be incurred if the goods were sold for domestic consumption in the country of export. The amounts are determined in each case using all the available information and may include expenses incurred in:

- . domestic sales of like goods;
- . sale of goods of the same general category by the exporter; or
- . sales in the industry in the country of export.

The expenses must, however, reflect the selling, general and administration costs of the goods. Administrative and selling expenses include: director's fees, management salaries and benefits, office salaries and benefits, office supplies, insurance, promotion, entertainment, depreciation and corporate overheads.