

International Trade Remedies Branch

Exporter Questionnaire

Review of anti-dumping measures

Goods subject to measures: FOOD SERVICE AND INDUSTRIAL PINEAPPLE

From: Thailand

Period of review: 1 October 2011 to 30 September 2012

Response due by: 7 March 2013

Contact officer: Pamela Garabed

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E-mail: itrops1@customs.gov.au

**Return completed
questionnaire by email
(above) or post:**

Attention: Director Operations 1
International Trade Remedies Branch
Australian Customs and Border Protection Service
5 Constitution Avenue
Canberra ACT 2601
AUSTRALIA

SECTION A COMPANY STRUCTURE AND OPERATIONS

This section requests information relating to company details and financial reports.

A-1 Identity and communication

Please nominate a person within your company who can be contacted for the purposes of this investigation

Head Office:

Name: Eakchat Ratanasila
Position in the company: Legal Director
Company name: Dole Thailand Limited
Address: 10th Floor, Panjathani Tower
127/10-11 Nonsee Road, Yannawa
Bangkok 10120 Thailand
Telephone number: +66 (0) 2686 7676 Ext 2452
Facsimile number: +66 (0) 2686 7600
Email address of contact person: eakchat.ratanasila@dole.com

factory:

Name of contact person: Sunida Tuntawiroon
Address: 180 Moo 4 Hua-Hin Nongplub Road
T. Nongplub, A. Hua-Hin
Prachuabkirikhan 77110 Thailand
Telephone number: +66 (0) 2686 7676 Ext 2710
Facsimile number: +66 (0) 2686 7600
Email address of contact person: sunida.tuntawiroon@dole.com

A-2 Representative of the company for the purpose of assessment

If you wish to appoint a representative to assist the company in this investigation, provide the following details:

Name: Minter Ellison
Address: 25 National Circuit Forrest, ACT 2603
Telephone: John Cosgrave – 02 6225 3781
Facsimile number: 02 62253781
E-mail address of representative: john.cosgrave@minterellison.com

Note that in nominating a representative, Customs and Border Protection will assume that confidential material relating to your company in this investigation may be freely released to, or discussed with, that representative.

A-3 Company information

1. What is the legal name of your business? What kind of entity is it (e.g. company, partnership, sole trader)? Please provide details of any other business names that your company uses to export and/or sell goods.

There are two private limited company entities involved in the supply of the goods to Australia. Dole Thailand Limited (DTL) manufactures the goods and sells to Dole Packaged Foods Asia Ltd (DPFA) which supplies the goods to the Australian customer. On the domestic market DTL supplies the like goods to a related company Thai American Food Co.(TAF), which sells to unrelated parties.

2. Who are the owners and/or principal shareholders? Provide details of shareholding percentages for joint owners and/or principal shareholders. (List all shareholders 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).

DTL

	<u>Ordinary Shares</u>		<u>Preference Shares*</u>	
Dole Holdings (Thailand) Ltd.	96,500	64.3%	6,965,000	92.9%
Kasikornbank Public Co. Ltd.	10,000	6.7%	100,000	1.3%
TISCO Bank Public Co. Ltd.	7,600	5.1%	76,000	1.0%
Others <5% (39 Members)	35,900	23.9%	359,000	4.8%
Total	150,000	100.0%	7,500,000	100.0%

Note: Preference Shares allow 1 vote for every 10,000 shares held

TAF

Thai-American Food Ltd. Share Holder List as of 29 Feb. 2012

No.	Name	No. of Shares	%Share
1	Dole Fresh Fruit Company	27,548	99.99 27
2	Dole Food Company, Inc.	1	0.00 36
3	Dole Holdings, Inc.	1	0.00 36
	TOTAL	27,550	100.0 000

DPFA is wholly owned by Dole Foreign Holdings, Ltd. – a subsidiary of Dole Food Company.

3. If your business is a subsidiary of another company, list the principal shareholders of that company.

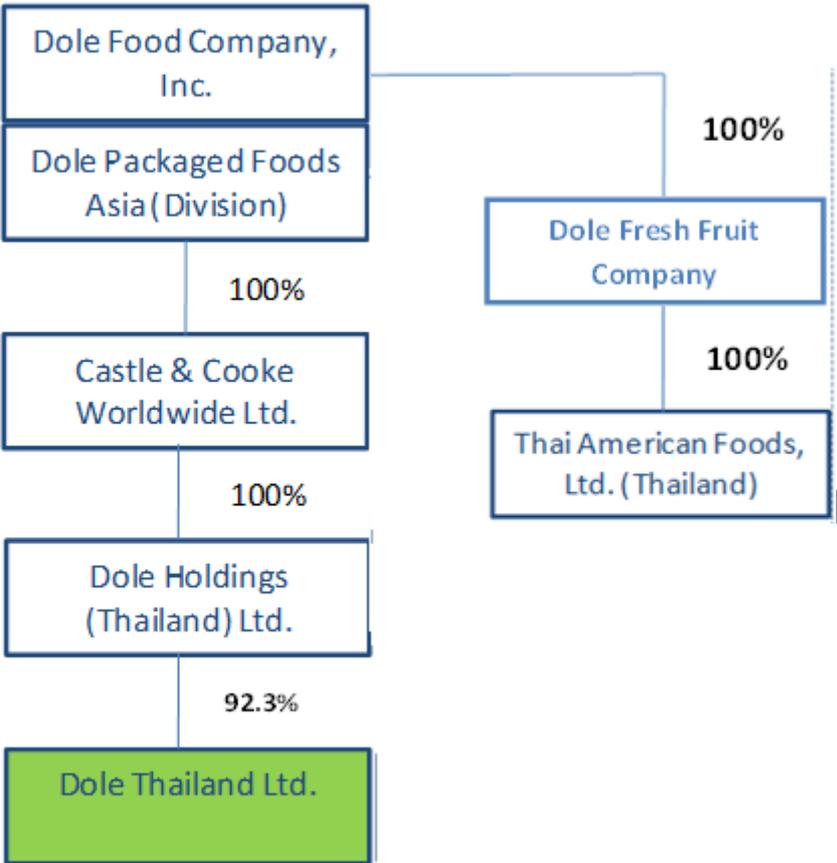
All the above companies are subsidiaries of the ultimate parent company, Dole Food Company, Inc., registered in the USA and listed on the NYSE. The organisation of the Dole Food Company is as follows:

1. Dole Packaged Foods - Asia
 - a. Operations
 - i. Dole Philippines, Inc.
 - ii. Dole Thailand Ltd
 - b. Sales & distribution
 - i. Dole Regional Business Development
 - ii. Dole Japan
 - iii. Dole Korea
 - iv. Dole China
 - v. Thai American Foods
 - vi. Dole Philippine Marketing
2. Dole Packaged Foods – North America
 - a. Operations
 - i. Dole Packaged Frozen Foods
 - b. Sales & distribution
 - i. Dole Packaged Foods (North America)
 - ii. Dole Canada
 - iii. Dole Europe
3. Dole Fresh Fruit
 - a. Operations
 - i. Fresh Fruit (North America)
 - ii. Fresh Fruit (Latin America)
 - iii. Deciduous Fruit (Latin America)
 - b. Sales & distribution
 - i. Dole Fresh Fruit (North America)
4. Dole Fresh Vegetables
 - a. Operations
 - i. Fresh Vegetables (North America)
 - b. Sales & distribution
 - i. Dole Fresh Vegetables (North America)
5. Dole Europe, Africa & Middle East
 - a. Operations
 - i. Fresh Vegetables
 - ii. Fresh Fruit
 - b. Sales & distribution
 - i. Dole Europe
6. Dole Asia
 - a. Operations
 - i. Fresh Vegetables
 - ii. Fresh Fruit
 - b. Sales & distribution
 - i. Dole Japan
 - ii. Dole Korea
 - iii. Dole China
 - iv. Dole Asia

4. If your parent company is a subsidiary of another company, list the principal shareholders of that company.

The ultimate parent company is Dole Food Company Inc., registered in USA.

5. Provide a diagram showing all associated or affiliated companies and your company’s place within that corporate structure.



6. Are any management fees/corporate allocations charged to your company by your parent or related company?

Direct costs incurred by an affiliate that specifically relate to DTL are charged to the company. Management fee allocations are made to DTL from [redacted] [related company] and are included in [redacted] [account details] of Attachments G-4 and G-5.

7. Describe the nature of your company’s business. Explain whether your company is a producer or manufacturer, distributor, trading company, etc.

The merchandise under review, canned pineapple from Thailand, is produced by the Dole subsidiary (DTL), which is a manufacturer of packaged fruit products. DTL has two factories in Thailand located in Hua Hin and Chumphon. The overwhelming majority of the fresh pineapple (hereafter referred to as PA) used to produce the canned PA is purchased in the open market; a small quantity is also sourced from PA grown by DTL on leased land. In addition to canned PA, DTL produces PA juice products, including PA juice concentrate, single strength PA juice, and clarified PA juice; canned tropical fruit and fruit salad; and pineapple, tropical fruit and deciduous fruit in plastic cups and jars.

DPFA, a wholly-owned subsidiary of Dole Food Co., is the distributor and shipper of all exported products from DTL to countries within Asia, including Australia.

TAF is responsible for selling packaged fruit products purchased from DTL within the domestic market. In terms of management organizational structure, [REDACTED] [internal corporate organisational arrangements]

8. If your company 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:
- produce or manufacture
 - sell in the domestic market
 - export to Australia, and
 - export to countries other than Australia.

If your business does not perform all of these functions, please provide names and addresses of the companies which perform each function.

All canned PA sold in the Asia Pacific region by DTL, except in Thailand, is purchased by DPFA which then sells to export customers including those in Australia. DPFA holds its offices in Canon's Court 22 Victoria Street, P.O. Box HM 1179 Hamilton HM EX, Bermuda.

In addition to canned PA produced by DTL, DPFA sources canned PA from another subsidiary, Dole Philippines, Inc., which operates a cannery located in the Philippines. Dole Philippines Inc.'s operations are entirely separate from DTL's operations and none of the canned PA produced by DTL is dealt with by Dole Philippines, Inc.

In Thailand, DTL sells a limited volume of canned PA for consumption in the domestic market through TAF.

9. Provide your company's internal organisation chart. Describe the functions performed by each group within the organisation.

Refer to Appendix 1 for DTL's internal organisational structure.

10. Provide a copy of your most recent company's annual report, together with any relevant brochures or pamphlets on your company's activities.

Refer to Appendix 2.

A-4 General accounting/administration information

1. Indicate your accounting period.

The corporate accounting period for Dole and its majority owned subsidiaries is a 13 period fiscal year consisting of 13 equal four week accounting periods ending on the Saturday closest to December 31st. Thus Dole's fiscal year 2011 ran from January 2, 2011 to December 31, 2011.

DTL maintains its books and records in Thai Baht (THB) and prepares its financial statements in THB for local statutory purposes. The Baht expenses are translated to US \$ each accounting period, at the average exchange rate for the period and reported in US\$ for the purpose of Dole Group accounting in USA.

The DTL financial accounting system is in accordance with US GAAP which also corresponds to Thai statutory accounting rules.

The local statutory accounting period of DTL is the calendar year in accordance with Thai law and the financial statements are prepared from 1st January to 31st December each year.

2. Indicate the address where the financial records are held.

The accounting records relevant to product costing are held at the main offices in Thailand located at the Hua Hin factory:

180 Moo4 Hua Hin Nongplub Road, T.Nongplub, A. Hua Hin, Prachuabkirikhan 77110, Thailand

3. Please provide the following financial documents for your most recently completed financial year plus all subsequent monthly, quarterly or half yearly statements:

- chart of accounts;
- audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion); and
- internal financial statements, income statements (profit and loss reports), or management accounts that are prepared and maintained in the normal course of business for the goods under investigation.

These documents should relate to:

- the division or section/s of the business responsible for the production and sale of the goods under investigation, and
- the company.

Audited accounts for 2012 will not be completed until sometime in April 2013. Audited accounts for 2011 are included in Appendix 3.

4. If you are not required to have the accounts audited, please provide the unaudited financial statements for your most recently completed financial/calendar year, together with your company's taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.

Not applicable

5. Do your accounting practices differ in any way from the generally accepted accounting principles in Thailand? If so, provide details.

DTL maintains its books and records in Thai Baht (THB) and prepares its financial statements in THB for local statutory purposes. The Baht expenses are translated to US\$ each accounting period, at the average exchange rate for the period and reported in US\$ for the purpose of Dole Group accounting in USA.

The DTL financial accounting system is in accordance with US GAAP which also corresponds to Thai statutory accounting rules.

6. Describe:

The significant accounting policies that govern your system of accounting, in particular:

- 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);

Raw materials are valued at lower of weighted average landed cost or net realizable value

Work in process and finished goods are valued at lower of standard cost or net realizable value.

- costing methods, including the method (eg by tonnes, units, revenue, direct costs etc) of allocating costs shared with other goods or processes (such as front office cost, infrastructure cost etc);

DTL uses [redacted] [costing method detail] as recorded in the general ledger of its financial accounting system to value units of production. Costs are recorded in direct and indirect cost centers that reflect each of the processes for the production of canned PA and other products.

In addition, in order to value production output on an interim period basis, DTL calculates estimated unit costs [redacted]

[redacted] [costing method detail]

Direct costs are accounted for in the relevant direct cost centre and directly allocated by product group and sub category.

Indirect costs are accumulated in a pool and allocated over the total production volume in standardized cases produced.

More information is provided under section G3.

- valuation methods for damaged or sub-standard goods generated at the various stages of production;

Obsolete inventory – inventory that meets any of the following criteria is written down [redacted]

[redacted]

[redacted]

[redacted]

[valuation details]

- valuation methods for scrap, by products, or joint products;

No scrap is used for production; tinsplate scrap generated by can production is sold as scrap at market value and the revenue taken as an offset to can material costs.

Dented cans of finished goods or cans opened for quality assurance inspections are scrapped and the fruit material contents put back into the fruit production stream.

By-products, such as mill material generated from the remaining fibrous material of the PA, are sold for use as cattle feed and the proceeds used to offset the cost of the fresh pineapple fruit cost pool.

Joint products are accounted for as follows. [redacted]

[redacted]

[redacted]

[Redacted]

[Joint product valuation]

- valuation and revaluation methods for fixed assets;

Fixed assets are valued at [Redacted]

[Asset Valuation details]

No assets have been revalued in the period of review or in the five years prior to that.

- average useful life for each class of production equipment and depreciation method and rate used for each;

Land improvements	[Redacted]
Buildings and improvements	[Redacted]
Machinery and equipment	[Redacted]
Water, power and sewer system	[Redacted]
Transportation equipment	[Redacted]
Computer software, communication and information systems	[Redacted] [depreciation rates]

The DTL policy is to write off permanently idled equipment.

- treatment of foreign exchange gains and losses arising from transactions;

Net foreign exchange gains or losses from transaction in currencies other than the functional currency [which is the US\$] are credited or charged to operations.

- treatment of foreign exchange gains/losses arising from the translation of balance sheet items;

Net foreign exchange gains or losses from the translation of assets and liabilities are credited or charged to operations.

- inclusion of general expenses and/or interest;

DTL is a manufacturing entity and so all of its operating expenses, including factory related administration, all general expenses and interest costs are considered as relating to production and are included in the valuation of product costs, manufacturing cost, and inventory.

- provisions for bad or doubtful debts;

Condition or Event	Minimum Allowance Percentage
Bankruptcy filing or like indication of credit risk	100%
Receivable past due 180 days	50%
Receivable past due 90 to 180 days	Judgment based on facts and circumstances
Receivable past due 0 to 90 days	Additional loss development for balances that will become uncollectible based on historical losses and current conditions. Such allowances must be developed and applied in a systematic manner and supported by historical losses or current events with a quantifiable effect on historical losses.

- expenses for idle equipment and/or plant shut-downs;

The DTL policy is to write off permanently idled equipment.

DTL did not experience a major plant closure, plant shutdown, or restructuring during the period of review, nor did it recognize any expenses during the period as a result of such events during this or any other periods.

- costs of plant closure;

Both factories do, however, shutdown certain areas of production operations at certain times based on the unavailability of sufficient quantities of fresh PA fruit. Such periods can last for up to four weeks.

During such time the remainder of the factory and administration remains open and functioning and the same accounting practices are continued as for the times when the cannery is processing PA.

- restructuring costs;

DTL did not experience a major plant closure, plant shutdown, or restructuring during the period of review, nor did it recognize any expenses during the period as a result of such events during this or any other periods.

- by-products and scrap materials resulting from your company's production process; and

Scrap materials are sold for market value and recognised as an offset to the cost of the related material in the product costing. In the local financial statements such scrap sales are shown as Other Income.

- effects of inflation on financial statement information.

Inflation accounting is not applicable.

In the event that any of the accounting methods used have changed since your most recent financial year provide an explanation of the change, the date of change, and the reason for it.

There were no changes in the company's accounting methods in the last two years.

A-5 Income statement

Please fill in the table – **A-5 Income Statement**. It requires information concerning all products produced and for the goods.

Please explain how costs have been allocated.

Costs are allocated based on volume.

Refer to Attachment A.5 – Income Statement

This information will be used to verify the completeness of cost data that you provide in Section G. If, because of your company's structure, the allocations would not be helpful in this process, please explain why this is the case.

Note: if your financial information does not permit presentation of the information in accordance with the table, please present the information in a form that closely matches the table.

A-6 Sales

State your net turnover (after returns and all discounts), and free of duties and taxes. Use the currency in which your accounts are kept.

Prepare this information in the format shown in the table at **A-6 Turnover**.

This information will be used to verify the cost allocations to the goods under consideration in Section G.

Also, you should be prepared to demonstrate that sales data shown for the goods is a complete record by linking total sales of these goods to relevant financial statements.

Refer to Attachment A.6 – Turnover

SECTION B SALES TO AUSTRALIA (EXPORT PRICE)

This section requests information concerning your company's export practices and prices to Australia. Costs incurred beyond ex-factory should be included. Export prices are usually assessed at FOB point, but Customs and Border Protection may also compare prices at the ex factory level.

*Prices should be reported of **all** of the goods exported by your company to Australia during the period of investigation.*

*The invoice date will normally be taken to be the date of sale. If your company considers:
the sale date is not the invoice date (see 'date of sale' column in question B4 below);
and
an alternative date should be used when comparing export and domestic prices.*

*Your company **must** provide Information in Section D on domestic selling prices for a matching period covering the dates of sale of the exported goods - even if doing so means that such domestic sales data predates the commencement of the investigation period.*

B-1 Please provide the following information in relation to the shipments of the goods to Australia during the period of investigation:

Name : **Juremont Pty Ltd.**
Address : **205 Canterbury Rd**
Canterbury Victoria Australia 3126
Contact person : **Stuart Rolle, Managing Director**
Phone No. : **(64) 9302-1192**
Fax No. : **(64) 9302-1195**
Trade level : **Distributor – Food Service & Industrial Customers**

B-2 Please provide also the following information:

(a) Describe how the goods are sent to each customer in Australia, including a diagram if required.

From Dole cannery in Thailand (Hua Hin and Chumporn), the products are usually trucked to a warehouse in Bangkok for temporary storage. Occasionally, DTL delivers direct to port. Once the order is complete, the goods are stuffed into a dry container van and transported by the shipping line to the port of Bangkok. Then, they will be loaded in the vessel going to different ports in Australia (depending on the destination required by the customer).

(b) Identify each party in the distribution chain and describe the functions performed by them. Where commissions are paid indicate whether it is a pre or post exportation expense having regard to the date of sale.

Dole Thailand Ltd.

Order processing & delivery

██████████ [Australian customers] their purchase orders (PO) via email. Once DPFA receives the PO, it confirms receipt of their order on the same day. Their PO will be translated into shipping order (SO) that indicates all the customers' requirements. A copy of the SO is entered to Central Logistics planning system. The logistics planner will allocate to one of the three canneries (one in Philippines and two in Thailand) depending on fruit and product availability and the production schedule to meet the committed shipment date. Normal lead time is ██████████ [lead time details] before shipment.

Invoicing

Once the vessel departs the port of export a commercial invoice will be issued by DPFA to the customers via fax first then an original copy will be sent via courier.

Payment

Payment to DPFA ██████████ [Australian customers] is per agreed payment terms. Payment to DTL by DPFA is ██████████ [inter-company payment details]

- (f) State whether your firm is related to any of its Australian customers. Give details of any financial or other arrangements (eg free goods, rebates, or promotional subsidies) with the customers in Australia (including parties representing either your firm or the customers).

Neither DTL nor DPFA is related to ██████████ [Australian customers]

A fast payment rebate of 2% is allowed ██████████ [Australian customers] against payment before the agreed terms.

- B-3 Do your company's export selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

All sales to Australia are to distributors.

- B-4 Using the format shown in the table at **B-4 Australian sales**, list all shipments (i.e. transaction by transaction) to Australia of the goods under consideration in the period of investigation. The notes at the bottom of the table provide an explanation of the terms used by Customs and Border Protection.

Please see Attachment B-4.

Column heading	Explanation
Customer name	names of your customers
Level of trade	the level of trade of your customers in Australia

Model/grade/type	commercial model/grade or type
Product code	code used in your records for the model/grade/type identified. Explain the product codes in your questionnaire response.
Invoice number	invoice number
Invoice date	invoice date
Date of sale	refer to the explanation at the beginning of this section. If you consider that a date <i>other than</i> the invoice date best establishes the material terms of sale, report that date. For example, order confirmation, contract, or purchase order date.
Order number	if applicable, show order confirmation, contract or purchase order number if you have shown a date other than invoice date as being the date of sale.
Shipping terms	Delivery terms eg. CIF, C&F, FOB, DDP (in accordance with Incoterms)
Payment terms	agreed payment terms eg. 60 days=60 etc
Quantity	Quantity in units shown on the invoice. Show basis eg kg.
Gross invoice value	gross invoice value shown on invoice <i>in the currency of sale, excluding taxes.</i>
Discounts on the invoice	if applicable, the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Other charges	any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide a description.
Invoice currency	the currency used on the invoice
Exchange rate	Indicate the exchange rate used to convert the currency of the sale to the currency used in your accounting system
Net invoice value in the currency of the exporting country	the net invoice value expressed in your domestic currency as it is entered in your accounting system
Rebates or other allowances	the amount of any deferred rebates or allowances paid to the importer in the currency of sale
Quantity discounts	the actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount.
Ocean freight**	the actual amount of ocean freight incurred on each export shipment listed.
Marine insurance	Amount of marine insurance
FOB export price**	the free on board price at the port of shipment.
Packing*	Packing expenses

Inland transportation costs*	inland transportation costs included in the selling price. For export sales this is the inland freight from factory to port in the country of export.
Handling, loading & ancillary expenses*	handling, loading & ancillary expenses. For example, terminal handling, export inspection, wharfage & other port charges, container tax, document fees & customs brokers fees, clearance fees, bank charges, letter of credit fees, & other ancillary charges incurred in the exporting country.
Warranty & guarantee expenses*	warranty & guarantee expenses
Technical assistance & other services*	expenses for after sale services, such as technical assistance or installation costs.
Commissions*	Commissions paid. If more than one type is paid insert additional columns of data. Indicate in your response to question B2 whether the commission is a pre or post exportation expense having regard to the date of sale.
Other factors*	any other costs, charges or expenses incurred in relation to the exports to Australia (include additional columns as required). See question B5.

** FOB export price and ocean freight”:

The following additional definitions should be noted:

FOB export price: An FOB export price must be calculated for each shipment - regardless of the shipping terms. FOB price includes inland transportation to the port of exportation, inland insurance, handling, and loading charges. It excludes post exportation expenses such as ocean freight and insurance. Use a formula to show the method of the calculation on each line of the export sales spreadsheet.

Ocean freight: as ocean freight is a significant cost, it is important that the actual amount of ocean freight incurred on each export be reported. If estimates are made, your company must explain the reasons and set out the basis - estimates must reflect changes in freight rates over the investigation period. Freight allocations must be checked for consistency.

All of the costs in the table are further explained in Section E-1.

- B-5 If there are any other costs, charges or expenses incurred in respect of the exports listed above that have not been identified in the table above, add a column (see 'other factors' in question B-4) for each item, and provide a description of each item.

Other costs, charges and expenses incurred by DPFA in export transactions are set out in the column headed 'DPFA-G&A' and "S&M-Australia" in Attachment B-4.

- B-6 For each type of discount, rebate, and allowance offered on export sales to Australia:
- provide a description; and
 - explain the terms and conditions that must be met by the importer to obtain the discount.

Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how the amount has been calculated shown in the response to question B4.

The 2% fast payment discount [redacted] [discount criteria] have been included, where applicable, in the 'rebate' column of B.4.

- B-7 If your company has issued credit notes (directly or indirectly) to Australian customers, in relation to the invoices listed in the detailed transaction by transaction listing in response to question B4, provide details of each credit note if the credited amount has **not** been reported as a discount or rebate.

No credit notes have been issued relating to goods under consideration.

- B-8 If the delivery terms make your company responsible for arrival of the goods at an agreed point within Australia (e.g. delivered duty paid), insert the information in the relevant columns in table B-4 Australian Sales.

The delivery terms are to the Australian port of destination only. The customer is solely responsible for inland distribution costs in Australia and for clearance costs at the port of destination.

B-9 Provide a complete set of all of the documentation relevant to two sample export sales. For example:

- the importer's purchase order, order confirmation, and contract of sale;
- commercial invoice;
- bill of lading;
- export permit;
- freight invoices in relation to movement of the goods from factory to the port of loading;
- overseas freight invoices;
- marine insurance expenses; and
- letter of credit, and bank documentation, proving payment.

Refer to Appendix 5.

SECTION C EXPORTED GOODS & LIKE GOODS

C-1 Fully describe all of the goods your company has exported to Australia for arrival during the period of investigation. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the exported goods.

[REDACTED]

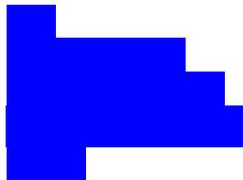
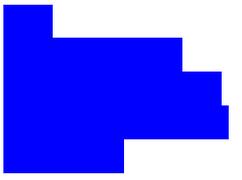
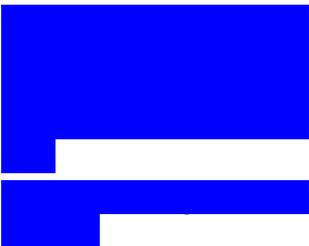
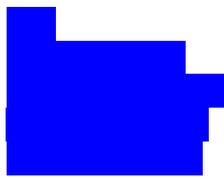
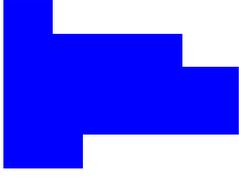
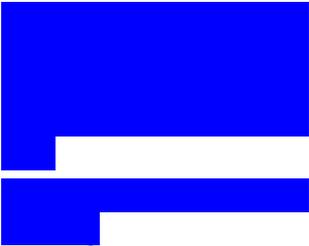
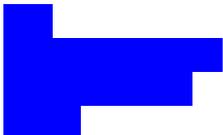
[Specification of exported products]

C-2 List each product type of the good exported to Australia. This should cover all product types listed in the table **B-4 Australian sales** – see section B of this questionnaire.



 [Product Codes]

C-3 If your company sells like goods on the domestic market, for each product type that your company has exported to Australia during the investigation period, list these like goods sold domestically, and provide a detailed explanation of the differences where those goods sold domestically (i.e. the like goods – see explanation in glossary) are not identical to the goods exported to Australia.

EXPORTED MODEL	DOMESTIC MODEL	IDENTICAL?	DIFFERENCES
Product code of each model of the goods exported to Australia	Product code of comparable model sold on the domestic market of the country of export	If goods are identical indicate "YES". Otherwise "NO"	Where the good exported to Australia is not identical to the like goods, describe the specification differences. If it is impractical to detail specification differences in this table refer to documents which outline differences
			
			
			

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

C-4 Please provide any technical and illustrative material that may be helpful in identifying or classifying the goods that your company sells on the domestic market.

Refer to Appendix 6 for the Marketing Specifications

SECTION D DOMESTIC SALES

This section seeks information about the sales arrangements and prices in the domestic market of the country of export.

*All domestic sales made during the investigation period must be listed transaction by transaction. If there is an extraordinarily large volume of sales data and your company is unable to provide the complete listing electronically your company **must** contact the case officer **before** completing the questionnaire. If the case officer agrees that it is not possible to obtain a complete listing he or she will consider a method for sampling that meets Customs and Border Protection requirements. If agreement cannot be reached as to the appropriate method, Customs and Border Protection may not visit your company.*

Customs and Border Protection will normally take the invoice date as being the date of sale in order to determine which sales fall within the investigation period.

If, in response to question B4 (Sales to Australia, Export Price), your company has reported that the date of sale is not the invoice date and your company considers that this alternative date should be used when comparing domestic and export prices –

*information **must** be provided on domestic selling prices for a matching period covering the dates of sale of the exported goods - even if doing so means that such domestic sales data predates the commencement of the investigation period.*

If your company does not have any domestic sales of like goods, your company must contact the case officer who will explain the information Customs and Border Protection requires for determining a normal value using alternative methods.

D-1 Provide:

- domestic price list (or internal pricing guide) covering the period of investigation;
- a detailed description of your company's distribution channels to domestic customers, including a diagram if appropriate;
- information concerning the functions/activities performed by each party in the distribution chain; and
- a copy of any agency or distributor agreements, or contracts entered into.

If any of the customers listed are associated with your company, provide details of that association. Describe the effect, if any, that association has upon the price.

All sales are made to TAF. DTL does not have any customers for direct sales in the domestic market.

The business of TAF is generally limited to selling packaged fruit products purchased from DTL within the Thai market.

DTL manufactures goods to order for TAF and stores them in its warehouses at the factories. TAF collects the goods from the warehouse of

DTL and is responsible for the inland transportation of the goods from the DTL warehouse to their customer.

[Ownership details]

A copy of the sales agreement between DTL and TAF is attached in Appendix 7.

D-2 Do your company's domestic selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

DTL only sells to its distributor TAF whose prices are not affected by trade level.

D-3 Explain in detail the sales process, including:

- the way in which your company sets the price, receives orders, makes delivery, invoices and finally receives payment; and the terms of the sales; and
- whether price includes the cost of delivery to customer.

If sales are in accordance with price lists, provide copies of the price lists.

Sales prices to TAF are

[Selling price methodology]

Purchase orders are faxed or hand delivered to the logistics department of DTL. The logistics department is responsible for production planning and notifying TAF when the goods are complete and ready for collection. Goods are usually delivered ex-factory and collected by TAF from the DTL warehouse.

Sales prices to customers by

[Selling price methodology]

TAF normally receives the PO from the customer. Upon receipt, TAF sends out a shipping order to the Cannery. As soon as the goods are available, TAF then confirms delivery date to the customer.

Goods are then delivered by truck from the warehouse. Invoices are signed as soon as the goods are received by the customer. The invoice is then attached with the billing documents as support for payment collection.

Refer to Appendix 8 for TAF's Domestic Price List

- D-4 Prepare a spreadsheet using the format at table **D-4 Domestic Sales** listing **all** sales of like goods made during the investigation period. The listing must be provided on a computer disk. Include all of the following information.

DOMESTIC SALES

Column heading	Explanation
Customer name	names of your customers. If an English version of the name is not easily produced from your automated systems show a customer code number and in a separate table list each code and name.
Level of trade	the level of trade of your domestic customer
Model/grade/type	commercial model/grade or type
Product code	code used in your records for the model/grade/type identified. Explain the product codes in your questionnaire response.
Invoice number	invoice number
Invoice date	invoice date
Date of sale	refer to the explanation at the beginning of this section. If you consider that a date <i>other than</i> the invoice date best establishes the material terms of sale and should be used, report that date. For example, order confirmation, contract, or purchase order date.
Order number	show order confirmation, contract or purchase order number if you have shown a date other than invoice date as being the date of sale.
Delivery terms	eg ex factory, free on truck, delivered into store
Payment terms	payment terms agreed with the customer eg. 60 days=60 etc
Quantity	quantity in units shown on the invoice eg kg.
Gross Invoice value	gross value shown on invoice <i>in the currency of sale</i> , net of taxes.
Discounts on the invoice	the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Other charges	any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide description.
Net invoice value in the currency of the exporting country	the net invoice value expressed in your domestic currency as recorded in your accounting system
Rebates or other allowances	the actual amount of any deferred rebates or allowances in the currency of sale
Quantity discounts	the actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount.
Packing*	packing expenses
Inland transportation costs*	amount of inland transportation costs included in the selling price.
Handling, loading and ancillary expenses*	handling, loading & ancillary expenses.
Warranty & guarantee expenses*	warranty & guarantee expenses
Technical assistance & other services*	expenses for after sale services such as technical assistance or installation costs.
Commissions*	commissions paid. If more than one type is paid insert additional columns of data.
Other factors*	any other costs, charges or expenses incurred in relation to the domestic sales (include additional columns as required). See question D5.

Please see ATTACHMENT D.4 – DOMESTIC SALES

Costs marked with * in the table are explained in section E-2.

- D-5 If there are any other costs, charges or expenses incurred in respect of the sales listed that have not been identified in the table in question D-4 above, add a column for each item (see 'other factors').

All costs incurred in domestic sales by DTL and TAF are included under D-4 above.

- D-6 For each type of commission, discount, rebate, allowance offered on domestic sales of like goods:
- provide a description; and
 - explain the terms and conditions that must be met by the customer to qualify for payment.

Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how the amounts shown in the response to question D4 have been calculated.

If your company has issued credit notes, directly or indirectly to your customers, provide details if the credited amount has **not** been reported as a discount or rebate.

No discounts, rebates or allowances are given by either DTL or TAF.

All credit notes issued have been reported in Attachment D-4.

- D-7 Select two domestic sales in different quarters of the assessment period that are at the same level of trade as the export sales. Provide a complete set of documentation for those two sales (include, for example, purchase order, order acceptance, commercial invoice, discounts or rebates applicable, credit/debit notes, long or short term contract of sale, inland freight contract, bank documentation showing proof of payment).

Customs and Border Protection may select additional sales for verification at the time of its visit.

Refer to Appendix 9

SECTION E FAIR COMPARISON

Section B sought information about the export prices to Australia and Section D sought information about prices on your company's domestic market for like goods (i.e. the normal value).

Where the normal value and the export price are not comparable adjustments may be made. This section informs your company of the fair comparison principle and asks to quantify the amount of any adjustment.

As prices are being compared, the purpose of the adjustments is to eliminate factors that have unequally modified the prices to be compared.

To be able to quantify the level of any adjustment, it will usually be necessary to examine cost differences between sales in different markets. Customs and Border Protection must be satisfied that those costs are likely to have influenced price. In practice, this means that the expense item for which an adjustment is claimed should have a close nexus to the sale. For example, the cost is incurred because of the sale, or because the cost is related to the sale terms and conditions.

Conversely, where there is not a direct relationship between the expense item and the sale a greater burden is placed upon the claimant to demonstrate that prices have been affected, or are likely to have been affected, by the expense item. In the absence of such evidence Customs and Border Protection may disallow the adjustment.

Where possible, the adjustment should be based upon actual costs incurred when making the relevant sales. However, if such specific expense information is unavailable, cost allocations may be considered. In this case, the party making the adjustment claim must demonstrate that the allocation method reasonably estimates costs incurred.

A party seeking an adjustment has the obligation to substantiate the claim by relevant evidence that would allow a full analysis of the circumstances, and the accounting data, relating to the claim.

Where an exporter has knowledge of the material substantiating an adjustment claim that material is to be available at the time of the verification visit. Customs and Border Protection will not consider new claims made after the verification visit.

E-1 Costs associated with export sales

(These cost adjustments will relate to your company's responses made at question B-4, '**Australian sales**')

1. Transportation

Explain how your company has quantified the amount of inland transportation associated with the export sale (**'Inland transportation costs'**). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

DTL incurs three types of movement expenses in Thailand in connection with its export sales:

- **Inland freight from the cannery to the warehouse in Bangkok or occasionally to port of export**
- **Containerisation or stuffing charges at cannery**
- **Foreign customs brokerage and handling**

The first item is described under this section and the other two in the following sections.

Inland Freight

DTL engages unaffiliated trucking companies to transport the palletized and containerized canned pineapple from both of its canneries to Bangkok. Rates are fixed by contract with the truckers.

[Redacted]

[Cost calculation]

The same expense is allocated to all export shipments.

Costs are allocated to finished goods on the basis of the number of cases stacked per pallet. The unit cost and General Ledger source are shown below.

[Redacted]

2. Handling, loading and ancillary expenses

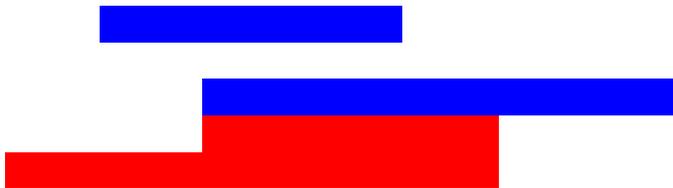
List all charges that are included in the export price and explain how they have been quantified (**'Handling, loading & ancillary expenses'**). Identify the general ledger account where the expenses are located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

The various export related ancillary costs are identified in the table at question B4, for example:

- terminal handling;
- wharfage and other port charges;
- container taxes;
- document fees and customs brokers fees;
- clearance fees;
- bank charges;
- letter of credit fees; and
- other ancillary charges.

DTL engages an unaffiliated customs broker to guide shipments through Thai customs and port authority processes. This service covers the cost of those items listed above except bank charges and letter of credit fees (which are not applicable to the sales made by DTL).

The expense, which is included in warehousing cost in the Export CTMS – G-5, is allocated on a per pallet basis. The equivalent unit cost per kilo is shown below.



3. Credit

The cost of extending credit on export sales is not included in the amounts quantified at question B4. However, Customs and Border Protection will examine whether a credit adjustment is warranted and determine the amount. Provide applicable interest rates over each month of the investigation period. Explain the nature of the interest rates most applicable to these export sales for example, short term borrowing in the currency concerned.

If your company's accounts receivable show that the average number of collection days differs from the payment terms shown in the sales listing, and if export prices are influenced by this longer or shorter period, calculate the average number of collection days. See also item 4 in Section E-2 below.

[Borrowing details] Below is the chart showing prevailing lending rates/Minimum Overdraft Rate of commercial banks as quoted by the Bank of Thailand for 2011-12.

Year/ Period	Starting Date	End Date	Interest Rate BOT Loan Rate
11 p1	1-Jan-2011	29-Jan-2011	2.8600%
11 p2	30-Jan-2011	26-Feb-2011	3.0000%
11 p3	27-Feb-2011	26-Mar-2011	3.0900%
11 p4	27-Mar-2011	23-Apr-2011	3.1900%
11 p5	24-Apr-2011	21-May-2011	3.4600%
11 p6	22-May-2011	18-Jun-2011	3.5000%
11 p7	19-Jun-2011	16-Jul-2011	4.0800%
11 p8	17-Jul-2011	13-Aug-2011	4.4500%
11 p9	14-Aug-2011	10-Sep-2011	4.2200%
11 p10	11-Sep-2011	8-Oct-2011	3.7500%
11 p11	9-Oct-2011	5-Nov-2011	3.7500%
11 p12	6-Nov-2011	3-Dec-2011	3.7500%
11 p13	4-Dec-2011	31-Dec-2011	3.7500%
12 p1	1-Jan-2012	28-Jan-2012	2.5000%
12 p2	29-Jan-2012	25-Feb-2012	2.5000%
12 p3	26-Feb-2012	24-Mar-2012	2.5000%
12 p4	25-Mar-2012	21-Apr-2012	2.5000%
12 p5	22-Apr-2012	19-May-2012	2.5000%
12 p6	20-May-2012	16-Jun-2012	2.5000%
12 p7	17-Jun-2012	14-Jul-2012	2.5000%
12 p8	15-Jul-2012	11-Aug-2012	2.5000%
12 p9	12-Aug-2012	27-Aug-2012	2.5000%
12 p9	28-Aug-2012	8-Sep-2012	2.5000%
12 p10	9-Sep-2012	6-Oct-2012	2.5000%

[Accounts Receivable details

**Average credit period for Australia market for the period of inquiry is
 days.**

4. Packing costs

List material and labour costs associated with packing the export product.

If applicable, describe how the packing method differs from sales on the domestic market, for each model.

Report the amount in the listing in the column headed '**Packing**'.

Finished cases of canned pineapple are packed (palletised) for export by being stacked on a pallet and on a slipsheet and encircled with stretch wrap and stuffed in a container.

The process is conducted adjacent to the loading dock area in the cannery warehouse.

These costs, which are included in Warehousing in the Export CTMS – G-5, are allocated to finished goods on the basis of the number of cases stacked per pallet. The General Ledger is [REDACTED] and the unit costs are shown below:



The table is completely redacted with black boxes, obscuring all data.

5. Commissions

Where any commissions have been paid in relation to the export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met.

Report the amount in the sales listing in question B-4 under the column headed '**Commissions**'. Identify the general ledger account where the expense is located.

There was no commission paid in relation to export sales to Australia during the investigation period.

6. Warranties, guarantees, and after sales services

Where these costs occur, show relevant sales contracts. Show how your company calculated the expenses ('**Warranty & guarantee expenses**' and '**Technical assistance & other services**'), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

Dole does not issue consumer warranties or guarantees in connection with its sales of canned pineapple, and does not perform servicing activities.

Warranty expenses, if any, are incurred in the form of credits granted to customers for claims for damaged or unsaleable products.

There were no warranty expenses that related to Australian sales in the investigation period.

7. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed “**Other factors**”. For example, other variable or fixed selling expenses, including salesmen’s salaries, salesmen’s travel expenses, advertising and promotion, samples and entertainment expenses.

Your consideration of questions asked at Section G, concerning domestic and export costs, would have alerted you to such other factors.

Warehousing Expense (expenses associated with cannery and third party warehouses)

The unit cost allocated is the total charges for the warehousing of all canned pineapple solid divided by the total number of actual cases of solid pineapple shipped to give a weighted average cost per case.

Costs are allocated to finished goods on the basis of the number of cases stacked per pallet. The General Ledger source is [REDACTED] and unit cost is shown below.

Selling & Admin Expenses

Most of the selling and marketing expenses [REDACTED]

[REDACTED] is identified in Attachment B-4 in Column headed “S&M Australia”. [Details of selling expenses]

General & Administrative expenses incurred by DPFA are uniformly allocated on a per case basis. [REDACTED] [allocation details]

Please see Appendix 10.

8. Currency conversions

In comparing export and domestic prices a currency conversion is required. Fluctuations in exchange rates can only be taken into account when there has been a 'sustained' movement during the period of investigation (see article 2.4.1 of the WTO Agreement). The purpose is to allow exporters 60 days to adjust export prices to reflect 'sustained' movements. Such a claim requires detailed information on exchange movements in your company's country over a long period that includes the investigation period.

[Refer to Appendix 11](#)

E-2 Costs associated with domestic sales

(These cost adjustments will relate to your company's responses made at question D-4, 'domestic sales')

The following items are not separately identified in the amounts quantified at question D-4. However your company should consider whether any are applicable.

1. Physical characteristics

The adjustment recognises that differences such as quality, chemical composition, structure or design, mean that goods are not identical and the differences can be quantified in order to ensure fair comparison.

The amount of the adjustment shall be based upon the market value of the difference, but where this is not possible the adjustment shall be based upon the difference in cost plus the gross profit mark-up (i.e. an amount for selling general and administrative costs (S G & A) plus profit).

The adjustment is based upon actual physical differences in the goods being compared and upon the manufacturing cost data. Identify the physical differences between each model. State the source of your company's data.

[Refer to section C-3 above.](#)

2. Import charges and indirect taxes

If exports to Australia:

- are partially or fully exempt from internal taxes and duties that are borne by the like goods in domestic sales (or on the materials and components physically incorporated in the goods); or
- if such internal taxes and duties have been paid and are later remitted upon exportation to Australia;

the price of like goods must be adjusted downwards by the amount of the taxes and duties.

The taxes and duties include sales, excise, turnover, value added, franchise, stamp, transfer, border, and excise taxes. Direct taxes such as corporate income tax are not included as such taxes do not apply to the transactions.

Duty drawback

Adjustment for drawback is not made in every situation where drawback has been received. Where an adjustment for drawback is appropriate, information must be provided showing the import duty borne by the domestic sales. (That is, it is not sufficient to show the drawback amount and the export sales quantity to Australia. For example, your company may calculate the duty borne on domestic sales by quantifying the total amount of import duty paid and subtracting the duty refunded on exports to all countries. The difference, when divided by the domestic sales volume, is the amount of the adjustment).

In substantiating the drawback claim the following information is required:

- a copy of the relevant statutes/regulations authorising duty exemption or remission, translated into English;
- the amount of the duties and taxes refunded upon *exportation*; and
- an explanation how the amounts were calculated and apportioned to the exported goods;
- an explanation as to how your company calculated the amount of duty payable on imported materials is borne by the goods sold *domestically* but is not borne by the exports to Australia;

Substitution drawback systems

Annex 3 of the WTO Agreement on Subsidies provides: *'Drawback systems can allow for the refund or drawback of import duties on inputs which are consumed in the production process of another product and where the export of this latter product contains domestic inputs having the same quality and characteristics as those substituted for the imported inputs'*

If such a scheme operates in the country of export, adjustments can also be made for the drawback payable on the substituted domestic materials, provided the total amount of the drawback does not exceed the total duty paid.

The only component of imported material in the goods under review that is liable to customs duty on entry into Thailand is tinplate. However, DTL is registered under section 19Bis of the Customs Act (No.9) B.E. 2842. This means that DTL is not required to pay import duties and later reclaim them once the goods are exported under a drawback system. Instead, as an exporter with Gold Card status, DTL is able to place a bank guarantee with the Customs House to the value of 5% of the goods imported. On subsequent re-export of finished goods that contain the imported material within one year of their import, DTL is able to withdraw the bank guarantee.

Tinplate that is diverted for use on goods produced for domestic sale is declared and relevant import duty paid on the equivalent quantity of tinplate consumed in the domestically sold goods.

The unit cost calculation per kg is as follows.



3. Level of trade

Question D-4 asks to indicate the level of trade to the domestic customer. To claim an adjustment for level of trade differences, the amount by which level of trade influences price needs to be quantified.

Trade level is the level a company occupies in the distribution chain. The trade level to which that company in turn sells the goods and the functions carried out distinguish a level of trade. Examples are producer, national distributor, regional distributor, wholesaler, retailer, end user, and original equipment.

It may not be possible to compare export prices and domestic prices at the same level of trade. Where relevant sales of like goods at the next level of trade must be used to determine normal values an adjustment for the difference in level of trade may be required where it is shown that the difference affects price comparability.

The information needs to establish that there are real trade level differences, not merely nominal differences. Real trade level differences are characterised by a consistent pattern of price differences between the levels and by a difference in functions performed. If there is no real trade level difference, all sales are treated as being at the same level of trade.

A real difference in level of trade (may be adjusted for using either of the following methods:

- (a) *costs arising from different functions*: the amount of the costs, expenses etc incurred by the seller in domestic sales of the like goods resulting from activities that would not be performed were the domestic sales made at the same level as that of the importer.

This requires the following information:

- a detailed description of each sales activity performed in selling to your company's domestic customers (for example sales personnel, travel, advertising, entertainment etc);
- the cost of carrying out these activities in respect of like goods;
- for each activity, whether your company carries out the same activity when selling to Australia;
- an explanation as to why your company considers that it is entitled to a level of trade adjustment.

or

- (b) *level discount*: the amount of the discount granted to purchasers who are at the same level of trade in Australia. This is determined by an examination of price differences between the two levels of trade in the exporter's domestic market, for example sales of like goods by other vendors or sales of the same general category of goods by the exporter. For this method to be used it is important that a clear pattern of pricing be established for the differing trade levels. Such pattern is demonstrated by a general availability of the discounts to the level - isolated instances would not establish a pattern of availability.

There is no trade level difference.

4. Credit

The cost of extending credit on domestic sales is not included in the amounts quantified at question D-4. However, Customs and Border Protection will examine whether a credit adjustment is warranted and determine the amount. An adjustment for credit is to be made even if funds are not borrowed to finance the accounts receivable.

The interest rate on domestic sales in order of preference is:

- the rate, or average of rates, applying on actual short term borrowing's by the company; or
- the prime interest rate prevailing for commercial loans in the country for credit terms that most closely approximate the credit terms on which the sales were made; or
- such other rate considered appropriate in the circumstances.

Provide the applicable interest rate over each month of the investigation period.

If your company's accounts receivable show that the average number of collection days differs from the payment terms shown in the sales listing, and if domestic prices are influenced by this longer or shorter period, calculate the average number of collection days.

Where there is no fixed credit period agreed at the time of sale the period of credit is determined on the facts available. For example, where payment is made using an open account system¹, the average credit period may be determined as follows:

1. *Calculate an accounts receivable turnover ratio*

¹ Under an open account system, following payment the balance of the amount owing is carried into the next period. Payment amounts may vary from one period to the next, with the result that the amount owing varies.

This ratio equals the total credit sales divided by average accounts receivable. (It is a measure of how many times the average receivables balance is converted into cash during the year).

In calculating the accounts receivable turnover ratio, credit sales should be used in the numerator whenever the amount is available from the financial statements. Otherwise net sales revenue may be used in the numerator.

An average accounts receivable over the year is used in the denominator. This may be calculated by:

- using opening accounts receivable at beginning of period plus closing accounts receivable at end of period divided by 2, or
- total monthly receivables divided by 12.

2. Calculate the average credit period

The average credit period equals 365 divided by the accounts receivable turnover ratio determined above at 1.

The resulting average credit period should be tested against randomly selected transactions to support the approximation.

Year/ Period	Starting Date	End Date	Interest Rate BOT Loan Rate
11 p1	1-Jan-2011	29-Jan-2011	2.8600%
11 p2	30-Jan-2011	26-Feb-2011	3.0000%
11 p3	27-Feb-2011	26-Mar-2011	3.0900%
11 p4	27-Mar-2011	23-Apr-2011	3.1900%
11 p5	24-Apr-2011	21-May-2011	3.4600%
11 p6	22-May-2011	18-Jun-2011	3.5000%
11 p7	19-Jun-2011	16-Jul-2011	4.0800%
11 p8	17-Jul-2011	13-Aug-2011	4.4500%
11 p9	14-Aug-2011	10-Sep-2011	4.2200%
11 p10	11-Sep-2011	8-Oct-2011	3.7500%
11 p11	9-Oct-2011	5-Nov-2011	3.7500%
11 p12	6-Nov-2011	3-Dec-2011	3.7500%
11 p13	4-Dec-2011	31-Dec-2011	3.7500%
12 p1	1-Jan-2012	28-Jan-2012	2.5000%
12 p2	29-Jan-2012	25-Feb-2012	2.5000%
12 p3	26-Feb-2012	24-Mar-2012	2.5000%
12 p4	25-Mar-2012	21-Apr-2012	2.5000%
12 p5	22-Apr-2012	19-May-2012	2.5000%
12 p6	20-May-2012	16-Jun-2012	2.5000%
12 p7	17-Jun-2012	14-Jul-2012	2.5000%
12 p8	15-Jul-2012	11-Aug-2012	2.5000%
12 p9	12-Aug-2012	27-Aug-2012	2.5000%
12 p9	28-Aug-2012	8-Sep-2012	2.5000%
12 p10	9-Sep-2012	6-Oct-2012	2.5000%

[Accounts Receivable details]

Average credit period for the domestic market during the period of inquiry is [redacted] days.

Average credit period for Australia is [redacted] days.

The following items are identified in the amounts quantified at question D-4:

5. Transportation

Explain how the amount of inland transportation associated with the domestic sales (**'Inland transportation Costs'**) has been quantified. Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

Inland transportation charges in connection with domestic sales are incurred by TAF. and are included in export CTMS – G-4

6. Handling, loading and ancillary expenses

List all charges that are included in the domestic price and explain how they have been quantified (**'Handling, loading and ancillary Expenses'**). Identify the general ledger account where the expense is located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

TAF incurs the handling and loading, and ancillary expenses in connection to Domestic Sales and they are included in CTMS – G-4.

7. Packing

List material and labour costs associated with packing the domestically sold product. If applicable, describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed **'Packing'**.

Finished cases of canned pineapple are packed (palletised) for domestic sale by being stacked on a pallet and on a slipsheet and encircled with stretch wrap. The palletisation is conducted adjacent to the loading dock area in the cannery warehouse.

Costs are allocated to finished goods on the basis of the number of cases stacked per pallet. The General Ledger is [redacted] and the unit cost is shown below:

[redacted]



8. Commissions

Where any commissions have been paid in relation to the domestic sales:

- provide a description; and
- explain the terms and conditions that must be met.

Report the amount in the sales listing under the column headed ‘**Commissions**’. Identify the general ledger account where the expense is located.

DTL did not incur any commissions in connection with the domestic sales.

9. Warranties, guarantees, and after sales services

Where applicable, list the costs incurred. Show relevant sales contracts. Show how your company calculated the expenses (‘**Warranty & Guarantee expenses**’ and ‘**Technical assistance & other services**’), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

DTL and TAF do not issue consumer warranties or guaranties in connection with its sales of canned pineapple, and does not perform servicing activities. Warranty expenses, if any, are incurred in the form of credits granted to customers for claims for damaged or unsaleable products. Such credits are listed among the domestic sales in Attachment D.4.

10. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed ‘**Other factors**’. List the factors and show how each has been quantified in per unit terms.

A. Selling & Administration Costs

Selling Costs are incurred by TAF in relation to sales on the domestic market and are identified in Attachments D-4 and G-4. This includes



Details of selling costs]

B. Regional G&A Costs

These are costs incurred by DPFA in relation to sales in Thailand.

[Details of G&A costs]

E-3 Duplication

In calculating the amount of the adjustments, your company must ensure that there is no duplication.

For example:

- adjustments for level of trade, quantity or other discounts may overlap; or
- calculation of the amount of the difference for level of trade may be based upon selling expenses such as salesperson's salaries, promotion expenses, commissions, and travel expenses.

Separate adjustment items must avoid duplication.

An adjustment for quantities may not be granted unless the effect on prices for quantity differences is identified and separated from the effect on prices for level of trade differences.

SECTION F

EXPORT SALES TO COUNTRIES OTHER THAN AUSTRALIA (THIRD COUNTRY SALES)

Your company's response to this part of the questionnaire may be used by Customs and Border Protection to select sales to a third country that may be suitable for comparison with exports to Australia.

Sales to third countries may be used as the basis for normal value in certain circumstances. Customs and Border Protection may seek more detailed information on particular third country sales where such sales are likely to be used as the basis for determining normal value.

F-1 Using the column names and column descriptions in the table **F-1 Third Country**, provide a summary of your company's export sales to countries other than Australia.

Column heading	Explanation
Country	names of the country that you exported like goods to over the review period
Number of customers	The number of different customers that your company has sold like goods to in the third country over the review period
Level of trade	the level of trade that you export like goods to in the third country over the review period
Quantity	Indicate quantity in units exported to the third country by year and quarter over the review period
Unit of quantity	Show unit of quantity e.g. kg
Value of sales	Show total value of sales (at either FOB or ex-works) exported to the third country by year and quarter over the review period
Shipment terms	Typical shipment terms to customers in the third country (e.g. CIF, FOB, ex-works)
Currency	Currency in which you have expressed sales data
Payment terms	Typical payment terms with customer(s) in the country (e.g. 60 days)

Supply this information in spreadsheet file named "**THIRD COUNTRY**"
See **ATTACHEMENT F-1 – THIRD COUNTRY**

F-2 Please identify any differences in sales to third countries, which may affect their comparison to export sales to Australia.

[redacted] a 'like product' to goods sold to Australia [identification of like products]

SECTION G

COSTING INFORMATION AND CONSTRUCTED VALUE

The information that your company supplies in response to this section of the questionnaire will be used for various purposes including:

- testing the profitability of sales of like goods on the domestic market;*
- determining a constructed normal value of the goods – i.e. of the goods exported to Australia; and*
- making certain adjustments to the normal value.*

Your company will need to provide the cost of production of both the exported goods (the goods) and for the like goods sold on the domestic market. Your company will also need to provide the selling, general, and administration costs relating to goods sold on the domestic market; the finance expenses; and any other expenses (e.g. non-operating expenses not included elsewhere) associated with the goods.

In the response please include a worksheet showing how the selling, general, and administration expenses; the finance expenses; and any other expenses have been calculated.

If, in response to question B4 (Sales to Australia, Export Price) your company:

- reported that the date of sale is not the invoice date and considers that this alternative date should be used when comparing domestic and export prices, and*
- provided information on domestic selling prices for a matching period as required in the introduction to Section D (Domestic Sales)*

cost data over the same period as these sales must be provided even if doing so means that such cost data predates the commencement of the investigation period.

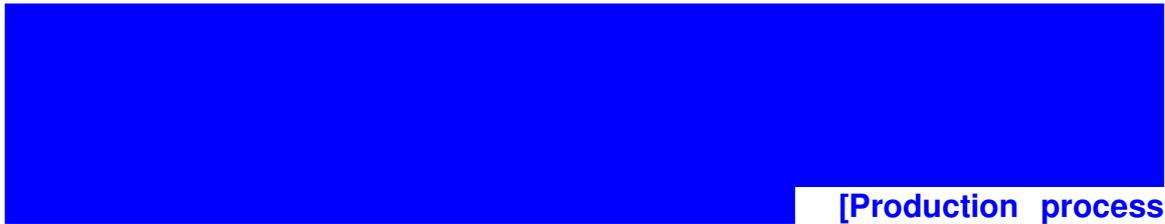
At any verification meeting your company must be prepared to reconcile the costs shown to the accounting records used to prepare the financial statements.

G-1. Production process and capacity

1. Describe the production process for the goods. 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.

(a) Production facilities

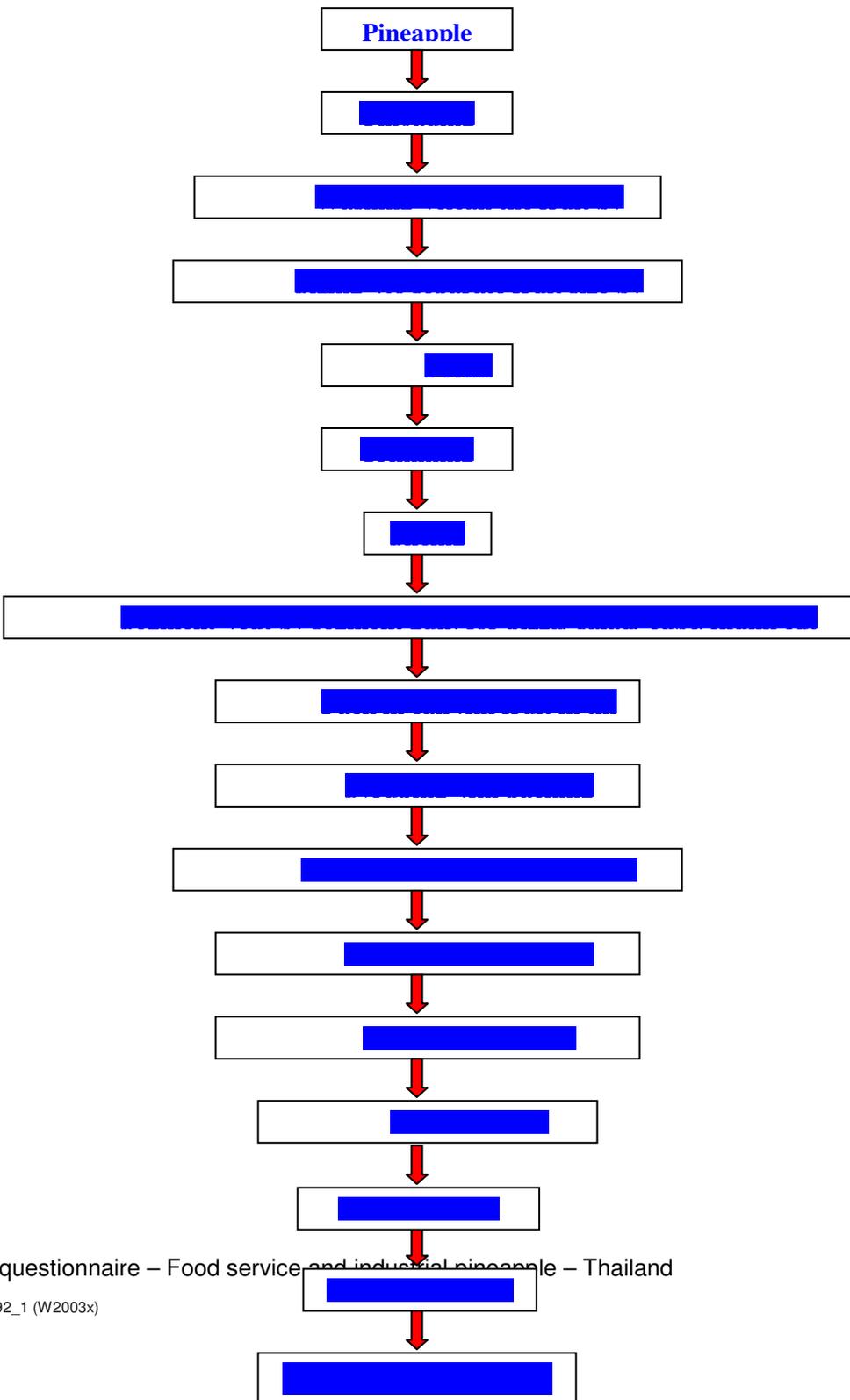
DTL operates two canneries in Thailand, one located in Hua Hin and the other in Chumphon. Both canneries process fresh pineapple and other tropical fruits to produce canned pineapple and other canned and packaged fruit and juice products.



details]

[Production process

PROCESS



[Redacted text block]

[Redacted]

[Redacted]

[Redacted]

[Production process details]

(d) Joint products, by-products and scrap

[Redacted]

[Product details]

The by-products produced with solid pineapple and pineapple juice consist of “mill material”, the fibrous material of the pineapple fruit that remains after shells and ends are ground and cores and other materials are pressed for juice.

Separately, the production of cans and can ends generates tinsplate scrap, which is sold as scrap.

Certain miscellaneous waste materials (such as cardboard fibre, plastic and damaged wood pallets) are also sold as scrap.

[Redacted]

[Joint product details]

G-2. Provide information about your company's total production in the table G-2 Production.

Rather than showing a 'name-plate' optimal capacity it is more meaningful to show the maximum level of production that may reasonably be attained under normal operating conditions. For example assuming: normal levels of maintenance and repair; a number of shifts and hours of operation that is not abnormally high; and a typical production mix.

PRODUCTION

[Production Details]

G-3. Cost accounting practices

- 1. Outline the management accounting system that your company maintains and explain how that cost accounting information is reconciled to your company's audited financial statements.

DTL's general ledger is kept in Thai Baht for local statutory purposes and in US\$ for group reporting and management accounting purposes. The Baht expenses are translated to US\$ each accounting period at the average exchange rate for the period. Group management accounts are prepared each period end for consolidation within the Dole group.

[Redacted]

[Redacted]

[Cost accounting reconciliation processes]

- 2 Is your company's cost accounting system based on standard (budgeted) costs? State whether standard costs were used in the responses to this questionnaire. If they were state whether all variances (i.e. differences between standard and actual production costs) have been allocated to the goods - and describe how those variances have been allocated.

DTL uses actual costs as recorded in the general ledger of its financial accounting system to value units of production.

[Redacted]

[Redacted]

[Redacted]

[Redacted] **[Details of variances and allocations]**

- 3 Provide details of any significant or unusual cost variances that occurred during the investigation period.

Generally the areas where cost inputs may fluctuate would concern the following:

[Redacted] **[Fluctuation details]**

The price of raw pineapples from growers has generally remained stable for the last several years.

No adverse impacts were felt from the Thai Baht exchange rate, which, although it fluctuated during the year, remained as forecast in the budget for the average of the full year.

- 4 Describe the profit/cost centres in your company's cost accounting system.

Direct cost centres

The cannery product costs are calculated in the cost accounting system for the following process cost centres:

[REDACTED]

[REDACTED] [Details of Cost centres]

Separately identifiable materials are recorded as direct object accounts (e.g. fruit, labels, cases, cans, etc). These direct costs are allocated to products within each identifiable product group (e.g. a given can size) on the basis of standard cases of saleable production.

[REDACTED] [Details of fruit costs]

[REDACTED]

[REDACTED] [Joint product details]

By-products (mill material) are sold as scrap and the proceeds used to offset the cost of the pineapple cost pool.

Indirect cost centres

Indirects costs are

[Redacted]

[Treatment of indirect costs]

- 5 For each profit/cost centre describe in detail the methods that your company normally uses to allocate costs to the goods under investigation. In particular specify how, and over what period, expenses are amortised or depreciated, and how allowances are made for capital expenditures and other development costs.

Direct cost allocation

[Allocation of direct costs methodology]

Indirect cost allocation

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Indirect cost allocation methodology]

The valuation methods for assets and the depreciation methods and useful lives are reported under A-4.6 above.

- 6 Describe the level of product specificity (models, grades etc) that your company's cost accounting system records production costs.

In its normal cost accounting system DTL calculates unit costs for each can size of canned pineapple, on a full case basis. [REDACTED] [Product specific costing details]

- 7 List and explain all production costs incurred by your company, which are valued differently for cost accounting purposes than for financial accounting purposes.

No production costs are valued differently for cost accounting and financial accounting purposes.

- 8 State whether your company engaged in any start-up operations in relation to the goods under consideration. Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.

DTL was not engaged in any start up operations for the merchandise under consideration during the period of review.

- 9 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.

Not applicable.

G-4 Cost to make and sell on domestic market

This information is relevant to testing whether domestic sales are in the ordinary course of trade.²

1. Please provide (in the format shown in table **G-4 Domestic CTMS**) the actual unit cost to make and sell each model/type (identified in section C) of the like goods sold on the domestic market. Provide this cost data for each quarter over the investigation period. If your company calculates costs monthly, provide monthly costs.
2. Indicate the source of cost information (account numbers etc) and/or methods used to allocate cost to the goods. Provide documentation and worksheets supporting the calculations.

² Customs applies the tests set out in s.269TAAD of the Customs Act 1901 to determine whether goods are in ordinary course of trade. These provisions reflect the WTO anti-dumping agreement – see Article 2.2.1.

Like Domestic Model/Type – from spreadsheet “LIKE GOODS”	Qtr 1	Qtr 2	Qtr 3	Qtr 4
Material costs ¹				
Direct labour				
Manufacturing overheads				
Other costs ²				
Total cost to make				
Selling costs				
Administration costs				
Financial costs				
Delivery expenses ³				
Other costs ³				
Unit cost to make and sell				

3. Provide this information for each quarter (or month if your company calculates costs on a monthly basis) over the period of the investigation.
4. Provide the information broken down into fixed and variable costs, and indicate the % total cost represented by fixed costs.
5. If your company is unable to supply this information in this format, please contact the case officer for this investigation at the address shown on the cover of this questionnaire.
6. Please specify unit of currency.
7. Also, provide an explanation of the allocation of selling, administration and finance costs to the like goods.

Please see attachment G-4 – Domestic CTMS

G-5 Cost to make and sell goods under consideration (goods exported to Australia) to Australia

The information is relevant to calculating the normal values based on costs. It is also relevant to calculating certain adjustments to the normal value.

1. Prepare this information in the table named ‘**G-5 Australian CTMS**’.
2. Provide this information for each quarter (or month if your company calculates costs on a monthly basis) over the period of the investigation.
3. Provide the information broken down into fixed and variable costs, and indicate the % total cost represented by fixed costs.

4. If you are unable to supply this information in this format, please contact the case officer for this investigation at the address shown on the cover of this questionnaire.
5. Please specify unit of currency.

Please see attachment C-5 – Export CTMS

- G-6 Where there are cost differences between goods sold to the domestic market and those sold for export, give reasons and supporting evidence for these differences.

For like products, there are no significant differences in product cost arising out of physical differences. Any difference only relates to the actual amount of fruit used in the pack as manifested by the variance in net weight and/or drained weight.

- G-7 Give details and an explanation of any significant differences between the costs shown, and the costs as normally determined in accordance with your company's general accounting system. Reference should be made to any differences arising from movements in inventory levels and variances arising under standard costing methods.

Allocation of non-variable or joint costs are based on standard cases.

- G-8 In calculating the unit cost to make and sell, provide an explanation if the allocation method used (e.g. number, or weight etc) to determine the unit cost differs from the prior practice of your company.

Allocation of non-variable or joint costs are based on standard cases.

- G-9 Major raw material costs

List major raw material costs, which individually account for 10% or more of the total production cost.

For these major inputs:

- identify materials sourced in-house and from associated entities;
- identify the supplier; and
- show the basis of valuing the major raw materials in the costs of production that your company has shown for the goods (e.g. market prices, transfer prices, or actual cost of production)

Where an associate of your company produces the major input, Customs and Border Protection will compare the purchase price to a normal market price. If the associate provides information on the cost of production for that input such cost data may also be considered.

Normal market price is taken to be the price normally available in the market (having regard to market size, whether the input is normally purchased at 'spot prices' or under long term contracts etc).

The term associate is defined in section 269TAA of the Customs Act. Included in that definition are companies controlled by the same parent company (a company that controls 5% or more of the shares of another is taken to be an associated company); companies controlled by the other company; and companies having the same person in the board of directors.

If the major input is purchased from an integrated production process, detailed information on the full costs of production of that input should be provided.

The only materials that would individually account for more than 10% or more of total production cost are raw pineapple and tinfoil.

[Sourcing & costing of tinfoil]

**SECTION H
EXPORTER'S DECLARATION**

I hereby declare that **Dole Thailand Limited** (company) did, during the period of investigation, export the goods under consideration and 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.

I hereby declare that.....(company) did not, during the period of investigation, export the goods under consideration and therefore have not completed the attached questionnaire.

Name :..Sunida Tuntawiroon.....



Signature :.....

Position in Company :...Finance Director.....



Date :.....

SECTION I CHECKLIST

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

Section	Please tick if responses to all questions in that section have been provided
Section A – general information	✓
Section B – export price	✓
Section C – like goods	✓
Section D – domestic price	✓
Section E – fair comparison	✓
Section F – exports to third countries	✓
Section G – costing information	✓
Section H – declaration	✓

Electronic Data	Please tick if a spreadsheet has been provided
INCOME STATEMENT	✓
TURNOVER – sales summary	✓
AUSTRALIAN SALES – list of sales to Australia	✓
DOMESTIC SALES – list of all domestic sales of like goods	✓
THIRD COUNTRY – third country sales	✓
PRODUCTION – production figures	✓
DOMESTIC COSTS – costs of goods sold domestically	✓
AUSTRALIAN COSTS – costs of goods sold to Australia	✓

APPENDIX

GLOSSARY OF TERMS

This glossary is intended to provide a basic understanding of technical terms that may 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 your company considers 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 upon costs to make and sell.

Arms length

Sales are not considered to be at 'arms length' on your company's 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 domestic prices paid for the goods under consideration 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

Customs and Border Protection 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 sales 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 subject to measures (the goods)

The goods that are the subject of a dumping duty notice and a countervailing duty notice.

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 customers disposal)
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)

Review period

A period defined by Customs and Border Protection 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 under consideration or that, although not alike in all respects have characteristics closely resembling those of the goods under consideration. 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, your company makes these sales, 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 upon all costs to make and sell the goods. Profit may also be included if the sales on the domestic market are profitable. 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, Customs and Border Protection 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 Customs and Border Protection 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 sufficient numbers. 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.



Dole Thailand Organization Chart

Kevin Davis
President & Managing
Director

