



Australian Government  
Department of Industry, Science,  
Energy and Resources

Anti-Dumping Commission

## Exporter Questionnaire



# WestRock

**Case number:** 548

**Product:** Certain kraft paperboard

**From:** United States of America

**Investigation period:** 1 January 2018 to 31 December 2019 (the period)

**Response due by:** Section A: 6 May 2020  
Sections B-G: 5 June 2020

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

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

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## INSTRUCTIONS

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

The Anti-Dumping Commission (the Commission) is conducting an investigation into certain kraft paperboard exported to Australia from the United States of America (USA).

The Commission will use the information you provide to determine normal values and export prices over the investigation period (the period). This information will determine whether kraft paperboard is dumped.

### If you do not manufacture the goods

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

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

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

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

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

### Extension requests

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

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

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

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

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

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

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### Submitting a response to the exporter questionnaire

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

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

### Confidential and non-confidential responses

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

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

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

All questionnaires are required to have a bracketed explanation of deleted or blacked out information for the public record version of the questionnaire. An example of a statement to accompany deleted/blacked out text is:

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

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

### Verification of the information that you supply

IMPORTANT: On 20 March 2020, the Commission published *Anti-Dumping Notice No. 2020/029*,<sup>1</sup> advising that onsite exporter verification activities have been temporarily suspended until further notice as a result of the COVID-19 pandemic.

The Commission remains committed to ensuring that the data submitted is complete, relevant and accurate and may elect to undertake alternatives. This includes but is not limited to remote verification, desktop assessments or delaying verification activities until such time as onsite verification is possible. The Commission will continue to monitor current events and assess when the suspension of onsite exporter verification activities can be lifted.

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

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<sup>1</sup> [https://www.industry.gov.au/sites/default/files/adc/public-record/notice\\_adn - adn 2020-029 - temporary\\_suspension\\_of\\_international\\_onsite\\_verification\\_0.pdf](https://www.industry.gov.au/sites/default/files/adc/public-record/notice_adn_-_adn_2020-029_-_temporary_suspension_of_international_onsite_verification_0.pdf)

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

Onsite verification is usually conducted over 4 days, remote and desktop verification may take a longer period of time. In complex cases, a verification visit, if conducted, may be scheduled over 5 days. A desktop verification may require a longer period.

Any verification activity will include a detailed examination of your company's records and we will collect copies of relevant documents. The verification will require the participation of key staff, including your financial accountant, production manager and sales staff. A tour of the manufacturing facility, should an onsite visit be possible, may also be required during the verification visit.

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

A report will be prepared following the verification activity, which details the outcomes of the verification. This report will be placed on the public record and may include the publication of the preliminarily-assessed dumping margin. The Commission considers that the dumping margin is not confidential information, but rather an aggregate figure derived from confidential data.

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

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

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

- All questions in this exporter questionnaire must be completed. If a question is not applicable to your situation, please answer the question with "Not Applicable" and provide an explanation as to why.
- All questions must be answered in English. An English translation must be provided for documents not originally in English.
- Clearly identify all units of measurement (e.g. KG) and currencies (e.g. AUD) used. Apply the same measurement consistently throughout your response to the questionnaire.
- Label all attachments to your response according to the section of the questionnaire it relates to (e.g. label the chart of accounts as Attachment A-4.6)
- The data must be created as spreadsheet files in Microsoft Excel.
- If you have used formulas to complete spreadsheets, these formulas must be retained and not hard-coded.
- You must retain all worksheets used in answering the questionnaire. Be prepared to provide these worksheets during the Commission's verification of your data.
- If you cannot present electronic data in the requested format contact the case officer as soon as possible.
- Where possible, electronic data should be emailed or shared with the Commission via SIGBOX, a secure online document repository. Please contact the Commission to request access to SIGBOX if required.

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**CHECKLIST**

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

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

<b>Attachments</b>	Please tick if you have provided spreadsheet
B-2 Australian sales	<input checked="" type="checkbox"/>
B-4 Upwards sales	<input checked="" type="checkbox"/>
B-5 Upwards selling expenses	<input checked="" type="checkbox"/>
D-2 Domestic sales	<input checked="" type="checkbox"/>

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F-2 Third country sales	<input checked="" type="checkbox"/>
G-3 Domestic CTM	<input checked="" type="checkbox"/>
G-4.1 SG&A listing	<input checked="" type="checkbox"/>
G-4.2 Dom SG&A calculation	<input checked="" type="checkbox"/>
G-5 Australian CTM	<input checked="" type="checkbox"/>
G-7.2 Raw material CTM	<input checked="" type="checkbox"/>
G-7.4 Raw material purchases	<input checked="" type="checkbox"/>
G-8 Upwards costs	<input checked="" type="checkbox"/>

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**LIST OF ATTACHMENTS**

<b>Number</b>	<b>Attachment</b>	<b>Confidential/Non-confidential</b>
15	WestRock EQ spreadsheet	CONFIDENTIAL
16	Australian sales source data	CONFIDENTIAL
17	Australian sales sample 1	CONFIDENTIAL
18	Australian sales sample 2	CONFIDENTIAL
19	Reconciliation of Australian sales sample	CONFIDENTIAL
20	Supporting materials for Upwards Sales	CONFIDENTIAL
21	Carrier Kote Product Guide	NON-CONFIDENTIAL
22	Domestic sales source data	CONFIDENTIAL
23	Domestic sales sample 1	CONFIDENTIAL
24	Domestic sales sample 2	CONFIDENTIAL
25	Reconciliation of Domestic sales samples	CONFIDENTIAL
26	Packaging Costs for 2019 and 2019	CONFIDENTIAL
27	Mahrt Mill SG&A	CONFIDENTIAL
28	Third Country sales source data	CONFIDENTIAL
29	WRK Mahrt Process	CONFIDENTIAL
30	Supporting data for Raw material CTM	CONFIDENTIAL
31	Cost of Goods Manufactured Questionnaire Format	CONFIDENTIAL
32	Raw material purchases	CONFIDENTIAL
33	Upwards costs supporting material	CONFIDENTIAL
34	Source of Capacity Utilisation	CONFIDENTIAL

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

The goods under consideration (the goods) i.e. the goods exported to Australia, allegedly at dumped prices, are:

*Kraft paperboard, coated on one side with clay or other inorganic substances, grammage 360-430 grams per square metre (GSM),<sup>2</sup> wet strength treated.*

### Further information

The goods have an end use for packaging 12 or more beverage can multipacks. The goods are an intermediate product that is converted into a final product in Australia. The conversion process will generally involve printing, cutting and gluing the imported products to create individual packaging known as beverage can multipacks. The goods do not include finished ready for sale beverage can multipacks.

Paperboard is usually imported in large rolls and is a solid paper-based product, consisting of one or more layers. Kraft paperboard primarily uses virgin softwoods in the initial pulping process, rather than a substantive use of recycled material.

Clay or other inorganic substances refers to the application of kaolin clay, calcium carbonate or other inorganic substance, to the top layer of the paperboard, allowing for high quality printing on the goods.

The grammage range of 360-430 GSM distinguishes the goods from other imported goods that may have applications in food and beverage can multipacks (e.g. packaging designed for lightweight or heavy food or beverages).

Wet strength treatment distinguishes the goods from paperboard varieties used for non-beverage can multipacks. As beverages are frequently stored in refrigerated environments additional moisture resistant properties are required for shape retention and to minimise the tear and collapse of packaging. These properties are achieved by the addition of certain chemicals.

### **Model Control Code**

The Commission does not propose a model control code (MCC) structure at the outset of this investigation, however may implement an MCC structure if considered necessary. The Commission welcomes submissions with respect to an MCC structure.

Details of a MCC structure, suggested for the goods, should be detailed in the table below.

Category	Sub-category	Identifier	Sales Data	Cost data
[Category]	[Sub-category] [Sub-category]		Level recorded in sales data	Level recorded in cost data
[Category]	[Sub-category] [Sub-category]		Level recorded in sales data	Level recorded in cost data

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<sup>2</sup> Grammage refers to the mass per unit area of all types of paper and paperboard.

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[Category]	[Sub-category] [Sub-category]		Level recorded in sales data	Level recorded in cost data
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If the Commission considers it necessary to implement an MCC, the MCCs will be used to model match export models to the identical or comparable domestic models. In addition, the MCCs will be used to determine the profitability of domestic sales in the ordinary course of trade test by comparing domestic selling prices to the corresponding cost to make and sell. The MCC may also be used to compare the export price to the cost to make the exported model as part of the constructed normal value.

**SECTION A  
COMPANY INFORMATION**

Section A and its related Attachments was lodged with the Commission on 6 May 2020.

## SECTION B

### EXPORT SALES TO AUSTRALIA

#### B-1 Australian export sales process

1. Provide details (and diagrams if appropriate) of the export sales process of your company and any entities (e.g. agents) including:
  - (a) Marketing and advertising activities
  - (b) Price determination and/or negotiation process
  - (c) Order placement process
  - (d) Order fulfilment process and lead time
  - (e) Delivery terms and process
  - (f) Invoicing process
  - (g) Payment terms and process

**(a) Marketing and advertising activities**

The sales to Australia are at the level of manufacturer to associated large-scale converter [CONFIDENTIAL TEXT DELETED – type of sale]. Accordingly, Westrock Company does not undertake any marketing or advertising activities with respect to its Australian sales.

**(b) Price determination and/or negotiation process**

[CONFIDENTIAL TEXT DELETED – type of sale] take place at an inter-company price. They are at all times reflective of the arm's length transaction price that is called-for in the circumstances of a modern, fully integrated, tax-compliant production and supply chain such as that operated by WestRock Company. Pricing is reviewed by WestRock senior management and re-set to address [CONFIDENTIAL TEXT DELETED – information about commercial pricing factors].

The inter-company price for [CONFIDENTIAL TEXT DELETED – type of sale] to WestRock's associated Australian entities [CONFIDENTIAL TEXT DELETED – information about price trends].

With respect to WestRock's sales to Australia:

- there is and was no consideration payable for or in respect of the goods other than their price;
- the price is not and was not influenced by the corporate relationship between the exporter and the importer, because it reflects WestRock's market and business setting;
- there is and was no reimbursement, compensation or benefit received by the importer from the exporter in respect of the price.

It is noted that the price of WestRock's exports to Australia exceeded WestRock's costs of same at all times in the investigation period.

**(c) Order placement process**

There were two methods of order placement during the period of investigation.

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- From January to September 2019 the importer placed orders with Customer Service in Shanghai, China. [CONFIDENTIAL TEXT DELETED – internal production information].
- At all other times, the importer placed orders with Customer Service in Richmond, USA.

**(d) Order fulfilment process and lead time**

The Customer Service centre enters the order details [CONFIDENTIAL TEXT DELETED – proprietary software], and the order is then scheduled to a paper machine to meet the final delivery date. Based on a sample of reported sales, WestRock advises that its lead time from sales order to despatch and invoicing (Australia) was in the order of [CONFIDENTIAL TEXT DELETED – number] days.

**(e) Delivery terms and process**

Once manufactured, the order is sent from Mahrt Mill to the departure port of Charlestown and exported. Throughout the period of investigation, WestRock's export sales to Australia were [CONFIDENTIAL TEXT DELETED – trading terms].

**(f) Invoicing process**

An order is invoiced on the day it is confirmed on board, and has departed from the US port.

**(g) Payment terms and process**

There were [CONFIDENTIAL TEXT DELETED – number] payment terms for WestRock's Australian import customers:

- WestRock Packaging – [CONFIDENTIAL TEXT DELETED – payment terms]
- WestRock Oceania – [CONFIDENTIAL TEXT DELETED – payment terms]

2. In what currency do you invoice your customers for goods exported to Australia? If it is not in your local currency:

- (a) Do your customers pay you into a foreign currency denominated account? If yes, provide details;

WestRock's Australian import customers pay in [CONFIDENTIAL TEXT DELETED – currency of payment]. The transaction takes place from the relevant importer's account with [CONFIDENTIAL TEXT DELETED – bank account information] to a centralized WestRock MWV US account held with [CONFIDENTIAL TEXT DELETED – bank account information].

- (b) Do you use forward contracts to lock in the foreign exchange rate relating to the export sales? If yes, provide details;

[CONFIDENTIAL TEXT DELETED – information about forward contracts].

- (c) How is the exchange rate determined in your accounting system and how often is it updated?

[CONFIDENTIAL TEXT DELETED – currency and bank account information] funds are maintained in a [CONFIDENTIAL TEXT DELETED – bank account information] account.

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**They are converted and deposited to a centralized WestRock MWV US account held with [CONFIDENTIAL TEXT DELETED – bank account and payment transfer information].**

3. Are there any customers of the goods exported to Australia related to your company? If yes, please provide a list of each related customer and provide details on how the selling price is set.

**The import customers of the goods exported to Australia during the investigation period, namely WestRock Packaging Solutions Pty Ltd and WestRock Oceania Ltd, are WestRock group related entities.**

**Please refer to question B-1.1(b) for details of how selling price is set.**

4. If sales are in accordance with price lists or price extras list, provide copies of these lists.

**Please refer to question B-1.1(b) for details of how selling price is set.**

5. Do your export selling prices vary according to the distribution channel identified? If yes, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

**WestRock has only one sales channel for export sales of the goods to Australia. The sales to Australia are at the level of manufacturer to associated large-scale converter.**

6. Did you provide on-invoice discounts and/or off-invoice rebates to any customer or an associate of the customer in relation to the sale of the goods exported to Australia during the period? If yes, provide a description and explain the terms and conditions that must be met by the customer to obtain the discount.

**No.**

7. Did you issue any credit or debit notes (directly or indirectly) to the customer or associate of the customer in relation to the sale of the goods exported to Australia during the period? If yes, provide details of the credit/debit notes including the reasons the credit/debit notes were issued.

**[CONFIDENTIAL TEXT DELETED – information about credit/debit notes and reasons therefor]**

8. The invoice date will normally be taken to be the date of sale. If you are making a claim that a different date should be taken as the date of sale:

- (a) What date are you claiming as the date of sale?
- (b) Why does this date best reflect the material terms of sale?

**WestRock does not claim a date other than the invoice date as the date of sale.**

## B-2 Australian sales listing

1. Complete the worksheet named “B-2 Australian sales”

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

Please refer to Attachment 15 – WestRock EQ spreadsheet (tab Australian sales B-2) [CONFIDENTIAL ATTACHMENT].

2. Provide a table listing the source of the data for each column in the “B-2 Australian sales” listing.

Please refer to Attachment 16 – Australian sales source data B-2 2 [CONFIDENTIAL ATTACHMENT].

## B-3 Sample export documents

1. Select the two largest invoices by value and provide the following documentation:

- Contracts
- Purchase order and order confirmation
- Commercial invoice and packing list
- Proof of payment and accounts receivable ledger
- Documents showing bank charges
- Invoices for inland transport
- Invoices for port handling and other export charges
- Bill of lading
- Invoices for ocean freight & marine insurance (if applicable)
- Country of origin certificates (if applicable)

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

Please refer to:

- Attachment 17 – Australian sales sample 1 B-3 1a [CONFIDENTIAL ATTACHMENT]; and

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- **Attachment 18 – Australian sales sample 2 B-3 1b [CONFIDENTIAL ATTACHMENT].**

2. For each document, please annotate the documents or provide a table reconciling the details in the “B-2 Australian sales” listing to the source documents in B-3.1.

**Please refer to Attachment 19 – Reconciliation of Australian sales samples B-3.2 [CONFIDENTIAL ATTACHMENT].**

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

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

**Please refer to:**

- **Attachment 15 – WestRock EQ spreadsheet (tab Upwards sales B-4) [CONFIDENTIAL ATTACHMENT]; and**
- **Attachment 20 – Supporting materials for Upwards Sales B-4 [CONFIDENTIAL ATTACHMENT].**

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

1. Please complete the worksheet named “B-5 Upwards selling expense” to demonstrate that the direct selling expenses (e.g. Inland transport) in B-2 and D-2 are complete.
  - You must provide this list in electronic format using the template provided.
  - Please use the currency that your accounts are kept in.
  - If you have used formulas to complete this worksheet, these formulas must be retained.

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2. Please provide all documents, other than those in A-4, B-2 and D-2, required to complete the “B-5 Upwards selling expense” worksheet. If the documents include spreadsheets, all formulas used must be retained.
3. For any amount in the “B-5 Upwards selling expense” worksheet that is hard coded (i.e. not a formula), please cross-reference by providing:
  - the name of the source document, including the relevant page number, in column C of the worksheet; and
  - highlight or annotate the amount shown in the source document.

**Please refer to Attachment 15 – WestRock EQ spreadsheet (tab Upwards selling expense B-5) [CONFIDENTIAL ATTACHMENT].**

## SECTION C

### EXPORTED GOODS & LIKE GOODS

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

**WestRock notes that the description of the goods under consideration does not apply to its exports to Australia during the investigation period, and that accordingly it cannot be said to have exported the goods under consideration to Australia during that period.**

**WestRock refers to and adopts the Importer Questionnaire response of WestRock Packaging Solutions and WestRock Oceania with respect to the termination of the investigation as against WestRock or WestRock's exclusion from the investigation.**

**This Exporter Questionnaire response is lodged with the Commission for the purposes of the fullest cooperation with the requirements of the investigation. However, neither the fact of the lodgement of this Exporter Questionnaire response nor anything said herein is to be taken to detract from WestRock's submissions with respect to the type and end-use of the goods it exported to Australia during the investigation period and its request for the Commission to terminate the investigation as against WestRock or exclude WestRock from further participation herein.**

**WestRock asks the Commission to please advise of such termination or exclusion at the earliest possible juncture.**

**WestRock also refers to and adopts those submissions to the Commission that cogently establish that the goods are not "like goods" to those produced by the Australian industry, which is an independent and additional ground for termination of this investigation.**

**Given that WestRock has not exported the goods under consideration, WestRock submits that there is no justification or need for the Commission to determine the normal value and export price or to work out a resultant dumping margin for WestRock's exports in the investigation period.**

#### C-1 Models exported to Australia

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

**Please refer to Attachment 21 – Carrier Kote Product Guide C-1 1**

2. If you consider an MCC structure relevant, provide a list of MCCs of the goods exported to Australia, as you consider the MCC structure should be. Alternatively, provide a list of

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models/product categories, of the goods exported to Australia. This must cover all MCCs, models or product categories listed in the Australian sales listing in B-2.

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

**Noted**

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

1. Fully describe all like goods your company sold on the domestic market during the period. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the like goods sold on the domestic market.

**Please refer to Attachment 21 – Carrier Kote Product Guide C-1 1.**

2. If you consider an MCC structure relevant, provide a list of MCCs of like goods sold on the domestic market, as you consider the MCC structure should be. Alternatively, provide a list of models/product categories of like goods sold on the domestic market. This must cover all MCCs, models or product categories listed in the domestic sales listing in D-2.

**Noted**

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

### C-3 Internal product codes

1. Does your company use product codes or stock keeping unit (SKU) codes?

If yes:

- (a) Provide details of the product or SKU coding system for the goods, such as a legend or key of the meaning for each code within the product or SKU code.
- (b) Provide details on how you mapped the product or SKU codes to the MCC, model or product category for the purpose of completing this questionnaire.
- (c) Provide a table of showing the product or SKU codes for each MCC, model or product category.

If no:

- (a) Provide details on the method used to identify the MCC, model or product category in the sales and cost spreadsheets.

**WestRock assigns [CONFIDENTIAL TEXT DELETED – proprietary software] Product Hierarchy code to each type of the goods. Each code consists of [CONFIDENTIAL TEXT DELETED – number] levels:**

- **[CONFIDENTIAL TEXT DELETED – internal product coding]**

**[CONFIDENTIAL TEXT DELETED – proprietary software and coding] to the goods exported to Australia [CONFIDENTIAL TEXT DELETED – internal product coding].**

**The tables below list the meanings of the components of the codes that can be found in this submission, as well as a list of all codes that apply to the subject goods.**

**PUBLIC RECORD**

**[CONFIDENTIAL TABLE DELETED – product coding explanation]**

The relevant **[CONFIDENTIAL TEXT DELETED – proprietary software and coding]**  
Product Hierarchy codes included in domestic and Australian sales data are the following:

- **[CONFIDENTIAL TEXT DELETED – product coding]**

## SECTION D DOMESTIC SALES

### D-1 Domestic sales process

1. Provide details (and diagrams if appropriate) of the domestic sales process of your company and any other related entities including:
  - (a) Marketing and advertising activities
  - (b) Price determination and/or negotiation process
  - (c) Order placement process
  - (d) Order fulfilment process and lead time
  - (e) Delivery terms and process
  - (f) Invoicing process
  - (g) Payment terms and process

**(a) Marketing and advertising activities**

**[CONFIDENTIAL TEXT DELETED – type of sale] in the domestic market:**

- **[CONFIDENTIAL TEXT DELETED – type of sale] – WestRock Company does undertake general and tender-specific marketing activities with respect to [CONFIDENTIAL TEXT DELETED – type of sale]; and**
- **[CONFIDENTIAL TEXT DELETED – type of sale] - Westrock Company does not undertake [CONFIDENTIAL TEXT DELETED – type of sale] these sales [CONFIDENTIAL TEXT DELETED – type of sale].**

**(b) Price determination and/or negotiation process**

**[CONFIDENTIAL TEXT DELETED – type of sale], WestRock considers the following pricing factors:**

- **[CONFIDENTIAL TEXT DELETED – information about commercial pricing factors]**

**[CONFIDENTIAL TEXT DELETED – type of sale] take place at an inter-company price. They are at all times reflective of the arm's length transaction price that is called-for in the circumstances of a modern, fully integrated, tax-compliant production and supply chain such as that operated by WestRock Company. Pricing is reviewed annually by WestRock senior management and re-set to address [CONFIDENTIAL TEXT DELETED – information about commercial pricing factors].**

**In respect of the [CONFIDENTIAL TEXT DELETED – type of sale]:**

- **there is and was no consideration payable for or in respect of the goods other than their price;**
- **there is and was no reimbursement, compensation or benefit received by the buyers from the seller in respect of the price.**

**In the case of [CONFIDENTIAL TEXT DELETED – type of sale], the price was not influenced by the corporate relationship between the seller and the buyers, because it reflects WestRock's market and business setting.**

**PUBLIC RECORD**

It is noted that the price of WestRock's domestic sales [CONFIDENTIAL TEXT DELETED – type of sale] exceeded WestRock's costs of same at all times in the investigation period.

**(c) Order placement process**

[CONFIDENTIAL TEXT DELETED – type of sale] the order placement process is similar to that for Australian sales. The order will be received by Customer Service in Richmond, USA who enters the details into [CONFIDENTIAL TEXT DELETED – proprietary software].

**(d) Order fulfilment process and lead time**

The Customer Service centre enters the order details into [CONFIDENTIAL TEXT DELETED – proprietary software], and the order is then scheduled to a paper machine to meet the final delivery date. Based on a sample of reported sales, WestRock advises that its lead time from purchase order to despatch and invoicing (domestic) was in the order of [CONFIDENTIAL TEXT DELETED – number] days.

**(e) Delivery terms and process**

[CONFIDENTIAL TEXT DELETED – delivery terms].

**(f) Invoicing process**

An order is invoiced once it has been assembled and fulfilled from the warehouse/mill.

**(g) Payment terms and process**

The payment terms [CONFIDENTIAL TEXT DELETED – type of sale] are determined as part of the sales process. The more usual (standard) terms are [CONFIDENTIAL TEXT DELETED – payment terms], but other terms are in place, including:

- [CONFIDENTIAL TEXT DELETED – payment terms].

The payment terms [CONFIDENTIAL TEXT DELETED – type of sale] include:

- [CONFIDENTIAL TEXT DELETED – payment terms]

2. Are any domestic customers related to your company? If yes, please provide a list of each related customer and provide details on how the selling price is set.

[CONFIDENTIAL TEXT DELETED – type of sale] manufacturer to associated large-scale converter are to domestic customers that are related companies of the WestRock group. They are:

- [CONFIDENTIAL TEXT DELETED – WestRock group companies]

Please refer to question D-1.1(b) for details of how selling price is set.

3. If sales are in accordance with price lists or price extras list, provide copies of these lists.

[CONFIDENTIAL TEXT DELETED – source of pricing information]

## PUBLIC RECORD

4. Do your domestic selling prices vary according to the distribution channel identified? If yes, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

[CONFIDENTIAL TEXT DELETED – type of sale].

[CONFIDENTIAL TEXT DELETED – information about price differences]

[CONFIDENTIAL CHART DELETED – price differences]

5. Did you provide on-invoice discounts and/or off-invoice rebates to the customer or an associate of the customer in relation to the sale of the like goods during the period? If yes, provide a description; and explain the terms and conditions that must be met by the importer to obtain the discount.

[CONFIDENTIAL TEXT DELETED – information about discounts, rebates and cost saving].

6. Did you issue any credit or debit notes (directly or indirectly) to the customer or associate of the customer in relation to the sale of the like goods during the period? If yes, provide details of the credit/debit notes including the reasons the credit/debit notes were issued.

[CONFIDENTIAL TEXT DELETED – information about credit or debit notes].

7. The invoice date will normally be taken to be the date of sale. If you are making a claim that a different date should be taken as the date of sale:

- (a) What date are you claiming as the date of sale?
- (b) Why does this date best reflects the material terms of sale?

**WestRock does not claim a date other than the invoice date as the date of sale.**

## D-2 Domestic sales listing

1. Complete the worksheet named “D-2 Domestic sales”
  - This worksheet lists all domestic sales (i.e. transaction by transaction) of like goods invoiced within the period, even if they are models not exported to Australia
  - If you have claimed in B-1.8 and/or D-1.7 that the date of sale is one other than the invoice date, then add the sales within your claimed date of sale.
  - You must provide this list in electronic format using the template provided.
  - If you have used formulas to complete this worksheet, these formulas must be retained.
  - If there are any other costs, charges or expenses incurred in respect of the sales listed which have not been identified in the table in question D-2 above, add a column for each item. For example, certain other selling expenses incurred.

**Please refer to Attachment 15 – WestRock EQ spreadsheet (tab Domestic Sales D-2) [CONFIDENTIAL ATTACHMENT].**

## PUBLIC RECORD

2. Provide a table listing the source of the data for each column in the “D-2 domestic sales” listing.

Please refer to Attachment 22 – Domestic sales source data D-2 2 [CONFIDENTIAL ATTACHMENT].

### D-3 Sample domestic sales documents

1. Select the two largest invoices by value and provide the following documentation:

- Contracts
- Purchase order and order confirmation
- Commercial invoice and packing list
- Proof of payment and accounts receivable ledger
- Documents showing bank charges
- Delivery invoices

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

Please refer to:

- Attachment 23 – Domestic sales sample 1 D-3 1a [CONFIDENTIAL ATTACHMENT]; and
- Attachment 24 – Domestic sales sample 1 D-3 1b [CONFIDENTIAL ATTACHMENT].

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

Please refer to Attachment 25 – Reconciliation of Domestic sales samples D-3 2 [CONFIDENTIAL ATTACHMENT].

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

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

WestRock has completed B-4.

1. Please complete the worksheet named “B-4 Upwards sales” to demonstrate that the sales listings in D-2 and F-2 are complete.
  - You must provide this list in electronic format using the template provided.
  - Please use the currency that your accounts are kept in.
  - If you have used formulas to complete this worksheet, these formulas must be retained.

## PUBLIC RECORD

2. Please provide all documents, other than those in A-4, D-2 and F-2, required to complete the “B-4 Upwards sales” worksheet. If the documents include spreadsheets, all formulas used must be retained.
  
3. For any amount in the “B-4 Upwards sales” worksheet that is hard coded (i.e. not a formula), please cross-reference by providing:
  - the name of the source document, including the relevant page number, in column D of the worksheet; and
  - highlight or annotate the amount shown in the source document.

## SECTION E DUE ALLOWANCE

### E-1 Credit expense

1. Do you provide credit to any domestic customers in relation to sales of like goods (i.e. payment terms that are not on a cash or pre-payment basis)? Yes. If yes:
  - (a) Do you provide a rolling credit facility to your domestic customers (i.e. no specific payment terms agreed at the time of sale)? If yes:
    - i. Calculate the accounts receivable turnover for each domestic customer (credit sales divided by the average accounts receivable).
    - ii. Calculate the average credit term for each domestic customer by dividing 365 by the accounts receivable turnover

**For credit terms for domestic customers, please refer to WestRock's response to question D-1.1(g).**

- (b) Do you have short term borrowings or an overdraft facility? If yes, what is the interest rate, or average of interest rates?

**The relevant short-term borrowing rate/s [CONFIDENTIAL TEXT DELETED – type of borrowing and number]% over the investigation period.**

- (c) Do you have term deposits or other cash product (e.g. bonds)? If yes, what is the interest rate, or average of interest rates?

**[CONFIDENTIAL TEXT DELETED – information about deposits or cash products].**

2. Do you provide credit to any Australian customers in relation to sales of the goods (i.e. payment terms that are not on a cash or pre-payment basis)? If yes:
  - (a) Do you provide a rolling credit facility to your Australian customers (i.e. no specific payment terms agreed at the time of sale)? If yes:
    - i. Calculate the accounts receivable turnover for each domestic customer (credit sales divided by the average accounts receivable).
    - ii. Calculate the average credit term for each domestic customer by dividing 365 by the accounts receivable turnover

**For credit terms for export customers, please refer to WestRock's response to question B-1.1(g).**

- (b) If your Australian customers pay you into a foreign currency denominated account (question B-1.2(a) refers):
  - i. Do you have short term borrowings or an overdraft facility denominated in the same foreign currency? No If yes, what is the interest rate, or average of interest rates?

## PUBLIC RECORD

The relevant short-term borrowing rate/s [CONFIDENTIAL TEXT DELETED – type of borrowing and number]% over the investigation period.

- ii. What is the interest rate, or average of interest rates, applying to term deposits or other cash product (e.g. bonds) denominated in the same foreign currency? No If yes, what is the interest rate, or average of interest rates?

[CONFIDENTIAL TEXT DELETED – information about deposits or cash products].

## E-2 Packaging

1. What is the packaging used for your domestic sales of like goods?

Cores are placed in each end of the paper roll to make it easier to roll onto the spool. Banding goes around the roll to keep the paper secure on the roll. Strapping is used to prevent the roll from moving in transit.

2. What is the packaging used for your export sales of the goods to Australia?

All Australian exports are rolls, which use the same packaging as domestic rolls, plus commonly additional roll wrap to protect the goods during transit.

3. If there are distinct differences in packaging between your domestic and export sales:

- (a) Provide details of the differences
- (b) Calculate the weighted average packaging cost for each model sold on the domestic market
- (c) Calculate the weighted average packaging cost for each model exported to Australia

WestRock advises as follows:

[CONFIDENTIAL TEXT DELETED – information about packaging and packaging costs].  
Please refer to Attachment 26 – Packaging Costs for 2018/19 E-2 3 [CONFIDENTIAL ATTACHMENT].

## E-3 Delivery

1. Are any domestic sales of like goods delivered to the customer? If yes, how were the transportation costs calculated in the domestic sales listing in D-2?

[CONFIDENTIAL TEXT DELETED – delivery terms].

2. What are the delivery terms of the export sales of the goods to Australia?

## PUBLIC RECORD

As per the response to question B-1.1(e), the delivery terms for Australian sales are [CONFIDENTIAL TEXT DELETED – trading terms].

3. If the delivery terms of the Australian sales includes delivery to the port, how were the inland transport and port charges calculated in the Australian sales listing in B-2?

[CONFIDENTIAL TEXT DELETED – trading terms].

4. If the delivery terms of the Australian sales includes ocean freight, how was the ocean freight cost calculated in the Australian sales listing in B-2?

[CONFIDENTIAL TEXT DELETED – trading terms].

5. If the delivery terms of the Australian sales includes marine insurance, how was the marine insurance calculated in the Australian sales listing in B-2?

[CONFIDENTIAL TEXT DELETED – trading terms].

6. If the delivery terms of the Australian sales includes delivered duty paid, how were the Australian importation and delivery costs calculated in the Australian sales listing in B-2?

[CONFIDENTIAL TEXT DELETED – trading terms].

### E-4 Other direct selling expenses

1. Do you provide sales commissions for domestic sales of like goods and/or export sales of the goods? If yes, provide details.

[CONFIDENTIAL TEXT DELETED – information about sales commissions].

2. Are there any differences in tax liability between domestic and export sales? *No*. If yes, provide details, for example:

- What is the rate of value-added tax (VAT) on sales of the goods and like goods?
- How is VAT accounted for in your records in relation to sales of the goods and like goods?
- Do you receive a VAT refund in relation to sales of the goods and/or like goods?
- Do you receive a remission or drawback of import duties on inputs consumed in the productions of the goods or like goods?

**No, there are no differences in tax liability.**

## PUBLIC RECORD

3. Are there any other direct selling expenses incurred by your company in relation to domestic sales of like goods?
- These direct selling expenses must be included in the reconciliation of direct selling expenses in B-5

**Direct selling expenses, other than the specific items referred to above, are captured [CONFIDENTIAL TEXT DELETED – internal accounting information].**  
**[CONFIDENTIAL TEXT DELETED – types of expenses].**  
**Please refer to Attachment 27 – Mahrt Mill SGA E4 3 tab “PBO Direct Selling” [CONFIDENTIAL ATTACHMENT].**

4. Are there any other direct selling expenses incurred by your company in relation to export sales of the goods to Australia?
- These direct selling expenses must be included in the reconciliation of direct selling expenses in B-5

**Please refer to the response to question E-4.3**

### E-5 Other adjustment claims

1. Are there any other adjustments required to ensure a fair comparison between the export price and the normal value (based on domestic sales, costs and/or third country sales)? If yes, provide details.
- An adjustment will only be made where there is evidence that the difference affects price comparability.
  - Refer to Chapter 15 of the *Dumping and Subsidy Manual (November 2018)* for more information.

**[CONFIDENTIAL TEXT DELETED – submissions about adjustments].**  
**WestRock reserves the right to continue to check its records and sales practices in order to bring forward and establish any further identified adjustments should that be necessary so as to ensure a fair comparison.**

## SECTION F THIRD COUNTRY SALES

### F-1 Third country sales process

1. Are your sales processes to any third country (i.e. exports to countries other than Australia) different to the sales process described in B-1.1? If yes, provide details of the differences.

[CONFIDENTIAL TEXT DELETED – type of sale] to associated converters are the same.

2. Are there any third country customers related to your company? If yes, please provide a list of each related customer and provide details on how the selling price is set.

Yes, related customers, listed with the relevant country, are:

- [CONFIDENTIAL TEXT DELETED – WestRock group companies]

[CONFIDENTIAL TEXT DELETED – type of sale] take place at an inter-company price. They are at all times reflective of the arm's length transaction price that is called-for in the circumstances of a modern, fully integrated, tax-compliant production and supply chain such as that operated by WestRock Company. Pricing is reviewed annually by WestRock senior management and re-set to address [CONFIDENTIAL TEXT DELETED – information about commercial pricing factors].

3. The invoice date will normally be taken to be the date of sale. If you are making a claim that a different date should be taken as the date of sale:

- (a) What date are you claiming as the date of sale?
- (b) Why does this date best reflect the material terms of sale?

WestRock does not claim a date other than the invoice date as the date of sale.

### F-2 Third country sales listing

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

Please refer to Attachment 15 – WestRock EQ spreadsheet (tab Third Country sales) [CONFIDENTIAL ATTACHMENT].

2. Provide a table listing the source of the data for each column in the export sales listing (F-2.1).

Please refer to Attachment 28 – Third country sales source data F-2 2 [CONFIDENTIAL ATTACHMENT]. This has been sourced from WestRock's [CONFIDENTIAL TEXT DELETED – proprietary software] system.

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

1. Are there any differences in sales to third countries which may affect their comparison to export sales to Australia? If yes, provide details.

Sales and sale prices to third countries are affected by the market conditions in that country and region in which the goods and substitute goods are sold.

## SECTION G COST TO MAKE AND SELL

### G-1. Production process

1. Describe the production process for the goods and provide a flowchart of the process. Include details of all products manufactured using the same production facilities as those used for the goods. Also specify all scrap or by-products that result from producing the goods.

Please refer to Attachment 29 – WRK Mahrt Process G-1 for a description and flowchart of the production process [CONFIDENTIAL ATTACHMENT].

2. Are any of your suppliers related to your company (regardless of whether it is relevant to the manufacture of the goods)? If yes, please provide details including the product or services supplied by the related company.

Yes. The Mahrt Mill procures recycled fibre that is used in the production process from other facilities owned by WestRock. Please refer to Attachment 15 – WestRock EQ spreadsheet (tab Raw material CTM G-7 2) [CONFIDENTIAL ATTACHMENT] for further details of these costs.

The Mahrt Mill also procures woodchips from other facilities owned by WestRock, including chip residuals from an onsite saw mill (referred to as “Cottonton”) as well as occasional purchases from a WestRock-owned chip mill located in Abbeville, Alabama.

### G-2. Cost accounting practices

1. Is your company’s cost accounting system based on actual or standard costs (budgeted)?

Actual costs incurred in a month are first recorded in [CONFIDENTIAL TEXT DELETED – proprietary software] and interfaced into [CONFIDENTIAL TEXT DELETED – proprietary software], or recorded directly in [CONFIDENTIAL TEXT DELETED – proprietary software]. On a monthly basis cost accounting is recorded in [CONFIDENTIAL TEXT DELETED – proprietary software] based on [CONFIDENTIAL TEXT DELETED – internal costing method] applied to inventory production each month through a manual process.

2. If your company uses standard costs:
  - (a) Were standard costs used as the basis of actual costs in your responses G-3.1 & G-5.1?
  - (b) Have all variances (i.e. differences between standard and actual production costs) been allocated to the goods?
  - (c) How were those variances allocated?
  - (d) Provide details of any significant or unusual cost variances that occurred during the period.

[CONFIDENTIAL TEXT DELETED – internal costing method].

## PUBLIC RECORD

3. Do you have different cost centres in your company's cost accounting system? If yes, list the cost centres, provide a description of each cost centre and the allocation methodology used in your accounting system.

**[CONFIDENTIAL TEXT DELETED – internal costing method].**

4. To what level of product specificity (models, grades etc.) does your company's cost accounting system normally record production costs?

**As noted above, monthly production costs are recorded through [CONFIDENTIAL TEXT DELETED – proprietary software] but then adjusted through [CONFIDENTIAL TEXT DELETED – internal costing method] applied to monthly inventory production. [CONFIDENTIAL TEXT DELETED –internal costing method/s].**

5. Are there any costs for management accounting purposes valued differently to financial accounting purposes? If yes, provide details of the differences.

**No, no costs are valued differently.**

6. Has your company engaged in any start-up operations in relation to the goods? If yes:
- Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.
  - 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.

**The Mahrt Mill did not engage in any start-up operations in the investigation period, and no cost adjustment is requested on that basis.**

**[CONFIDENTIAL TEXT DELETED – determination of production costs].**

7. What is the method of valuation for raw material, work-in-process, and finished goods inventories (e.g. last in first out –LIFO, first in first out- FIFO, weighted average)?

**[CONFIDENTIAL TEXT DELETED – internal costing method].**

8. What are the valuation methods for damaged or sub-standard goods generated at the various stages of production?

**Broken or scrap rolls are valued at [CONFIDENTIAL TEXT DELETED – internal costing method].**

9. What are the valuation methods for scrap, by products, or joint products?

## PUBLIC RECORD

Scrap is valued at [CONFIDENTIAL TEXT DELETED – internal costing method]. By-products are [CONFIDENTIAL TEXT DELETED – internal costing method].

10. Are any management fees/corporate allocations charged to your company by your parent or related company? If yes, provide details

[CONFIDENTIAL TEXT DELETED – information about inter-company charges].

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

1. Complete the worksheet named "G-3 Domestic CTM".

- This worksheet lists the quarterly cost to make the domestic models of like goods by MCC, model or product category manufactured within the period, even if they are models not exported to Australia.
- The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold) for each MCC, model or product category.
- If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture like goods, report the costs excluding the imputation tax. All other taxes payable (e.g. import duty) must be included as 'other costs' if not already included, for example, under material costs.
- You must provide this list in electronic format using the template provided.
- If you have used formulas to complete this worksheet, these formulas must be retained.
- If you have claimed in B-1.8 and/or D-1.7 that the date of sale is one other than the invoice date, then provide the cost for the quarters that all domestic sales are made within your claimed date of sale, even if doing so means that such cost data predates the commencement of the period.

Please refer to Attachment 15 – WestRock EQ spreadsheet (tab Domestic CTM G-3) [CONFIDENTIAL ATTACHMENT].

Please note [CONFIDENTIAL TEXT DELETED – internal costing method]. A summary of all products produced can be seen at EQ Spreadsheet B-4.

Attachment 15 – WestRock EQ spreadsheet (tab Domestic CTM G-3) [CONFIDENTIAL TEXT DELETED – internal cost method/s].

[CONFIDENTIAL TEXT DELETED – internal cost methods]:

- [CONFIDENTIAL TEXT DELETED – product types]

2. Provide a table listing the source of the data for each column of the "G-3 Domestic CTM" listing.

The data in Attachment 15 – WestRock EQ spreadsheet (tab Domestic CTM G-3) is extracted from WestRock's [CONFIDENTIAL TEXT DELETED – proprietary software] system.

## G-4 Selling, General & Administration expenses

1. Complete the worksheet named "G-4.1 SG&A listing".
  - This worksheet lists all selling, general and administration expenses by account code for the most recent accounting period and the period.
  - You must provide this list in electronic format using the template provided.
  - If you have used formulas to complete this worksheet, these formulas must be retained.

Please refer to Attachment 15 – WestRock EQ spreadsheet (tab SG&A Listing G-4 1) [CONFIDENTIAL ATTACHMENT].

2. Complete the worksheet named "G-4.2 Domestic SG&A calculation".
  - This worksheet calculates the unit domestic SG&A for each MCC, model or product category.
  - You must provide this list in electronic format using the template provided.
  - Please use the formulas provided.

Please refer to Attachment 15 – WestRock EQ spreadsheet (tab Domestic SG&A calculation G-4 2) [CONFIDENTIAL ATTACHMENT].

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

1. Complete the worksheet named "G-5 Australian CTM".
  - This worksheet lists the quarterly cost to make the Australian models of the goods under consideration by MCC, model or product category manufactured within the period.
  - The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold) for each MCC, model or product category.
  - If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture the goods, report the costs excluding the imputation tax. All other taxes payable (e.g. import duty) must be included as 'other costs' if not already included, for example, under material costs.
  - You must provide this list in electronic format using the template provided.
  - If you have used formulas to complete this worksheet, these formulas must be retained.
  - If you have claimed in B-1.8 that the date of sale is one other than the invoice date, then provide the cost for the quarters that all Australian sales are made within your claimed date of sale, even if doing so means that such cost data predates the commencement of the period.

Please refer to Attachment 15 – WestRock EQ spreadsheet, tab Australian CTM G-5 [CONFIDENTIAL ATTACHMENT].

Please also refer to WestRock Company's explanation at G-3.1.

## PUBLIC RECORD

2. Provide a table listing the source of the data for each column of the “G-5 Australian CTM” listing.

The data in Attachment 15 – WestRock EQ spreadsheet (tab Australian CTM G-5) is extracted from WestRock’s [CONFIDENTIAL TEXT DELETED – proprietary software] system.

### G-6 Cost allocation methodology

1. What is the allocation methodology used to complete in G-3 domestic CTM and G-5 Australian CTM for:
  - (a) Raw materials
  - (b) Labour
  - (c) Manufacturing overheads

Please refer to the response to question G-3.1, above.

[CONFIDENTIAL TEXT DELETED – internal costing method] Mahrt Mill in 2018-2019 by quarter was allocated based upon [CONFIDENTIAL TEXT DELETED – allocation method].

2. Select the domestic model (export model if you have no domestic production of like goods) with the largest production volume over the period and provide worksheets demonstrating the allocation methodology described in G-6.1 from your normal cost accounting system to the cost for that model reported in G-3.1.

Please refer to Attachment 15 – WestRock EQ spreadsheet (tab Domestic CTM G-3).

### G-7 Major raw material costs

1. What are the major raw materials used in the manufacture of the goods?

Fibre, wood, and chemicals.

2. Are any raw materials sourced as part of an integrated production process or from a subsidiary company which your company exercise control? If yes, complete the worksheet named “G-7.2 Raw material CTM” for these raw materials.
  - This worksheet lists the quarterly cost to make the raw material manufactured within the period.
  - The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold).
  - If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture the raw material, report the costs excluding the imputation tax. All other taxes payable (e.g. import duty) must be included as ‘other costs’ if not already included, for example, under material costs.

## PUBLIC RECORD

- You must provide this list in electronic format using the template provided.
- If you have used formulas to complete this worksheet, these formulas must be retained.

**Please refer to:**

- **Attachment 15 – WestRock EQ spreadsheet (tab Raw material CTM G-7.2) [CONFIDENTIAL ATTACHMENT];**
- **Attachment 30 – Supporting data for Raw material CTM G-7 2b [CONFIDENTIAL ATTACHMENT].**

**Mahrt Mill procures some recycled fibre and chips from related entities.**

3. Using the domestic cost data in “G-3 Domestic CTM” (use “G-5 Australian CTM” if you have no domestic production of like goods), calculate the weighted average percentage of each raw material cost (listed in G-7.1) as a proportion of total cost to make.

**Please refer to Attachment 31 – Cost of Goods Manufactured Questionnaire Format G-7 3 [CONFIDENTIAL ATTACHMENT].**

4. For each raw material identified in G-7.3 which individually account for 10% or more of the total cost to make, complete the worksheet named “G-7.4 Raw material purchases”
- This worksheet lists all raw material purchases (i.e. transaction by transaction) purchased by your company within the period.
  - You must provide this list in electronic format using the template provided.
  - If you have used formulas to complete this worksheet, these formulas must be retained.

**Please refer to Attachment 32 – Raw material purchases G-7 4 [CONFIDENTIAL ATTACHMENT].**

**[CONFIDENTIAL TEXT DELETED – cost accounting].**

**[CONFIDENTIAL TEXT DELETED – cost accounting ad supplier name].**

**[CONFIDENTIAL TEXT DELETED – cost accounting].**

**[CONFIDENTIAL TEXT DELETED – cost accounting].**

**[CONFIDENTIAL TEXT DELETED – cost accounting, delivery charges].**

**[CONFIDENTIAL TEXT DELETED – cost accounting delivery charges].**

**[CONFIDENTIAL TEXT DELETED – energy cost accounting].**

5. Provide a table listing the source of the data for each column of the “G-7.4 Raw material purchases” listing.

**WestRock advises that all of the data is extracted from Mahrt Mill’s wood procurement system.**

6. For each raw material:

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- (a) Select the two largest invoices by value and provide the commercial invoice and proof of payment.
- (b) Reconcile the total value listed in “G-7.4 Raw material purchases” listing to relevant purchase ledgers or trial balances in your accounting system. Provide copies of all documents used to demonstrate the reconciliation.

[CONFIDENTIAL TEXT DELETED – cost accounting].

[CONFIDENTIAL TEXT DELETED – cost accounting and inventory].

7. Are any of the suppliers in “G-7.4 Raw material purchases” listing related to your company? If yes, please provide details on how the price is set.

[CONFIDENTIAL TEXT DELETED – WestRock group companies] WestRock-owned facilities that appear in Attachment 31 – Raw material purchases G-7 4 [CONFIDENTIAL ATTACHMENT].

[CONFIDENTIAL TEXT DELETED – raw material costing].

[CONFIDENTIAL TEXT DELETED – raw material costing].

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

1. Please complete the worksheet named “G-8 Upwards costs” to demonstrate that the cost listings in G-3 and G-5 are complete.
  - You must provide this list in electronic format using the template provided.
  - Please use the currency that your accounts are kept in.
  - If you have used formulas to complete this worksheet, these formulas must be retained.
2. Please provide any documents, other than those in A-4, G-3 and G-5, required to complete the “G-8 Upwards costs” worksheet.
3. For any amount that is hard coded (i.e. not a formula), please cross-reference by providing:
  - the name of the source document, including the relevant page number, in column D of the worksheet; and
  - highlight or annotate the amount shown in the source document.

Please refer to:

- Attachment 15 – WestRock EQ spreadsheet (tab Upwards costs G-8) [CONFIDENTIAL ATTACHMENT]; and
- Attachment 33 - Upwards costs supporting material G-8 b [CONFIDENTIAL ATTACHMENT].

## G-9 Capacity Utilisation

1. Please complete the worksheet named “G-9 Capacity Utilisation”.
  - You must provide this list in electronic format using the template provided.

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- If you have used formulas to complete this worksheet, these formulas must be retained.

**Please refer to:**

- **Attachment 15 – WestRock EQ spreadsheet (tab Capacity Utilisation G-9) [CONFIDENTIAL ATTACHMENT];**
- **Attachment 34 – Source of Capacity Utilisation G-9 b [CONFIDENTIAL ATTACHMENT].**

**Please note that as per the instructions provided in the worksheet, the production capacity figures are based upon management's reasonable estimates at the time of maximum production levels, including assumptions for normal levels of maintenance and repair and typical operating schedule.**

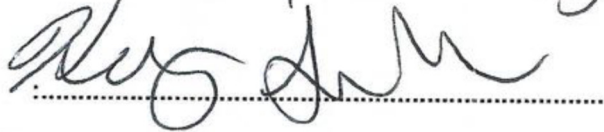
## EXPORTER'S DECLARATION

I hereby declare that WestRock Company has completed the attached questionnaire and, having made due inquiry, certify that the information contained in this submission is complete and correct to the best of my knowledge and belief.

Name

Kelsey Surbaugh

Signature



Position in Company

VP, Pricing

Date

June 5<sup>th</sup>, 2020

## APPENDIX

# GLOSSARY OF TERMS

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

### **Adjustments**

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

Examples of adjustments that may be made include: *sales occurring at different times*

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

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

### **Arms length**

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

### **Constructed value**

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

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

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

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

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

### **Country of origin**

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

### **Date of sale**

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

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### Direct labour cost

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

### Dumping

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

### Dumping margin

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

### Export price

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

### Exporting country

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

### Factory overheads

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

### Goods under consideration (the goods)

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

### Incoterms

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

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

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by air, road, rail etc.

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

### **The period**

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

### **Like goods**

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

### **Normal value**

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

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

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

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

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

### **Ordinary course of trade**

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

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

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

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

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

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

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