

LOST SALES AND LOST REVENUE SURVEY

HARD EMPTY CAPSULES FROM BRAZIL, CHINA, INDIA, AND VIETNAM

This survey must be received by the Commission by **November 7, 2024**

See last page for instructions regarding how to file this questionnaire.

The information called for in this survey is for use by the United States International Trade Commission in connection with its countervailing duty and antidumping investigations concerning hard empty capsules (“HECs”) from Brazil, China, India, and Vietnam (Inv. Nos. 701-TA-742-745 and 731-TA-1720-1723 (Preliminary)). The information requested in the survey is requested under the authority of the Tariff Act of 1930, title VII. This report is mandatory and failure to reply as directed can result in a subpoena or other order to compel the submission of records or information in your possession (19 U.S.C. § 1333(a)). Further information on this survey can be obtained from Amelia Preece (202-205-3250, amelia.preece@usitc.gov).

Name of firm _____

Address _____

City _____ State _____ Zip Code _____

Website _____

Has your firm purchased HECs from any source (domestic or foreign), or imported HECs for internal consumption, at any time since January 1, 2021?

☐ **NO** (Sign the certification below and promptly return **only** this page of the survey to the Commission)

☐ **YES** (Complete all parts of the survey, and return the entire survey to the Commission)

Return questionnaire via the Commission’s secure portal by clicking on the following link:
<https://usitc.gov/qportal>. (PIN: HECs, PHASE: **Preliminary**). See last page for detailed instructions.

CERTIFICATION

I certify that the information herein supplied in this survey is complete and correct to the best of my knowledge and belief and understand that the information submitted is subject to audit and verification by the Commission. By submitting this certification I also grant consent for the Commission, and its employees and contract personnel, to use the information provided in this survey and throughout this proceeding in any other import-injury proceedings conducted by the Commission on the same or similar merchandise.

I, the undersigned, acknowledge that information submitted in response to this request for information and throughout this investigation or other proceeding may be disclosed to and used: (i) by the Commission, its employees and Offices, and contract personnel (a) for developing or maintaining the records of this or a related proceeding, or (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission including under 5 U.S.C. Appendix 3; or (ii) by U.S. government employees and contract personnel, solely for cybersecurity purposes. I understand that all contract personnel will sign appropriate nondisclosure agreements.

Name of Authorized Official

Title of Authorized Official

Date

Signature

Phone

Email address

GENERAL INFORMATION

Background.--This proceeding was instituted in response to a petition filed on October 24, 2024, by Lonza Greenwood LLC, Greenwood, South Carolina. Countervailing and/or antidumping duties may be assessed on the subject imports as a result of these proceedings if the Commission makes an affirmative determination of injury, threat, or material retardation, and if the U.S. Department of Commerce ("Commerce") makes an affirmative determination of subsidization and/or dumping. Pertinent information to this proceeding is available at:

Questionnaires: https://usitc.gov/reports/active_import_injury_questionnaires.

Other case information: <https://ids.usitc.gov/case/8233/investigation/8646>

HECs covered by this proceeding are hard empty capsules (HECs), which are unfilled cylindrical shells composed of at least 80 percent by weight of a non-toxic biodegradable, biocompatible, and water soluble polymer, and may also contain water, additives, opacifiers, colorants, and processing aids. HECs may also be imprinted or otherwise decorated with markings.

The most common polymer materials in HECs are gelatin derived from animal collagen (including, but not limited to, pig, cow, or fish collagen), hydroxypropyl methylcellulose (HPMC), and pullulan. However, HECs may also be made of other non-toxic, biodegradable, biocompatible, and water soluble polymer materials.

HECs are comprised of two prefabricated, hollowed cylindrical sections (cap and body). The cap and body pieces each have one closed and rounded end and one open end, and are constructed with different or equal diameters at their open ends.

HECs are covered by the scope of this investigation regardless of polymer material, additives, transparency, opacity, color, imprinting, or other markings.

HECs are also covered by the scope of this investigation regardless of their size, weight, length, diameter, thickness, and filling capacity.

Cap and body pieces of HECs are covered by the scope of this investigation regardless of whether they are imported together or separately, and regardless of whether they are imported in attached or detached form.

Products that do not disintegrate/dissolve in a liquid biorelevant medium (e.g., water) under tests specified in the United States Pharmacopeia – National Formulary (USP-NF), or equivalent disintegration/dissolution tests, within 2 hours are not covered by the scope of this investigation.

HECs are currently imported under statistical reporting numbers 9602.00.1040 or 9602.00.5010 of the Harmonized Tariff Schedule of the United States (HTSUS). In addition, gelatin HECs may be imported under HTSUS statistical reporting number 3503.00.5510; HPMC HECs may be imported under HTSUS statistical reporting number 3923.90.0080; and pullulan HECs may be imported under HTSUS statistical reporting number 2106.90.9998. The HTSUS provisions are for convenience and customs purposes; the written description of the scope is dispositive.

1,000 units.—Quantities in this questionnaire are requested to be reported in 1,000 units. For HECs, units represent an individual capsule or HEC. In other words, in a line requesting quantity data if your

firm reports “20” that represents 20,000 individual capsules, and since in this industry a standard bag size contains 1,000 individual capsules, that reported “20” would represent 20 such bags with 1,000 capsules each. If your firm ships HECs in containers or bags other than bags containing 1,000 capsules, please convert your quantities to the 1,000 unit equivalent when reporting quantity data in this questionnaire. For example, if your firm sold 100 bags containing 500 capsules, your firm should report a quantity of 50 (i.e., $100 * 500 / 1000$). Please do not report quantities in individual bags, eaches, or other such units of measure. Remember if your firm’s records are not stored in the requested quantity measurement, carefully made estimates to convert your firm’s data into the requested quantity measure are acceptable and then the use of such estimates should be noted in the catch all question at the end of each relevant section in this questionnaire where such estimates were reported. While capsules and units are sometimes used interchangeably, for the purposes of consistency we will be discussing volume in units.

Reporting of information.-- If information is not readily available from your records, provide carefully prepared estimates.

Confidentiality.--The data furnished in response to this survey that reveal the individual operations of your firm will be treated as confidential by the Commission to the extent that such data are not otherwise available to the public and will not be disclosed except as may be required by law (see 19 U.S.C. 1677f). Such confidential information will not be published in a manner that will reveal the individual operations of your firm; however, general characterizations of numerical business proprietary information (such as discussion of trends) will be treated as confidential business information only at the request of the submitter for good cause shown.

Release of information.--The information provided by your firm in response to this survey, as well as any other business proprietary information submitted by your firm to the Commission in connection with this proceeding, may become subject to, and released under, the administrative protective order provisions of the Tariff Act of 1930 (19 U.S.C. § 1677f) and section 207.7 of the Commission’s Rules of Practice and Procedure (19 CFR § 207.7). This means that certain lawyers and other authorized individuals may temporarily be given access to the information for use in connection with this proceeding or other import-injury proceedings conducted by the Commission on the same or similar merchandise; those individuals would be subject to severe penalties if the information were divulged to unauthorized individuals. Please also retain a copy of the final document that you submit.

Contact information.--Please identify the responsible individual and the manner by which Commission staff may contact that individual regarding the confidential information submitted in this survey. This may or may not be the person whose signature is at the bottom of page 1.

Name	
Title	
Email	
Telephone	

Firms operating more than one establishment should combine the data for all establishments into a single response.

PURCHASE INFORMATION

1. **Purchases and imports.**— Report separately your firm's domestic purchases and imports of HECs.

"Purchase" – Purchase from a U.S. entity, such as a U.S. producer, a U.S. importer, or other U.S. firm.

"Import" – Purchase directly from a foreign supplier, and your firm is the importer of record.

Item	2021	2022	2023	January— June 2024
	Quantity (in 1,000 units)			
Purchases of HECs produced in—				
United States				
Brazil				
China				
India				
Vietnam				
All other countries ¹				
Sources unknown ²				
Total purchases	0	0	0	0
Imports of HECs from—				
Brazil				
China				
India				
Vietnam				
All other countries ¹				
Total imports ³	0	0	0	0
¹ Please identify these countries: ² Please indicate the firm(s) from which you purchased this merchandise: ³ If your firm imported HECs at any time since January 1, 2021, please also complete and return a U.S. importers' questionnaire in this proceeding.				

2. **Changes in purchasing patterns.**— Please indicate whether the shares of your firm’s purchases of HECs steadily increased, fluctuated but ended higher, were constant, fluctuated but ended lower, or steadily decreased since January 1, 2021 from the listed sources.

Select one box per row.

[illegible]

3. Purchasing subject imports rather than domestic products.—

- (a) Since January 1, 2021, did your firm import and/or purchase imports of HECs from Brazil, China, India, and Vietnam instead of purchasing U.S.-produced HECs? Respond for each subject country.

Source	Yes (also respond to parts (b) and (c))	No (If “No” for all countries, skip to next question)
Brazil	<input type="checkbox"/>	<input type="checkbox"/>
China	<input type="checkbox"/>	<input type="checkbox"/>
India	<input type="checkbox"/>	<input type="checkbox"/>
Vietnam	<input type="checkbox"/>	<input type="checkbox"/>

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

Source	Yes	No
Brazil	<input type="checkbox"/>	<input type="checkbox"/>
China	<input type="checkbox"/>	<input type="checkbox"/>
India	<input type="checkbox"/>	<input type="checkbox"/>
Vietnam	<input type="checkbox"/>	<input type="checkbox"/>

- (c) If you responded “Yes” to part (a), was price a primary reason for importing and/or purchasing subject imports rather than domestic product?

Source	Yes	If Yes, estimate the quantity of imports purchased and/or imported instead of domestic product since January 1, 2021 (in 1,000 units)	No	If No, please indicate the reason your firm imported and/or purchased imports instead of domestic product
Brazil	<input type="checkbox"/>		<input type="checkbox"/>	
China	<input type="checkbox"/>		<input type="checkbox"/>	
India	<input type="checkbox"/>		<input type="checkbox"/>	
Vietnam	<input type="checkbox"/>		<input type="checkbox"/>	
If the quantity reported above exceeds the total quantity reported in Question 1, please explain.				

4. **U.S. producers and import competition.**—

- (a) Since January 1, 2021, in connection with a sale or offer to sell HECs to your firm, did U.S. producers reduce their prices of domestically produced HECs in order to compete with lower-priced imports of HECs from the subject countries? Respond for each subject country.

Source	Yes (also respond to question part (b))	No (If “No” for all countries, skip to next question)	Don’t know
Brazil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
China	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
India	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vietnam	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- (b) If your firm responded “yes” to any of the above countries, please provide an estimate of the reduction in U.S. producers’ prices and any additional explanations.

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

5. **Major purchasing factors.**—Please list, in order of their importance, the main factors your firm considers in deciding from whom to purchase HECs.

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

6. **Other explanations**--Please provide any additional comments in this box.

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7. **Stock symbol information**-- If your firm or parent firm is publicly traded, please specify the stock exchange and trading symbol: _____.

8. **External counsel**-- If your firm or parent firm is represented by external counsel in relation to this proceeding, having filed an entry of appearance, please specify the name of the law firm and the lead attorney(s).

Law firm:	
Lead attorney(s):	

9. **Reporting requirements.**--Please report the actual number of hours required and the cost to your firm of completing this survey for use by the Office of Management and Budget.

Hours	Dollars

Public reporting burden for this survey is estimated to average 4 hours per response, including the time for reviewing instructions, gathering data, and completing and reviewing the survey.

We welcome comments regarding the accuracy of this burden estimate, suggestions for reducing the burden, and any suggestions for improving this questionnaire. Please provide such comments to the Office of Investigations, import_injury@usitc.gov.

HOW TO FILE YOUR SURVEY RESPONSE

Please do not attempt to modify the format or permissions of the survey document.

Please submit the completed survey using one of the methods noted below. If your firm is unable to complete the MS Word survey or cannot use one of the electronic methods of submission, please contact the Commission for further instructions.

- **Upload via Secure Drop Box.**— The questionnaire must be uploaded in two formats: (1) a Microsoft Word 97-2003 document; and (2) a PDF copy of the complete questionnaire with a signature on the first page. Please include any attachments at the end of the PDF (e.g., APO certification, additional comments, etc.).

Web address: <https://usitc.gov/qportal>

Pin: XXXX

Phase: Preliminary

- **E-mail.**— *E-mail the MS Word questionnaire to amelia.preece@usitc.gov; include a PDF copy of the complete questionnaire with a signature on the first page. Submitters are strongly encouraged to encrypt nonpublic documents that are electronically transmitted to the Commission to protect your sensitive information from unauthorized disclosure. The USITC secure submission portal and the Electronic Document Information System (EDIS) use Federal Information Processing Standards (FIPS) 140-2 cryptographic algorithms to encrypt data in transit. Submitting your nonpublic documents by a means that does not use these encryption algorithms (such as by email) may subject your firm's nonpublic information to unauthorized disclosure during transmission. If you choose a non-encrypted method of electronic transmission, the Commission warns you that the risk of such possible unauthorized disclosure is assumed by you and not by the Commission.*

If your firm did not purchase this product, please fill out page 1, print, sign, and submit a scanned PDF copy via the Commission's secure submission portal or email.