



## PROCESSING AUTHORITY CHECKLIST

Below is a list of explanations and data elements needed to better understand the necessity for the processing authority and its effects industry wide, nation wide, domestically, and internationally? ITC will work with VSMPO to answer these questions accordingly...

- Company Profile
- Summary of company supply chain
- Benefits to be received with proposed processing authority
- Justification of the grant of authority for the nation
- Identification of property, site plan, square footage, acreage, etc...
- Strengths and weaknesses of company, industry specific
- General industry strengths and weaknesses
- Total company employment
- Total facility employment for Ontario
- Identify the changes in employment rate over the past five years
- Further detail the anticipated proceeds of employment growth and productivity if authority is granted.
- Step by step explanation of the cutting and change of the product
- Provide a list of locations that conduct similar processes in the U.S. or other
- For the products you want to produce under FTZ procedures, list the percentages (or percent ranges) by value of:  
U.S. materials = \_\_\_\_\_%; foreign materials = \_\_\_\_\_%; and value added at your facility (labor, profit, overhead, etc.) = \_\_\_\_\_%.  
(U.S. materials + foreign materials + value added = 100%)
- Are the components that you purchase from abroad also available from U.S. suppliers (if yes, why are you unable to obtain those components domestically)? Explain.
- Are the components that you purchase from abroad also available from U.S. suppliers (if yes, why are you unable to obtain those components domestically)? Explain.
- Will FTZ -related savings affect your company's purchasing patterns? Explain.



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- What is the current annual production capacity at your plant? Are there any planned capacity changes? (Indicate the units of measure used.)
- What is your company's current share of the U.S. market for the type of products you want to make under FTZ procedures?
- List your major competitors in the U.S. market and their approximate U.S. market shares.
- Are your competitors producing in the U.S. or abroad? Explain and give specific examples.
- What is imports' share of the U.S. market for the type of products you want to make under FTZ procedures?
- Has imports' share of the U.S. market changed in the past 5-10 years? How? Why?
- How would approval of your proposed FTZ processing affect your domestic competitors?
- Are the purchasing patterns of competing domestic processing facilities similar to your company's?
- If you are granted authority to process under FTZ procedures, would the other U.S. processing facilities be likely to seek access to zone procedures? Explain.
- What are the competitive factors in your industry? Any other factors unique to your industry?
- What percent of your production of the products you want to make under FTZ procedures is sold to export markets?
- Do you know your approximate share of the world-wide market for the products you want to make under FTZ procedures? If yes, list it.
- List your major competitors in the world market and their approximate world market shares.
- Briefly describe your company's background and current situation (including annual sales value or other indicator(s) of company's size and scope of operations).
- Please list the main internet address(es) for information about your company and product(s).
- Are you aware of any studies or reports that have been done recently regarding your industry or industry sector? If yes, please list the titles and authors/publishers below – you do not need to submit the studies/reports with the application. Note: The FTZ Staff may



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later ask for your assistance in obtaining a copy of these publications as part of the Staff's case-related research.

- What are the total estimated annual FTZ-related savings associated with the proposed activity you are describing in this application?
- Provide the percentage breakdown for your total estimated FTZ savings into the following categories: Logistical/Paperwork; Inverted Tariff; Exports; Duty Deferral; and Scrap/Waste.
- Provide any additional explanation or special features of the above savings that may be relevant to the review or implementation of zone procedures (e.g., formulas, Customs rulings, scrap as percentage of imported product).
- Provide an estimated cost figure for operating your proposed FTZ processing facility each year. (Components of your annual operating cost could include record keeping/inventory control, fees to the zone grantee, etc.)
- Do you commit to work with Customs & Border Protection, as appropriate, to meet current and future CBP requirements for its automated systems (e.g., ACS, ACE)?
- Site Address(es)
- Describe in detail the specific processing activity – including the main products and components – which you are seeking to conduct under FTZ procedures.
- Pursuant to the definition of "primary" components below, do you have components/inputs that are subject to antidumping ("AD") or countervailing duty ("CVD") duties? Are any of the components subject to quantitative restrictions (quotas)? Are you aware of any other trade-related issues affecting any of the components? If yes to any of these questions, explain.