



Pre-Sampling Questionnaire (Exporter)
Transition review of anti-dumping measures
Case TD0035: Certain pneumatic tyres used for
buses or lorries exported from the People's
Republic of China

Period of Investigation:	1 January 2022 – 31 December 2022
Injury Period:	1 January 2019 – 31 December 2022
Deadline for response:	n/a
Case Team Contact:	TD0035@traderemedies.gov.uk
Completed on behalf of:	SHANGHAI HANKOOK TIRE CO., LTD

When you have completed this form, indicate the **confidentiality** status of this document by placing an X in the relevant box below and in the header. We strongly recommend this questionnaire to be completed on the computer, so this step is easy to complete.

- Confidential
 Non-Confidential – will be made publicly available

Please note that you will have to provide **two copies of your response** – a **Confidential** and a **Non-Confidential version**. Both copies must be returned to the TRA using the Trade Remedies Service (www.trade-remedies.service.gov.uk) by **18 May 2023**.



Table of Contents

The scope of this review	3
Instructions	4
Who should complete this form.....	4
Why you are being asked to complete this pre-sampling questionnaire	4
Deadline for response	5
Note about confidentiality	5
Section A – Activities of your company and any associated parties	6
A1 – Your company’s activities	6
A2 – Associated parties and operational links	7
Section B – Production and sales volumes	12
B1 – Production.....	12
B2 – Sales volume and value	13
B3 – Commodity codes	13
Section C – Individual anti-dumping amount	14
Section D – Additional information	15
D1 – Other interested parties	15
D2 – Scope.....	15
D3 – Product Control Numbers.....	20
D4 – Economic Interest Test	23
D5 – Anything else	24



The scope of this review

Goods subject to the review

This review covers certain pneumatic tyres, new or retreaded, of rubber, of a kind used for buses or lorries, with a load index exceeding 121, exported from the People's Republic of China (PRC).

These goods subject to the review are currently classifiable within the following commodity codes:

- 4011 20 90 00;
- 4012 12 00 10.

These commodity codes are only given for information.

In this pre-sampling questionnaire, these goods will be referred to as the goods subject to review. Any reference to goods subject to review in this pre-sampling questionnaire refers to the goods description above, regardless of the commodity code under which they are exported.

Like goods

In addition to seeking information about your company's export sales to the UK of the goods subject to review, this pre-sampling questionnaire will also ask about your sales of like goods in your domestic market and to third countries. Any reference to '**like goods**' in this questionnaire refers to goods which are like the goods subject to review in all respects, or with characteristics closely resembling them.

Please follow the instructions for each question to provide the appropriate information regarding the goods subject to review or like goods.

For more information about this case, you may refer to the Notice of Initiation published at: www.trade-remedies.service.gov.uk/public/case/TD0035/



Instructions

The Trade Remedies Authority (TRA) will be carrying out a transition review of the EU trade remedy measure which will consider whether the goods subject to review are being exported to the UK at prices less than their normal value and that this dumping (export price at less than normal value) is likely to cause injury to the UK industry for these goods if the anti-dumping amount no longer applied

Who should complete this form

You should complete this form if you are an overseas exporter of goods subject to the review.

Why you are being asked to complete this pre-sampling questionnaire

We are seeking your cooperation as an overseas exporter of the goods subject to review to inform our review of whether the current anti-dumping measure should be maintained, varied or discontinued. If you are not an overseas exporter, please complete either the relevant Pre-Sampling Questionnaire or the Other Interested Party and Contributor Registration Form.

This pre-sampling questionnaire allows us to collect basic information and data about your company. If a large number of overseas exporters of the goods subject to review from the PRC complete this pre-sampling questionnaire, we will use the information each one provides to help us decide which companies we want to sample for further investigation. If you are sampled, we will send you a more detailed questionnaire to complete.

By submitting a completed detailed questionnaire response, you might become eligible for an individual anti-dumping amount, if we are recommending that measures are continued following this review. Please refer to [Section C](#) for more information on individual anti-dumping amounts.

If you do not complete this pre-sampling questionnaire or the detailed questionnaire, you could be found to be non-cooperating. For more details on how this may affect you, please consult our [operational guidance on non-cooperation](#).



Deadline for response

A completed pre-sampling questionnaire must be submitted to the TRA by no later than **18 May 2023**. If you are unable to provide a completed submission by the given due date and you wish to request an extension, please contact **James Reith, TD0035@traderemedies.gov.uk** and see the TRA's guidance on extension requests for further information.

Note about confidentiality

You will need to submit one confidential version and one non-confidential version of your pre-sampling questionnaire by the due date.

Please ensure that each page of information you provide is clearly marked either "Confidential" or "Non-Confidential" in the header.

It is your responsibility to ensure that the non-confidential version does not contain any confidential information, which includes personal contact information, names and signatures.

Please see the [TRA's public guidance](#) for further information on what can be considered confidential and how to prepare a non-confidential version of this questionnaire.

All information provided to the TRA in confidence will be treated accordingly and only used for this investigation (except in limited circumstance as permitted by regulation 46 of the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019) and will be stored in protected systems.

The non-confidential version of your submission will be placed on the public file, which is available on www.trade-remedies.service.gov.uk/public/case/TD0035/.



Section A – Activities of your company and any associated parties

A1 – Your company’s activities

To determine your company’s role for the purpose of this review, please select the activity/activities of your company below. For a definition of goods subject to review and like goods please refer to above section 'the scope of this review'.

- overseas exporter of the goods subject to review
- other (please give details below)

If you have selected ‘other’, please describe the role of your company with regards to the goods subject to review or the like goods:

Shanghai Hankook Tire Co., Ltd. (hereinafter, “SHT”) is an associated company of Chinese exporting producers (Chongqing Hankook Tire, “CHKT”, and Jiangsu Hankook Tire, “JHKT”) of the goods subject to review. During the POI, SHT sold the goods subject to review exclusively in the domestic market.

As indicated by the TRA, this pre-sampling questionnaire has been completed with reference to the relevant sections. For other information, please refer to the pre-sampling questionnaires submitted by associated companies in this investigation.

Please describe your interest in this review:

CHKT and JHKT sell on the domestic market [*Confidential – business information concerning intragroup activities*], SHT’s interest in this review is entirely aligned to that of its associated companies.



A2 – Associated parties and operational links

Please give details of all associated parties involved with the company in the production and sales (export and/or domestic) of the goods subject to review or like goods during the POI. Both natural persons (individuals) and legal persons (e.g. companies) are considered to be associated where they meet the definition of 'Related Persons' in [regulation 128 of the Customs \(Import Duty\) \(EU Exit\) Regulations 2018](#).

Examples of activities could include manufacturing, exporting, purchasing, warehousing, sales (domestic), sales (export), further processing of the goods subject to review or like goods.

	Company name	Company location (city, country)	Activities	Relationship
Associated Party 1	<i>Hankook Tire and Technology Co., Ltd</i>	Seongnam-Si, Republic of Korea	<i>[Confidential business information – nature of the activities of the associated party]</i>	Parent company
Associated Party 2	<i>Chongqing Hankook Tire Co., Ltd</i>	Yuzui Town, Jiangbei District, China	<i>[Confidential business information – nature of the activities of the associated party]</i>	Controlled by the same parent company
Associated Party 3	<i>Jiangsu Hankook Tire Co., Ltd.</i>	Jiangsu, China	<i>[Confidential business information – nature of the activities of the associated party]</i>	Controlled by the same parent company
Associated Party 4	<i>HANKOOK TYRE UK LTD.</i>	Northamptonshire, UK	<i>[Confidential business information – nature of</i>	Controlled by the same parent company



			<i>the activities of the associated party]</i>	
Associated Party 5	HANKOOK TIRE AMERICA CORP.	NEW JERSEY, USA	<i>[Confidential business information – nature of the activities of the associated party]</i>	Controlled by the same parent company
Associated Party 6	Hankook Tire Canada Corporation	ONTARIO, CANADA	<i>[Confidential business information – nature of the activities of the associated party]</i>	Controlled by the same parent company
Associated Party 7	HANKOOK TIRE LATIN AMERICA	PANAMA CITY, PANAMA	<i>[Confidential business information – nature of the activities of the associated party]</i>	Controlled by the same parent company
Associated Party 8	HANKOOK TIRE NETHERLANDS B.V.	HOOFFDORP, NETHERLANDS	<i>[Confidential business information – nature of the activities of the associated party]</i>	Controlled by the same parent company
Associated Party 9	HANKOOK REIFEN DEUTSCHLAND GMBH	NEU-ISENBURG, GERMANY	<i>[Confidential business information – nature of the activities of</i>	Controlled by the same parent company



			<i>the associated party]</i>	
Associated Party 10	HANKOOK FRANCE SARL	VILLEURBANNE, FRANCE	<i>[Confidential business information – nature of the activities of the associated party]</i>	Controlled by the same parent company
Associated Party 11	HANKOOK TIRE ITALIA S.R.L.	MILAN, ITALY	<i>[Confidential business information – nature of the activities of the associated party]</i>	Controlled by the same parent company
Associated Party 12	HANKOOK ESPANA, S.A.	MADRID, SPAIN	<i>[Confidential business information – nature of the activities of the associated party]</i>	Controlled by the same parent company
Associated Party 13	HANKOOK TIRE BUDAPEST TRADING KFT	BUDAPEST, HUNGARY	<i>[Confidential business information – nature of the activities of the associated party]</i>	Controlled by the same parent company
Associated Party 14	HANKOOK TIRE SWEDEN AB	STOCKHOLM, SWEDEN	<i>[Confidential business information – nature of the activities of the</i>	Controlled by the same parent company



			<i>associated party]</i>	
Associated Party 15	<i>Hankook Tire Austria GmbH</i>	SCHWECHAT, AUSTRIA	<i>[Confidential business information – nature of the activities of the associated party]</i>	Controlled by the same parent company
Associated Party 16	<i>HANKOOK TYRE AUSTRALIA PTY, LTD.</i>	NSW, AUSTRALIA	<i>[Confidential business information – nature of the activities of the associated party]</i>	Controlled by the same parent company
Associated Party 17	<i>Hankook Tire (Thailand) Co., Ltd.</i>	DUBAI, U.A.E	<i>[Confidential business information – nature of the activities of the associated party]</i>	Controlled by the same parent company
Associated Party 18	<i>HANKOOK TIRE MIDDLE EAST AND AFRICA</i>	HO CHI MINH, VIETNAM	<i>[Confidential business information – nature of the activities of the associated party]</i>	Controlled by the same parent company
Associated Party 19	<i>HANKOOK TIRE VIETNAM CO., LTD.</i>	SHANGHAI, CHINA	<i>[Confidential business information – nature of the activities of the associated party]</i>	Controlled by the same parent company



Associated Party 20	SHANGHAI HANKOOK TIRE SALE CO LTD	KUALA LUMPUR, MALAYSIA	[Confidential business information – nature of the activities of the associated party]	Controlled by the same parent company
Associated Party 21	PT. HANKOOKTIRE INDONESIA	MOSCOW, RUSSIAN FED.	[Confidential business information – nature of the activities of the associated party]	Controlled by the same parent company
Associated Party 22	HANKOOK TIRE MALAYSIA SDN. BHD.	KUALA LUMPUR, MALAYSIA	[Confidential business information – nature of the activities of the associated party]	Controlled by the same parent company
Associated Party 23	Hankook Tire Rus LLC	MOSCOW, RUSSIAN FED.	[Confidential business information – nature of the activities of the associated party]	Controlled by the same parent company
Associated Party 24	PT. Hankook Tire Sales Indonesia	KABUPATEN BEKASI, INDONESIA	[Confidential business information – nature of the activities of the associated party]	Controlled by the same parent company



Section B – Production and sales volumes

B1 – Production

Please fill in your company's total production volume and capacity for the goods subject to review and like goods in the table below.

	Volume (number of tyres)
Overall production of the goods subject to review and like goods during the POI	Not Applicable
Total production capacity of the goods subject to review and like goods during the POI	Not Applicable



B2 – Sales volume and value

Please provide the total sales volumes and sales price values in the table below.

	Volume (number of tyres)	Volume (kg)	Value in GBP £
Total export sales of the goods subject to review to the UK during the POI manufactured by your company	Not Applicable	Not Applicable	Not Applicable
Total export sales of the goods subject to review to the UK during the POI not manufactured by your company	Not Applicable	Not Applicable	Not Applicable
Total domestic sales of like goods during the POI manufactured by your company	Not Applicable	Not Applicable	Not Applicable
Total domestic sales of like goods during the POI not manufactured by your company	250,000 – 300,000	12,000,000 – 15,000,000	30,000,000 – 35,000,000

The conversion was done using the average exchange rate (8.3021 RMB/GBP) for 2022.

B3 – Commodity codes

Please provide details of the commodity code(s) you export the goods subject to review to the UK under in the box below:

4011 20 90 00



Section C – Individual anti-dumping amount

If the TRA decides to sample overseas exporters, and you are **not** selected for this sample, you might become eligible for an individual anti-dumping amount if you complete a detailed questionnaire. Please indicate whether you would complete this questionnaire below

- Yes
 - No

If you do **not** choose to complete a detailed questionnaire, you will not be eligible for an individual anti-dumping amount. Your anti-dumping amount will be determined based on the amounts imposed on the overseas exporters in the sample.

Please note:

If we recommend that a trade remedy measure continues following this review, and you have requested an individual anti-dumping amount, please note that you will be required to supply the necessary information within the given timeframe for us to calculate this for you.

The TRA must accept an overseas exporter's request for an individual anti-dumping amount and calculate an individual amount, providing that:

- the information required is complete and submitted on time; and
- the number of requests for individual calculations does not unduly burden the review and risk delaying its conclusion.



Section D – Additional information

D1 – Other interested parties

If you believe there are other interested parties that should receive a questionnaire, please provide their organisation name and website details below.

Organisation name	Website
<i>CONFIDENTIAL – commercially sensitive information</i>	<i>CONFIDENTIAL – commercially sensitive information</i>
<i>CONFIDENTIAL – commercially sensitive information</i>	<i>CONFIDENTIAL – commercially sensitive information</i>
<i>CONFIDENTIAL – commercially sensitive information</i>	<i>CONFIDENTIAL – commercially sensitive information</i>
<i>CONFIDENTIAL – commercially sensitive information</i>	<i>CONFIDENTIAL – commercially sensitive information</i>

D2 – Scope

Do you agree with the scope of the investigation as outlined on page 3?

Yes

No

If you have answered no to the above question, please can you explain why?



The product scope of this transition review is defined as “*certain pneumatic tyres, new or retreaded, of rubber, of a kind used for buses or lorries, with a load index exceeding 121*”. New tyres are classifiable under tariff code 4011 20 90 00, while retreaded tyres are classifiable under tariff code 4012 12 00 10.

The product scope, as determined by the TRA in the Notice of Initiation, is particularly broad and includes different categories of products which share some common features but which also differs significantly. These categories of products can be generally defined as follows:

- a) new multi-life (retreadable) tyres for buses and lorries (“**multi-life tyres**”). Multi-life tyres are high-quality new tyres which can be retreaded, i.e. refurbished through the replacement of the tread. Depending on their quality, multi-life tyres can be further distinguished in two sub-categories:
 - a. **Premium tyres.** Premium tyres ensure a high level of retreadability (at least two retreading when the tyre is subject to a normal use, which corresponds to an average life span of 660,000 km). Premium tyres generally bear the flagship brand of main manufacturers, which justifies higher prices for expected high performances as well strong marketing investments. Premium tyres are generally associated with a higher level of safety and are often accompanied with a good level of after-sale services. Original equipment for lorries or buses manufacturers are primarily premium tyres.
 - b. **Non-premium tyres.** Non-premium tyres are of lower quality compared to premium tyres but are generally retreadable at least once when subject to a normal use (which corresponds to an average life span of 440,000 km). Brand recognition remains important, but prices are lower compared to premium tyres (approximately between 65 % and 80 % of the price of premium tyres). Original equipment for trailers manufacturers can be non-premium tyres (in addition to premium tyres).
- b) new single-life (non-retreadable) tyres for buses and lorries (“**single-life tyres**”). Single-life tyres are new tyres but of lower quality compared to multi-life tyres, which makes them unsuitable for retreading. As a result, they have a shorter life span (the normal life span of a multi-life tyre before retreading is around 220,000 km but single-life tyres often have a life span of approximately 120,000 km due to their low quality) and are typically cheaper than multi-life tyres. Brand recognition is almost non-existent for single-life tyres and price (in general, less than 65 % of the price of premium tyres) is the determining factor in the customer's decision to purchase.



Bearing the above in mind, SHT submits that the product scope of this transition review should be modified as to exclude multi-life tyres. The request is supported by two main justifications, namely (A) Multi-life tyres are not interchangeable with single-life and retreaded tyres, and (B) the exclusion of multi-life tyres from the scope of the transition review is in the economic interest of the UK.

(A) Multi-life tyres are not interchangeable with single-life and retreaded tyres

As discussed at length, *inter alia*, in the original investigation carried out by the European Commission (the “*original investigation*”), key differences exist between, on the one hand, new tyres (whether multi-life or single-life) and, on the other hand, retreaded tyres. These differences concern, in particular (but not limited to), the manufacturing process and the factors of production used in that process (including equipment and workforce). In fact, while the production process for new tires begins with rubber mixing and undergoes tire building and curing, for retreaded tires the production process amounts to the simple replacement of the tread on old casings. For this reason, the retreading is sometimes considered as a simple aftermarket service. In addition, there are differences in terms of use, distribution channels, customers between new and retreaded tyres. Based on these considerations, the investigating authorities in several jurisdictions across the world, such as the US, India, the EEC, and Egypt have consistently concluded that new and retreaded tyres constitute separate markets.

In the original investigation, however, the Commission followed a different – and, in a sense, unprecedented - approach and concluded, in essence, that new and retreaded tyres should be considered as a single product because a high level of interchangeability exists between, in particular, single-life tyres and retreaded tyres (both falling into “Tier 3”, according to the Commission’s analysis of the market, while premium tyres would be in “Tier 1” and non-premium tyres, in “Tier 2”). In particular, the Commission emphasized that “*users are aware that, performance-wise, retreaded and low-quality new tyres [i.e., single-life tyres] are not significantly distinguishable. That interchangeability in turn, establishes price as the determining factor in the customer's decision to purchase a retreaded tyres or tier 3 new tyres [i.e., single-life tyres]*”. (See Reg. (EU) 2018/683, para. 141, confirmed by Reg. (EU) 2018/1579, paras. 138-144)

Based on the above, SHT respectfully submits that – if any interchangeability exists between the different categories of tyres – such interchangeability only exists between single-life tyres and retreaded tyres. By contrast, multi-life tyres are a clearly different product which, as such, should be treated separately. In fact, multi-life tyres have important characteristics that distinguish them from single-life and/or retreaded tyres. In particular:



- **Quality:** Multi-life tyres such as those manufactured by CHKT or JKT have a significantly longer life span than single-life and/or retreaded tyres due to their better quality. As the Commission acknowledged in the original investigation (see Reg. (EU) 2018/683, para. 55), multi-life tyres allow up to three retreadings for a normal use (amounting to 880,000 km), and thus offer significantly higher mileage than single-life and/or retreaded tyres. Additionally, the quality difference between multi-life tyres and, in particular, single-life tyres is significant and depends on technical characteristics including, in particular, the under-thread thickness (UTT). As regards retreaded tyres it should be noted that - despite having the appearance of new multi-life tyres - they bear the limitations caused by the ageing of the casing.
- **Warranty and after-sale services:** multi-life tyres are often accompanied by a casing warranty (for a certain number of years) and a good level of after-sale services. For instance, in 2022 99.5% the multi-life tyres sold by HKTUK on the UK market were covered by a casing warranty. By contrast, single-life and retreaded tyres are generally not covered by casing warranty and are not accompanied by after-sale services of any type.
- **Use:** As acknowledged *inter alia* in the original investigation, while the great majority of single-life and/or retreaded tyres are used either on truck trailers and the drive axle of the truck, multi-life tyres are generally preferred on the steering axle. Due to safety concerns, as a general rule, the higher the importance of the tyre's position on the truck, the more likely is that high quality multi-life tyres will be used.
- **Channels of distribution:** multi-life tyres are mainly sold to trucks/trailers manufacturers. By contrast, single-life and retreaded tyres are mainly sold as replacement tyres to end-users, directly or through distributors. From the perspective of the OEMs, the cost of tyres represents a marginal part of the overall truck production cost. But tyres are a visible and performance-related element of the truck which may influence the purchasers' decision to buy and, later on, the purchasers' ex-post valuation of the vehicle. Therefore, lower quality tyres, whether single-life or retreaded, are normally not used as OE.
- **Consumer perception:** Brand recognition is very important for multi-life tyres, while it is virtually non-existent for single-life and retreaded tyres. Moreover, multi-life tyres (and the relevant brands) are generally associated with a higher level of quality and safety. In this regard, the Commission emphasized, e.g., that "*technical, quality and safety perception differences arise between two new tyres from different tiers*" (see Reg. (EU) 2018/683, para. 73, confirmed by Reg. (EU) 2018/1579, paras. 71). In general, retreadability is a key characteristic for marketing purposes insofar as it justified higher prices.



- **Price:** Multi-life tyres generally bear the flagship of an important brand. They also have a significantly longer life span compared to single-life and retreaded tyres, which justifies significantly higher prices in return for expected high performances as well particularly strong marketing investments. By contrast, the low price is in general the determining factor in the customer's decision to purchase single-life and/or retreaded tyres. According to the Commission, there are significant price variations between high quality (i.e., multi-life) and low quality (i.e., single life and/or retreaded) tyres and this distinction is fully integrated by manufacturers who model their products characteristics, performances and marketing strategies around the quality of tyres, as well as by consumers in their purchase decisions.

All the above elements should lead the TRA to conclude that multi-life tyres are significantly different from retreaded and single-life tyres.

(B) The exclusion of retreadable tyres is in the economic interest of the UK

In addition, SHT submits that the exclusion of retreadable tyres from the product scope is also in the economic interest of the UK.

In this regard, it should be noted that, based on SHT's best knowledge, there are **no imports of retreaded tyres from China into the UK**. This means that the goods under review are new tyres only (whether multi-life or single life). Moreover, in the UK, there are **no manufacturers of new tyres** (whether multi-life or single-life), but only manufacturers of retreaded tyres (i.e., retreaders). This means that the like goods (i.e., the tyres manufactured in the UK) are limited to retreaded tyres.

However, as explained above, retreaded tyres are interchangeable (and therefore, in competition) with single-life tyres only. Therefore, the only imported products that may cause or threaten to cause injury to the UK industry are single-life tyres, while **multi-life tyres cannot be the cause of any injury to the UK industry**.

Quite on the contrary, it should be recalled that the casings of multi-life tyres are the key input materials for UK retreaders. Without sufficient imports of multi-life tyres (and in the absence of UK production), UK retreaders would lack the key input material to carry out their business. Therefore, it is in the economic interest of the UK retreading industry (as well as to all their downstream customers) to have sufficient, stable and viable source of supply of multi-life tyres, exempted from AD/CVD measures.

It follows that the exclusion of retreadable tyres from the scope of this transition review would benefit the UK retreading industry.



(C) Conclusion

All the above points to the conclusion that multi-life tyres such as those produced and exported to the UK by JHKT and CHKT should be excluded from the product scope. This exclusion is in the economic interest of the UK industry, and it is in line with the TRA’s practice of comparing the like domestic product and the product under consideration on the basis of the criteria such as differences in the (i) physical characteristics, (ii) usage, (iii) sales channels and (iv) perception in the eyes of the consumers.

As a subordinate ground, should the TRA rejects SHT’s scope revision request, *quod non*, it is respectfully submitted that the measures should be revoked. In fact, while the goods imported from China are new tyres only, it should be recalled that there is no production of new tyres in the UK (whether multi-life or single-life). Thus, imports of new tyres from China cannot cause any injury to the UK industry.

SHT reserves the right to further supplement the above position in future submissions.

D3 – Product Control Numbers

The TRA uses Product Control Numbers (PCNs) to define and distinguish the different types of products that fall under the goods description above.

PCNs, which come in the form of an alphanumeric code, help to create a categorisation system so that comparisons can be made between goods produced in the domestic UK market and those produced in foreign markets.

We have created a draft PCN table and enclose this here for you now.

Category:	Section Width (in mm or inches)	Aspect Ratio (% of section width)	Construction	Rim / Wheel Diameter (inches)	Tyre Position	Winter Tyre	Tubeless or Tubetype Tyre
Expected input:	numerical measurement	numerical measurement	R - radial, B- Bias	numerical measurement	F - front, D - drive, T - trailer, Z - multi-position	Y - yes, N - no	TL - tubeless, TT - with tube



Please review the draft PCN structure for this review shown in the table above.

SHT respectfully submits that an additional digit should be added to the proposed PCN structure, as to reflect the so-called “under-tread thickness” (“UTT”). The UTT measures, in essence, the distance from the bottom of the groove to the top of the outermost belt.

[CONFIDENTIAL – commercially sensitive information]

The UTT influences important characteristics of tyres including heat resistance, durability, regeneration, cut resistance, and chipping. For this reason, the UTT also depends on the intended use of each particular model of tyre.

For instance, Hankook Group applies the following UTT standards:

[CONFIDENTIAL – commercially sensitive information]

Please include any comments on the PCN structure in the box provided.



The UTT also reveals to which extent tyres can be regrooved and retreaded.

In particular, for the purpose of retreading, tyres that have passed initial inspection are buffed to remove the remaining tread and prepare the surface of the tyre to receive the new tread. During the buffing phase, the under-tread area is grinded. If the UTT is too thin, the under-tread area cannot be grinded as needed, which compromises the whole retreading process. Therefore, the thicker is the UTT, the higher is the retreadability, and vice-versa (the thinner is the UTT, the lower is the retreadability of the tyre).

In general, when the UTT is or more than 3 mm, the tyre is retreadable. Premium tyres typically have an UTT of at least 5 mm (or more). By contrast, cheap single-life tyres can have a UTT of just 2 mm. This thin layer of under tread is the result of efforts to reduce costs to sell at low prices.

In fact, the UTT affects the cost of manufacturing. Tyres with an UTT of 2 mm are from [CONFIDENTIAL – commercially sensitive information] to produce compared those having a UTT of more than 5 mm. This cost difference stems from the amount of natural and synthetic rubber consumed. Additional information about UTT measurement and its impact on manufacturing cost is provided in [Attachment 1](#) [CONFIDENTIAL – commercially sensitive information].

The introduction of an additional digit of the PCN reflecting the UTT is justified by the fact that none of the characteristics of the current PCN structure is capable of capturing the difference between between multi-life tyres and single-life tyres. However, it is widely recognised that retreadability is one of the main characteristics, as well as one of the main marketing factors in the truck & bus tyre market and, therefore, heavily impacts price. While the average life span of tyres is about 220,000 km, the lifespan of premium tyres (which can normally be retreaded at least twice) amounts to around 660,000 km. By contrast, the life span of single-life tyres is only 120,000 km. In light of the above, SHT suggests that the following digit should be added to the PCN:



Category:	Under-tread thickness (retreadability)
Expected input:	Y - UTT > 3 mm N - UTT < 3 mm

D4 – Economic Interest Test

It is a requirement of the review to conduct an Economic Interest Test (EIT). The aim of the EIT is to determine whether the implementation of the proposed trade remedy measure is in the wider economic interest of the UK. In order to obtain a complete picture of the UK market, could you please help by providing us with details of your UK suppliers (upstream companies providing inputs) and UK customers (downstream companies buying your like goods). Please confirm in the final column if we are able to contact these companies.

	Company name	Company location (city, country)	Company Contact Information (email/telephone)	Relationship	Can we contact Y/N
1	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>
2	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>
3	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>
4	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>



D5 – Anything else

Please use the box below to provide information about anything else you consider relevant to this review.

SHT is willing to provide the TRA with all the information necessary to recalculate the dumping amount and the injury margin for Hankook Group.

Now you have reached the end of this questionnaire please ensure that you have prepared a confidential and non-confidential version and indicated the status of each within the header. The non-confidential version should redact personal contact information, names, signatures, and exact sales quotes. Redacted figures should be replaced with a range where possible. Please return both versions to the TRA using the Trade Remedies Service (trade-remedies.service.gov.uk).