

GLOSSARY

Arm's Length

A transaction is at arm's length if the price is not affected by any relationship between the buyer and seller, or if there is no compensation, reimbursement, benefit or other consideration other than price.

Causal Link

The injury suffered by the Philippine industry must be linked to the effects of dumping of the imported product.

Constructed Value

Where a price in the ordinary course of trade cannot be used as a normal value in the country of export, a constructed value can be used. A constructed value includes the cost of production and reasonable amounts for administrative, selling and general costs and profit incurred by the exporter or foreign producer of the product under investigation.

Country of Export/Country of Origin

The country from where the products are shipped irrespective of the actual location of the seller is the country of export. The country of origin may be different if there is no significant process of manufacture or packing carried out in the country of export.

Dumping

The situation where the export price of the products imported into the Philippines is less than the normal value of the products in the country of export.

Dumping Margin

The difference between the normal value in the country of export and the export price.

EBIT- Earnings Before Interest and Taxation

EBIT refers to the operating income arising from normal operations and excludes extraordinary items and distributions to and contributions from owners.

Export Price

The price the importer in the Philippine pays for the imported product, adjusted by costs related to its exportation.

Gross Profit

The income resulting from the deduction of the cost of manufacture from sales over a given period. The cost of manufacture or cost of production includes manufacturing overheads, but excludes selling, administrative and financial expenses.

Like Product

Any product which is identical or alike in all respect to the allegedly dumped product; or in the absence of such product those which have characteristics closely resembling those of the allegedly dumped product.

Net Income

Excess of revenue over the total costs and expenses incurred in generating such revenue during an accounting period.

Normal Value

The price at which the allegedly dumped products are sold in the ordinary course of trade in the country of export, or their constructed value (see above) or the export price to a representative third country.

Price Depression

When selling prices in the Philippines are reduced because of the allegedly dumped products.

Price Suppression

When price increases that would otherwise have taken place do not occur because of the allegedly dumped products. This could mean that, for example, cost increases are not fully recovered.

Price Undercutting

When the allegedly dumped products are sold on the Philippine market at the relevant level of trade at prices lower than the selling prices of the like products produced by the Philippine industry.

Related Party

A person shall be deemed to be related to another person if:

- (a) One of them directly or indirectly controls the other; or
- (b) Both of them are directly or indirectly controlled by a third person; or
- (c) Together they directly or indirectly control a third person

A person controls another person if he is in a position, whether legally or operationally, to exercise restraint or direction over the other person.