

## TSCA Chemical Data Reporting

### Fact Sheet: Reporting After Changes to Company Ownership or Legal Identity

This fact sheet provides information for persons who may be subject to the Chemical Data Reporting (CDR) rule about issues related to changes to company ownership or legal identity which may affect reporting for the 2016 reporting period.

The primary goal of this document is to help the regulated community comply with the requirements of the CDR rule. This document does not substitute for that rule, nor is it a rule itself. It does not impose legally binding requirements on the regulated community or on the U.S. Environmental Protection Agency (EPA).

The CDR rule, issued under the Toxic Substances Control Act (TSCA), requires manufacturers (including importers) to give EPA information on the chemicals they manufacture domestically or import into the United States. EPA uses the data, which provides important screening-level exposure related information, to help assess the potential human health and environmental effects of these chemicals and makes the non-confidential business information it receives available to the public.

---

#### **General Principles for Reporting Under 2016 CDR**

- Under 40 CFR 711.8(a), the reporting obligation falls to the “person who manufactured.”
- EPA recognizes that in some cases, business transactions occurring between 2012 and 2015 have led to questions about who is now the “person who manufactured.” The scenarios below are intended to serve as a general aid in appropriately resolving these questions, but they will not necessarily account for all the relevant circumstances of a particular transaction.
- It is ultimately the manufacturer’s responsibility to report appropriately under CDR, notwithstanding the complexity of its own business transactions.

#### **General Scenarios Involving Company Changes**

1. **One company changes its company and/or site name** (e.g., a company has changed its company name and/or a site name since January 1, 2012).
  - The company should report to CDR in 2016 using its current business name and the current site name. Use current information even if the reporting is with respect to manufacture that occurred while the manufacturer was doing business under a prior company or site name.
2. **Two companies are co-manufacturers at a site** (e.g., two parties undertake to manufacture a chemical substance at a single site)
  - When two companies meet EPA’s definition of “manufacturer” because they co-manufacture a particular volume of chemical substance at a particular site (see 40 CFR

711.3 for the definition of “manufacture” and “manufacturer”), the manufacturers may determine among themselves which one of them will report the full volume that they together manufactured at that site.

- However, if no report is submitted when one is required, EPA may hold each co-manufacturer liable for the failure to report. See 40 CFR 711.8 (“any person who manufactured” is subject to CDR).
3. **One company becomes two companies** (e.g., a manufacturing division of Company X is separated from Company X to become Company Y)
- Company X and Company Y should determine, based on the circumstances of their reorganization, whether Company Y was created as the continuation of the part of Company X that previously conducted the manufacture of the pertinent substance(s).
    - If Company Y is the continuation of the part of Company X that manufactured the pertinent substance(s), then Company Y reports based on all the manufacturing that Company X did in 2012-2015, including the manufacturing that it did while it was a unit of Company X.
    - If Company Y is not the continuation of the part of Company X that manufactured the pertinent substance(s), then Company Y only reports based on the manufacturing that it did after it was created, and Company X reports separately based on its own manufacturing.
  - If Company X is a U.S. company that owns at least 50% of Company Y's voting stock, then Company Y reports Company X as its U.S. parent company. See 40 CFR 711.15(b)(2)(i).
4. **Two companies become one company** (e.g., (1) one company ceases to have a separate identity, because it has been combined into another company; or (2) two companies cease to have their separate identities, because they have combined to form a new company.)
- The resulting company would report based on the combination of the manufacturing conducted by the original companies for the entire period from 2012-2015.
5. **One company takes ownership of another company; the two companies maintain their separate identities** (e.g., acquiring company buys at least 50% of the voting shares of an acquired company. The acquired company continues to exist as a separate legal entity.)
- The acquired company continues to report as usual, except that if its owner is a U.S. Company, the acquired company now reports its owner as its U.S. Parent Company.
  - The owner does not submit duplicates of the reporting submitted by the acquired company.
6. **A part of one company becomes a part of a different company; two companies continue to exist** (e.g., Company X combines with a part of Company Y, acquiring all of the assets of that unit of Company Y and assuming all of its liabilities. The remainder of Company Y continues to exist as a separate legal entity.)
- Company X reports based on the manufacturing subject to CDR that it did between 2012 and 2015, including the manufacturing that the newly combined unit did before it combined with Company X.
  - Company Y reports based on any manufacturing subject to CDR that it did between 2012 and 2015, excluding the manufacturing that the divested unit did between 2012 and 2015.

7. **One company purchases a site from another; two companies continue to exist** (e.g., Company X purchases real estate and chemical manufacturing equipment from Company Y. But Company X does not combine with Company Y. Both companies continue as separate legal entities)
  - Company X is responsible for reporting the manufacturing that Company X itself conducted at the site from 2012-2015.
  - Company Y is responsible for reporting the manufacturing that Company Y conducted at the site from 2012-2015.
8. **One company closes a facility at a site; that company continues to exist** (e.g., a company ceases manufacturing operations at a site, but the company continues to exist as a legal entity)
  - The company reports based on the manufacturing it did at the site from 2012-2015, even though the site is now closed.

### **Accessing the 2012 Form U after Companies Combine**

EPA expects that the company remaining after two companies combine should generally have access to the records of the one or more prior organizations that have ceased to exist as separate entities. EPA expects that these records would include the XML file from the 2012 submission's Copy of Record and the associated passphrases. These records would allow the remaining entity to access the appropriate 2012 Form U data for the organization(s) that have ceased to exist as separate entities.

However, if the remaining entity cannot obtain the records of an organization it recently combined with and/or cannot obtain access to that organization's passphrase, the entity should mail a notarized letter on official letterhead to the Agency explaining why it is authorized to have the information submitted in 2012. This letter should be sent to:

**By U.S. Postal Service:**

CDR 2016 Coordinator (7407M)  
Office of Pollution Prevention and Toxics  
U.S. Environmental Protection Agency  
William Jefferson Clinton Building  
1200 Pennsylvania Ave., N.W.  
Washington, D.C. 20460  
202-564-8930; 202-564-8940

**By Hand Delivery or Courier:**

CDR 2016 Coordinator  
U.S. EPA – OPPT/CBIC  
William Jefferson Clinton East Building,  
Room 6428  
1201 Constitution Ave., N.W.  
Washington, D.C. 20004-3302

### **Application of Reporting Requirements in Different Scenarios**

1. **Company Z manufactures Chemical A at 100,000 lbs/year in 2012, 2013 and 2014 at one site. In January 2015, Company Z manufactured 5,000 lbs of Chemical A at the same site. On February 1, 2015, Company Z sells, to Company Y, the unit of its business that manufactures Chemical A. This manufacturing unit becomes a part of Company Y. The remainder of Company Z still exists as a separate company, but it does not manufacture any more Chemical A after January 2015. The divested manufacturing unit, now a part of Company Y but still at the same site, manufactures an additional 95,000 lbs. of Chemical A in the remainder of 2015. Assuming the reporting threshold is 25,000 lbs, what are the reporting obligations of each company?**

See the general discussion of when a part of one company becomes a part of a different company; two companies continue to exist. (Scenario F)

It is given in the scenario that the entity which manufactured 100,000 lb/year in 2012, 2013, and 2014 is a part of Company Y by the time of report submission. Therefore, Company Y reports the 100,000 lbs/year it manufactured in 2012-2014. Company Y also reports the full 100,000 lbs that it manufactured in 2015. The unit that manufactured 100,000 lbs of Chemical A in 2015 is a part of Company Y at the time of reporting, and thus Company Y manufactured a total of 100,000 lbs of Chemical A at the site in 2015. Company Y reports processing and use information for its 2015 production volume along with the additional manufacturing information required.

Company Z does not report manufacturing any Chemical A, because (by 2016) it does not contain the unit that manufactured the Chemical A.

2. **Company X manufactures 30,000 pounds of a chemical substance included in the TSCA inventory and not otherwise exempted from CDR reporting at Site A in January 2015 (principal reporting year). Company X forms a wholly owned subsidiary, Company Y, On February 1, 2015. Company Y assumes all rights and liabilities with respect to manufacturing activities at Site A and manufactures 180,000 pounds of the substance at Site A from February through June 2015. On July 1st, Company Y fully separates from the parent company and becomes an independent publicly-traded company. Company Y manufactures an additional 200,000 pounds of the substance at Site A from July through December 2015. How should the reporting of the volumes, processing and use information and additional manufacturing information be handled for Site A?**

See the general discussion of when one company becomes two companies. (Scenario C)

A 25,000 reporting threshold is assumed. It is given that Company Y was created as a subsidiary of Company X on February 1, 2015, but that it was not fully independent of Company X until July 1, 2015.

Company X and Company Y report differently depending on whether Company Y was created as the continuation of Company X's unit for manufacturing the chemical substance.

If Company Y was created as the continuation of Company X's unit for manufacturing the chemical substance, then:

Company Y reports a total of 410,000 lb (30,000 + 180,000 + 200,000) for 2015 and reports processing and use information along with the additional manufacturing information required for 2015 using the total production volume. If the chemical substance was not manufactured in 2012-2014, then Company Y would report 0 lb for production volume for those years. If the unit (previously part of Company X) manufactured the chemical substance during 2012-2014, Company Y would report that data also.

Company X does not submit reports for any of this manufacture, because Company X is not the manufacturer.

If Company Y was not created as the continuation of Company X's unit for manufacturing the chemical substance, then:

Company Y reports the 380,000 lbs (180,000 + 200,000) it manufactured in 2015.

Company Y reports processing and use information along with the additional manufacturing information required for its 2015 production volume. Company Y would report 0 lb production volume for 2012-2014.

Company X reports the 30,000 lbs of the chemical substance it manufactured in 2015 and processing and use information along with additional manufacturing information for 2015, because the reporting threshold was exceeded in 2015. If Company X manufactured the chemical substance during 2012-2014, Company X would report those data also. If the chemical substance was not manufactured in 2012-2014, then Company X would report 0 lb for production volume for those years.

**3. In the following scenarios, Company RUS sells all or part of its business to Company LBO. Both companies are U.S. companies. What are the reporting obligations in 2016 for the companies?**

**3.1. Substance A was produced by Company RUS at 30,000 lbs per year from 2012 to 2015. Company RUS was acquired wholly by Company LBO in 2014. Company RUS and Company LBO continue doing business as separate entities; they do not merge.**

See the general discussion of when one company takes ownership of another company, with the two companies maintaining their separate identities. (Scenario E)

It is given in the scenario that there is no combination of LBO and RUS (i.e., RUS and LBO continue to have separate identities, even though LBO now owns RUS).

Company RUS reports the 30,000 lbs per year that it manufactured from 2012 to 2015. Company RUS reports processing and use information along with the additional manufacturing information required for its 2015 production volume.

Company LBO is not the manufacturer of the 30,000 lbs of Substance A that Company RUS manufactured each year between 2012 and 2015. Company LBO is simply the owner of Company RUS (which is the manufacturer). Company LBO does not report what it did not itself manufacture.

Because Company LBO is a U.S. Company, Company RUS reports that Company LBO is its U.S. Parent Company.

**3.2. Company RUS was acquired wholly by Company LBO in 2014. Company RUS and Company LBO continue doing business as separate entities; they do not merge. At Alpha Site, Chemical C was manufactured at 10,000 lbs by Company RUS in 2012. At the same site, Company LBO manufactured Substance C (for which a SNUR was published in 2013) at 10,000 lbs only in 2015.**

See the general discussion of when one company takes ownership of another company, with the two companies maintaining their separate identities. (Scenario E)

It is given in the scenario that there is no combination of LBO and RUS (i.e., RUS and LBO continue to have separate identities, even though LBO owns RUS).

The relevant reporting threshold is 2,500 lb, because in 2016, Chemical C is the subject of a SNUR.

Company RUS reports the 10,000 lbs it manufactured at Alpha Site in 2012, because 10,000 lbs exceeds the reporting threshold of 2,500 lbs. Company RUS reports 0 lb for

2013, 2014, and 2015, and thus does not report processing and use or the additional manufacturing information required for 2015.

Company LBO reports the 10,000 lbs it manufactured at Alpha Site in 2015, because 10,000 lbs exceeds the reporting threshold of 2,500 lbs. Company LBO reports processing and use information plus additional manufacturing information for its 2015 production volume of Substance C. Company LBO reports 0 lb for 2012, 2013, and 2014.

Because Company LBO is a U.S. Company, Company RUS reports that Company LBO is its U.S. Parent Company.

- 3.3. Company RUS was acquired wholly by Company LBO in 2014. Substance E was manufactured at 2,000 lbs in 2012 by Company RUS. Company RUS and Company LBO continue doing business as separate entities; they do not merge. At a single site, Company LBO manufactured Substance E (for which a SNUR was published in 2015) at 1,000 lbs in 2014 and 10,000 lbs in 2015.**

See the general discussion of when one company takes ownership of another company, with the two companies maintaining their separate identities. (Scenario E)

It is given in the scenario that there is no merger of LBO and RUS (i.e., RUS and LBO continue to have separate identities, even though LBO owns RUS).

The relevant reporting threshold is 2,500 lbs, because in 2016, Chemical E is the subject of a SNUR.

Company RUS does not report. It only manufactured Chemical E in 2012, and it manufactured less than the reporting threshold of 2,500 lbs.

Company LBO reports the 1,000 lbs of Substance E it manufactured in 2014 and the 10,000 lbs of Substance E it manufactured in 2015, because the 10,000 lbs in 2015 exceeds the reporting threshold of 2,500 lbs. Company LBO reports processing and use information along with the additional manufacturing information required for its 2015 production volume of Substance E. Company LBO reports 0 lb for 2012 and 2013.

- 3.4. Company RUS sold the part of its business that produces Substances A, B and C in 2014 to Company LBO. This part of Company RUS merged into Company LBO. Company RUS produced Substance A at 30,000 lbs per year from 2012 to 2014. Company RUS produced Substance B at 100,000 lbs only in 2012. Company RUS produced Substance C at 10,000 lbs in 2012 only. This substance had a final SNUR published in 2013 ([see the related Fact Sheet: Chemical Substances which are the subject of Certain TSCA Actions](#)). Company LBO did not make any of substances A, B, or C in 2014 or 2015. The remaining part of Company RUS continued in business, and continued to produce Substances D (40,000 lbs/year) and E (2,000 lbs/year) in 2014 and 2015.**

See the general discussion of when a part of one company becomes a part of a different company; two companies continue to exist. (Scenario F)

It is given in the scenario that there has been a combination of part of Company RUS into Company LBO, involving the business unit that manufactured Substances A, B, and C. In 2016, this unit is now a unit of Company LBO.

The reporting threshold for Substance C is 2,500 lbs, because in 2016 Substance C is the subject of a SNUR. The reporting threshold for the other substances is 25,000 lbs.

Company LBO reports its manufacture of 30,000 lbs of Substance A for each year between 2012 and 2014; its manufacture of 100,000 lbs of Substance B in 2012; and its manufacture of 10,000 lbs of Substance C in 2012 (the reporting threshold for Substance C is 2,500 lb). Company LBO does not need to report processing and use information or any additional manufacturing information for Substances A, B, and C, because Company LBO will be reporting 0 lb for those substances in 2015. Company LBO will also report 0 lb for Substances B and C in 2013 and 2014.

Company RUS does not report this manufacture because (by 2016) the business entity that manufactured Substances A, B, and C during 2012-2014 is not a part of Company RUS.

However, Company RUS reports its manufacture of 40,000 lbs/year of Substance D in 2014 and 2015 (including processing and use information and additional manufacturing information for the 2015 production volume) and reports 0 lb of Substance D for 2012 and 2013. Company RUS does not report its manufacture of Substance E in 2014 and 2015 because the production volume is below the reporting threshold of 25,000 lbs in both of those years.

- 3.5. Company RUS sold the unit of its business that produces Substances A, B and C on January 1, 2014 to Company LBO. This unit of Company RUS merged into Company LBO. This business unit produced the following (all at site Alpha): Substance A at 30,000 lbs per year from 2012 to 2015; Substance B only in 2012 at 100,000 lbs; and Substance C in 2012 only at 10,000 lbs. Substance C had a final SNUR published in 2013 (refer to the CDR Fact Sheet on Substances Subject to Certain TSCA Actions). Before acquiring the business unit from Company RUS, Company LBO manufactured the following (all at site Beta): 30,000 lbs/year of Substance A in 2012 and 2013. In 2014 and 2015, Company RUS went on to produce the following (all at site Alpha): Substances D (40,000 lbs/year) and E (2,000 lbs/year).**

See the general discussion of when a part of one company becomes a part of a different company; two companies continue to exist. (Scenario F)

It is given in the scenario that there was a business transaction whereby a part of Company RUS became instead a part of Company LBO. This involved the business unit that manufactured substances A, B, and C at Site Alpha during the period 2012-2015.

By 2016, this business unit is a part of Company LBO.

The reporting threshold for Substance C is 2,500 lbs, because in 2016 Substance C is the subject of a SNUR. The relevant reporting threshold for the other substances is 25,000 lbs.

For Company LBO, the production volumes given in the question are presented in the first two rows of the table below. Company LBO reports both its manufacture at Site Alpha and its manufacture at Site Beta (separately for the two sites). All of Company LBO's production volumes are above the relevant reporting thresholds. Company LBO reports processing and use information and additional manufacturing information for its 2015 production volume at Site Alpha.

Company and Site	Production Volume (lbs)			
	2012	2013	2014	2015
<b>Reportable LBO Production at Site Alpha</b>	30,000 of A 100,000 of B 10,000 of C	30,000 of A	30,000 of A	30,000 of A
<b>Reportable LBO Production at Site Beta</b>	30,000 of A	30,000 of A	0 of A	0 of A
<b>Reportable RUS Production at Site Alpha</b>	0 of D	0 of D	40,000 of D	40,000 of D

It is given in the scenario that by 2016, Company RUS does not contain the entity that manufactured A, B, C, in 2012 and 2013. For 2016 CDR purposes, Company RUS is not considered a manufacturer of Substances A, B, and C, and Company RUS does not report on what it did not manufacture. Furthermore, Company RUS does not report its production of Substance E because the manufactured volume of Substance E was below the reporting threshold in every year that Company RUS manufactured Substance E. Company RUS reports its manufacture of 40,000 lbs/year of Substance D in 2014 and 2015 and reports 0 lb of Substance D for 2012 and 2013. Company RUS also reports processing and use information along with the additional manufacturing information required for its 2015 production volume of Substance D.

4. **Company JKL produces 25,000 lb of Chemical P at a site in 2012 and 5,000 lb in the first quarter of 2013. On April 1, 2013, Company JKL sells the site and the rights to manufacture Chemical P to Company MNO; however, Company JKL did not actually transfer to Company MNO the unit of Company JKL that conducted the manufacture of Chemical P. Company MNO produces 15,000 lb of Chemical P during April-December 2013, 30,000 lb in 2014, and 20,000 lb in 2015. What are the reporting obligations in 2016 for the two companies?**

See the general discussion of when one company acquires a site from another company; two companies continue to exist. (Scenario G)

It is given that there has been no actual combination of Company JKL and Company MNO. There has merely been a transfer of real estate and other property from one company to the other.

Company JKL would report the manufacturing that Company JKL did at the site: 25,000 lbs in 2012 and 5,000 lbs in 2013. Company JKL would report 0 lb for 2014 and 2015, meaning that Company JKL would not report processing and use information or additional manufacturing information for 2015. Company MNO would report the manufacturing that Company MNO did at the site: 0 lb in 2012, 15,000 lbs in 2013, 30,000 lbs in 2014, and 20,000 lbs in 2015. Company MNO reports processing and use information along with the additional manufacturing information required for its 2015 production volume.



5. **CDE National owns CDE Texas. CDE Texas has a site ("Site A") which is also its headquarters. Site A is partly owned by CDE Texas and CDE National, who co-manufacture Chemical X at that site. At an adjacent Site B, owned by CDE National alone, CDE National conducts manufacturing of Chemical X alone. Do the two sites report together or separately? Who would report on the manufacture at Site A, where co-manufacturing of Chemical X occurs?**

See the general discussion of when two companies are co-manufacturers at a site. (Scenario B)

It is given that Site A and Site B are two different property units, one owned and operated by CDE National and CDE Texas and the other owned and operated solely by CDE National. CDR reporting is site-specific. See 40 CFR 711.15. Therefore, the manufacturing at Site A needs to be reported separately from the manufacturing at Site B.

CDE National and CDE Texas can determine amongst themselves which one of them will file the report on the manufacturing at Site A. CDE National would file the report on the manufacturing at Site B.

6. **Company ABC manufactured Chemical Q at Site ABC-1 in amounts above 25,000 lb every year from 2012-2015. On January 1, 2016, Company ABC will change its name to Company XYZ and the site name to Site XYZ-1. What name should be used for CDR reporting in 2016?**

See the general discussion of company and/or site name changes. (Scenario A)

By the beginning of the CDR submission period on June 1, 2016, Company XYZ will be the current name of the business entity that conducted the manufacturing in 2012-2015. Therefore, Company XYZ should report using its current business name (Company XYZ) and current site name (Site XYZ-1).

7. **Company ABC manufactured 1,000 lbs of Chemical X at its Alpha Site in 2012. In January 2013, Company ABC manufactured another 1,000 lbs of Chemical X at the Alpha Site. In February 2013, Company ABC changed its name to Company QRS, closed the Alpha Site, and started operating at the Beta Site. At the Beta Site, Company QRS manufactured 9,000 lbs/year of Chemical X in the remainder of 2013, 10,000 lbs in 2014, and 30,000 lbs in 2015. How should Company ABC report, assuming that the reporting threshold is 25,000 lbs?**

See the general description of a company closing a facility at a site and company and/or site name changes, (Scenarios H and A)

CDR reporting is site-specific; therefore, the amount of Chemical X needs to be evaluated separately for the two sites.

The names of the company and the site were changed during the reporting period. The current names should be used for reporting.

Because Company QRS did not manufacture 25,000 lbs or more of Chemical X at Alpha Site in 2012, 2013, 2014, or 2015, Company QRS does not report the Chemical X it manufactured at Alpha Site.

Because Company QRS exceeded the reporting threshold for Chemical X at Beta Site in 2015, Company QRS reports the 9,000 lbs of Chemical X it made at Beta Site in 2013, the 10,000 lbs of Chemical X it made at Beta Site in 2014, and the 30,000 lbs of Chemical X it

made at Beta Site in 2015. Company QRS reports processing and use information along with the additional manufacturing information required for its 2015 production volume.

8. **Company ABC manufactured 100,000 lbs of Chemical X at its Alpha Site in 2012. In January 2013, Company ABC manufactured another 10,000 lbs of Chemical X at the Alpha Site. In February 2013, Company ABC changed its name to Company QRS, closed the Alpha Site, and started operating at the Beta Site. At the Beta Site, Company QRS manufactured 90,000 lbs/year of Chemical X in the remainder of 2013, 10,000 lbs in 2014, and 5,000 lbs in 2015. How should Company ABC report, assuming that the reporting threshold is 25,000 lbs?**

See the general description of a company closing a facility at a site at and company and/or site name changes. (Scenarios H and A)

CDR reporting is site-specific; therefore, the amount of Chemical X needs to be evaluated separately for the two sites.

Because Company QRS manufactured more than 25,000 lbs of Chemical X at Alpha Site in 2012, Company QRS reports the 100,000 lbs of Chemical X it manufactured at Alpha Site in 2012, the 10,000 lbs of Chemical X it manufactured at Alpha Site in 2013, and reports 0 lb for 2014 and 2015, meaning that it does not report processing and use information in 2015 or the additional manufacturing information required for Chemical X at Alpha Site. Company QRS reports using its current name, not the prior name it was doing business under when operating at Alpha Site.

Company QRS also exceeded the reporting threshold for Chemical X at Beta Site in 2013. Therefore, on a separate form, Company QRS reports 0 lb for the amount it manufactured at Beta site for 2012, the 90,000 lbs of Chemical X it made at Beta Site in 2013, the 10,000 lbs of Chemical X it made at Beta Site in 2014, and the 5,000 lbs of Chemical X it made at Beta Site in 2015. Company QRS reports processing and use information along with the additional manufacturing information required for its 2015 production volume.

**For further information:**

To access copies of additional fact sheets and other CDR information, log onto [www.epa.gov/cdr](http://www.epa.gov/cdr).

If you have questions about CDR, you can contact the TSCA Hotline by phone at 202-554-1404 e-mail your question to [eCDRweb@epa.gov](mailto:eCDRweb@epa.gov).