

DEPARTMENT OF COMMERCE**International Trade Administration****[A-570-504]****Notice of Preliminary Results and Preliminary Partial Rescission of the Antidumping Administrative Review: Petroleum Wax Candles From the People's Republic of China**

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on petroleum wax candles from the People's Republic of China (PRC) in response to requests from Dongguan Fay Candle Co. (Fay Candle), a PRC producer and exporter of subject merchandise, and its U.S. importers, TIJID, Inc. (TIJID) (d/b/a DIJIT Inc.), and Palm Beach Home Accents, Inc. (Palm Beach), Wal-Mart Stores, Inc. (Wal-Mart), Qingdao Kingking Applied Chemistry Co., Ltd. (Qingdao Kingking), and petitioner, the National Candle Association (NCA). The review covers the period August 1, 2001, through July 31, 2002.

We preliminary determine that sales have been made below normal value (NV). The preliminary results are listed below in the section titled "Preliminary Results of Review." If these preliminary results are adopted in our final results, we will instruct the U.S. Bureau of Customs and Border Protection (Customs) to assess antidumping duties on imports into the United States of subject merchandise exported by the respondents. Interested parties are invited to comment on these preliminary results. (See the "Preliminary Results of Review" section of this notice.)

EFFECTIVE DATE: September 9, 2003.

FOR FURTHER INFORMATION CONTACT: Sally C. Gannon or Mark Hoadley, Office of AD/CVD Enforcement VII, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, D.C. 20230; telephone: (202) 482-0162 or (202) 482-3148, respectively.

Background

The Department published in the *Federal Register* an antidumping duty order on petroleum wax candles from the PRC on August 28, 1986 (51 FR 30686). Pursuant to its *Notice of Opportunity to Request an Administrative Review*, 67 FR 50856 (August 6, 2002), and in accordance

with section 751(a)(1)(A) of the Act and section 351.213(b) of the Department's regulations, the Department received timely requests to conduct an administrative review of the antidumping duty order on petroleum wax candles from the PRC for 108 companies.¹ More specifically, the Department received administrative review requests from Fay Candle, Wal-Mart (who requested a review of three Chinese producers), Qingdao Kingking, and petitioner, the NCA. The NCA requested the Department review 104 alleged Chinese candle producers/exporters. On September 25, 2002, the Department published its *Notice of Initiation of Antidumping and Countervailing Duty Administrative Reviews, Requests for Revocation in Part and Deferral of Administrative Review*, 67 FR 60210 (September 25, 2002) (*Initiation Notice*), initiating on all 108 candle companies for which an administrative review was requested.² On November 18, 2002, the Department received a timely withdrawal from Wal-Mart of its request for an administrative review of the three companies for which it had requested a review (*i.e.*, Generaluxe Factory, Guangdong Xin Hui City Si Qian Art & Craft Factory, and Sincere Factory Company). Pursuant to section 351.213(d)(1) of the Department's regulations, the Department rescinded the review as to Generaluxe Factory, Guangdong Xin Hui City Si Qian Art & Craft Factory, and Sincere Factory Company. See *Notice of Rescission, in Part, of Antidumping Duty Administrative Review, Petroleum Wax Candles from the People's Republic of China*, 68 FR 40906 (July 9, 2003). Therefore, there were 105 candle companies remaining for which an administrative review was requested.

In accordance with section 777A(c)(2) of the Act, the Department determined that it was not practicable to determine individual weighted-average dumping margins for each exporter/producer for which a review was requested. Therefore, on October 11, 2002, the Department requested information concerning the quantity and value (Q&V) of sales to the United States from all 108 companies. The Department received responses to its request from 17 companies, including the two

companies that had requested reviews of their own exports.³ Based on that information, the Department selected five mandatory respondents to examine in this review. See *Memorandum from Jessica Burdick through Sally C. Gannon to Barbara E. Tillman, Regarding 2001-02 Administrative Review of Petroleum Wax Candles from the People's Republic of China: Respondent Selection* (January 29, 2003) (*Respondent Selection Memo*). The five mandatory respondents chosen were: Fay Candle, Qingdao Kingking, Smartcord Int'l Co. Ltd./Rich Talent Trading (Smartcord), Amstar Business Co., Ltd (Amstar), and Jiangsu Holly Corporation (Jiangsu Holly). See *Respondent Selection Memo*. The Department also determined that it would consider requests for separate rates from those companies that were not selected as mandatory respondents, but who provided Q&V information and also submitted a timely response to the Department's section A questionnaire. See the Department's March 26, 2003 letter from Barbara E. Tillman, Director, Office of AD/CVD Enforcement VII, Import Administration. Only two companies, Shandong Jiaye General Merchandise Co., Ltd. (Shandong Jiaye) and Shanghai Charming Wax Co., Ltd. (Shanghai Charming), met the criteria and therefore have been considered for a separate rate.

The Department issued complete questionnaires to all five mandatory respondents. On December 18, 2002, the Department received Fay Candle's and Qingdao Kingking's responses to the Department's section A-E questionnaires. On March 24, 2003, the Department received Smartcord's response to the Department's section A questionnaire. Smartcord failed to submit its response to sections B-E of the Department's questionnaire. Amstar and Jiangsu Holly failed to submit responses to any section of the Department's questionnaires.

Due to the complexity of the selection process and of analyzing the numerous questionnaire responses, on March 26, 2003, the Department determined that it was not practical to complete the preliminary results of this review within the statutory time limit. Consequently, in accordance with section 751(a)(3)(A) of the Act and section 351.213(h)(2) of the Department's regulations, the Department extended the deadline for completion of the preliminary results of the administrative review by 120 days,

¹ Although there were 109 actual requests for review, one company (Qingdao Kingking) individually requested a review and was also listed on the NCA's request for review; therefore, there were only 108 companies for which an administrative review was requested.

² Although the *Initiation Notice* lists 109 companies, Qingdao Kingking is listed twice since it made its own request for review but was also requested to be reviewed by the NCA.

³ The Department received Q&V information from an additional three parties to whom the Department had sent the Q&V questionnaire on behalf of parties listed in the initiation notice. These three companies stated that they were unrelated to the parties named in the initiation notice.