

to September 2, 2003. *See Notice of Extension of Time Limit of Preliminary Results of Antidumping Duty Administrative Review: Petroleum Wax Candles from the People's Republic of China*, 68 FR 14578 (March 26, 2003).

On June 6, 2003, the Department issued supplemental questionnaires to Fay Candle and Qingdao Kingking. On June 20, 2003, the Department issued its second supplemental questionnaire to Qingdao Kingking. On June 24, 2003, the Department issued its second supplemental questionnaire to Fay Candle. Both Fay Candle and Qingdao Kingking requested an extension of time to respond to the Department's supplemental questionnaires, which the Department granted.

On July 9, 2003, the Department received Fay Candle's response to the Department's first supplemental questionnaire. On July 11, 2003, the Department received Fay Candle's response to the Department's second supplemental questionnaire. On July 11, 2003, the Department received Qingdao Kingking's response to the Department's first and second supplemental questionnaires. On July 29, 2003, the Department issued its third supplemental questionnaire to Qingdao Kingking. On July 30, 2003, the Department issued its third supplemental questionnaire to Fay Candle, and the petitioner submitted publicly available information for consideration in valuing the factors of production for the preliminary calculations.

On August 1, 2003, Qingdao Kingking and Fay Candle submitted publicly available information for consideration in valuing the factors of production for the preliminary calculations. On August 4, 2003, Fay Candle requested an extension of time to respond to the Department's third supplemental questionnaire. On August 11, 2003, the Department granted an extension of time to August 13, 2003, to Fay Candle to respond to question 2 of the Department's third supplemental questionnaire, and to August 14, 2003 for the remaining questions. On August 12, 2003, the Department received Qingdao Kingking's response to the Department's third supplemental questionnaire. On August 13, 2003, the Department received Fay Candle's response to question 2 of the third supplemental questionnaire. On August 14, 2004, the the Department received the response to the remaining questions of the third supplemental questionnaire. On August 21, 2003, the Department received comments from petitioner on the relationship between Fay Candle and its U.S. importers. On August 26,

2003, petitioner submitted information concerning what it termed the "involuntary bankruptcy of TIJID, Inc.," for the Department to consider in examining the relationship between TIJID and Fay Candle.⁴

Scope of the Antidumping Duty Order

The products covered by this order are certain scented or unscented petroleum wax candles made from petroleum wax and having fiber or paper-cored wicks. They are sold in the following shapes: Tapers, spirals, and straight-sided dinner candles; rounds, columns, pillars, votives; and various wax-filled containers. The products were classified under the Tariff Schedules of the United States (TSUS) item 755.25, Candles and Tapers. The products are currently classified under the Harmonized Tariff Schedule of the United States (HTSUS) item 3406.00.00. Although the HTSUS subheading is provided for convenience and customs purposes, our written description of the scope of this proceeding remains dispositive.

Period of Review

The period of review (POR) is August 1, 2001, through July 31, 2002.

Preliminary Partial Rescission of Administrative Review

On September 25, 2002, the Department published its *Initiation Notice*, initiating on all 108 candle companies for which an administrative review was requested. The Department subsequently requested information concerning the quantity and value of sales to the United States from all these companies. The Department received responses to its request from 17 companies, five of which indicated that they had no sales to the United States of subject merchandise during the POR, citing various reasons, including: They were not a producer, exporter, or importer of candles during the POR; they were an importer of candles and not a producer/exporter; and/or they did not have a relationship with the alleged Chinese candle producer/exporter cited in petitioner's request for review. *See Respondent Selection Memo*. These companies included: Dalian Hanbo Lighting Co., Ltd. (Dalian Hanbo); Premier Candle Co., Ltd. (Premier Candle); Zhong Hang-Scanwell International (ZHS); Zen Continental Co., Inc. (Zen Continental); and Li & Fung Trading Ltd. (Li & Fung).

As part of its standard procedure in administrative reviews, the Department

reviewed data on entries under the order during the POR from Customs. Our review of this data revealed that one party, Li & Fung, which claimed it was merely a buying agent for the subject merchandise, may have, in fact, exported the subject merchandise to the United States during the POR. On November 22, 2002, the Department issued a letter to Li & Fung, asking it to clarify whether it had exports of petroleum wax candles during the POR. On February 10, 2003, Li & Fung submitted a letter and attachments to the Department stating that it neither produced, sold, nor exported the subject merchandise during the POR, but that it merely acted as a buying agent. *See Memorandum from Javier Barrientos through Sally Gannon to Barbara E. Tillman, Regarding Petroleum Wax Candles from the People's Republic of China: Preliminary Intent to Rescind Antidumping Duty Administrative Review, in Part (POR: August 1, 2001 to July 31, 2002)* (September 2, 2003) (*Intent to Rescind Memo*).

Pursuant to our regulations, the Department may rescind an administrative review if the Secretary concludes that, during the period covered by the review, there were no entries, exports, or sales of the subject merchandise. *See* 19 CFR 351.213(d)(3). Because we have found no evidence that there were entries, exports, or sales of the subject merchandise by four of the five companies that reported no shipments during the current POR, in accordance with 19 CFR 351.213(d)(3), the Department is preliminarily determining that this administrative review should be rescinded with respect to Dalian Hanbo, Premier Candle, ZHS, and Zen Continental. The Department therefore intends to issue a final notice of rescission of review with the final results of review, and to send appropriate assessment instructions to Customs.

With respect to Li & Fung, information obtained from Customs does not substantiate Li & Fung's claim that it was merely a buying agent during the POR. *See Intent to Rescind Memo*, a business proprietary discussion on Li & Fung. Therefore, we do not intend to rescind the administrative review with respect to this company.

Application of Adverse Facts Available

As further discussed below, pursuant to sections 776(a)(2)(A) and (B) and section 776(b) of the Act, the Department determines that the application of total adverse facts available (AFA) is warranted for the PRC entity, including the following companies: Mandatory respondents

⁴ This submission was received too late for the Department to examine it for purposes of the preliminary results.