

September 20, 2010

The Department of Commerce  
International Trade Administration  
Room 1870  
Washington, DC 20230  
U.S.A.

Attn: Mr Alex Villanueva / Mr Tim Lord, AD/CVD Enforcement, Office 9 (Room 4017)

Tel : 202-482-7425

Re: A-570-504  
00 BILLING CODE: 3510-DS-P  
Petroleum Wax Candles from the People's Republic of China: Preliminary Results of Request for  
Comments on the Scope of the Petroleum Wax Candles from the People's Republic of China  
Antidumping Duty Order

Dear Mr. Villanueva,

This letter is in response to the captioned publication by the Department of Commerce.

After carefully reviewing the preliminary results by the Department, we disagree with the interpretation of "household candles," "emergency candles" or "utility candles" and formally ask that the Department include these under the dutiable scope.

As the market changes, utility candles could be longer than 5 inches and bigger than 0.75 inch in diameter. Tapers and straight-sided dinner candles, which are currently within the dutiable scope, are always in the range of 6 inches to 15 inches in length and 0.75 inch to 1 inch in diameter. They are also frequently marketed in multi packs of 2 to 12 pieces (see Candle Exhibit 1) and very alike in both appearance and function. All of these candles are burned to give off light. Please note that your reference to "typically white in color" to classify utility candles, happens to be the most sellable color for tapers and straight-sided dinner candles. Additionally, all these candles could be manufactured by the same production process at the same pricing structures in the People's Republic of China.

Because of their like appearance and production cost as well as exchangeable function, this type of candle that is commonly manufactured in the People's Republic of China could be packaged and shipped as utility candles and once in the United States be repacked as tapers and straight-sided dinner candles to avert paying the anti-dumping duty. Therefore, we ask that the Department consider including "household candles", "emergency candles" or "utility candles" within the anti-dumping scope.

We also ask that all candle shapes that are not listed in the scope of the Order, except for birthday candles, also be included under the dutiable scope. There are numerous ruling requests because the original scope determination is ambiguous, which has been the overall problem with enforcing this legislation. The U.S. Customs Borders at different entries often has very different interpretations of the Order and thus may not be able to consistently execute the Order correctly. A couple of examples are listed below.

- 1) Candle Exhibit (2) is a candle that is freestanding and has a width of 4 inches and a height of 10 inches. It does not maintain a constant circumference throughout its length. Its base and its top have a cylinder shape. Is this candle considered a pillar or column? If neither, it is not considered within the dutiable scope, which goes against the spirit of the original Order that creates a fair and equal playing field for all domestic and foreign manufacturers, because this shape and alike shapes could be produced in the Northern part of the People's Republic of China at dumping prices. This is just an

example of candle shape that falls within a grey area and as market changes, unpredictable shapes and designs could be developed to avoid statutory duties.

2) As market changes, column and pillar candles could exhibit a width over 8 inches and height over 12 inches or 14 inches. The same production process and proportionally cheaper labor could be employed to produce these candles in the northern part of China at a dumping price no matter what the candle diameter and length are.

3) Candle Exhibit (3) contains tealight candles that have an added snowflake icon and Santa Claus icon on top and both are in metal containers. The icon itself could originate from the original molding of the candle or be molded separately and glued on top by heat melting. If this icon is removed, the entire candle would be damaged. This candle should fall under the dutiable scope because the tealight could be produced separately at a dumping cost before it is assembled with the icon.

Again, these are just a few examples. There are many more similar cases that could cause ambiguity to the Customs Borders to execute the Order.

The underlined theme of the legislation is to establish an even playing field for the U.S. market. The U.S. domestic candle manufacturers also produce candle shapes that are not listed in the scope of the Order. The northern China manufacturers can still make use of their immensely cheap labor and special government policies and continue to dump those candle shapes in the U.S. market. As previously mentioned, this goes against the spirit of the original legislation that was formed in 1986. In summary, by encompassing everything but candles for birthday party occasions under the dutiable scope, all the above mentioned problems and potential others would be eliminated and a more even playing field for all domestic and importing producers would be created.

Thank you for allowing us the opportunity to express our views and at the same time, thanks in advance for giving our comments careful and serious consideration.

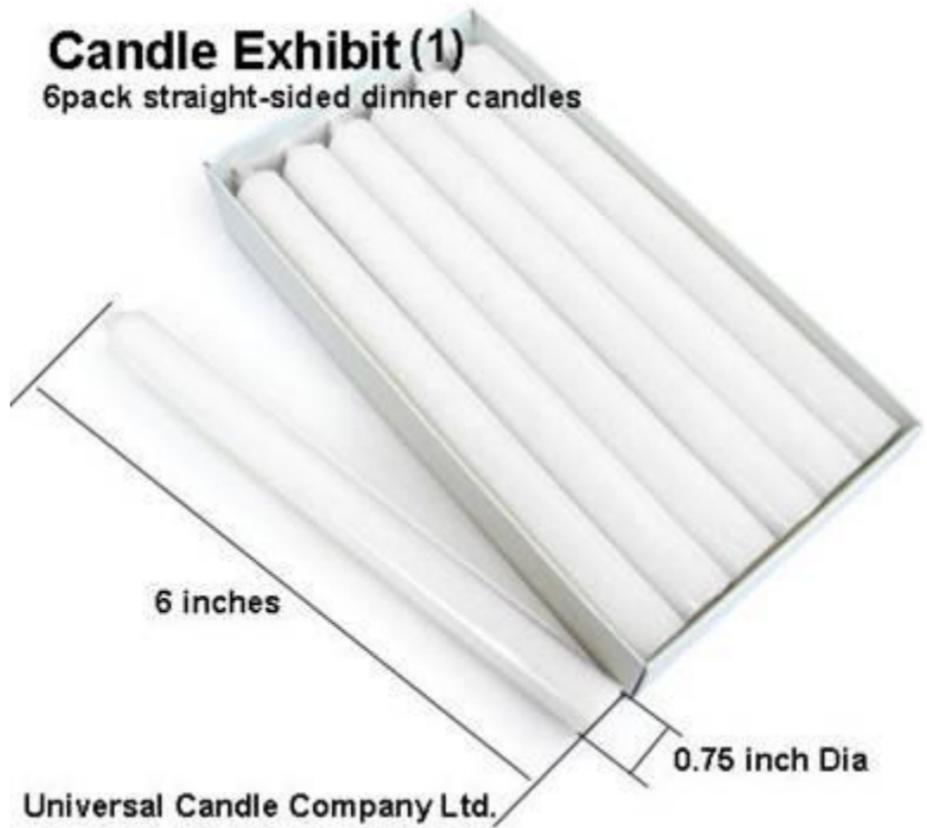
Respectfully submitted,

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Attachment: Exhibits (3)

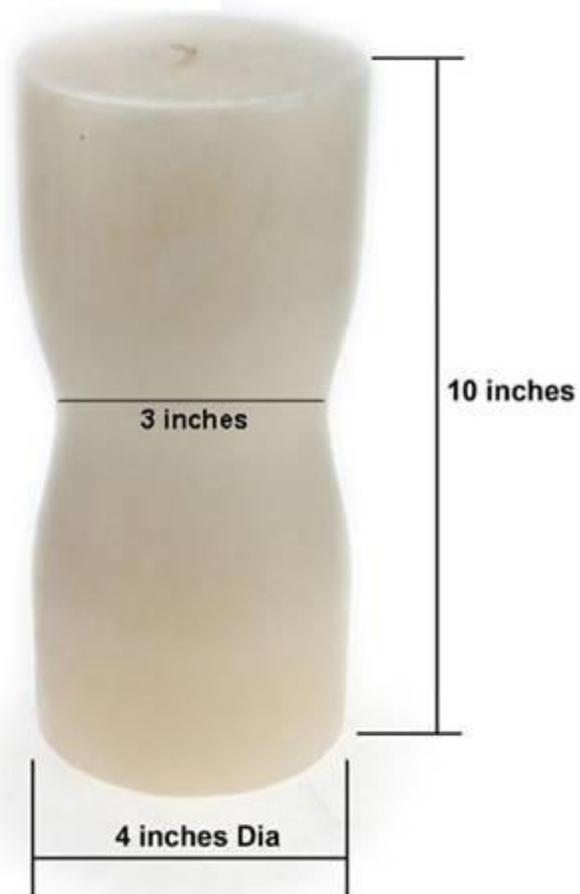
# Candle Exhibit (1)

6pack straight-sided dinner candles



# Candle Exhibit (2)

Waisted Pillar Candle



Universal Candle Company Ltd.

### Candle Exhibit (3)

Tealight Candles with Icons on Top



Universal Candle Company Ltd.