A-570-827
Sunset Review
Public Document
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DATE: March 1, 2011

MEMORANDUM TO: Ronald K. Lorentzen
Deputy Assistant Secretary
for Import Administration

FROM: Christian Marsh
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Issues and Decision Memorandum for the Final Results of the Expedited Third Five-Year Sunset Review of the Antidumping Duty Order on Certain Cased Pencils from the People's Republic of China

SUMMARY

We have analyzed the substantive response of the domestic interested parties in the sunset review of the antidumping duty order covering certain cased pencils ("pencils") from the People's Republic of China ("PRC"). We recommend that you approve the positions we describe in the Discussion of the Issues section of this memorandum.

Below is a complete list of the issues in this sunset review for which we received a substantive response:

1. Likelihood of continuation or recurrence of dumping; and
2. Magnitude of the margins likely to prevail

HISTORY OF THE ORDER

On November 8, 1994, the Department of Commerce ("the Department") published in the *Federal Register* its affirmative determination of sales at less-than-fair value ("LTFV") with respect to pencils from the PRC. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cased Pencils From the People's Republic of China*, 59 FR 55625 (November 8, 1994). The antidumping duty order was published on December 28, 1994. *See Antidumping Duty Order: Certain Cased Pencils from the People's Republic of China*, 59 FR 66909 (December 28, 1994). On May 11, 1999, the Department issued an amended final determination of sales at LTFV and amended antidumping duty order with respect to pencils from the PRC following a court decision. *See Certain Cased Pencils From the People's Republic of China; Notice of Amended Final Determination of Sales at Less Than Fair Value and Amended*

Antidumping Duty Order in Accordance With Final Court Decision, 64 FR 25275 (May 11, 1999) (the *"Order")*.[1] The Department established a weighted-average margin of 8.60 percent for China First Pencil Co. ("China First"); 19.36 percent for Shanghai Lansheng Corp.; 11.15 percent for Shanghai Foreign Trade Corporation; zero percent for Guangdong Provincial Stationery & Sporting Goods Import & Export Corporation ("Guangdong") for subject merchandise produced by Three Star Stationery Industry Co. ("Three Star"); 53.65 percent for Guangdong for subject merchandise produced by all other producers; and 53.65 percent for the PRC-wide rate.

Following the investigation and prior to the first sunset review, the Department conducted three administrative reviews of the *Order*. *See Certain Cased Pencils From the People's Republic of China; Final Results of Antidumping Duty Administrative Review*, 62 FR 24636 (May 6, 1997), amended at *Certain Cased Pencils From the People's Republic of China; Amended Final Results of Antidumping Duty Administrative Review*, 62 FR 36491 (July 8, 1997); *Certain Cased Pencils From the People's Republic of China; Final Results of Antidumping Administrative Review*, 63 FR 779 (January 7, 1998); and *Certain Cased Pencils From the People's Republic of China; Final Results of Antidumping Duty Administrative Review*, 64 FR 2171 (January 13, 1999).

In the first sunset review, the Department determined that revocation of the *Order* would likely lead to continuation or recurrence of dumping and reported the margins calculated in the investigation. *See* Attachment 1 and *Certain Cased Pencils From the People's Republic of China; Final Results of Expedited Sunset Review of Antidumping Duty Order*, 65 FR 41431 (July 5, 2000). After the International Trade Commission ("ITC") determined that revocation of the *Order* would lead to a continuation or recurrence of injury to the domestic industry, the Department published a notice of continuation. *See Continuation of Antidumping Duty Order: Cased Pencils From the People's Republic of China*, 65 FR 48960 (August 10, 2000).

Following the first sunset review and prior to the second sunset review, the Department conducted five administrative reviews and initiated and later rescinded two new shipper reviews. *See Certain Cased Pencils From the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 66 FR 37638 (July 19, 2001); *Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 67 FR 48612 (July 25, 2002), amended at *Notice of Amended Final Results and Partial Rescission of Antidumping Duty Administrative Review: Certain Cased Pencils from the People's Republic of China*, 67 FR 59049 (September 19, 2002); *Certain Cased Pencils from the People's Republic of China; Final Results and Partial*

[1] The Department also published six other notices following court decisions in various segments of the proceeding. *See Notice of Court Decision: Certain Cased Pencils From the People's Republic of China*, 62 FR 65243 (December 11, 1997); *Notice of Decision of the Court of International Trade: Certain Cased Pencils from the People's Republic of China*, 70 FR 56889 (September 29, 2005); *Notice of Decision of the Court of International Trade: Certain Cased Pencils from the People's Republic of China*, 71 FR 16553 (April 3, 2006); *Notice of Amended Final Results in Accordance With Court Decision: Antidumping Duty Administrative Review of Certain Cased Pencils from the People's Republic of China*, 71 FR 45767 (August 10, 2006); *Notice of Amended Final Results in Accordance With Court Decision: Antidumping Duty Administrative Review of Certain Cased Pencils from the People's Republic of China*, 71 FR 65777 (November 9, 2006); and *Certain Cased Pencils From the People's Republic of China: Notice of Court Decision Not in Harmony With Final Results of Administrative Review and Notice of Amended Final Results of Administrative Review Pursuant to Court Decision*, 76 FR 4285 (January 25, 2011).

Rescission of Antidumping Duty Administrative Review, 68 FR 43082 (July 21, 2003); *Certain Cased Pencils From the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 69 FR 29266 (May 21, 2004); and *Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 70 FR 42301 (July 22, 2005), amended at *Notice of Amended Final Results of Antidumping Duty Administrative Review: Certain Cased Pencils from the People's Republic of China*, 70 FR 51337 (August 30, 2005). *See also Certain Cased Pencils from the People's Republic of China: Rescission of Antidumping Duty New Shipper Review*, 67 FR 11462 (March 14, 2002); and *Certain Cased Pencils from the People's Republic of China: Rescission of Antidumping Duty New Shipper Review*, 68 FR 62427 (November 4, 2003).

In the second sunset review, the Department determined that revocation of the *Order* would likely lead to continuation or recurrence of dumping and reported the margins calculated in the investigation. *See* Attachment 1 and *Certain Cased Pencils from the People's Republic of China; Notice of Final Results of Expedited Sunset Review of Antidumping Duty Order*, 70 FR 67427 (November 7, 2005). After the ITC determined that revocation of the *Order* would lead to a continuation or recurrence of injury to the domestic industry, the Department published a notice of continuation. *See Notice of Continuation of Antidumping Duty Order on Certain Cased Pencils from the People's Republic of China*, 70 FR 75450 (December 20, 2005).

Following the second sunset review and prior to the third sunset review, the Department conducted four administrative reviews. *See Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 71 FR 38366 (July 6, 2006); *Certain Cased Pencils from the People's Republic of China; Final Results of Antidumping Duty Administrative Review*, 72 FR 27074 (May 14, 2007); *Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 74 FR 33406 (July 13, 2009), amended at *Certain Cased Pencils from the People's Republic of China: Amended Final Results of Antidumping Duty Administrative Review*, 74 FR 45177 (September 1, 2009); and *Certain Cased Pencils From the People's Republic of China; Final Results of the Antidumping Duty Administrative Review*, 75 FR 38980 (July 7, 2010).

The Department also conducted three changed circumstances reviews on the *Order*. In *Notice of Final Results of Antidumping Duty Changed Circumstances Review, and Determination to Revoke Order in Part: Certain Cased Pencils from the People's Republic of China*, 68 FR 14942 (March 27, 2003), the Department determined that certain scent-infused pencils manufactured in the PRC under U.S. patent number 6,217,242 ("Smencils") are excluded from the *Order*. In *Notice of Final Results of Antidumping Duty Changed Circumstances Review, and Determination to Revoke Order in Part: Certain Cased Pencils from the People's Republic of China*, 68 FR 62428 (November 4, 2003), the Department determined that certain large novelty pencils that meet specific size and graphite characteristics are excluded from the *Order*. In *Notice of Final Results of Antidumping Duty Changed Circumstances Review, and Determination To Revoke Order in Part: Certain Cased Pencils From the People's Republic of China*, 71 FR 13352 (March 15, 2006), the Department determined that certain novelty jumbo pencils that meet specific size, encasing and graphite characteristics are excluded from the *Order*.

The Department also issued the following scope rulings. Inspired Design LLC – "Pedestal Pets" pencil sets are within the scope of the *Order* (July 9, 2010). *See* Memorandum from Jesse Metcalf to Edward Yang, Final Scope Ruling on the Antidumping Duty Order on Certain Cased Pencils from the People's Republic of China: Request by Inspired Design LLC (July 9, 2010) (on file in the Central Records Unit, Room 7046, Main Commerce Building). It's Academic, Inc. ("It's Academic") - certain It's Academic compasses with pencils are outside the scope of the *Order* (June 23, 2009). *See Notice of Scope Rulings*, 74 FR 49859 (September 29, 2009). Paper Magic Group ("PMG") – PMG's children's valentine card sets with pencils are outside the scope of the *Order* (March 12, 2009); Walgreen Co. ("Walgreen") - the three graphite pencils and three cased charcoal drawing pencils contained in Walgreen's "Artskills Draw & Sketch Kit" are within the scope of the *Order*; the remaining items contained in Walgreen's "Artskills Draw & Sketch Kit," including one pencil sharpener, one sanding pad, one black eraser, one kneaded eraser and one tortillion, are outside the scope of the *Order* (March 10, 2009). *See Notice of Scope Rulings*, 74 FR 43680 (August 27, 2009). Walgreen – the "ArtSkills Stencil Kit" is not within scope of the *Order* (October 8, 2008). *See Notice of Scope Rulings*, 74 FR 14521 (March 31, 2009). The Smencil Company – pencils made from recycled newspaper packaged in plastic cylinders along with scent applicators in the "Smencils Home Kit" and "Smencils Mini Kit" are within the scope of the *Order* (August 21, 2008). *See Notice of Scope Rulings*, 73 FR 72771 (December 1, 2008). Fiskars Brands, Inc. - certain compasses are not included in the scope of the *Order* (June 3, 2005). *See Notice of Scope Rulings*, 70 FR 55110 (September 20, 2005). Rich Frog Industries Inc. - certain decorated wooden gift pencils are within the scope of the *Order* (February 18, 2005) and Target Corporation - RoseArt Clip 'N Color is excluded from the scope of the *Order* (March 5, 2005). *See Notice of Scope Rulings*, 70 FR 41374 (July 19, 2005). Barthco Trade Consultants - twist crayons are outside the scope of the *Order* (May 22, 2003); Target Corporation - "Hello Kitty Fashion Totes" are outside the scope of the *Order* (September 29, 2004); Target Corporation "Hello Kitty Memory Maker" is outside the scope of the *Order* (September 29, 2004); and Target Corporation - "Crayola the Wave" is outside the scope of the *Order* (September 29, 2004). *See Notice of Scope Rulings*, 70 FR 24533 (May 10, 2005). Creative Designs International, Ltd. "Naturally Pretty," a young girl's 10 piece dress-up vanity set, including two 3-inch pencils, is outside the scope of the *Order* (February 9, 1998). *See Notice of Scope Rulings*, 63 FR 29700 (June 1, 1998). Nadel Trading Corporation - a plastic "quasi-mechanical" pencil known as the Bensia pencil is outside the scope of the *Order* (September 15, 1997). *See Notice of Scope Rulings*, 62 FR 62288 (November 21, 1997).

A history of the administrative reviews, new shipper reviews, and sunset reviews of the *Order* – including margins determined by the Department in the various segments of the proceeding – is included as Attachment 1. The *Order* remains in effect for all exporters and exporters/producers of subject merchandise. On January 13, 2011, the Department published a preliminary determination of the administrative review of the *Order* covering the period December 1, 2008, through November 30, 2009. *See Certain Cased Pencils From the People's Republic of China: Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review*, 76 FR 2337 (January 13, 2011). On January 28, 2011, the Department published a notice of initiation of administrative review of the *Order* covering the period December 1, 2009, through November 30, 2010. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 76 FR

5137 (January 28, 2011).

BACKGROUND

On November 1, 2010, the Department initiated the third sunset review of the *Order* pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"). *See Initiation of Five-Year ("Sunset") Reviews*, 75 FR 67082 (November 1, 2010). The Department invited parties to comment, and received a notice of intent to participate from domestic interested parties Sanford Corp.; General Pencil Co., Inc.; and Musgrave Pencil Co. (collectively, "Petitioners"), within the deadline specified in 19 CFR 351.218(d)(1)(i). Petitioners claimed interested party status under section 771(9)(C) of the Act, as manufacturers of a domestic-like product in the United States. The Department also received a notice of intent to participate from Dixon Ticonderoga Company ("Dixon"), within the deadline specified in 19 CFR 351.218(d)(1)(i). Dixon claimed interested party status under section 771(4)(B) of the Act, as an importer of the subject merchandise that is related to a foreign producer and exporter of the subject merchandise.

On December 1, 2010, the Department received a substantive response from Petitioners. In addition to meeting the other requirements of 19 CFR 351.218(d)(3), Petitioners provided information on the volume and value of exports of pencils from the PRC. The Department did not receive a substantive response from Dixon. The Department did not receive adequate substantive responses, or any response at all, from any respondent interested parties to this proceeding. As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department has determined to conduct an expedited (120-day) sunset review of the *Order* on pencils from the PRC.

DISCUSSION OF THE ISSUES

In accordance with section 751(c)(1) of the Act, the Department is conducting a sunset review to determine whether revocation of the *Order* would be likely to lead to continuation or recurrence of dumping. Sections 752(c)(1)(A) and (B) of the Act provide that, in making this determination, the Department shall consider both the weighted-average dumping margins determined in the investigation and subsequent reviews and the volume of imports of the subject merchandise for the period before, and the period after, the issuance of the *Order*. In addition, section 752(c)(3) of the Act states that the Department shall provide to the ITC the magnitude of the margin of dumping likely to prevail if the *Order* were revoked. Below we address the comments made collectively by Petitioners participating in this segment of the proceeding.

1. Likelihood of Continuation or Recurrence of Dumping

Interested Party Comments:
Petitioners argue that revocation of this *Order* would likely lead to continued or recurring dumping because dumping has continued at a higher than *de minimis* level without interruption since issuance of the *Order*. To bolster this point, Petitioners argue that the PRC-wide rate has doubled since the issuance of the *Order*, from 53.65 percent to 114.90 percent. They contend

that, in the first and second sunset reviews of pencils, the Department determined that as margins above *de minimis* persisted throughout the life of the *Order*, the dumping of pencils from the PRC continued after the issuance of the *Order*. Petitioners claim that because the same conditions persist now, the Department should reach the same result as it did in the first and second sunset reviews of the *Order*. Only one exporter of pencils, Tianjin Custom Wood Processing Co. ("Tianjin"), has received an antidumping duty rate of zero, but, Petitioners state, the Department has rescinded subsequent administrative reviews of Tianjin because it has had no exports of pencils to the United States. Petitioners infer that since Tianjin has had no exports of pencils to the United States, it is unable to sell its products to the United States without dumping. *See* Letter from Petitioners entitled, "751(c) Five-Year Sunset Review of the Antidumping Duty Order Against Cased Pencils from the People's Republic of China; Substantive Response of Domestic Interested Parties" (December 1, 2010) ("Petitioners' Substantive Response") at 9-10.

Petitioners maintain that, in the first and second sunset reviews, the Department noted that imports from the PRC of pencils fell in the years immediately following the imposition of the *Order* but later increased. They state that imports of subject merchandise in 2009 (the most recent full-year data) surpassed the quantities observed in the previous sunset review. Nevertheless, they argue, higher than *de minimis* margins still justify a finding that dumping is likely to continue or recur if the *Order* is revoked. *See* Petitioners' Substantive Response at 10-11.

Department's Position:
Drawing on the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act, specifically the Statement of Administrative Action ("SAA"), H. Doc. No. 103-316, vol. 1 (1994), the House Report, H. Rep. No. 103-826, pt. 1 (1994), and the Senate Report, S. Rep. No. 103-412 (1994), the Department normally determines that revocation of an antidumping duty order is likely to lead to continuation or recurrence of dumping where (a) dumping continued at any level above *de minimis* after the issuance of the order, (b) imports of the subject merchandise ceased after the issuance of the order, or (c) dumping was eliminated after the issuance of the order and import volumes for the subject merchandise declined significantly. In this case, the Department found dumping at above *de minimis* levels in the original antidumping duty investigation of pencils from the PRC. Since the issuance of the *Order* on pencils from the PRC, the Department has conducted a number of reviews in which it found that dumping continued at levels above *de minimis*. *See* Attachment 1.

In addition, pursuant to 752(c)(1)(B) of the Act, the Department is to consider the volume of imports of the subject merchandise for the period before and after the issuance of the *Order*. Records indicate imports of the subject merchandise from the PRC fell in the years immediately following the *Order*'s imposition. *See Certain Cased Pencils From the People's Republic of China; Final Results of Expedited Sunset Review of Antidumping Duty Order*, 65 FR 41431 (July 5, 2000) and accompanying Issues and Decision Memorandum at 4. However, import statistics on the subject merchandise cited by Petitioners and those examined by the Department demonstrate that the level of imports increased significantly after the issuance of the *Order*, and to date, import volumes have exceeded pre-*Order* levels. *See* Petitioners' Substantive Response

at 11 and the attached ITC Dataweb statistics.[2] Regardless, import volumes are not by themselves dispositive of the likelihood of the continuation or recurrence of dumping. We agree with Petitioners that dumping margins and cash deposits rates at or above *de minimis* levels remain in effect for several PRC companies. The Department finds that the existence of dumping margins after the *Order* is highly probative of the likelihood of continuation or recurrence of dumping if the *Order* were to be revoked. As Congress explained in the SAA, if companies continue to dump with the discipline of an order in place, it is reasonable to assume that dumping would continue if the order were removed. *See* SAA at 890. Therefore, the Department determines that dumping would likely continue or recur if the *Order* were revoked.

2. Magnitude of the Margins Likely to Prevail

Interested Party Comments:
Petitioners state that the dumping margins that are likely to prevail if the *Order* were revoked in most cases will be the margins determined in the final determination in the original LTFV investigation. Petitioners also point out that the PRC-wide rate increased significantly following the imposition of the *Order*, from 53.65 percent to 114.90 percent. *See* Petitioners' Substantive Response at 11-12.

Department's Position:
Normally the Department will provide to the ITC the company-specific margin from the investigation for each company. For companies not investigated specifically, or for companies that did not begin shipping until after an order was issued, the Department normally will provide a margin based on the PRC-wide rate from the investigation. The Department's preference for selecting a margin from the investigation is based on the fact that it is the only rate on the record that reflects the behavior of exporters without the discipline of an order or suspension agreement in place. Under certain circumstances, however, the Department may select a more recent margin to report to the ITC. *See Potassium Permanganate from The People's Republic of China; Five- year ("Sunset") Review of Antidumping Duty Order; Final Results*, 70 FR 24520 (May 10, 2005). In this instance, we found no evidence on the record that the more recently calculated PRC-wide rate of 114.90 percent is a better indicator of the margins likely to prevail in the absence of an order. Thus, we are using the margins from the final determination as there is no reason to doubt their validity, and these are the rates that are most probative of the behavior of exporters without the discipline of an order.

FINAL RESULTS OF REVIEW

The Department determines that revocation of the *Order* on certain pencils from the PRC would be likely to lead to continuation or recurrence of dumping. The Department also determines that the dumping margins likely to prevail if the *Order* was revoked are as follows:

Manufacturers/producers/exporters	Margin

[2] *See* Attachment 2. For this sunset review the Department will refer to ITC Dataweb statistics, which are the only numbers available on the record.

(percent)

China First Pencil Co., Ltd……..8.60%

Shanghai Three Star Stationery Industry Corp.[3]…….0.00%

Shanghai Lansheng Corp……..19.36%

Shanghai Foreign Trade Corp……...11.15%

Guangdong Provincial Stationery & Sporting Goods Import & Export Corp.[4]……53.65%

PRC-Wide Rate……53.65%

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[3] In the original *Order* and subsequent administrative reviews, China First and Three Star were treated as separate entities. *See* Attachment 1. In the 1999-2000 administrative review, the Department determined that China First and Three Star should henceforth be treated as a single entity. *See Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 67 FR 48612 (July 25, 2002)("*99-00 Pencils Final*") and accompanying Issues and Decision Memorandum at Comment 12, amended at *Notice of Amended Final Results and Partial Rescission of Antidumping Duty Administrative Review: Certain Cased Pencils from the People's Republic of China*, 67 FR 59049 (September 19, 2002). The Department continued to treat China First and Three Star as a single entity in the four successive administrative reviews. In the 2006-2007 administrative review, the Department determined that due to new evidence regarding the relationship between China First and Three Star there was no longer a sufficient basis to combine the two companies. *See Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 74 FR 33406 (July 13, 2009) and accompanying Issues and Decision Memorandum at Comment 1, amended at *Certain Cased Pencils from the People's Republic of China: Amended Final Results of Antidumping Duty Administrative Review*, 74 FR 45177 (September 1, 2009). The Department continues to view China First and Three Star as separate and distinct entities as a result of the 2006-2007 administrative review determination. *See Certain Cased Pencils From the People's Republic of China; Final Results of the Antidumping Duty Administrative Review*, 75 FR 38980 (July 7, 2010).

[4] The Department originally excluded from the order exports made by Guangdong and produced by Three Star. However, the Department determined in the 1999-2000 administrative review that the Guangdong/Three Star sales chain was no longer excluded from the order, and that all merchandise exported by Guangdong was subject to the cash deposit requirements at the PRC-Wide Rate. *See 99-00 Pencils Final* and accompanying Issues and Decision Memorandum at Comment 1, amended at 67 FR 59049.

RECOMMENDATION

Based on our analysis of the substantive response received, we recommend adopting the above positions. If this recommendation is accepted, we will publish the final results of this sunset review in the *Federal Register* and notify the ITC of our determination.

AGREE _____ DISAGREE_____

_____
Ronald K. Lorentzen
Deputy Assistant Secretary
for Import Administration

_____
Date

Attachment

Attachment 1

History of the Order

Investigation	
Citation	*Margins*
Notice of Final Determination of Sales at Less Than Fair Value: Certain Cased Pencils From the People's Republic of China, 59 FR 55625 (November 8, 1994) and *Antidumping Duty Order: Certain Cased Pencils from the People's Republic of China*, 59 FR 66909 (December 28, 1994)	• China First/China First: 0% • China First: 44.66% • Three Star/Guangdong: 0% • Guangdong: 44.66% • Shanghai FTC: 8.31% • Shanghai Lansheng: 17.45% • PRC-Wide Rate: 44.66%
Certain Cased Pencils From the People's Republic of China; Notice of Amended Final Determination of Sales at Less Than Fair Value and Amended Antidumping Duty Order in Accordance With Final Court Decision, 64 FR 25275 (May 11, 1999)	• China First: 8.60% • Shanghai Lansheng: 19.36% • Shanghai FTC: 11.15% • Three Star/Guangdong: 0% • Guangdong: 53.65% • PRC-Wide Rate: 53.65%

Administrative and New Shipper Reviews		
Segment	*Citation*	*Margins*
1994-1995 Administrative Review	*Certain Cased Pencils From the People's Republic of China; Final Results of Antidumping Duty Administrative Review*, 62 FR 24636 (May 6, 1997), amended at 62 FR 36491 (July 8, 1997)	• China First/China First: 0% • China First: 53.65% • Shanghai FTC: 8.31% • Three Star/Guangdong: 0% • Guangdong: 53.65% • PRC-Wide Rate: 53.65%
1995-1996 Administrative Review	*Certain Cased Pencils From the People's Republic of China; Final Results of Antidumping Administrative Review*, 63 FR 779 (January 7, 1998)	• China First/China First: 0% • China First: 53.65% • Shanghai FTC: 8.31% • Three Star/Guangdong: 0% • Guangdong: 53.65% • PRC-Wide Rate: 53.65%
1996-1997 Administrative Review	*Certain Cased Pencils From the People's Republic of China; Final Results of Antidumping Duty Administrative Review*, 64 FR 2171 (January 13, 1999)	• China First/China First: 0% • China First: 53.65% • Shanghai FTC: 8.31% • Three Star/Guangdong: 0% • Guangdong: 53.65% • PRC-Wide Rate: 53.65%
1998-1999 Administrative Review	*Certain Cased Pencils From the People's Republic of China; Final Results and Partial*	• China First: 53.65% • Shanghai FTC: 8.31% • Three Star/Guangdong: 0%

	Rescission of Antidumping Duty Administrative Review, 66 FR 37638 (July 19, 2001)	• Guangdong: 53.65% • PRC-Wide Rate: 53.65%
1999-2000 Administrative Review	*Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 67 FR 48612 (July 25, 2002), amended at 67 FR 59049 (September 19, 2002)	• China First/Three Star: 6.32% • Shanghai FTC: 12.98% • Kaiyuan: 114.90% • Guangdong: 114.90% • PRC-Wide Rate: 114.90%
2000-2001 Administrative Review	*Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 68 FR 43082 (July 21, 2003)	• CalCedar-Tianjin: 0% • Rongxin: 15.76% • PRC-Wide Rate: 114.90%
2001-2002 Administrative Review	*Certain Cased Pencils From the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 69 FR 29266 (May 21, 2004)	• China First/Three Star: 15.20% • Shanghai FTC: 10.96% • Rongxin: 27.87% • PRC-Wide Rate: 114.90%
2002-2003 Administrative Review	*Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 70 FR 42301 (July 22, 2005), amended at 70 FR 51337 (August 30, 2005).	• China First/Three Star: 0.15% • Shanghai FTC: 12.69% • Rongxin: 22.63% • PRC-Wide Rate: 114.90%
2003-2004 Administrative Review	*See Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 71 FR 38366 (July 6, 2006)	• China First/Three Star: 26.62% • Shanghai FTC: 25.70% • Rongxin: 12.37% • PRC-Wide Rate: 114.90%
2004-2005 Administrative Review	*Certain Cased Pencils from the People's Republic of China; Final Results of Antidumping Duty Administrative Review*, 72 FR 27074 (May 14, 2007)	• China First/Three Star: 2.66% • Dixon: 2.66% • Rongxin: 2.66%
2006-2007 Administrative Review	*Certain Cased Pencils from the People's Republic of China; Final Results and Partial*	• China First: 10.41% • Three Star: 59.62% • Rongxin: 11.48%

	Rescission of Antidumping Duty Administrative Review, 74 FR 33406 (July 13, 2009), amended at 74 FR 45177 (September 1, 2009)	• Shanghai FTC: 32.21% • PRC-Wide Rate: 114.90%
2007-2008 Administrative Review	*Certain Cased Pencils From the People's Republic of China; Final Results of the Antidumping Duty Administrative Review*, 75 FR 38980 (July 7, 2010)	• China First: 1.00% • Three Star: 6.10% • Dixon: 3.55% • Shanghai FTC: 3.55% • Rongxin: 3.55% • PRC-Wide Rate: 114.90%
2000-2001 New Shipper Review	*Certain Cased Pencils from the People's Republic of China: Rescission of Antidumping Duty New Shipper Review*, 67 FR 11462 (March 14, 2002)	• Rescinded
2001-2002 New Shipper Review	*Certain Cased Pencils from the People's Republic of China: Rescission of Antidumping Duty New Shipper Review*, 68 FR 62427 (November 4, 2003)	• Rescinded

Sunset Reviews		
Segment	*Citation*	*Margins*
First Sunset Review	*Certain Cased Pencils From the People's Republic of China; Final Results of Expedited Sunset Review of Antidumping Duty Order*, 65 FR 41431 (July 5, 2000)	• China First: 8.60% • Shanghai Lansheng: 19.36% • Shanghai FTC: 11.15% • Three Star/Guangdong: 0% • Guangdong: 53.65% • PRC-Wide Rate: 53.65%
Second Sunset Review	*Cased Pencils from the People's Republic of China; Notice of Final Results of Expedited Sunset Review of Antidumping Duty Order*, 70 FR 67427 (November 7, 2005)	• China First/Three Star: 8.60% • Shanghai Lansheng: 19.36% • Shanghai FTC: 11.15% • Guangdong: 53.65% • PRC-Wide Rate: 53.65%

Attachment 2

Attachment 1

History of the Order

Investigation	
Citation	*Margins*
Notice of Final Determination of Sales at Less Than Fair Value: Certain Cased Pencils From the People's Republic of China, 59 FR 55625 (November 8, 1994) and *Antidumping Duty Order: Certain Cased Pencils from the People's Republic of China*, 59 FR 66909 (December 28, 1994)	• China First/China First: 0% • China First: 44.66% • Three Star/Guangdong: 0% • Guangdong: 44.66% • Shanghai FTC: 8.31% • Shanghai Lansheng: 17.45% • PRC-Wide Rate: 44.66%
Certain Cased Pencils From the People's Republic of China; Notice of Amended Final Determination of Sales at Less Than Fair Value and Amended Antidumping Duty Order in Accordance With Final Court Decision, 64 FR 25275 (May 11, 1999)	• China First: 8.60% • Shanghai Lansheng: 19.36% • Shanghai FTC: 11.15% • Three Star/Guangdong: 0% • Guangdong: 53.65% • PRC-Wide Rate: 53.65%

Administrative and New Shipper Reviews		
Segment	*Citation*	*Margins*
1994-1995 Administrative Review	*Certain Cased Pencils From the People's Republic of China; Final Results of Antidumping Duty Administrative Review*, 62 FR 24636 (May 6, 1997), amended at 62 FR 36491 (July 8, 1997)	• China First/China First: 0% • China First: 53.65% • Shanghai FTC: 8.31% • Three Star/Guangdong: 0% • Guangdong: 53.65% • PRC-Wide Rate: 53.65%
1995-1996 Administrative Review	*Certain Cased Pencils From the People's Republic of China; Final Results of Antidumping Administrative Review*, 63 FR 779 (January 7, 1998)	• China First/China First: 0% • China First: 53.65% • Shanghai FTC: 8.31% • Three Star/Guangdong: 0% • Guangdong: 53.65% • PRC-Wide Rate: 53.65%
1996-1997 Administrative Review	*Certain Cased Pencils From the People's Republic of China; Final Results of Antidumping Duty Administrative Review*, 64 FR 2171 (January 13, 1999)	• China First/China First: 0% • China First: 53.65% • Shanghai FTC: 8.31% • Three Star/Guangdong: 0% • Guangdong: 53.65% • PRC-Wide Rate: 53.65%
1998-1999 Administrative Review	*Certain Cased Pencils From the People's Republic of China; Final Results and Partial*	• China First: 53.65% • Shanghai FTC: 8.31% • Three Star/Guangdong: 0%

	Rescission of Antidumping Duty Administrative Review, 66 FR 37638 (July 19, 2001)	• Guangdong: 53.65% • PRC-Wide Rate: 53.65%
1999-2000 Administrative Review	*Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 67 FR 48612 (July 25, 2002), amended at 67 FR 59049 (September 19, 2002)	• China First/Three Star: 6.32% • Shanghai FTC: 12.98% • Kaiyuan: 114.90% • Guangdong: 114.90% • PRC-Wide Rate: 114.90%
2000-2001 Administrative Review	*Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 68 FR 43082 (July 21, 2003)	• CalCedar-Tianjin: 0% • Rongxin: 15.76% • PRC-Wide Rate: 114.90%
2001-2002 Administrative Review	*Certain Cased Pencils From the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 69 FR 29266 (May 21, 2004)	• China First/Three Star: 15.20% • Shanghai FTC: 10.96% • Rongxin: 27.87% • PRC-Wide Rate: 114.90%
2002-2003 Administrative Review	*Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 70 FR 42301 (July 22, 2005), amended at 70 FR 51337 (August 30, 2005).	• China First/Three Star: 0.15% • Shanghai FTC: 12.69% • Rongxin: 22.63% • PRC-Wide Rate: 114.90%
2003-2004 Administrative Review	*See Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 71 FR 38366 (July 6, 2006)	• China First/Three Star: 26.62% • Shanghai FTC: 25.70% • Rongxin: 12.37% • PRC-Wide Rate: 114.90%
2004-2005 Administrative Review	*Certain Cased Pencils from the People's Republic of China; Final Results of Antidumping Duty Administrative Review*, 72 FR 27074 (May 14, 2007)	• China First/Three Star: 2.66% • Dixon: 2.66% • Rongxin: 2.66%
2006-2007 Administrative Review	*Certain Cased Pencils from the People's Republic of China; Final Results and Partial*	• China First: 10.41% • Three Star: 59.62% • Rongxin: 11.48%

	Rescission of Antidumping Duty Administrative Review, 74 FR 33406 (July 13, 2009), amended at 74 FR 45177 (September 1, 2009)	• Shanghai FTC: 32.21% • PRC-Wide Rate: 114.90%
2007-2008 Administrative Review	*Certain Cased Pencils From the People's Republic of China; Final Results of the Antidumping Duty Administrative Review*, 75 FR 38980 (July 7, 2010)	• China First: 1.00% • Three Star: 6.10% • Dixon: 3.55% • Shanghai FTC: 3.55% • Rongxin: 3.55% • PRC-Wide Rate: 114.90%
2000-2001 New Shipper Review	*Certain Cased Pencils from the People's Republic of China: Rescission of Antidumping Duty New Shipper Review*, 67 FR 11462 (March 14, 2002)	• Rescinded
2001-2002 New Shipper Review	*Certain Cased Pencils from the People's Republic of China: Rescission of Antidumping Duty New Shipper Review*, 68 FR 62427 (November 4, 2003)	• Rescinded

Sunset Reviews		
Segment	*Citation*	*Margins*
First Sunset Review	*Certain Cased Pencils From the People's Republic of China; Final Results of Expedited Sunset Review of Antidumping Duty Order*, 65 FR 41431 (July 5, 2000)	• China First: 8.60% • Shanghai Lansheng: 19.36% • Shanghai FTC: 11.15% • Three Star/Guangdong: 0% • Guangdong: 53.65% • PRC-Wide Rate: 53.65%
Second Sunset Review	*Cased Pencils from the People's Republic of China; Notice of Final Results of Expedited Sunset Review of Antidumping Duty Order*, 70 FR 67427 (November 7, 2005)	• China First/Three Star: 8.60% • Shanghai Lansheng: 19.36% • Shanghai FTC: 11.15% • Guangdong: 53.65% • PRC-Wide Rate: 53.65%

Attachment 2

HTS - 96091000: Pencils & crayons, with leads encased in a rigid sheath
Customs Value by First Unit of Quantity
for China

U.S. Imports for Consumption

Annual Data

TOTAL	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Percent Change 2009 - 2010
	In 1,000 Dollars															
Customs Value where quantities are collected in gross																
TOTAL	11,715	14,700	24,728	25,032	29,408	29,018	30,244	32,340	35,266	36,383	43,130	48,834	53,420	52,063	59,701	14.7%
Total	**11,715**	**14,700**	**24,728**	**25,032**	**29,408**	**29,018**	**30,244**	**32,340**	**35,266**	**36,383**	**43,130**	**48,834**	**53,420**	**52,063**	**59,701**	**14.7%**

HTS - 96091000: Pencils & crayons, with leads encased in a rigid sheath
First Unit of Quantity by First Unit of Quantity
for China

U.S. Imports for Consumption

Annual Data

TOTAL	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Percent Change 2009 - 2010
	In 1,000 Units of Quantity															
First Unit of Quantity where quantities are collected in gross																
TOTAL	2,562	3,821	5,963	5,951	7,144	7,505	7,456	7,827	9,108	9,024	10,017	10,398	9,886	10,521	12,432	18.2%

Sources: Data on this site have been compiled from tariff and trade data from the U.S. Department of Commerce and the U.S. International Trade Commission.