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US Candle Industry Prevails in International Trade Litigation; Customs Duty on Petroleum Wax Candles from China Upheld

Washington, DC (May 21, 2018) – The <u>National Candle Association</u> has announced that the U.S. Court of International Trade has upheld a customs duty on petroleum wax candles imported from China. This ruling will continue to protect U.S. candle manufacturers and their suppliers from the unfair "dumping" of inexpensive petroleum wax candle imports from China.

The Trade Associates Group, Ltd., a U.S. importer of candles, had contested the 108.3% duty that applies to all petroleum wax candles from China, regardless of the candles' shape, with the limited exception of birthday candles, utility candles, and figurines. The case has been resolved by the Court of International Trade, and the Trade Associates Group, Ltd., agrees to withdraw from the case with prejudice, meaning they cannot bring the case again.

"This is a win for American-made candles. We hope that this ruling will send a clear message to anyone trying to circumvent the antidumping duty," said Carol Freysinger, executive vice president, National Candle Association. "We will fight to the end to protect fair and reasonable competitive balance for the U.S. candle industry."

The US candle industry history of trade defense dates back to the 1970's, when the industry was first threatened with inexpensive candles imported from China, driving many US candle companies out of business. In response the National Candle Association filed an antidumping petition with the International Trade Commission. Over time, the US Government's antidumping duty started at 54.21% in 1986, and eventually was raised to 108.3% on the basis of continued and escalating dumping of cheap Chinese candle imports.

In August 2011, the scope of the antidumping duty order was further clarified, so that the import duty applied to all shapes, sizes, styles and types of candles imported from China containing any amount of petroleum wax, with three very narrowly defined exclusions: birthday candles, utility candles and figurine candles.

Prior to the US duty, between 1979 and 1984, the volume of China candle imports increased 3,700%. The effect of the antidumping duty on the U.S. candle industry has been significant. In 1986, the first year the duty was put into place, China ranked as the #1 importer of candles into the U.S. Today, China ranks 5th as a candle importer, behind Vietnam, Canada, Mexico and India, according to industry data source *Argus Global Waxes*.

About the National Candle Association

The National Candle Association (NCA) is the major trade association representing U.S. candle manufacturers and their suppliers. NCA is widely recognized as the world's leading technical authority on candles and candle manufacturing. Its members are dedicated to quality formulations, testing, and prudent manufacturing processes, and to upholding consumer confidence through a commitment to candle quality, safety and science. For more information, visit www.candles.org.