

EXPLANATION OF COMMISSION DETERMINATION ON ADEQUACY

in

Sparklers from China,

Inv. No. 731-TA-464 (Second Review)

On September 7, 2005, the Commission determined¹ that it should proceed to an expedited review in the subject five-year review pursuant to section 751(c)(3)(B) of the Tariff Act of 1930, as amended, 19 U.S.C. § 1675(c)(3)(B).²

The Commission received responses to the notice of institution from two domestic producers, Diamond Sparkler Manufacturing Co., Inc. (Diamond) and Elkton Sparkler Co., Inc. (Elkton), which it determined were individually adequate. Because Diamond and Elkton represent the entire domestic production of sparklers, the Commission further determined that the domestic interested party group response was adequate.

The Commission did not receive a response from any respondent interested party, and therefore determined that the respondent interested party group response to the notice of institution was inadequate. In the absence of an adequate respondent interested party group response, or any other circumstances that it deemed warranted proceeding to a full review, the Commission determined to conduct an expedited review.³ A record of the Commissioners' votes is available from the Office of the Secretary and the Commission's web site (<http://www.usitc.gov>).

¹ Commissioner Aranoff did not participate in this determination.

² Commissioner Pearson voted in favor of conducting a full review.

³ Commissioner Pearson notes that one of the two domestic producers of sparklers (Elkton) currently supports continuation of the order whereas in the first sunset review it opposed continuation. He notes further that Elkton has now restarted production in the United States whereas at the time of the first sunset review it was exclusively an importer of sparklers. Commissioner Pearson determined that these changed circumstances regarding the structure of the domestic industry warranted conducting a full review of the order.