

# ILLUMINATIONS

## Commerce Dept. Boosts Duty to 95.95%; Finds China Has Dumped Candles in U.S.

Recognizing that dumped candles from the People's Republic of China (PRC) have seriously harmed the U.S. candle business, the U.S. Commerce Dept. has assigned a 95.95 percent duty on all candle imports from the PRC.

The ruling comes in Commerce's Final Determination on its Fourth Administrative Review which cov-

ers the period August 1, 2001 through July 31, 2002.

Prior to the Final Determination, NCA representatives met with James Jochum, Assistant Secretary for Import Administration at Commerce, and his staff on February 26. The NCA delegation -- Executive Vice President Valerie Cooper, *(continued on page 3)*

## First World Candle Congress and Trade Show Fast Approaching

The First World Candle Congress and Trade Show is coming up soon. The Congress and Trade Show will be held April 20-23, 2004 at the Caribe Royale Suites in Orlando, Florida. The meeting is sponsored by NCA and the Asociacion Latino Americana de Fabricantes de Velas (ALAFAVE) and given our response so far, this meeting will be

heavily attended.

The Trade Show will open on April 21. Due to huge demand, trade show floor space is currently sold out at 86 booths.

The First World Candle Congress will provide a unique opportunity for NCA members to meet and network with their counterparts from around the world. Some of the highlights of this special meeting are a Joint General Assembly on Wednesday, April 21 featuring presentations on the state of the candle industry in the Americas and Europe and a full day of technical presentations on Thursday, April 22.

Great sponsorships are still available for the meeting. Sponsor a ca- *(Continued on page 3)*



National  
Candle  
Association

Winter 2004

**Valerie Cooper Succeeds Marianne McDermott As Executive VP; Kathy Seidenkranz Moves To Executive Director**

NCA is pleased to announce that Valerie Cooper, CAE, has been named Executive Vice President of the Association, effective Jan. 1. Valerie succeeds Marianne McDermott, who has retired after more than 15 years in that position. Valerie was Executive Director for the NCA for the past seven years and has over sixteen years of association management experience.

The Association is also pleased to announce that Kathy Seidenkranz has been named Executive *(continued on page 6)*

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## 2004 NCA PR Campaign Gets Back to Candle Basics

Reinforcing the "Lore and Magic of Candles" is the focus for the 2004 PR campaign for the NCA with Robin Leedy & Associates.

With special help from Susie Coelho, author and HGTV television host, this year's goal is to get back to basic candle awareness, which includes a comprehensive press kit on all aspects of candles, ranging from a glossary of candle terms and candle safety tips, to innovative accessory ideas and creative decorating tips.

Ms. Coelho, who recently released her second book, *Susie Coelho's Style for Entertaining*, will act in a limited capacity as a spokesperson for the NCA with print media, such as magazines and newspapers.

Core press materials for the campaign have been written and will be available soon in the Online Press Bureau section of the NCA website. Members can also find information about Susie Coelho, who is lending her decorating expertise and also some great tips for candle use and decoration throughout the year.

Susie has begun message training on the NCA safety tips and will continue to be involved in seasonal pitches focusing on the use of candles in home decorating.

The first release will be an emphasis on spring entertaining and decorating. Upcoming seasonal release topics utilizing Susie will focus on gift giving, including Mother's Day and bridal showers, fall decorating basics and candle use during the winter holiday season.

Please continue to send RL&A information, including catalogs, seasonal highlights and new product introductions, photographs and candle trends, including colors, accessories and holders, as well as seasonal information.

Send all information to Heather Milazzo at Robin Leedy & Associates, 118 North Bedford Road, Suite 302, Mount Kisco, NY 10549, by phone at 914-241-0086 ext. 12, or you may reach Heather by email at [hmilazzo@robinleedyassociates.com](mailto:hmilazzo@robinleedyassociates.com). ■

## ASTM F15-45 Task Group Updates

**Candle Fire Safety** - Currently, the task group is working on changes to the provisional standard. These changes are necessary to finalize the standard prior to 2005. This draft will be presented at the April 23 subcommittee meeting in Orlando. In addition, a separate 'candle accessories' standard is being drafted to cover requirements for objects designed for use with a candle. Information on this new standard will also be presented in Orlando.

*Subcommittee members please note:* It is very important for subcommittee members to attend the meeting in Orlando on April 23, 2004 to become familiar with and to provide input on the candle fire safety and candle accessories standards.

**Terminology Task Group** - The terminology standard is in the process of being revised and updated. The revised terminology standard will be ready for reballoting after the April NCA meeting and should be ready for publication by the end of the year.

**Visible Emissions Task Group** - The visible emissions standard passed the recent ballot. As a result, the standard should be ready for publication in the near future. The standard calls for a test method for the collection and analysis of visible emissions from the candles as they burn.

## Manufacturing Report Released

The U. S. Department of Commerce has released its long-awaited report, *Manufacturing in America*. The report provides an overview of the domestic and international economic environment facing American manufacturing. The 88-page report is divided into three sections: an overview of the role modern manufacturing plays in the economy, the challenges US manufacturers presently face, and policy recommendations for strengthening and encouraging manufacturing.

Visit <http://www.manufacturing.gov> to access the full report as well as a four page summary. ■

## Commerce Rules on Candle Dumping *(continued from page 1)*

Executive Director Kathy Seidenkranz, Barnes & Thornburg attorneys Randolph J. Stayin and Karen McGee, and Economic Consulting Services, LLC's Mark Love – urged Commerce to stay the course with the Preliminary Decision and institute a higher assigned rate.

During the meeting with Commerce, NCA pointed out that the higher rate is more reflective of current rates and that the original duty of 54 percent was assigned in 1986. Further, NCA observed that candle imports from the PRC have grown substantially in the past five years, from 46 million pounds in 1997 to 174 million pounds in 2002. In addition, the cost of candles from the PRC has decreased from \$1.52 per pound (average unit customs value) in 1997 to 92 cents per pound in 2002.

Commerce's Final Determination substantiates NCA's claims on the dumping of candles. "Dumped candles from China have seriously injured the domestic candle industry, resulting in plant closures, lost sales and profits, and significant job layoffs and losses," says attorney Stayin. "States such as Ohio, Illinois, Arkansas, California, and Texas were especially hit hard by Chinese candle producers' dumping practices," he notes. "The Chinese have been able to almost quadruple their volume of sales in the U.S. market by dumping at lower and lower prices. Last year the U.S. industry lost 128 million pounds in sales to the Chinese. The future of this industry and the jobs of its workers have been put at risk because of these unfair trade practices. This is not a case of American consumers obtaining inexpensive candles in a competitive marketplace. This is a case of foreign producers and U.S.

importers violating U.S. trade law and causing injury to an important U.S. industry and the workers it employs," Stayin says.

According to the Final Determination, "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 Final Determination is scheduled to be published in the Federal Register by March 18. Commerce will issue assessment instruction to Customs within 15 days of the publication of the Final Determination. Customs will notify all of the 105 importers covered by the Final Determination that, in addition to the 54.21 percent duty already deposited, they must now deposit an additional 41.74 percent antidumping duty for the period of review. Importers should receive these notices by the end of April.

For all candles entered or withdrawn from warehouse on or after the date of publication of the Final Determination, the importers will be required to deposit antidumping duties in the amount of 95.95 percent.

NCA applauds Commerce's Final Determination which found a 95.95 percent dumping margin for all imports of Chinese candles and the new China-wide rate of 95.95 percent. This is an important decision and victory for the candle industry, and we thank all of our members who helped on this critical decision for their efforts and commitment. ■

## First World Candle Congress *(continued from page 1)*

tered function and see your company name in the final program, exhibitor program, on the registration confirmations, the entrance to the trade show hall, and on signage next to your sponsorship. Please contact Judi Rosenberg at 330-721-0916 or Hope Lucas at 202-393-2210 for further information and forms.

Finally, hotel reservations are brisk for this meeting. NCA has added an additional 100 rooms to our block and the block is still growing! So if you haven't booked your room yet, please don't delay. The Caribe

Royale's reservation number is 800-823-8300.

If you haven't registered for the meeting yet, you may do so online at [www.candles.org](http://www.candles.org). The deadline for on-line meeting registration is March 26, 2004. Please check out the on-line registration links to AVIS – the Official Rental Car for the World Candle Congress and the Orlando Attraction tickets. Once the on-line registration is closed, please call Hope Lucas at 202-393-2210 for a Registration Form that can be either faxed or emailed. ■

## ***EU Issues Countermeasures on US Goods Including Candles***

In a move designed to spur the U.S. Congress to action regarding “illegal export subsidies,” the European Union (EU) is instituting retaliatory tariffs on many U.S. exports, including candles.

The issue stems from the World Trade Organization’s (WTO) finding that the U.S. Foreign Sales Corporation Act and the Extraterritorial Income Exclusion Act constitute illegal export subsidies. While the EU requested countermeasures in May 2003 and received WTO approval for them, the EU postponed enacting any countermeasures in the hopes that the U.S. Administration and U.S. Congress would adopt the necessary legislation for the repeal of these Acts. The deadline of compliance was set for March 1, 2004.

According to the EU, it is opting “for a response which is measured, gradual and geared towards focusing the mind of the U.S. legislator to comply.” The countermeasures consist of an additional customs duty of five percent on imports effective March 1, 2004. This will be followed by automatic monthly increases of one percent up to a ceiling of 17 percent to be reached on March 1, 2005.

The EU estimates the countermeasures at \$315 million in additional customs duties from March 1 through

December 31, 2004 and at \$666 million in additional customs duties for the period January 1 through December 31, 2005.

The list of products includes agricultural products, textiles, industrial products, electronic products, paper products, steel, and candles.

The Bush Administration is asking Congress to promptly pass legislation to comply with the WTO’s ruling. In a letter to Senate Majority Leader Bill Frist – written by John W. Snow, Secretary of the Treasury, Donald L. Evans, Secretary of Commerce, and Robert B. Zoellick, U.S. Trade Representative – the Bush Administration asks Congress “to replace the ETI provisions with tax provisions that promote the competitiveness of American manufacturers and other job creating sectors of the U.S. economy.” They point out that “the retaliatory tariffs on American exports pose a threat” to the growth of the US economy “and may retard the creation of jobs in certain sectors of the economy.”

The Senate Finance Committee is currently working on legislation to comply with the WTO ruling. NCA headquarters will keep members informed of the legislation’s progress. ■

### **Export Portal Helps Businesses Develop Overseas Markets**

Are you a small or medium sized business looking to expand sales overseas? If so, the US government’s export portal will be of interest to you.

The website <http://www.export.gov> is the portal to all export-related assistance and market information offered by the federal government.

The site contains information on export basics, market research, partners and trade leads, export finance, trade shows and events, how to reach export assistance centers and news articles on export trade issues.

The website also has links to the all US agencies involved in exports. ■

### **Census Begins Quarterly Survey**

The U.S. Census Bureau is launching a new quarterly survey of service industry activity this year, the first new economic indicator in nearly 30 years. The quarterly survey is the centerpiece of a multi-faceted statistical initiative to address long-standing deficiencies in federal statistics covering the service sector. The quarterly measures will provide timely information needed to assess current economic performance and will improve the quarterly estimates of Gross Domestic Product. At the end of March 2003, the Census Bureau will start collecting data for the first quarter of 2004 and the fourth quarter of 2003.

For more information on the new Census survey, visit <http://www.census.gov/econhelp/qss> or phone David Lassman at (301) 763-7202. ■

## Association Membership Keeps Growing

Please welcome the following companies to NCA Membership and add them to your Directory.

### REGULAR MEMBERS

#### Mostly Memories, Inc.

601 East South Street  
Ozark, MO 65721  
Phone: 417-581-8555  
Fax: 417-581-8488  
Tollfree Phone: 800-495-1680  
Email: sales@mostlymemories.com  
Website: www.mostlymemories.com  
NCA Representative: Tricia Derges, President  
Candles: botanicals, custom, fragranced, handcrafted, household, melts, novelty, religious, tapers/formal dinner, tea-lights, votives and wax filled containers

#### Panacea Products Corp.

2711 International Street  
Columbus, OH 43228  
Phone: 614-850-7000  
Fax: 614-334-3028  
Email: greg.paniccia@panac.com  
NCA Representative: Greg Paniccia, President  
Candles: citronella

### AFFILIATE MEMBER

#### Mary Kay Inc.

1330 Regal Row  
Dallas, TX 75006  
Phone: 214-905-6208  
Fax: 214-905-6799  
Email: bridget.January@mkcorp.com  
NCA Representative: Bridgette January, Scientist  
Candles: fragranced, votives

### ASSOCIATE MEMBERS

#### Calumet Lubricants Co., LP

2780 Waterfront E. Parkway, #200  
Indianapolis, IN 46214  
Phone: 317-328-5660  
Fax: 317-328-5668  
Tollfree Phone: 800-437-3188  
Email: billa@calumetlubricants.com  
Website: www.calumetlubricants.com  
NCA Representative: Bill Anderson, VP-Marketing  
Wax

#### Century Marketing

12836 South Dixie Hwy.  
Bowling Green, OH 43402  
Phone: 419-353-2591  
Fax: 419-352-9567  
Tollfree Phone: 800-537-9429  
Email: neridon@centurylabel.com  
Website: www.centurylabel.com  
NCA Representative: Nancy Eridon, Director of  
Marketing Communications  
Labels, tags

#### Creative Fragrances Ltd

10850 Sanden Drive  
Dallas, TX 75238  
Phone: 214-341-3666  
Fax: 214-341-1423  
Tollfree Phone: 866-593-2203  
Email: sales@creativefragrances.com  
Website: www.creativefragrances.com  
NCA Representative: Craig Neely, President  
Essential oils, fragrances

#### Dawn Canadian Labels, Inc.

76 Steelcase Road West  
Markham, ONT L3R 1B2  
CANADA  
Phone: 905-470-0080  
Fax: 905-470-9074  
Tollfree Phone: 888-873-3296  
Email: glenn@dawnCanadian.com  
Website: www.dawnCanadian.com  
NCA Representative: Glenn Shaw, Sales &  
Marketing Manager  
Labels

#### Enchanted Lites Candle Co.

375 Industrial Avenue  
New Hampton, IA 506594  
Phone: 641-394-6204  
Fax: 641-394-5822  
Tollfree Phone: 866-345-2204  
Email: bbabcock@enchanted-lites.com  
Website: www.enchanted-lites.com  
NCA Representative: Bruce Babcock,  
General Manager  
Dyes, fragrances, glass containers, specialty wax  
blends, wicks

*New members continued on page 5*

## David Hollis Appointed As New NCA Board Member

David Hollis, Director of Quality at Home Fragrance Holdings, Inc., has been appointed to the NCA Board of Directors.

Hollis replaces Jim Parker as the Board rep for HFH.

Hollis has an extensive background in the chemical process industry and quality system development. He has a BS in Chemical Engineering and is a certified quality management system auditor for both ISO 9000 and other quality systems. He can be reached at 832-534-4642 or dhollis@hfh.cc. ■

## New Members *(continued from page 4)*

### Keystone Aniline Corp.

2501 W. Fulton Street  
Chicago, IL 60612  
Phone: 312-666-2015  
Fax: 312-666-8530  
Tollfree Phone: 800-522-4939  
Email: avaisnoras@dyes.com  
Website: www.dyes.com  
NCA Representative: A.J. (Tony) Vaisnoras,  
Sales Rep

Dyes

### Stoffel Seals Corporation

400 High Avenue  
Nyack, NY 10960  
Phone: 845-353-3800  
Fax: 845-353-3876  
Tollfree Phone: 800-344-4772  
Email: defeldman@stoffel.com  
Website: www.prestigeseals.com  
NCA Representative: David Feldman,  
Divisional Manager  
Packaging enhancements (charms, medallions,  
seals)

## Cooper, Seidenkranz Promoted

*(continued from page 1)*

Director of NCA, succeeding Valerie in that position.

Kathy will be responsible for the day-to-day operations as well as trade issues and consumer public relations for NCA. Kathy has been an association executive for over six years, with a variety of manufacturing associations.

In addition, Valerie recently was promoted to Vice President of the Kellen Company, the second largest professional association management firm. Kathy is an account executive with Kellen. ■

## Member Updates

**Private Gardens-Trapp Candles:** Effective April 1st, the company will be located at 1025 West 8th, Kansas City, MO 64101. Phone and fax numbers are unchanged. The new NCA rep is Dave Lancaster who can be reached by email at dlancaster@privategardens.com

**Fragrance Resources:** Michael Diulus, VP-Sales, replaces John Rush as NCA rep. Diulus can be reached at 630-717-6424 or by email at m.diulus@fragrancer.com.

**ALESCO:** Company has changes its email to sales@alaseco-color.com and its website to [www.alesco-color.com](http://www.alesco-color.com).

**Candle Lamp Company:** Rick Miller, Director of Manufacturing, has replaced Robert Lee as NCA rep. Email: rickm@candlelamp.com

**Kaiser Lacke:** SMS Marketing has been appointed US rep. For more information, contact Mike Swimm at 630-848-0523.

**BARECO Products** has ceased operation. Contact Baker Petrolite or Calumet Lubricants.

Please remember to send updates to Mila Albertson, NCA Membership Services Director at mila@kellenco.com.

## U.S. Demand for Waxes to Reach \$1.7 Billion in 2007

U.S. demand for waxes is forecast to increase 4.9% annually, reaching \$1.7 billion in 2007, according to *Waxes*, a new report from The Freedonia Group.

Advances will be based upon above-average volume gains and a shift in the product mix favoring more expensive synthetic and vegetable types. Despite these positive factors, competition from alternative materials, particularly plastics and chemicals, continues to threaten growth in key end-use markets such as packaging, polishes and coatings.

Natural and synthetic waxes are expected to record the fastest gains due to their marketing appeal (natural waxes) and superior performance (synthetics), with each posting advances of about 6% annually.

While demand for natural waxes derives from consumer preference for products perceived as natural or environmentally friendly, the predominant growth driver will be the entry of soy wax into the mainstream candle market. Synthetic wax demand will be stimulated by the waxes' favorable cost/performance attributes and new metallocene catalyst technology which creates high value polyethylene (PE) and other polymer waxes tailored to specific tasks.

Meanwhile, the petroleum wax sector is in a position to benefit as the U.S. economy rebounds from 2001's recession, following nearly a decade of restructuring.

The lubricant industry's rapid abandonment of solvent technology in favor of catalytic methods (which yield no wax) and the closure of base stock manufacturing plants have eroded domestic supplies of petroleum wax and thinned the ranks of U.S. producers.

Companies in the petroleum wax business are now expected to benefit as large volume markets for commodity petroleum waxes improve along with the nation's economy.

Copies of the report are available for \$3,900 from The Freedonia Group, Inc., 767 Beta Drive, Cleveland OH, 44143-2326. Information on the report may also be found at <http://www.freedoniagroup.com>. ■

## U.S. Customs Accredits Lab for Testing Imported Candles

SEA, Ltd. has received accreditation from the U.S. Customs and Border Protection to conduct U.S. Customs Laboratory (USCL) test methods 34-07 and 34-08, which perform analysis of paraffin wax candles under Chapter 34 of the Harmonized Tariff Schedule of the U.S.

The company is the first independent laboratory in the U.S. to receive this accreditation, which provides importers and candle manufactures with a recognized option for candle testing in addition to local U.S. Customs labs.

Test methods 34-07 and 34-08 quantitatively determine the concentration of paraffin in candles. This is important regarding candles originating from China since those candles are subject to an anti-dumping tariff if the paraffin concentration in the candle exceeds 50% by weight. SEA is now allowed to analyze these candles to determine if the tariff applies.

For more information, contact Robert D. Moss by phone at (614) 888-4160 or by e-mail at [rmoss@sealimited.com](mailto:rmoss@sealimited.com). ■

## STR Expands Candle Lab

Specialized Technology Resources, Inc. (STR) of Enfield, Connecticut is expanding one of its candle testing laboratories. The new 500 square foot laboratory is located at STR's headquarters and is capable of evaluating over 120 types of candles.

Staff dedicated exclusively to candle testing will oversee the new laboratory with continuous monitoring for high flame, excessive smoke, liquid wax release, and self-extinguishing wicks.

Over the past five years, STR has been expanding its consumer products testing operations - with new or expanded laboratories in China, France, India, Israel, Peru, South Africa, Taiwan, Turkey, the United Kingdom, and the US. STR has been a member of the American Society for Testing and Materials (ASTM) F15.45 Candle Subcommittee since its inception in 1997. ■

## National Candle Association

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www.candles.org

### Candle Facts

**Q:** Which type of candleholders do you use the most?

**A:**  
Crystal/Glass — 61.5%  
Ceramic — 9.3%  
Metal—9.3%  
Brass—8.8%  
Silver—4.5%

Source: PKS Research Partners

## Candle Imports Show Decline for January-November 2003

Imports of candles for January through November 2003 totaled 332.15 million pounds, a decline of 48.% compared to the same period in 2002.

For the month of November, candle imports were 35.94 million pounds and were valued at \$42.61 million for an average value of \$1.16 per pound, according to *Wax Data*.

While the final tally for 2003 isn't available yet, *Wax*

*Data* estimates that for 2003 total imports will be 355-360 million pounds. That's a decline from 2002's total of 375 million pounds and a substantial decrease from the record 445 million pounds imported in 2000.

China remained the biggest importer followed by Hong Kong, Canada, Mexico, and Thailand. The chart below shows candle imports by country for the first 11 months of 2003. ■

Country	2002	2003	Percentage change 2003 versus 2002
China	160.24	165.34	+3.1
Hong Kong	18.58	19.03	+2.4
Canada	32.92	40.33	+22.5
Mexico	32.77	21.80	-33.5
Thailand	16.06	18.23	+13.5
Israel	28.39	14.15	-50.2
Salvador	3.42	6.30	+84.2
Guatemala	7.79	5.54	-28.9
Malaysia	3.96	4.60	+16.2
Taiwan	5.33	4.48	-16.0
Indonesia	3.31	3.47	+4.8
Italy	9.21	2.77	-70.0