

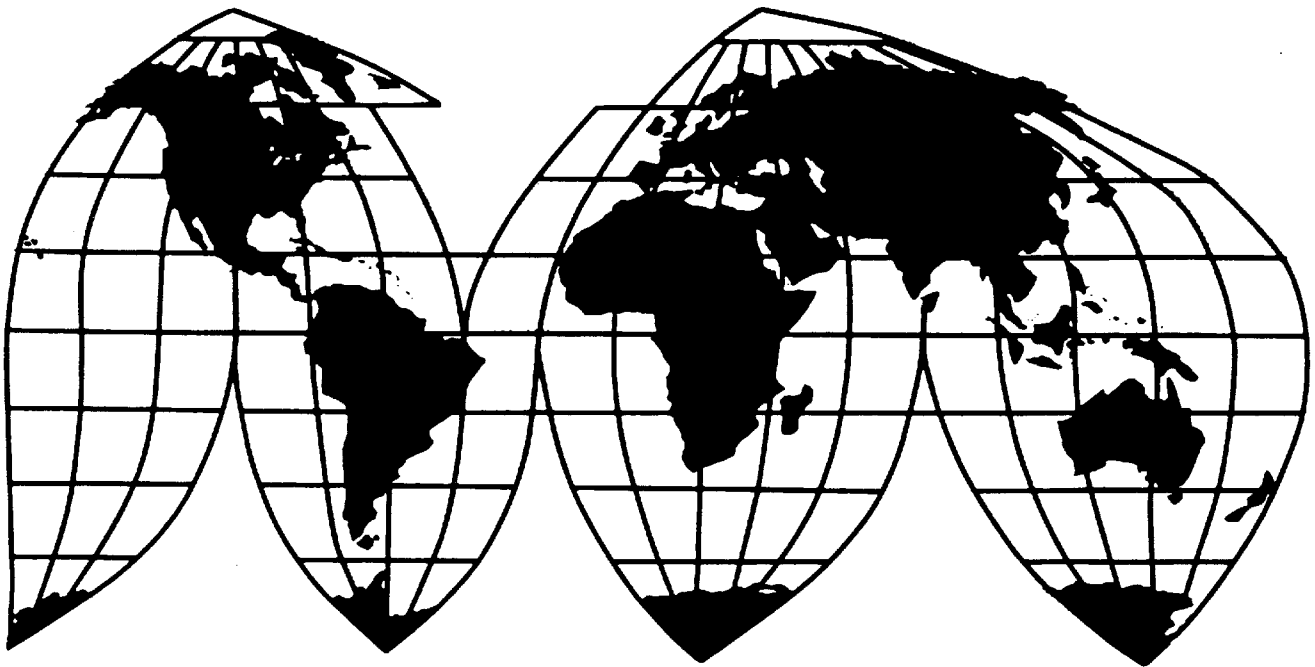
# Barium Chloride From China

Investigation No. 731-TA-149 (Second Review)

**Publication 3702**

**July 2004**

**U.S. International Trade Commission**



# **U.S. International Trade Commission**

## **COMMISSIONERS**

**Stephen Koplan, Chairman**  
**Deanna Tanner Okun, Vice Chairman**  
**Marcia E. Miller**  
**Jennifer A. Hillman**  
**Charlotte R. Lane**  
**Daniel R. Pearson**

---

Robert A. Rogowsky  
*Director of Operations*

---

### *Staff assigned:*

Fred Fischer, *Investigator*  
Jack Greenblatt, *Industry Analyst*  
Michael Haldenstein, *Attorney*

Diane Mazur, *Supervisory Investigator*

**Address all communications to  
Secretary to the Commission  
United States International Trade Commission  
Washington, DC 20436**

# **U.S. International Trade Commission**

Washington, DC 20436

*[www.usitc.gov](http://www.usitc.gov)*

## **Barium Chloride From China**

Investigation No. 731-TA-149 (Second Review)



**Publication 3702**

**July 2004**



**CONTENTS**

	<b>Page</b>
Determination .....	1
Views of the Commission .....	3
Information obtained in the second review .....	I-1
Introduction .....	I-1
Background .....	I-1
The original investigation and first five-year review .....	I-1
Commerce’s administrative and five-year reviews .....	I-3
Commerce’s final results of second expedited five-year review .....	I-3
Distribution of continued dumping and subsidy offset funds to affected domestic producers .....	I-4
The product .....	I-4
Scope .....	I-4
U.S. tariff treatment .....	I-5
Domestic like product and domestic industry .....	I-5
Description and uses .....	I-6
The industry in the United States .....	I-7
U.S. producers .....	I-7
U.S. producer’s trade, employment, and financial data .....	I-7
U.S. imports and consumption .....	I-7
U.S. imports .....	I-7
Apparent U.S. consumption and market shares .....	I-10
The industry in China .....	I-11

**Appendixes**

A. <i>Federal Register</i> notices .....	A-1
B. Statement on adequacy .....	B-1

**NOTE**

**Information that would reveal confidential operations of individual concerns may not be published and therefore has been deleted from this report. Such deletions are indicated by asterisks.**



**UNITED STATES INTERNATIONAL TRADE COMMISSION**

Investigation No. 731-TA-149 (Second Review)

**BARIUM CHLORIDE FROM CHINA**

**DETERMINATION**

On the basis of the record<sup>1</sup> developed in the subject five-year review, the United States International Trade Commission determines, pursuant to section 751(c) of the Tariff Act of 1930 (the Act),<sup>2</sup> that revocation of the antidumping duty order on barium chloride from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

**BACKGROUND**

The Commission instituted this review on February 2, 2004 (69 FR 4979), and determined on May 7, 2004, that it would conduct an expedited review (69 FR 28947, May 19, 2004).

---

<sup>1</sup> The record is defined in sec. 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR § 207.2(f)).

<sup>2</sup> 19 U.S.C. § 1675(c).





## IEWS OF THE COMMISSION

### BARIUM CHLORIDE FROM CHINA Investigation No. 731-TA-149 (Second Review)

Based on the record in this five-year review, we determine under section 751(c) of the Tariff Act of 1930, as amended (the Act), that revocation of the antidumping order on barium chloride from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

Barium chloride is a chemical compound having the formula  $BaCl_2$  or  $BaCl_2 \cdot 2H_2O$  and is produced in crystalline and anhydrous form. Crystalline barium chloride is used primarily as a cleansing agent in the production of certain chemicals and lubricating oil additives and a raw intermediate material in the production of molecular sieves, chemicals, pigments, and paper coatings. The anhydrous form of barium chloride is used primarily as an ingredient in heat-treating salts and metal fluxes.<sup>1</sup> Only one domestic company, Chemical Products Corporation (“CPC”), currently makes barium chloride in commercially significant quantities.

Apparent U.S. consumption, a proxy for demand, has declined \*\*\* since the first review in 1997. Apparent U.S. consumption was \*\*\* million pounds in 1997, but in 2003 consumption had fallen to \*\*\* million pounds.<sup>2</sup>

## I. BACKGROUND

In October 1984, the Commission determined that an industry in the United States was being materially injured by reason of imports of barium chloride from China that were being sold at less than fair value.<sup>3</sup> On October 17, 1984, the Department of Commerce (“Commerce”) issued an antidumping duty order on imports of barium chloride from China.<sup>4</sup> On October 1, 1998, the Commission instituted its first review pursuant to section 751(c) of the Act to determine whether revocation of the antidumping duty order on barium chloride from China would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.

In five-year reviews, the Commission initially determines whether to conduct a full review (which would include a public hearing, the issuance of questionnaires, and other procedures) or an expedited review. In order to make this decision, the Commission first determines whether individual responses to the notice of institution are adequate. Next, based on those responses deemed individually adequate, the Commission determines whether the collective responses submitted by two groups of interested parties – domestic interested parties (such as producers, unions, trade associations, or worker groups) and respondent interested parties (such as importers, exporters, foreign producers, trade associations, or subject country governments) – demonstrate a sufficient willingness among each group to participate and provide information requested in a full review. If the Commission finds the responses

---

<sup>1</sup> Confidential Staff Report (“CR”), INV-BB-070, June 3, 2004, at I-7, Public Report (“PR”) at I-6.

<sup>2</sup> CR/PR at Table I-8.

<sup>3</sup> Barium Chloride from China, Inv. No. 731-TA-149 (Final), USITC Pub. 1584 (October 1984) (“Original Determination”).

<sup>4</sup> 49 Fed. Reg. 40635 (Oct. 17, 1984).

from both groups of interested parties adequate, or if other circumstances warrant, it will determine to conduct a full review.<sup>5</sup>

The only interested party to respond to the notice of institution in the first five-year review was CPC. Because this response was adequate and no respondent interested parties responded to the notice, the Commission conducted an expedited review pursuant to section 1675(c)(3)(B) of the Act. The Commission ultimately determined that revocation of the antidumping order would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>6</sup> Commerce published its notice of continuation of the antidumping order on August 5, 1999.<sup>7</sup>

The Commission instituted the present review on February 2, 2004.<sup>8</sup> The Commission received a substantive response to the notice of institution from CPC, the domestic producer that accounts for all significant domestic production of barium chloride.<sup>9</sup> As in its first review, the Commission received no responses from respondent interested parties.

On May 7, 2004, the Commission determined that the domestic interested party response was adequate, but that the respondent interested party response was inadequate. It determined that it would conduct an expedited review pursuant to section 751(c)(3) of the Act.<sup>10 11</sup>

## II. DOMESTIC LIKE PRODUCT AND INDUSTRY

### A. Domestic Like Product

In making its determination under section 751(c), the Commission defines the “domestic like product” and the “industry.”<sup>12</sup> The Act defines the “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle.”<sup>13</sup>

According to Commerce, the merchandise covered by this review is barium chloride from China. Barium chloride is a chemical compound having the formula BaCl<sub>2</sub> or BaCl<sub>2</sub> · 2H<sub>2</sub>O and is currently classified under subheading 2827.39.45 of the Harmonized Tariff Schedule of the United States (HTS), a

---

<sup>5</sup> See 19 C.F.R. § 207.62(a); 63 Fed. Reg. 30599, 30602-05 (June 5, 1998).

<sup>6</sup> Barium Chloride from the People's Republic of China, Inv. No. 731-TA-149 (Review), USITC Pub. 3163 (March 1999). Commissioner Crawford dissented and made a negative determination.

<sup>7</sup> 64 Fed. Reg. 42654 (Aug. 5, 1999).

<sup>8</sup> 69 Fed. Reg. 4921 (Feb. 2, 2004).

<sup>9</sup> CR at I-8, PR at I-7.

<sup>10</sup> 19 U.S.C. § 1675(c)(3).

<sup>11</sup> 69 Fed. Reg. 28947 (May 19, 2004). See also Explanation of Commission Determination on Adequacy, CR/PR at Appendix B.

<sup>12</sup> 19 U.S.C. § 1677(4)(A).

<sup>13</sup> 19 U.S.C. § 1677(10). See Nippon Steel Corp. v. United States, 19 CIT 450, 455 (1995); Timken Co. v. United States, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996); Torrington Co. v. United States, 747 F. Supp. 744, 748-49 (Ct. Int'l Trade 1990), aff'd, 938 F.2d 1278 (Fed. Cir. 1991). See also S. Rep. No. 249, 96<sup>th</sup> Cong., 1<sup>st</sup> Sess. 90-91 (1979).

subheading that covers only subject merchandise. The definition of the subject merchandise has not changed since Commerce's original determination.

The starting point of the Commission's like product analysis in a five-year review is the Commission's like product determination in the original investigation.<sup>14</sup> In its original determination, the Commission found that there was one like product, consisting of barium chloride, in both its crystalline and anhydrous forms.<sup>15</sup>

In the Commission's first review of the order, the Commission determined that high purity barium chloride should be included in the definition of the domestic like product. The Commission found that high purity barium chloride differs from other forms of barium chloride only in that it is, by definition, higher purity material than that used for industrial purposes. Thus, the Commission concluded that high purity barium chloride is a product that is covered under Commerce's scope definition, and as such should be included in the like product.<sup>16</sup>

In response to the Commission's notice of institution in this review, CPC argued the Commission should find one domestic like product but exclude high purity barium chloride as the Commission did in the original investigation.<sup>17</sup> However, the Commission has consistently stated that it is required to include within its injury analysis domestically produced goods that fall within Commerce's scope.<sup>18</sup> As it appears that high purity barium chloride falls within Commerce's scope, we consider it to be part of the definition of the domestic like product, as we did in the first review of this order.

No new facts have been presented on this record to warrant a conclusion different from that reached by the Commission in the prior review. We therefore find one domestic like product, co-extensive with the scope: all forms of barium chloride including crystalline, anhydrous, and high purity.

---

<sup>14</sup> In its like product determinations, the Commission generally considers a number of factors including: (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution; (4) common manufacturing facilities, production processes, and production employees; (5) customer or producer perceptions; and, where appropriate, (6) price. *See Timken*, 913 F. Supp. at 584. No single factor is dispositive, and the Commission may consider other factors it deems relevant based on the facts of a particular investigation. The Commission looks for clear dividing lines among possible like products, and disregards minor variations. *See, e.g., S. Rep. No. 249*, 96<sup>th</sup> Cong., 1<sup>st</sup> Sess. 90-91 (1979); *Torrington*, 747 F. Supp. at 748-49.

<sup>15</sup> Original Determination at 4. The Commission found that high purity barium chloride produced for laboratory use was not included in the like product, noting that it was produced "only in very small amounts and at a relatively high price" and that this form of barium chloride "does not compete for general industrial use with the petitioner's or the imported product." *Id.*, n.8. Commerce, however, has not explicitly excluded high purity barium chloride from the scope of the order. Thus, the scope of this review appears to include high purity barium chloride.

<sup>16</sup> USITC Pub. 3163 at 4.

<sup>17</sup> CPC's Response to the Commission's Notice of Institution, March 23, 2004, at 17.

<sup>18</sup> *See, e.g., Lawn and Garden Steel Fence Posts from China*, Inv. No. 731-TA-1010 (Preliminary), USITC Pub. 3521 (June 2002) at 7 (Commission majority) (noting the only issue was whether there should be one or two like products).

## B. Domestic Industry

Section 771(4)(A) of the Act defines the relevant domestic industry as the “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.”<sup>19</sup> In the 1999 review, the Commission defined the domestic industry as all domestic producers of barium chloride. The industry at that time also only consisted of CPC. Consistent with our domestic like product finding, we define the domestic industry as all producers of barium chloride, currently identified as the only known commercial domestic producer, CPC.<sup>20</sup>

## III. LIKELIHOOD OF CONTINUATION OR RECURRENCE OF MATERIAL INJURY IF THE ANTIDUMPING ORDER IS REVOKED

### A. Legal Standard In A Five-Year Review

In a five-year review conducted under section 751(c) of the Act, Commerce will revoke an antidumping order unless: (1) it makes a determination that dumping is likely to continue or recur, and (2) the Commission makes a determination that revocation of the antidumping order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”<sup>21</sup> The SAA states that “under the likelihood standard, the Commission will engage in a counter-factual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports.”<sup>22</sup> Thus, the likelihood standard is prospective in nature.<sup>23 24</sup> The U.S. Court of International Trade has found that “likely,” as used in the sunset review provisions of the Act, means “probable,” and that a Commission determination in such a review would be deemed by the Court

---

<sup>19</sup> 19 U.S.C. § 1677(4)(A). In defining the domestic industry, the Commission’s general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market, provided that adequate production-related activity is conducted in the United States. See United States Steel Group v. United States, 873 F. Supp. 673, 682-83 (Ct. Int’l Trade 1994), aff’d, 96 F.3d 1352 (Fed. Cir. 1996).

<sup>20</sup> CR at I-8, PR at I-7.

<sup>21</sup> 19 U.S.C. § 1675a(a).

<sup>22</sup> SAA, H.R. Rep. No. 103-316, vol. I, at 883-84 (1994). The SAA states that “[t]he likelihood of injury standard applies regardless of the nature of the Commission’s original determination (material injury, threat of material injury, or material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed.” SAA at 883.

<sup>23</sup> While the SAA states that “a separate determination regarding current material injury is not necessary,” it indicates that “the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued [sic] prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked.” SAA at 884.

<sup>24</sup> See NMB Singapore Ltd. v. United States, 288 F. Supp. 2d 1306, 1352 (Ct. Int’l Trade 2003); Nippon Steel Corp. v. United States, Slip Op. 02-153 at 7-8 (Dec. 24, 2002); Usinor Industeel, S.A. v. United States, Slip Op. 02-152 at 6 n.6 (Dec. 20, 2002); Indorama Chemicals Ltd. v. United States, Slip Op. 02-105 at 20-21 (Sept. 4, 2002); Usinor v. United States, Slip Op. 02-70 at 43-44 (July 19, 2002). See also Prestressed Concrete Steel Wire Strand from Japan, Inv. No. AA1921-188 (Review), USITC Pub. 3699 (June 2004).

to be in error absent application of this standard.<sup>25</sup> The Commission interprets the Court's standard to mean that the Commission must revoke an order unless it finds that the continuation or recurrence of material injury is "more likely than not."<sup>26 27 28</sup> The statute states that "the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time."<sup>29</sup> According to the SAA, a "'reasonably foreseeable time' will vary from case-to-case, but normally will exceed the 'imminent' timeframe applicable in a threat of injury analysis [in antidumping investigations]."<sup>30 31</sup>

Although the standard in a five-year review is not the same as the standard applied in an original antidumping investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to "consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the order is revoked or the suspended investigation is terminated."<sup>32</sup> It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if the order is revoked or the suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).<sup>33</sup>

---

<sup>25</sup> See NMB Singapore Ltd. v. United States, 288 F. Supp. 2d 1306, 1352 (Ct. Int'l Trade 2003).

<sup>26</sup> See Usinor Industeel, S.A. v. United States, Slip Op. 02-152 at 6 n.3 (reference by Commissioners to "more likely than not" standard is "consistent with the court's opinion"), n.6 (Dec. 20, 2002).

<sup>27</sup> Vice Chairman Okun and Commissioners Lane and Pearson refer to their dissenting views in Pressure Sensitive Plastic Tape from Italy, Inv. No. AA1921-167 (Second Review), USITC Pub. 3698 (June 2004) at 23-25.

<sup>28</sup> Vice Chairman Okun and Commissioner Lane note that, consistent with their views in Pressure Sensitive Plastic Tape from Italy, USITC Pub. 3698 at 24, they do not concur with the U.S. Court of International Trade's interpretation of "likely," but they will apply the Court's standard in this review and all subsequent reviews until either Congress clarifies the meaning or the U.S. Court of Appeals for the Federal Circuit addresses this issue.

<sup>29</sup> 19 U.S.C. § 1675a(a)(5).

<sup>30</sup> SAA at 887. Among the factors that the Commission should consider in this regard are "the fungibility or differentiation within the product in question, the level of substitutability between the imported and domestic products, the channels of distribution used, the methods of contracting (such as spot sales or long-term contracts), and lead times for delivery of goods, as well as other factors that may only manifest themselves in the longer term, such as planned investment and the shifting of production facilities." *Id.*

<sup>31</sup> In analyzing what constitutes a reasonably foreseeable time, Chairman Koplán examines all the current and likely conditions of competition in the relevant industry. He defines "reasonably foreseeable time" as the length of time it is likely to take for the market to adjust to a revocation or termination. In making this assessment, he considers all factors that may accelerate or delay the market adjustment process including any lags in response by foreign producers, importers, consumers, domestic producers, or others due to: lead times; methods of contracting; the need to establish channels of distribution; product differentiation; and any other factors that may only manifest themselves in the longer term. In other words, this analysis seeks to define "reasonably foreseeable time" by reference to current and likely conditions of competition, but also seeks to avoid unwarranted speculation that may occur in predicting events into the more distant future.

<sup>32</sup> 19 U.S.C. § 1675a(a)(1).

<sup>33</sup> 19 U.S.C. § 1675a(a)(1). The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission's determination. 19 U.S.C. § 1675a(a)(5). While the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886. We note that Commerce has made no duty absorption findings.

Section 751(c)(3) of the Act and the Commission's regulations provide that in an expedited five-year review the Commission may issue a final determination "based on the facts available, in accordance with section 776 of the Act."<sup>34</sup> We have relied on the facts available in this review, which consist primarily of information from the original investigation and first review, information submitted by the domestic producer, and official Commerce statistics.

For the reasons stated below, we determine that revocation of the antidumping order on barium chloride from China would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time.

## **B. Conditions of Competition**

In evaluating the likely impact of the subject imports on the domestic industry, the statute directs the Commission to consider all relevant economic factors "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."<sup>35</sup> The following conditions of competition in the barium chloride market are relevant to our determination.

The record in this review indicates that the domestic barium chloride market is a mature market that is shrinking. Domestic consumption was already declining in the original period of investigation and the Commission described the barium chloride market at that time as "contracting."<sup>36</sup> However, aggregate domestic consumption of barium chloride in 1997 was somewhat larger than aggregate domestic consumption in 1983, the last year of the period of investigation in the original investigation.<sup>37</sup> In 2003, however, apparent U.S. consumption was \*\*\*, indicating a more recent and sharp reduction in demand.<sup>38</sup>

As the Commission found in the original investigation and the 1999 review, the drop in demand appears to have resulted from the introduction of new products that are substitutes for barium chloride and the introduction of industrial processes replacing those using barium chloride.<sup>39</sup> The record also indicates, as it did in the first review, that since imposition of the order, barium chloride has been replaced by calcium chloride in certain pigment production processes.<sup>40</sup> Further, gasoline producers have entirely discontinued production of leaded gasoline, a major use of barium chloride identified in the original investigation.<sup>41</sup>

---

<sup>34</sup> 19 U.S.C. § 1675(c)(3)(B); 19 C.F.R. § 207.62(e). Section 776 of the Act, in turn, authorizes the Commission to "use the facts otherwise available" in reaching a determination when: (1) necessary information is not available on the record, or (2) an interested party or any other person withholds information requested by the agency, fails to provide such information in the time or in the form or manner requested, significantly impedes a proceeding, or provides information that cannot be verified pursuant to section 782(i) of the Act. 19 U.S.C. § 1677e(a).

<sup>35</sup> 19 U.S.C. § 1675a(a)(4).

<sup>36</sup> Original Determination at 4.

<sup>37</sup> Apparent consumption of barium chloride rose from \*\*\* millions pounds in 1983 to \*\*\* million pounds in 1997. CR/PR at Table I-8.

<sup>38</sup> See CR/PR at Table I-8.

<sup>39</sup> CR at I-7, PR at I-6.

<sup>40</sup> CR at I-8, PR at I-6.

<sup>41</sup> CR at I-8, PR at I-7.

Also, as was the case in the original investigation and in the 1999 review, CPC remains the only significant domestic producer of barium chloride, accounting for nearly all domestic production and the large majority of overall shipments of barium chloride in the U.S. market.<sup>42</sup> It is subject to strict environmental regulations pertaining to the handling of barium that make it difficult for CPC to compete with companies that are not subject to these regulations.<sup>43</sup>

Nonsubject imports have declined since the 1999 review. In 1997, nonsubject imports accounted for approximately \*\*\* percent of the U.S. market, only slightly less than the \*\*\* percent market share they held in 1981.<sup>44</sup> However, nonsubject imports accounted for less than \*\*\* of apparent U.S. consumption in 2003.<sup>45</sup>

Finally, as in the original investigation and the 1999 review, the available evidence indicates that barium chloride is a commodity product and that there is a relatively high degree of substitutability between imported and domestic barium chloride.<sup>46</sup>

We find that these conditions in the barium chloride market provide us with a reasonable basis on which to assess the likely effects of revocation of the antidumping duty order.

### **C. Likely Volume of Subject Imports**

In evaluating the likely volume of imports of subject merchandise if the antidumping duty order is revoked, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.<sup>47</sup> In doing so, the Commission must consider “all relevant economic factors,” including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.<sup>48</sup>

The Commission found in its original investigation that imports from China increased significantly during the period of investigation, rising from 4.0 million pounds in 1981 to 5.3 million pounds in 1983.<sup>49</sup> The Commission further found that the subject imports had greatly increased their market share during the period of investigation.<sup>50</sup> Finally, the Commission noted that the level of imports dropped sharply after imposition of preliminary dumping duties by Commerce in December 1983 and that

---

<sup>42</sup> Original Determination at 5; CR at I-8, PR at I-6.

<sup>43</sup> CPC’s Comments on the Commission’s Review, June 7, 2004, at 14.

<sup>44</sup> CR/PR at Table I-8.

<sup>45</sup> See CR/PR at Table I-8.

<sup>46</sup> See Original Staff Report at A-4; CPC’s Comments on the Commission’s Review, June 7, 2004, at 8 and 10.

<sup>47</sup> 19 U.S.C. § 1675a(a)(2).

<sup>48</sup> 19 U.S.C. § 1675a(a)(2)(A-D).

<sup>49</sup> Original Determination at 6; CR/PR at Table I-7 and Table I-8.

<sup>50</sup> Original Determination at 6. The market share of the subject imports increased from \*\*\* percent in 1981 to \*\*\* percent in 1983. CR/PR at Table I-7.

Chinese shipments to the European Community dropped sharply after the European Community made an affirmative dumping finding against them.

In the 1999 review, the Commission determined that revocation of the antidumping order would result in a significant increase in the volume of subject imports. The evidence at that time indicated that the order had imposed a level of discipline on the subject imports and that the Chinese producers of barium chloride had more than \*\*\* their capacity for production of barium chloride.<sup>51</sup>

Barium chloride imported from China declined slowly, but consistently, after the antidumping duty order was imposed in 1984 with a margin of 14.5 percent.<sup>52</sup> After Commerce imposed 60.84 percent antidumping duties on the subject imports in January 1989, the level of subject imports from China dropped precipitously and there were no subject imports during 1991-1993.<sup>53</sup>

Subject imports captured only \*\*\* percent of the U.S. market in 1997.<sup>54</sup> They began to increase again in 1998, although the absolute level of subject imports remained low.<sup>55</sup> Commerce calculated a new deposit rate of 155.50 percent in March 2003.<sup>56</sup> Despite these higher duties and declining U.S. demand, subject imports increased in 2003 and captured \*\*\* percent of the U.S. market.<sup>57</sup> Because the volume and market share held by nonsubject imports decreased in 2003, the U.S. producer's share of the market increased in 2003 to \*\*\* percent, despite the increase in subject imports.<sup>58</sup>

The record indicates that the Chinese producers have significant capacity for the production of barium chloride and that capacity has increased from the time of the original investigation and the 1999 review.<sup>59</sup> Available information indicates that Chinese capacity for production of barium chloride is at least \*\*\* million pounds.<sup>60</sup> Total U.S. apparent consumption was only \*\*\* million pounds in 2003.<sup>61</sup>

The current conditions of competition are similar to those in existence prior to imposition of the order, although there is now an even smaller U.S. market for barium chloride. Domestic prices for crystalline and anhydrous barium chloride are also higher now than during the period of the original

---

<sup>51</sup> USITC Pub. 3163 at 8.

<sup>52</sup> CR/PR at Table I-7; CPC's Comments on the Commission's Review, June 7, 2004, at Attachment A.

<sup>53</sup> CR/PR at Table I-3; CR/PR at Table I-7; CPC's Comments on the Commission's Review, June 7, 2004, at Attachment A.

<sup>54</sup> CR/PR at Table I-8.

<sup>55</sup> CR/PR at Table I-7.

<sup>56</sup> CR/PR at Table I-3.

<sup>57</sup> CR/PR at Table I-8.

<sup>58</sup> CR/PR at Table I-8.

<sup>59</sup> See CR at I-14, PR at I-11. Chinese capacity was estimated to be \*\*\* million pounds in the original investigation. In the 1999 review, capacity was estimated to be at least \*\*\* million pounds. Id.

<sup>60</sup> CR at I-14, PR at I-11. The record in the original investigation identified three plants in China that produced barium chloride for export to the United States, *i.e.* Zhang Jia Ba, Tangshan, and Tianjin. Capacity was determined for Zhang Jia Ba and Tangshan, but not for Tianjin. CR at I-14, PR at I-11.

In the instant review, CPC identified eight additional plants producing barium chloride. While the record in this review contains production estimates for these plants, no data are available for the three plants identified in the original investigation. According to CPC, these three plants continue to have substantial production capacity. CPC's Comments on the Commission's Review, June 7, 2004, at 7.

<sup>61</sup> CR/PR at Table I-8.



investigation and have risen a bit since 1997, suggesting the United States is a more attractive market for subject imports.<sup>62</sup> It is also clear that the order has had a significant restraining effect on the volume of subject imports and that the U.S. market remains an attractive market for Chinese exporters. We conclude therefore that Chinese producers would resume exporting significant volumes of barium chloride to the United States if the order were revoked.

Accordingly, based on the available information, including the unrebutted information provided by the domestic industry, we conclude that the likely volume of imports of the subject merchandise, both in absolute terms and relative to production and consumption in the United States, would be significant absent the restraining effect of the antidumping duty order.<sup>63</sup>

#### **D. Likely Price Effects of Subject Imports**

In evaluating the likely price effects of subject imports if the antidumping order is revoked, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to domestic like products and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of domestic like products.<sup>64</sup>

In the original investigation, the Commission found that the subject merchandise had substantially undersold the domestic product during every quarter of the period of investigation for which comparisons were available and that domestic prices had declined during the latter half of the period as a result of this underselling.

In the 1999 review, the Commission noted that barium chloride is a commodity product and that the subject imports are highly substitutable for domestically produced barium chloride, suggesting that price is an important factor in purchasing decisions.<sup>65</sup> It found that the customs values for the subject imports were largely unchanged from the period of the original investigation, although prices for barium chloride in the U.S. market were higher.<sup>66</sup> It therefore concluded that revocation of the order would have significant price-depressing effects in the U.S. market due to significant underselling.

The available evidence is largely unchanged from the time of the previous review of the order in 1999. The record in this review indicates that barium chloride is a commodity product, that the subject imports are highly substitutable for domestic barium chloride, and that price is an important factor in purchasing decisions.<sup>67</sup> While customs unit values for the subject imports have risen somewhat since the

---

<sup>62</sup> See CR/PR at Table I-6.

<sup>63</sup> We note that, as was the case in the 1999 review, there is no information on the record regarding the potential for product shifting, the level of inventories in China, or significant barriers to importation from other countries.

<sup>64</sup> 19 U.S.C. § 1675a(a)(3). The SAA states that “[c]onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices.” SAA at 886.

<sup>65</sup> USITC Pub. 3163 at 10.

<sup>66</sup> USITC Pub. 3163 at 10.

<sup>67</sup> CPC’s Comments on the Commission’s Review, June 7, 2004, at 8, 10.

original investigation and the period of the 1999 review, they still remain well below those of shipments of domestic product and nonsubject imports despite the antidumping duty order.<sup>68</sup>

Given that the current conditions of competition are similar to those that prevailed during the original investigation and that there is no indication that the nature of the imported product has changed, we find it likely that Chinese producers would resume selling significant volumes of barium chloride from China that would significantly undersell the domestic like product to further gain market share. Therefore, the subject imports would likely have significant depressing or suppressing effects on prices for domestic barium chloride.

### **E. Likely Impact of Subject Imports**

In evaluating the likely impact of imports of subject merchandise if the antidumping duty order is revoked, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.<sup>69</sup> All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry.<sup>70</sup> As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the order at issue and whether the industry is vulnerable to material injury if the order is revoked.<sup>71</sup>

In the original investigation, the Commission found that the domestic industry's condition had "deteriorated" and that it had suffered significant production, shipment and sales declines throughout the period.<sup>72</sup> Moreover, the record of the investigation showed that the industry had suffered a significant loss of market share to the Chinese producers during that same period.<sup>73</sup>

---

<sup>68</sup> See CR/PR at Table I-7. Unit values for shipments of domestic barium chloride were \*\*\* cents in 2003 while unit values for the subject imports were \*\*\* cents. Compare CR/PR at Table I-6 with CR/PR at Table I-7.

<sup>69</sup> 19 U.S.C. § 1675a(a)(4).

<sup>70</sup> 19 U.S.C. § 1675a(a)(4). Section 752(a)(6) of the Act states that "the Commission may consider the magnitude of the margin of dumping" in making its determination in a five-year review. 19 U.S.C. § 1675a(a)(6). The statute defines the "magnitude of the margin of dumping" to be used by the Commission in five-year reviews as "the dumping margin or margins determined by the administering authority under section 1675a(c)(3) of this title." 19 U.S.C. § 1677(35)(C)(iv). See also SAA at 887. In the final results of its expedited sunset review of the antidumping order on barium chloride from China, Commerce determined that revocation of the order would likely lead to a continuation or recurrence of dumping at a weighted-average margin of 155.50 percent. 69 Fed. Reg. 31791 (June 7, 2004).

<sup>71</sup> The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is revoked, the Commission "considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports." SAA at 885.

<sup>72</sup> Original Determination at 5-6.

<sup>73</sup> See CR/PR at Table I-8.

In the 1999 review, the Commission found that the condition of the domestic industry “appears to have improved” so that it was in a “reasonably healthy financial condition.”<sup>74</sup> CPC at that time indicated that it was earning a “reasonable rate of return.”<sup>75</sup> The available record evidence then indicated that domestic shipment levels, capacity utilization, sales revenues, and unit sales values had all increased substantially since the original period of investigation, even though U.S. apparent consumption declined somewhat.<sup>76</sup> Moreover, the domestic industry’s market share had significantly increased after the subject imports exited the market. The Commission found, however, that these improvements in the condition of the industry resulted largely from the imposition of the order and the departure of subject imports from the market, and that, in light of the likely significant increase in the volume of imports with price-suppressive or depressive effects, the subject imports would likely have a significant adverse impact on the domestic industry if the order were revoked, and that material injury would be likely to recur.<sup>77</sup>

Information is again limited with respect to the condition of the domestic industry, and the available information is mixed.<sup>78</sup> The industry has further increased its market share. As subject imports and nonsubject imports have left the U.S. market, the domestic industry’s market share has increased so that in 2003 it captured \*\*\* percent of the U.S. market compared to \*\*\* percent in 1997.<sup>79</sup> Further, prices for crystalline and anhydrous barium chloride continue to increase, and the unit values of the domestic industry’s shipments have risen as well.<sup>80</sup> On the other hand, due to falling consumption of barium chloride, the domestic industry’s shipments have declined significantly relative to its shipments in the original investigation and 1997.<sup>81</sup>

CPC argues that it is vulnerable to material injury if the order were revoked. It asserts that increased environmental regulation, the further decline in the U.S. market for barium chloride and the increased capacity in China are all factors which render it vulnerable to injury.<sup>82</sup> Given the limited available evidence in this review and the lack of recent financial data for CPC, we find an insufficient basis for deeming the industry vulnerable.

However, as described above, revocation of the antidumping order would likely lead to a significant increase in the volume of subject imports that would undersell the domestic like product and significantly suppress or depress U.S. prices. We also find that the volume and price effects of the subject imports would likely have a significant adverse impact on the production, shipments, sales, market share, and revenues of the domestic industry. These reductions, in turn, would have a direct adverse impact on the industry’s profitability as well as its ability to raise capital and make and maintain necessary capital investments. Accordingly, we conclude that, if the antidumping order on subject imports from China were revoked, subject imports would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.

---

<sup>74</sup> USITC Pub. 3163 at 11.

<sup>75</sup> USITC Pub. 3163 at 11.

<sup>76</sup> USITC Pub. 3163 at 11.

<sup>77</sup> USITC Pub. 3163 at 11-12.

<sup>78</sup> See CR/PR at Table I-6.

<sup>79</sup> CR/PR at Table I-8.

<sup>80</sup> CR/PR at Table I-6; CPC’s Comments on the Commission’s Review, June 7, 2004, at Attachment D.

<sup>81</sup> See CR/PR at Table I-6. The domestic industry’s shipments fell to \*\*\* million pounds in 2003 from \*\*\* million pounds in 1997. CR/PR at Table I-6.

<sup>82</sup> CPC’s Comments on the Commission’s Review, June 7, 2004, at 13-14.

## **CONCLUSION**

For the above-stated reasons, we determine that revocation of the antidumping order on barium chloride from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

## INFORMATION OBTAINED IN THE SECOND REVIEW

### INTRODUCTION

#### Background

On February 2, 2004, in accordance with section 751(c) of the Tariff Act of 1930 (the Act),<sup>1</sup> as amended, the U.S. International Trade Commission (Commission) gave notice that it had instituted a second five-year (“sunset”) review to determine whether revocation of the antidumping duty order on barium chloride from China would be likely to lead to a continuation or recurrence of material injury within a reasonably foreseeable time.<sup>2 3</sup> On May 7, 2004, the Commission determined that the domestic interested party response to its notice of institution was adequate;<sup>4</sup> the Commission also determined that the respondent interested party group response was inadequate.<sup>5</sup> The Commission found no other circumstances that would warrant conducting a full review.<sup>6</sup> Accordingly, the Commission determined that it would conduct an expedited review pursuant to section 751(c)(3) of the Tariff Act of 1930.<sup>7</sup> Information relating to the background of this review is presented in table I-1. A historical chronology of the original investigation and first five-year review is presented in table I-2.

#### The Original Investigation and First Five-Year Review

The Commission completed its original investigation in September 1984, determining that an industry in the United States was materially injured by reason of imports of barium chloride from China which Commerce determined were being sold, or likely to be sold, at less than fair value (LTFV).<sup>8</sup> Commerce issued an antidumping duty order on the imports of such merchandise from China in October 1984.<sup>9</sup> On October 1, 1998, the Commission instituted the first five-year review on barium chloride. On February 22, 1999, the Commission determined that revocation of the antidumping duty order on barium chloride from China would be likely to lead to a continuation or recurrence of material injury.<sup>10</sup>

---

<sup>1</sup> 19 U.S.C. 1675(c).

<sup>2</sup> All interested parties were requested to respond to the notice by submitting information requested by the Commission. Copies of the Commission’s *Federal Register* notices are presented in app. A.

<sup>3</sup> In accordance with section 751(c) of the Act, the U.S. Department of Commerce (Commerce) published a notice of initiation of a five-year review of the subject antidumping duty order concurrently with the Commission’s notice of institution. 69 FR 4921, February 2, 2004.

<sup>4</sup> The Commission received one submission in response to its notice of institution for the subject review. See response to Commission’s notice of institution of Chemical Products Corp. (CPC), March 23, 2004. See also Commission’s memorandum of April 27, 2004, INV-BB-049, *Barium Chloride: Investigation No. 731-TA-149 (Second Review)–Recommendation on Adequacy of Responses to Notice of Institution*.

<sup>5</sup> The Commission did not receive a response from any respondent interested party.

<sup>6</sup> A copy of the *Explanation of Commission Determination on Adequacy* is presented in app. B.

<sup>7</sup> 19 U.S.C. § 1675(c)(3).

<sup>8</sup> 49 FR 40675, October 17, 1984. See also *Barium Chloride From The People’s Republic of China: Inv. No. 731-TA-149 (Final)*, USITC Pub. 1584, October 1984. The original investigation resulted from a petition filed with Commerce and the Commission on behalf of CPC. See 48 FR 50626, November 2, 1983.

<sup>9</sup> 49 FR 40635, October 17, 1984. The antidumping duty margin for barium chloride was 14.5 percent *ad valorem* for all producers/exporters in China.

<sup>10</sup> See Commission’s *News Release 99-023*, February 22, 1999.

**Table I-1**  
**Barium chloride: Chronology of investigation No. 731-TA-149 (Second Review)**

<b>Date</b>	<b>Action</b>
February 2, 2004	Commission publishes notice of institution of second five-year review in <i>Federal Register</i> <sup>1</sup>
February 2, 2004	Commerce publishes notice of initiation of second five-year review in <i>Federal Register</i> <sup>2</sup>
May 7, 2004	Commission votes to conduct expedited second five-year review
May 19, 2004	Commission publishes notice of scheduling for second five-year review in <i>Federal Register</i> <sup>3</sup>
June 7, 2004	Commerce publishes final results of expedited second five-year review <sup>4</sup>
June 22, 2004	Commission's vote
July 1, 2004	Commission's transmittal of determination and views to Commerce
<sup>1</sup> 69 FR 4979. <sup>2</sup> 69 FR 4921. <sup>3</sup> 69 FR 28947. <sup>4</sup> 69 FR 31791. A copy of Commerce's <i>Federal Register</i> notice is presented in app. A. Source: Cited <i>Federal Register</i> notices.	

**Table I-2**  
**Barium chloride: Selected historical actions taken by the Commission and Commerce**

<b>Action</b>	<b>Date of action</b>	<b>Federal Register citation</b>
Investigation No. 731-TA-149 (Final):		
Commission publishes determination	10/17/84	49 FR 40675
Commerce publishes antidumping duty order (A-570-007) <sup>1</sup>	10/17/84	49 FR 40635
Investigation No. 731-TA-149 (Review): <sup>2</sup>		
Commission publishes notice of institution of review	10/01/98	63 FR 52750
Commerce publishes notice of initiation of review	10/01/98	63 FR 52683
Commission publishes determination	03/03/99	64 FR 10317
Commerce publishes continuation of antidumping duty order	08/05/99	64 FR 42654
<sup>1</sup> The antidumping duty margin for barium chloride was 14.5 percent <i>ad valorem</i> for all producers/exporters in China. <sup>2</sup> The Commission's first five-year review was also expedited. Source: Cited <i>Federal Register</i> notices.		

### Commerce's Administrative and Five-Year Reviews

Between 1982 and 2004, Commerce conducted numerous administrative reviews with respect to imports of barium chloride from China. Table I-3 presents information on Commerce's order, administrative reviews, and first five-year review.

**Table I-3**  
**Barium chloride: Commerce's administrative and five-year reviews**

Action	Date of action	Federal Register citation	Period of review	Antidumping duty margins	
				SINOCHEM <sup>1</sup>	All others
<i>Percent ad valorem</i>					
Final determination	08/27/84	49 FR 33918	10/01/82–09/30/83	14.50	14.50
Order (A-570-007)	10/17/84	49 FR 40635	( <sup>2</sup> )	14.50	14.50
Administrative review	01/05/87	52 FR 313	10/01/84–09/30/85	7.82	7.82
Administrative review	01/03/89	54 FR 52	04/06/84–09/30/84	27.70	60.84
Administrative review	01/03/89	54 FR 52	10/01/85–09/30/86	60.84	60.84
Administrative review	07/02/92	57 FR 29467	10/01/90–09/30/91	60.84	7.82
Five-year review	02/04/99	64 FR 5633	( <sup>2</sup> )	14.50	14.50
Continuation of order <sup>3</sup>	08/05/99	64 FR 42654	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Administrative review	11/16/99	64 FR 62168	10/01/97–04/30/98	60.84	60.84
Administrative review	03/17/03	68 FR 12669	10/01/00–09/30/01	155.50	155.50

<sup>1</sup> China National Chemicals Import and Export Corp. (SINOCHEM).  
<sup>2</sup> Not applicable.  
<sup>3</sup> Commerce's publication of the notice of continuation was delayed. The notice explicitly indicated that the effective date of continuation of the order was March 10, 1999, rather than August 5, 1999.

Source: Cited *Federal Register* notices.

### Commerce's Final Results of Second Expedited Five-Year Review

On June 7, 2004, the Commission received notification of Commerce's "Final Results of Expedited Sunset Review" concerning barium chloride from China.<sup>11</sup> The review covered all manufacturers and exporters of barium chloride from China. Commerce determined that dumping is likely to continue or recur if the antidumping duty order is revoked, with margins of dumping of 155.50 percent *ad valorem*.

<sup>11</sup> 69 FR 31791, June 7, 2004. A copy of Commerce's *Federal Register* notice is presented in app. A.

### Distribution of Continued Dumping and Subsidy Offset Funds to Affected Domestic Producers

Since September 21, 2001, qualified U.S. producers of barium chloride have been eligible to receive disbursements from the U.S. Bureau of Customs and Border Protection (Customs) under the Continued Dumping and Subsidy Offset Act of 2000 (CDSOA), also known as the Byrd Amendment.<sup>12</sup> One firm, CPC, received such funds.<sup>13</sup> Table I-4 presents CPC's CDSOA claims and disbursements for federal fiscal years 2001-03.

**Table I-4**  
**Barium chloride: CPC's CDSOA claims and disbursements, federal fiscal years 2001-03**

Year	Claim number	Share of allocation	Amount of claim filed <sup>1</sup>	Amount in clearing account <sup>2</sup>	Amount disbursed <sup>3</sup>
		<i>Percent</i>	<i>Dollars</i>		
2001	110707	100.0	43,885,000	41,719	38,634
2002	120988	100.0	43,916,366	63,714	666
2003	130209	100.0	50,157,700	55,557	131,992

<sup>1</sup> Qualifying expenditures incurred by domestic producers since the issuance of an order, as presented in Section I of the *CSDOA Annual Reports*.  
<sup>2</sup> Amount of antidumping duty cash deposits and bonds on all unliquidated dumping duty entries as of October 1, as presented in Section III of Customs' *CSDOA Annual Reports*.  
<sup>3</sup> As presented in Section I of Customs' *CSDOA Annual Reports*.

Source: U.S. Customs and Border Protection's *CSDOA Annual Reports*.

## THE PRODUCT

### Scope

According to Commerce, the merchandise covered by this review is barium chloride, a chemical compound having the formula BaCl<sub>2</sub> or BaCl<sub>2</sub>•2H<sub>2</sub>O, and is currently classified under subheading 2827.38.00 of the Harmonized Tariff Schedule of the United States (HTS),<sup>14</sup> a subheading that covers only the subject product.<sup>15</sup>

<sup>12</sup> 19 CFR 159.64(g).

<sup>13</sup> See U.S. Customs' *CSDOA Annual Reports* for fiscal years 2001, 2002, and 2003.

<sup>14</sup> Since January 1, 2002, barium chloride has been classified under HTS subheading 2827.39.45. From 1989 through 2001, barium chloride was classified under HTS subheading 2827.38.00. Prior to 1989, barium chloride was classified under item 417.70 of the Tariff Schedules of the United States.

<sup>15</sup> Commerce's *Final Results of the Sunset Review of Antidumping Duty Order*, 69 FR 31791, June 7, 2003.



## U.S. Tariff Treatment

Table I-5 presents current tariff rates for barium chloride. In addition to the general column-1 duty rates, imports of barium chloride from China are currently subject to an antidumping duty of 155.50 percent *ad valorem*.<sup>16</sup>

**Table I-5**  
**Barium chloride: Tariff rates, 2004**

HTS provision	Article description <sup>1</sup>	General <sup>2</sup>	Special <sup>3</sup>	Column 2 <sup>4</sup>
		Rates ( <i>percent ad valorem</i> )		
2827.39.45 <sup>5</sup>	Chlorides, chloride oxides and chloride hydroxides; bromides and bromide oxides; iodides and iodide oxides: Other: Of barium	4.2	Free	28.5

<sup>1</sup> An abridged description is provided for convenience; however, an unabridged description may be obtained from the respective headings, subheadings, and legal notes of the HTS.  
<sup>2</sup> Normal trade relations rates, formerly known as the most-favored-nation duty rate, applicable to imports from China.  
<sup>3</sup> For eligible goods under the Generalized System of Preferences, Caribbean Basin Economic Recovery Act, Andean Trade Preference Act, Israel Free Trade Agreement, Jordan Free Trade Agreement, Chile Free Trade Agreement, Singapore Free Trade Agreement, and NAFTA-originating goods of Canada and Mexico.  
<sup>4</sup> Applies to imports from a small number of countries that do not enjoy normal or preferential trade relations duty status.  
<sup>5</sup> Since January 1, 2002, barium chloride has been classified under HTS subheading 2827.39.45. From 1989 through 2001, barium chloride was classified under HTS subheading 2827.38.00. Prior to 1989, barium chloride was classified under item 417.70 of the Tariff Schedules of the United States.

Source: Harmonized Tariff Schedule of the United States (2004).

## Domestic Like Product and Domestic Industry

In the original 1984 determination, the Commission defined the domestic like product as crystalline and anhydrous barium chloride,<sup>17</sup> excluding high purity barium chloride, and found one domestic industry producing both forms.<sup>18</sup> In the first expedited five-year review, the Commission defined the domestic like product as “the same as Commerce’s scope: all barium chloride, whether crystalline or anhydrous,”<sup>19</sup> and defined the domestic industry as all domestic producers of barium chloride.<sup>20</sup>

<sup>16</sup> Based on Commerce’s latest administrative review. See 68 FR 12669, March 17, 2003.

<sup>17</sup> During the original investigation it was reported that crystalline barium chloride accounted for over 60 percent of U.S. production of barium chloride and nearly all of the subject product from China. See *Barium Chloride From The People’s Republic of China: Inv. No. 731-TA-149 (Final)*, USITC Pub. 1584, October 1984, p. A-3.

<sup>18</sup> See *Barium Chloride From The People’s Republic of China: Inv. No. 731-TA-149 (Final)*, USITC Pub. 1584, October 1984, pp. 3-4.

<sup>19</sup> See *Barium Chloride From China: Inv. No. 731-TA-149 (Review)*, USITC Pub. 3163, March 1999, pp. 4-5.

<sup>20</sup> *Ibid.*

For purposes of responding to the Commission's notice in this second five-year review, parties were instructed to consider the domestic like product to be all forms of barium chloride, whether crystalline or anhydrous.<sup>21</sup> In its response to the Commission's notice of institution in this second five-year review, CPC stated that it agrees with the Commission's definition of the domestic like product as "crystalline and anhydrous barium chloride, excluding high purity barium chloride."<sup>22</sup>

### Description and Uses

CPC produces barium chloride from barite ore (naturally occurring barium sulfate) by crushing the ore, mixing it with petroleum coke, and reducing it at high temperatures to barium sulfide, which is purified and dissolved in water; the barium sulfide solution is then reacted with hydrochloric acid to remove byproduct hydrogen sulfide as a gas, and when the resulting solution is evaporated, barium chloride crystals remain. The crystalline form is reduced to the anhydrous form by applying intense heat, which drives off the water that is molecularly bonded in the crystals.<sup>23</sup> Because of the additional processing and increased concentration, the anhydrous form sells at a premium price.<sup>24</sup>

Crystalline barium chloride ( $\text{BaCl}_2 \cdot 2\text{H}_2\text{O}$ ) is used primarily as a cleansing agent in the removal of soluble sulfates in the production of certain chemicals; as a cleansing ingredient in lubricating oil additives; as a raw material in the production of certain chemicals, pigments, and paper coatings; and as an intermediate material in the production of molecular sieves. The anhydrous form ( $\text{BaCl}_2$ ) is used primarily as an ingredient in heat-treating salts and metal fluxes--molten baths into which metal parts are inserted for purposes of hardening.<sup>25</sup> The market for barium chloride is a mature one; no significant new uses for barium chloride have been developed since the original investigation. However, one significant use of barium chloride during the original investigation, which was as a raw material in the production of tetraethyl lead, has been eliminated as a result of the discontinued production of leaded gasoline; also, increased environmental regulation of barium compounds has led to the development of new processes in pigment production that substitute cheaper and reportedly more environmentally friendly calcium chloride for barium chloride.<sup>26</sup>

---

<sup>21</sup> 69 FR 4979, February 2, 2004.

<sup>22</sup> CPC's response to Commission's notice of institution (March 23, 2004), p. 17.

<sup>23</sup> *Barium Chloride From The People's Republic of China: Inv. No. 731-TA-149 (Final)*, USITC Pub. 1584, October 1984, p. A-3, and CPC's response to the Commission's notice of institution in the first five-year review, p. 19.

<sup>24</sup> *Barium Chloride From The People's Republic of China: Inv. No. 731-TA-149 (Final)*, USITC Pub. 1584, October 1984, p. A-3.

<sup>25</sup> *Barium Chloride From The People's Republic of China: Inv. No. 731-TA-149 (Final)*, USITC Pub. 1584, October 1984, p. A-3, and CPC's response to the Commission's notice of institution in the first five-year review, p. 19.

<sup>26</sup> CPC's response to the Commission's notice of institution in the first five-year review, pp. 19-20.

## THE INDUSTRY IN THE UNITED STATES

### U.S. Producers

CPC, located in Cartersville, GA, was the sole petitioner in the original 1984 investigation. The domestic industry, at that time, was comprised of five U.S. producers of barium chloride, with CPC accounting for at least \*\*\* percent of total U.S. production.<sup>27</sup>

During the first five-year review in 1998, CPC described itself as the sole remaining commercial producer of barium chloride in the United States. In its response to the Commission's notice of institution in that review, CPC also listed three other domestic firms that produced "small" amounts of barium chloride in 1998 and explained that two of the U.S. producers (Barium & Chemicals and GTE Products Corp.) produced small amounts of barium chloride for internal consumption and that the third U.S. producer (G.F. Smith Chemical Co.) produced small amounts of ultra-pure barium chloride for laboratory use.<sup>28</sup>

In its response to the Commission's notice of institution in this second five-year review, CPC again described itself as the sole remaining commercial producer of barium chloride in the United States, and listed only Barium & Chemicals of Steubenville, OH, and Osram Sylvania (formerly GTE Products Corp.) of Towanda, PA, as domestic producers of small amounts of barium chloride for internal consumption.<sup>29</sup>

### U.S. Producer's Trade, Employment, and Financial Data

CPC responded in a timely manner to the Commission's notice of institution in this review. CPC is believed to account for almost all U.S. production of barium chloride and all known commercial shipments in 2003. Information on the U.S. industry, therefore, is based on the data of CPC. Table I-6 presents information on CPC's trade, employment, and financial data during 1981-83, 1997, and 2003.

**Table I-6**

**Barium chloride: CPC's trade, employment, and financial data, 1981-83, 1997, and 2003**

---

\*                    \*                    \*                    \*                    \*                    \*                    \*

---

## U.S. IMPORTS AND CONSUMPTION

### U.S. Imports

Table I-7 presents information on U.S. imports of barium chloride during 1981-83 and 1989-2003. Figure I-1 presents the same information as well as imports from China only during 1984-88.

---

<sup>27</sup> *Staff Report of Sept. 17, 1984*, p. A-7.

<sup>28</sup> CPC's response to the Commission's notice of institution in the first five-year review, p. 17.

<sup>29</sup> CPC's response to the Commission's notice of institution in the second five-year review, p. 13.

Table I-7  
Barium chloride: U.S. imports, 1981-83 and 1989-2003<sup>1</sup>

Item	1981	1982	1983	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
				Quantity (1,000 pounds)														
China	3,994	4,319	5,330	300	132	0	0	0	188	323	264	243	391	635	683	715	525	573
All other	3,209	1,541	1,475	2,956	3,196	1,288	1,212	1,073	937	2,132	3,445	2,703	3,930	3,744	2,043	37	12	22
Total	7,203	5,860	6,805	3,256	3,329	1,288	1,212	1,073	1,125	2,455	3,710	2,945	4,322	4,379	2,726	753	537	594
				Landed duty-paid value (\$1,000)														
China	329	322	471	44	18	0	0	0	16	27	24	23	35	51	112	129	103	104
All other	530	282	230	680	790	366	337	284	256	646	1,276	870	1,244	1,510	665	171	23	51
Total	859	604	701	724	808	366	337	284	272	672	1,300	893	1,279	1,561	777	301	126	155
				Unit value (per pound)														
China	\$0.08	\$0.07	\$0.09	\$0.15	\$0.14	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	\$0	\$0.08	\$0.09	\$0	\$0.09	\$0.08	\$0.16	\$0.18	\$0.20	\$0.18
All other	\$0.17	\$0.18	\$0.16	\$0.23	\$0.25	\$0.28	\$0.28	\$0.26	\$0.27	\$0.30	\$0.37	\$0.32	\$0.32	\$0.40	\$0.33	\$4.57	\$1.85	\$2.32
Total	\$0.12	\$0.10	\$0.10	\$0.22	\$0.24	\$0.28	\$0.28	\$0.26	\$0.24	\$0.27	\$0.35	\$0.30	\$0.30	\$0.36	\$0.29	\$0.40	\$0.23	\$0.26
				Share of quantity (percent)														
China	55.4	73.7	78.3	9.2	4.0	0.0	0.0	0.0	16.7	13.2	7.1	8.2	9.1	14.5	25.1	95.0	97.7	96.3
All other	44.6	26.3	21.7	90.8	96.0	100.0	100.0	100.0	83.3	86.8	92.9	91.8	90.9	85.5	74.9	5.0	2.3	3.7
Average	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
				Share of value (percent)														
China	38.3	53.3	67.2	6.1	2.2	0.0	0.0	0.0	5.8	4.0	1.8	2.6	2.8	3.3	14.4	43.0	81.8	67.3
All other	61.7	46.7	32.8	93.9	97.8	100.0	100.0	100.0	94.2	96.0	98.2	97.4	97.2	96.7	85.6	57.0	18.2	32.7
Average	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

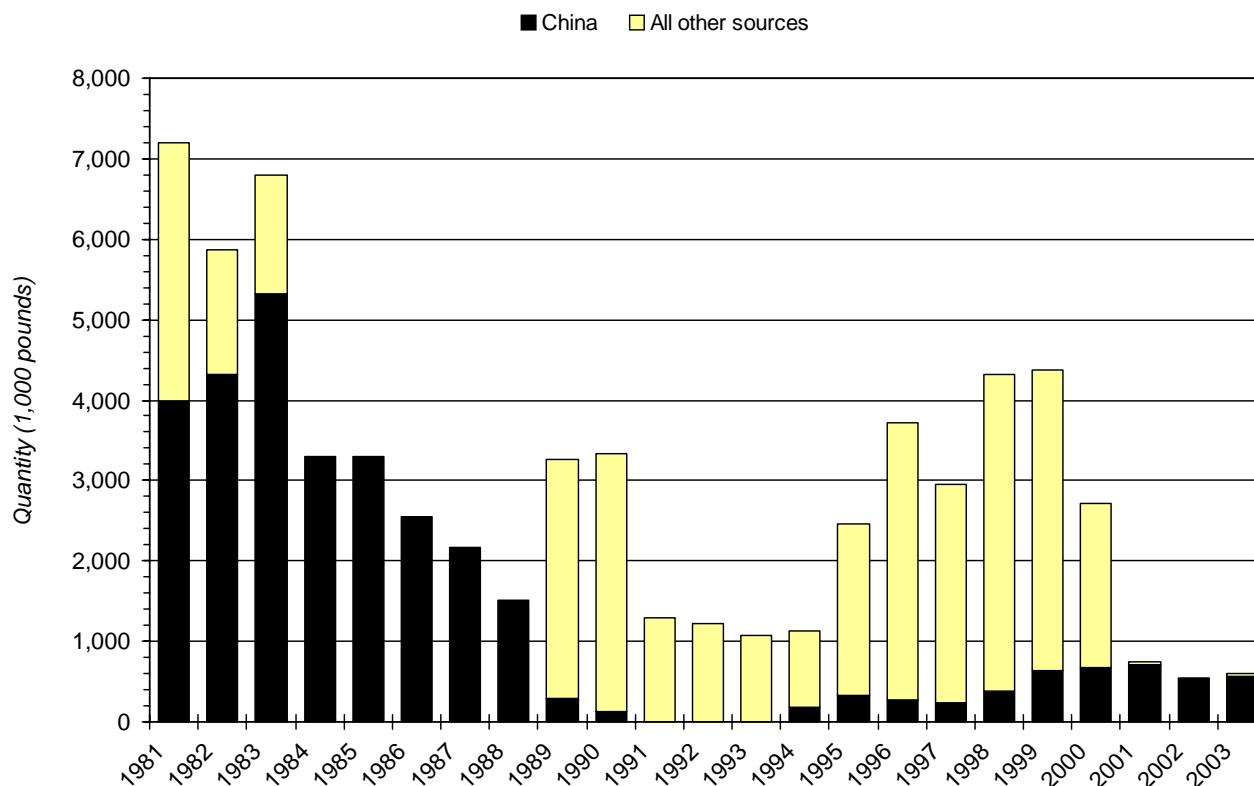
<sup>1</sup> Since January 1, 2002, barium chloride has been classified under HTS subheading 2827.39.45. From 1989 through 2001, barium chloride was classified under HTS subheading 2827.38.00. Prior to 1989, barium chloride was classified under item 417.70 of the Tariff Schedules of the United States.

<sup>2</sup> Not applicable.

Note.—Data presented for the period 1981-83 are based on the staff report of September 17, 1984, table 1. Data for all other periods are based on official Commerce statistics.

Source: Compiled from the staff report of September 17, 1984, and official Commerce statistics.

**Figure I-1**  
**Barium chloride: U.S. imports, 1981-2003<sup>30</sup>**



Source: *Barium Chloride From China: Inv. No. 731-TA-149 (Review)*, USITC Pub. 3163, March 1999, figure I-1, p. I-8; and table I-7.

<sup>30</sup> Data for U.S. imports of barium chloride from China during 1981-88 are based on information presented in *Barium Chloride From China: Inv. No. 731-TA-149 (Review)*, USITC Pub. 3163, March 1999, figure I-1, p. I-8. Data for U.S. imports of barium chloride from “all other sources” for the period 1984-88 are unavailable. Data for U.S. imports during 1989-2003 are based on table I-7 of this report.

The following tabulation presents U.S. imports of barium chloride from China during 1981-88 (*in 1,000 pounds*):

1981	1982	1983	1984	1985	1986	1987	1988
3,995	4,319	5,330	3,293	3,298	2,550	2,163	1,508

### Apparent U.S. Consumption and Market Shares

Table I-8 presents information on apparent U.S. consumption and market shares for the periods 1981-83, 1997, and 2003.

**Table I-8**

**Barium chloride: U.S. shipments of domestic product, U.S. imports, by sources, apparent U.S. consumption, and market shares, 1981-83, 1997, and 2003**

Item	1981	1982	1983	1997	2003
	<b>Quantity (1,000 pounds)</b>				
U.S. producer's domestic shipments	***	***	***	***	***
U.S. imports from: <sup>1</sup>					
China	3,994	4,319	5,330	243	573
All other sources	3,209	1,541	1,475	2,703	22
Total imports	7,203	5,860	6,805	2,945	594
Apparent U.S. consumption	***	***	***	***	***
	<b>Value (\$1,000)</b>				
U.S. producer's domestic shipments	***	***	***	***	***
U.S. imports from: <sup>1</sup>					
China	329	322	471	23	104
All other sources	530	282	230	870	51
Total imports	859	604	701	893	155
Apparent U.S. consumption	***	***	***	***	***
	<b>Share of apparent U.S. consumption based on quantity (percent)</b>				
U.S. producer's domestic shipments	***	***	***	***	***
U.S. imports from:					
China	***	***	***	***	***
All other sources	***	***	***	***	***
Total imports	***	***	***	***	***
	<b>Share of apparent U.S. consumption based on value (percent)</b>				
U.S. producer's domestic shipments	***	***	***	***	***
U.S. imports from:					
China	***	***	***	***	***
All other sources	***	***	***	***	***
Total imports	***	***	***	***	***

<sup>1</sup> Based on official Commerce statistics. Since January 1, 2002, barium chloride has been classified under HTS subheading 2827.39.45. From 1989 through 2001, barium chloride was classified under HTS subheading 2827.38.00. Prior to 1989, barium chloride was classified under item 417.70 of the Tariff Schedules of the United States.

Note.--Data presented for the period 1981-83 are based on the staff report of September 17, 1984; data for 1997 are based on memorandum INV-W-016, staff report of February 4, 1999, Barium Chloride from China: Investigation No. 731-TA-149 (Review), table I-1, p. I-7. Data for 2003 are based on the CPC's response to the Commission's notice of institution in this second five-year review.

Source: Compiled from data presented in the staff reports in the original investigation and the first five-year review; CPC's response to the Commission's notice of institution in the second five-year review; and official Commerce statistics.

## The Industry In China

During October 1, 1982 through September 30, 1983, the period of Commerce's original investigation, SINOCHEM accounted for all of China's known exports of barium chloride to the United States. During the time of the Commission's original investigation, SINOCHEM reported that the capacity to produce barium chloride in China was \*\*\* pounds per year and that only three chemical plants in China produced barium chloride for export to the United States: Zhang Jia Ba in Sichuan Province, with a capacity of \*\*\* pounds per year, Tangshan in Hebei Province, with a capacity of \*\*\* pounds, and Tianjin in the city of Tianjin, with an unknown capacity. At the time of the original investigation, the home market demand for barium chloride in China was expected to increase as a result of anticipated increased demand for leaded gasoline.<sup>31</sup>

The only information on the industry in China provided during the first five-year review was that provided by CPC, which reported that it believed that Zhang Jia Ba, Tangshan, and Tianjin continued to have substantial productive capacity. In addition, CPC listed seven other plants that it stated were producing barium chloride in China and that it believed were producing for export; these seven firms reportedly had annual production of about 161.8 million pounds.<sup>32</sup> Using the figures supplied by CPC and presuming that the capacities of Zhang Jia Ba and Tangshan to produce barium chloride had not decreased since the original period of investigation, the capacity in China to produce barium chloride was estimated to be at least \*\*\* pounds.<sup>33</sup>

As in the first five-year review, the only information on the industry in China in the second five-year review was provided by CPC, which reported that it believes that Zhang Jia Ba, Tangshan, and Tianjin continue to have substantial productive capacity. In addition, CPC listed eight other producers/plants that it stated were producing barium chloride in China and that it believed were producing for export. These eight firms (listed in the following tabulation) reportedly have annual production of about 172.8 million pounds.<sup>34</sup>

---

<sup>31</sup> *Staff Report of Sept. 17, 1984*, pp. A-3, A-8, and A-21.

<sup>32</sup> The seven plants identified by CPC, their locations, and their annual production quantities were: Red Star in Qingdao City (44.1 million pounds), Linshu in Shangdong Province (44.1 million pounds), Ermeishang in Sichuan Province (22.0 million pounds), Hengnan in Henan Province (11.0 million pounds), Buohai in Tianjing City (15.9 million pounds), Kunghan in Jiangshu Province (2.6 million pounds), and Xinji in Hebei Province (22.0 million pounds). *Barium Chloride From China: Inv. No. 731-TA-149 (Review)*, USITC Pub. 3163, March 1999, pp. I-6-I-7.

<sup>33</sup> This figure did not include any estimation for the capacity of the Tianjin plant; also, this figure presumed the capacities of the seven firms were equal to the production reported by CPC.

<sup>34</sup> CPC's response to the Commission's notice of institution (March 23, 2004), pp. 7-8.

<b>Firm</b>	<b>Location</b>	<b>Annual production</b>
		<b>1,000 pounds</b>
Linshu	Shangdong Province	44,092
Red Star	Qingdao City	44,092
Ermeishang	Sichuan Province	22,046
Xingji	Hebei Province	22,046
Buohai	Tianjing City	15,873
Guizhou Hongxing	Guizhou Province	11,023
Hengnan	Henan Province	11,023
Kunghan	Jiangshu Province	2,646
Total		172,841

Using the figures supplied by CPC and presuming that the capacities of Zhang Jia Ba and Tangshan to produce barium chloride have not decreased since the original period of investigation, the current capacity in China to produce barium chloride is estimated to be at least \*\*\* pounds, more than \*\*\* the capacity level reported during the original investigation.



**APPENDIX A**

---

***FEDERAL REGISTER NOTICES***



are requested to respond to this notice by submitting the information specified below to the Commission; <sup>1</sup> to be assured of consideration, the deadline for responses is March 23, 2004.

Comments on the adequacy of responses may be filed with the Commission by April 16, 2004. For further information concerning the conduct of this review and rules of general application, consult the Commission's rules of practice and procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A, D, E, and F (19 CFR part 207).

**EFFECTIVE DATE:** February 2, 2004.

**FOR FURTHER INFORMATION CONTACT:** Mary Messer (202-205-3193), Office of Investigations, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000. General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>). The public record for this review may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>.

**SUPPLEMENTARY INFORMATION:**

*Background.*—On October 17, 1984, the Department of Commerce issued an antidumping duty order on imports of barium chloride from China (49 FR 40635). Following five-year reviews by Commerce and the Commission, effective March 10, 1999, Commerce issued a continuation of the antidumping duty order on imports of barium chloride from China (64 FR 42654, August 5, 1999). The Commission is now conducting a second review to determine whether revocation of the order would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time. It will assess the adequacy of interested party responses to this notice of institution to determine whether to conduct a full review or an expedited

---

**INTERNATIONAL TRADE  
COMMISSION**

[Investigation No. 731-TA-149 (Review)]

**Barium Chloride From China**

**AGENCY:** International Trade Commission.

**ACTION:** Institution of a five-year review concerning the antidumping duty order on barium chloride from China.

**SUMMARY:** The Commission hereby gives notice that it has instituted a review pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. 1675(c)) (the Act) to determine whether revocation of the antidumping duty order on barium chloride from China would be likely to lead to continuation or recurrence of material injury. Pursuant to section 751(c)(2) of the Act, interested parties

<sup>1</sup> No response to this request for information is required if a currently valid Office of Management and Budget (OMB) number is not displayed; the OMB number is 3117-0016/USITC No. 04-5-080, expiration date June 30, 2005. Public reporting burden for the request is estimated to average 7 hours per response. Please send comments regarding the accuracy of this burden estimate to the Office of Investigations, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436.

review. The Commission's determination in any expedited review will be based on the facts available, which may include information provided in response to this notice.

*Definitions.*—The following definitions apply to this review:

(1) *Subject Merchandise* is the class or kind of merchandise that is within the scope of the five-year review, as defined by the Department of Commerce.

(2) The *Subject Country* in this review is China.

(3) The *Domestic Like Product* is the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the Subject Merchandise. In its original determination, the Commission defined the Domestic Like Product as crystalline and anhydrous barium chloride, excluding high purity barium chloride. In its expedited five-year review determination, the Commission found that the appropriate definition of the Domestic Like Product was the same as Commerce's scope: all barium chloride, whether crystalline or anhydrous. For purposes of this notice, you should consider the Domestic Like Product to be all barium chloride, whether crystalline or anhydrous.

(4) The *Domestic Industry* is the U.S. producers as a whole of the Domestic Like Product, or those producers whose collective output of the Domestic Like Product constitutes a major proportion of the total domestic production of the product. In its original determination, the Commission defined the Domestic Industry as producers of crystalline and anhydrous barium chloride, excluding producers of high purity barium chloride. In its expedited five-year review determination, the Commission defined the Domestic Industry as all domestic producers of barium chloride. For purposes of this notice, you should consider the Domestic Industry to be all domestic producers of barium chloride.

(5) An *Importer* is any person or firm engaged, either directly or through a parent company or subsidiary, in importing the Subject Merchandise into the United States from a foreign manufacturer or through its selling agent.

*Participation in the Review and Public Service List.*—Persons, including industrial users of the Subject Merchandise and, if the merchandise is sold at the retail level, representative consumer organizations, wishing to participate in the review as parties must file an entry of appearance with the Secretary to the Commission, as provided in section 201.11(b)(4) of the Commission's rules, no later than 21

days after publication of this notice in the **Federal Register**. The Secretary will maintain a public service list containing the names and addresses of all persons, or their representatives, who are parties to the review.

Former Commission employees who are seeking to appear in Commission five-year reviews are reminded that they are required, pursuant to 19 CFR 201.15, to seek Commission approval if the matter in which they are seeking to appear was pending in any manner or form during their Commission employment. The Commission is seeking guidance as to whether a second transition five-year review is the "same particular matter" as the underlying original investigation for purposes of 19 CFR 201.15 and 18 U.S.C. 207, the post employment statute for Federal employees. Former employees may seek informal advice from Commission ethics officials with respect to this and the related issue of whether the employee's participation was "personal and substantial." However, any informal consultation will not relieve former employees of the obligation to seek approval to appear from the Commission under its rule 201.15. For ethics advice, contact Carol McCue Verratti, Deputy Agency Ethics Official, at 202-205-3088.

*Limited Disclosure of Business Proprietary Information (BPI) Under an Administrative Protective Order (APO) and APO Service List.*—Pursuant to section 207.7(a) of the Commission's rules, the Secretary will make BPI submitted in this review available to authorized applicants under the APO issued in the review, provided that the application is made no later than 21 days after publication of this notice in the **Federal Register**. Authorized applicants must represent interested parties, as defined in 19 U.S.C. 1677(9), who are parties to the review. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

*Certification.*—Pursuant to section 207.3 of the Commission's rules, any person submitting information to the Commission in connection with this review must certify that the information is accurate and complete to the best of the submitter's knowledge. In making the certification, the submitter will be deemed to consent, unless otherwise specified, for the Commission, its employees, and contract personnel to use the information provided in any other reviews or investigations of the same or comparable products which the Commission conducts under Title VII of the Act, or in internal audits and

investigations relating to the programs and operations of the Commission pursuant to 5 U.S.C. Appendix 3.

*Written Submissions.*—Pursuant to section 207.61 of the Commission's rules, each interested party response to this notice must provide the information specified below. The deadline for filing such responses is March 23, 2004. Pursuant to section 207.62(b) of the Commission's rules, eligible parties (as specified in Commission rule 207.62(b)(1)) may also file comments concerning the adequacy of responses to the notice of institution and whether the Commission should conduct an expedited or full review. The deadline for filing such comments is April 16, 2004. All written submissions must conform with the provisions of sections 201.8 and 207.3 of the Commission's rules and any submissions that contain BPI must also conform with the requirements of sections 201.6 and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's rules, as amended, 67 FR 68036 (November 8, 2002). Also, in accordance with sections 201.16(c) and 207.3 of the Commission's rules, each document filed by a party to the review must be served on all other parties to the review (as identified by either the public or APO service list as appropriate), and a certificate of service must accompany the document (if you are not a party to the review you do not need to serve your response).

*Inability To Provide Requested Information.*—Pursuant to section 207.61(c) of the Commission's rules, any interested party that cannot furnish the information requested by this notice in the requested form and manner shall notify the Commission at the earliest possible time, provide a full explanation of why it cannot provide the requested information, and indicate alternative forms in which it can provide equivalent information. If an interested party does not provide this notification (or the Commission finds the explanation provided in the notification inadequate) and fails to provide a complete response to this notice, the Commission may take an adverse inference against the party pursuant to section 776(b) of the Act in making its determination in the review.

*Information To Be Provided in Response to This Notice of Institution:* As used below, the term "firm" includes any related firms.

(1) The name and address of your firm or entity (including World Wide Web address if available) and name,

telephone number, fax number, and E-mail address of the certifying official.

(2) A statement indicating whether your firm/entity is a U.S. producer of the Domestic Like Product, a U.S. union or worker group, a U.S. importer of the Subject Merchandise, a foreign producer or exporter of the Subject Merchandise, a U.S. or foreign trade or business association, or another interested party (including an explanation). If you are a union/worker group or trade/business association, identify the firms in which your workers are employed or which are members of your association.

(3) A statement indicating whether your firm/entity is willing to participate in this review by providing information requested by the Commission.

(4) A statement of the likely effects of the revocation of the antidumping duty order on the Domestic Industry in general and/or your firm/entity specifically. In your response, please discuss the various factors specified in section 752(a) of the Act (19 U.S.C. 1675a(a)) including the likely volume of subject imports, likely price effects of subject imports, and likely impact of imports of Subject Merchandise on the Domestic Industry.

(5) A list of all known and currently operating U.S. producers of the Domestic Like Product. Identify any known related parties and the nature of the relationship as defined in section 771(4)(B) of the Act (19 U.S.C. 1677(4)(B)).

(6) A list of all known and currently operating U.S. importers of the Subject Merchandise and producers of the Subject Merchandise in the Subject Country that currently export or have exported Subject Merchandise to the United States or other countries after 1997.

(7) If you are a U.S. producer of the Domestic Like Product, provide the following information on your firm's operations on that product during calendar year 2003 (report quantity data in pounds and value data in U.S. dollars, f.o.b. plant). If you are a union/worker group or trade/business association, provide the information, on an aggregate basis, for the firms in which your workers are employed/

which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total U.S. production of the Domestic Like Product accounted for by your firm's(s') production;

(b) The quantity and value of U.S. commercial shipments of the Domestic Like Product produced in your U.S. plant(s); and

(c) The quantity and value of U.S. internal consumption/company

transfers of the Domestic Like Product produced in your U.S. plant(s).

(8) If you are a U.S. importer or a trade/business association of U.S. importers of the Subject Merchandise from the Subject Country, provide the following information on your firm's(s') operations on that product during calendar year 2003 (report quantity data in pounds and value data in U.S. dollars). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) The quantity and value (landed, duty-paid but not including antidumping or countervailing duties) of U.S. imports and, if known, an estimate of the percentage of total U.S. imports of Subject Merchandise from the Subject Country accounted for by your firm's(s') imports;

(b) The quantity and value (f.o.b. U.S. port, including antidumping and/or countervailing duties) of U.S. commercial shipments of Subject Merchandise imported from the Subject Country; and

(c) The quantity and value (f.o.b. U.S. port, including antidumping and/or countervailing duties) of U.S. internal consumption/company transfers of Subject Merchandise imported from the Subject Country.

(9) If you are a producer, an exporter, or a trade/business association of producers or exporters of the Subject Merchandise in the Subject Country, provide the following information on your firm's(s') operations on that product during calendar year 2003 (report quantity data in pounds and value data in U.S. dollars, landed and duty-paid at the U.S. port but not including antidumping or countervailing duties). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total production of Subject Merchandise in the Subject Country accounted for by your firm's(s') production; and

(b) The quantity and value of your firm's(s') exports to the United States of Subject Merchandise and, if known, an estimate of the percentage of total exports to the United States of Subject Merchandise from the Subject Country accounted for by your firm's(s') exports.

(10) Identify significant changes, if any, in the supply and demand conditions or business cycle for the Domestic Like Product that have occurred in the United States or in the market for the Subject Merchandise in the Subject Country after 1997, and

significant changes, if any, that are likely to occur within a reasonably foreseeable time. Supply conditions to consider include technology; production methods; development efforts; ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production); and factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market demand abroad). Demand conditions to consider include end uses and applications; the existence and availability of substitute products; and the level of competition among the Domestic Like Product produced in the United States, Subject Merchandise produced in the Subject Country, and such merchandise from other countries.

(11) (Optional) A statement of whether you agree with the above definitions of the Domestic Like Product and Domestic Industry; if you disagree with either or both of these definitions, please explain why and provide alternative definitions.

**Authority:** This review is being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.61 of the Commission's rules.

Issued: January 27, 2004.

By order of the Commission.

**Marilyn R. Abbott,**

*Secretary to the Commission.*

[FR Doc. 04-2064 Filed 1-30-04; 8:45 am]

**BILLING CODE 7020-02-P**



**INTERNATIONAL TRADE  
COMMISSION**

[Investigation No. 731-TA-149 (Second Review)]

**Barium Chloride From China**

**AGENCY:** United States International Trade Commission.

**ACTION:** Scheduling of an expedited five-year review concerning the antidumping duty order on barium chloride from China.

**SUMMARY:** The Commission hereby gives notice of the scheduling of an expedited review pursuant to section 751(c)(3) of the Tariff Act of 1930 (19 U.S.C. 1675(c)(3)) (the Act) to determine whether revocation of the antidumping duty order on barium chloride from China would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. For further information concerning the conduct of this review and rules of general application, consult the Commission's Rules of Practice and Procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A, D, E, and F (19 CFR part 207).

**EFFECTIVE DATE:** May 7, 2004.

**FOR FURTHER INFORMATION CONTACT:** Fred Fischer (202-205-3179 or [fred.fischer@usitc.gov](mailto:fred.fischer@usitc.gov)), Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000. General information concerning the Commission may also be obtained by accessing its internet server (<http://www.usitc.gov>). The public record for this review may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>.

**SUPPLEMENTARY INFORMATION:**

*Background.* On May 7, 2004, the Commission determined that the domestic interested party group response to its notice of institution (69 FR 4979, February 2, 2004) of the subject five-year review was adequate and that the respondent interested party group response was inadequate. The Commission did not find any other circumstances that would warrant

conducting a full review.<sup>1</sup> Accordingly, the Commission determined that it would conduct an expedited review pursuant to section 751(c)(3) of the Act.

*Staff report.* A staff report containing information concerning the subject matter of the review will be placed in the nonpublic record on June 3, and made available to persons on the Administrative Protective Order service list for this review. A public version will be issued thereafter, pursuant to section 207.62(d)(4) of the Commission's rules.

*Written submissions.* As provided in section 207.62(d) of the Commission's rules, interested parties that are parties to the review and that have provided individually adequate responses to the notice of institution,<sup>2</sup> and any party other than an interested party to the review may file written comments with the Secretary on what determination the Commission should reach in the review. Comments are due on or before June 8, 2004 and may not contain new factual information. Any person that is neither a party to the five-year review nor an interested party may submit a brief written statement (which shall not contain any new factual information) pertinent to the review by June 8, 2004. However, should the Department of Commerce extend the time limit for its completion of the final results of its review, the deadline for comments (which may not contain new factual information) on Commerce's final results is three business days after the issuance of Commerce's results. If comments contain business proprietary information (BPI), they must conform with the requirements of sections 201.6, 207.3, and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's rules, as amended, 67 FR 68036 (November 8, 2002).

In accordance with sections 201.16(c) and 207.3 of the rules, each document filed by a party to the review must be served on all other parties to the review (as identified by either the public or BPI service list), and a certificate of service must be timely filed. The Secretary will

not accept a document for filing without a certificate of service.

**Authority:** This review is being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.62 of the Commission's rules.

By order of the Commission.

Issued: May 14, 2004.

**Marilyn R. Abbott,**

*Secretary to the Commission.*

[FR Doc. 04-11318 Filed 5-18-04; 8:45 am]

**BILLING CODE 7020-02-P**

<sup>1</sup> A record of the Commissioners' votes, the Commission's statement on adequacy, and any individual Commissioner's statements will be available from the Office of the Secretary and at the Commission's web site.

<sup>2</sup> The Commission has found the responses submitted by Chemical Products Corp. to be adequate. Comments from other interested parties will not be accepted (*see* 19 CFR 207.62(d)(2)).



---

**DEPARTMENT OF COMMERCE****International Trade Administration**

[A-570-007]

**Barium Chloride from The People's Republic of China; Final Results of the Sunset Review of Antidumping Duty Order**

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce.

**ACTION:** Expedited Sunset Review of Antidumping Duty Order on Barium Chloride from The People's Republic of China; Final Results.

**SUMMARY:** On February 2, 2004, the Department of Commerce ("the Department") published the notice of initiation of sunset review on barium chloride from the People's Republic of China ("China"). On the basis of the notice of intent to participate, and adequate substantive comments filed on behalf of a domestic interested party and inadequate response (in this case, no response) from respondent interested party, we determined to conduct an expedited (120-day) sunset review. As a result of this review, we find that revocation of the antidumping duty order would be likely to lead to continuation or recurrence of dumping at the levels listed below in the section entitled "Final Results of Review."

**EFFECTIVE DATE:** June 7, 2004.

**FOR FURTHER INFORMATION CONTACT:** Martha V. Douthit, Office of Policy for Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC, 20230; telephone: (202) 482-5050.

**SUPPLEMENTARY INFORMATION:****Background**

On February 2, 2004, the Department published the notice of initiation of sunset review of the antidumping duty order on barium chloride from China pursuant to section 751(c) of the Tariff Act of 1930, as amended (the "Act").<sup>1</sup> The Department received Notice of Intent to Participate on behalf of

Chemical Products Corporation ("CPC"), a domestic interested party, within the deadline specified in section 351.218(d)(1)(i) of the Department's Regulations ("Sunset Regulations"). CPC claimed interested party status under Section 771(9)(C) of the Act as a U.S. producer of barium chloride. We received a complete substantive response from CPC within the 30-day deadline specified in the *Sunset Regulations* under section 351.218(d)(3)(I).

We did not receive a substantive response from any interested party respondents in 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 conducted an expedited (120-day) sunset review of this antidumping duty order.

The order remains in effect for all Chinese manufacturers, producers, and exporters.

**Scope of the Order**

The merchandise covered by this order is barium chloride, a chemical compound having the formula BaCl<sub>2</sub> or BaCl<sub>2</sub>·2H<sub>2</sub>O, currently classifiable under item 2827.38.00 of the Harmonized Tariff Schedules (HTS). HTS items numbers are provided for convenience and for Customs purposes. The written descriptions remain dispositive.

**Analysis of Comments Received**

All issues raised in this case by CPC are addressed in the "Issues and Decision Memorandum" ("Decision Memo") from Ronald K. Lorentzen, Acting Director, Office of Policy, Import Administration, to James J. Jochum, Assistant Secretary for Import Administration, dated June 1, 2004, which is hereby adopted by this notice. The issues discussed in the Decision Memo include the likelihood of continuation or recurrence of dumping and the magnitude of the margin likely to prevail if the finding were to be revoked. Parties can find a complete discussion of all issues raised in this review and the corresponding recommendations in this public memorandum, which is on file in room B-099 of the main Commerce Building.

In addition, a complete version of the Decision Memo can be accessed directly on the Web at <http://ia.ita.doc.gov/frn>, under the heading "June 2004." The paper copy and electronic version of the Decision Memorandum are identical in content.

<sup>1</sup> Initiation of Five-Year (Sunset) Reviews, 69 FR 4921 (February 2, 2004).

**Final Results of Review**

We determine that revocation of the antidumping duty order on barium

chloride from China would be likely to lead to continuation or recurrence of

dumping at the following percentage weighted-average margins:

Manufacturers/Exporters/Producers	Weighted Average Margin Percent
China National Chemicals Import and Export Corporation (SINOCHEM) .....	155.50
China-wide rate .....	155.50

This notice also serves as the only reminder to parties subject to administrative protective orders (“APO”) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305 of the Department’s regulations. Timely notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

We are issuing and publishing the results and notice in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: May 28, 2004.

**Jeffrey A. May,**

*Acting Assistant Secretary for Import Administration.*

[FR Doc. 04-12807 Filed 6-4-04; 8:45 am]

**BILLING CODE 3510-DS-S**

**APPENDIX B**

---

**STATEMENT ON ADEQUACY**



## **EXPLANATION OF COMMISSION DETERMINATION ON ADEQUACY**

in

*Barium Chloride from China*, Inv. No. 731-TA-149 (Second Review)

On May 7, 2004, the Commission determined 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).

The Commission received a response from one domestic producer, Chemical Products Corp. (“CPC”). The Commission determined that the response was individually adequate. The Commission also determined that the response represented an adequate domestic interested party group response because CPC accounts for a significant share of domestic production of the like product.

The Commission did not receive a response from any respondent interested party. Consequently, the Commission determined that the respondent interested party group response was inadequate. The Commission did not find any circumstances that would warrant conducting a full review. The Commission therefore determined to conduct an expedited review. A record of the Commissioners’ votes is available from the Office of the Secretary and the Commission’s web site (<http://www.usitc.gov>).