

Mail Stop 4561

July 22, 2008

VIA U.S. MAIL AND FAX (561) 362-9612

Lazarus Rothstein, Esq.  
Vice President, General Counsel and Secretary  
China Direct, Inc.  
431 Fairway Drive  
Deerfield Beach, Florida 33441

**Re: China Direct, Inc.  
Registration Statement on Form S-3  
Filed June 13, 2008  
File No. 333-151648**

**Form 10-K for the fiscal year ended December 31, 2007  
Filed March 31, 2008  
File No.: 001-33694**

**Form 10-Q for the fiscal year ended March 31, 2008  
Filed May 8, 2008  
File No.: 001-33694**

Dear Mr. Rothstein:

We have reviewed your response letter dated July 15, 2008 and have the following additional comments. If you disagree with our comments, we will consider your explanation as to why our comments are not applicable. Please be as detailed as necessary in your explanation.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

Form 10-K for the year ended December 31, 2007

Item 9A(T) Controls and Procedures

Disclosure Controls and Procedures, page 37

1. We note your response to our prior comment four. We believe that you can only exclude those disclosure controls and procedures related to current year acquisitions that are also considered for internal control over financial reporting. Please amend your filing to include an assessment of your disclosure controls and procedures that incorporates these acquisitions.

Financial Statements

Notes to Consolidated Financial Statements

Note 11 – Acquisitions and Dispositions, page F-19

2. We note your response to our prior comment seven. Your response only addressed your acquisition of Lang Chemical and did not address your other acquisitions; thus, the comment will be reissued. In light of your acquisitions of less than 100% ownership interest, please tell us how you determined it was not necessary to record assets acquired and liabilities assumed at their pre-acquisition carrying amount for the percentage you did not acquire.

\* \* \* \*

Please respond to these comments within 10 business days or tell us when you will provide us with a response. Please submit your response letter on EDGAR. You may contact Jennifer Monick at (202) 551-3295 or the undersigned at (202) 551-3629 if you have questions regarding comments on the financial statements and related matters. Please contact Phil Rothenberg at (202) 551-3466 or Michael McTiernan at (202) 551-3852 with any other questions.

Sincerely,

Kevin Woody  
Branch Chief

Cc: James M. Schneider, Esq.