

HEARING BEFORE THE SECTION 301 COMMITTEE

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Prepared Time: 5 Minutes

Introduction

Thank you to the Committee for inviting us to be a part of the process in evaluating this critical issue.

As our founding father, and the founder of my alma mater and that of the President, Benjamin Franklin wrote, “commerce among the nations should be fair and equitable;” the laws, policies, practices and actions of the Government of China regarding the manufacture and export of home textiles, specifically ready-made window treatments, better known as curtains, drapery and shades, prevent this and have caused direct undue and intentional harm to both American businesses and consumers.

The Committee should impose tariffs of 25% on ready-made textile window treatments imported from China, specifically HTC 6303.

Acts of the Government of China

I have experienced the following indisputable actions by the Chinese government, listed here in summary form for brevity which have been and shall be detailed in written submissions, in its willful creation of an unfair and inequitable trade relationship while aiding and abetting unlawful

acts by Chinese manufacturers and exporters, many owned and controlled by the Chinese government, which have been ignored by the WTO.

- Willful theft of utility patents properly filed and acknowledged by the United States Patent and Trademark Office. Of particular note, a patent of my personal design developed in concert with the U.S. Consumer Product Safety Commission to provide a safety mechanism for roman shade window treatments;
- Manufacturing, exporting to the United States, and selling in American retail stores, products featuring stolen utility patents, including the one mentioned. The Chinese government knows well an American manufacturer cannot sue a retailer as it is the “hand that feeds them;”
- Manufacturing, exporting to the United States, and selling in American retail stores, products featuring USPTO registered trademarks without consent of the owner;
- Willful dissemination of business confidential information to Chinese government owned manufacturers in direct violation of executed non-disclosure agreements. Of note, I have had a Chinese government owned sub-contractor attempt to sell me my own business confidential information, not knowing that I was in fact the end customer;
- Providing subsidies to manufacturers and exporters with the intent and direct result of dumping product into the American market;
- Breach of written contracts, treaties, and regulations by Chinese government owned manufacturers resulting in significant losses. Namely, but not limited to, falsifying quality records and shipping product to the United States without authorization to force payment;
- Threatening executives with Chinese criminal action in order to force payment for non-conforming goods in breach of purchase order requirements;

- Storming the offices of American companies in Shanghai and preventing entrance for a period of two weeks in order to force payment for non-conforming goods in breach of purchase order requirements and in an attempt to show American retailers that the supply-chain of the American company was not reliable.

Conclusion

I do not take lightly the strength of my words nor should those hearing them; I am an American manufacturer who does and will continue to do business with China. I do not represent a trade association providing “fuzzy math” and making specious claims noting they have the best interest of the American consumer in mind; nor am I a lobbyist or an attorney. I have placed my money and the security of my entire extended family on the line to create well-paying jobs and safe and desirable products for the greatest client on the planet: the American consumer.

We do not seek advantages above other nations – we seek a fair and equitable trading environment; a level playing-field. We do not seek to simply punish other nations for their actions; free trade is the goal - if it is truly free. The market, as it should, will determine success.

It is important to note that the current tariff system discriminates against American manufacturers with assembly operations, in our industry termed cut/sew, by imposing a higher tariff on fabric imported into the United States from all nations, including China, versus ready-made product wholly manufactured overseas. My government, the United States government, is subsidizing Chinese manufacturers at my direct expense and telling me not to create American jobs.

We urge the Committee to impose tariffs of 25% on ready-made window treatments imported from China. Such a tariff will positively impact the American consumer while *decreasing* overall cost by ensuring the products they purchase have the desired quality, lifespan and safety they desire and deserve. This tariff is targeted, proportionate and appropriate.