

American Kitchen Cabinet Alliance Commends Department of Commerce on Its Preliminary Determination of Countervailing Duties

WASHINGTON, DC – August 6, 2019 – Today, the American Kitchen Cabinet Alliance (AKCA) commended the preliminary countervailing duty determination issued by the U.S. Department of Commerce as an important step to address subsidized Chinese imports of wooden cabinets and vanities. Commerce preliminarily calculated the following subsidy rates: 10.97 percent for The Ancientree Cabinet Co., Ltd., 16.49 percent for Dalian Meisen Woodworking Co. Ltd., 21.78 percent for Rizhao Foremost Woodwork Manufacturing Company Ltd.; 16.41 percent for Chinese producers not selected for individual review; and 229.24 percent for Chinese producers that failed to cooperate with the investigation. Most Chinese producers who cooperated with the investigation will receive the 16.41 "all others" rate.

"Today's determination gives the American kitchen cabinet industry the hope it needs in our fight against China's unfair trade practices," said **Stephen Wellborn**, director of product and research development, Wellborn Cabinet and AKCA member. "Americans deserve to know that we are on their side, fighting for their right to a job that has spanned generations with a true American tradition of 'Made in the USA' cabinetry. With over 250,000 American jobs on the line, this is an overall positive determination for the American people, and I thank the Commerce Department for their decision."

"At the core of Marsh is a commitment to positively impact the lives of the extended Marsh family – our employees, builder and dealer partners, suppliers, homeowners and the communities in which we work and live," said **Edwin Underwood, president and COO of Marsh Furniture Company**. "Today's determination allows us to reaffirm with confidence the commitment we made to our employees and business network when Marsh first opened its doors over 110 years ago. I applaud the Department of Commerce for today's verdict."

"The decision delivered today at the Department of Commerce is an important step," said Mark Trexler, president and CEO at Master WoodCraft Cabinetry. "Illegally subsidized Chinese imports of kitchen cabinet and bath vanities into the United States have injured this important multi-billion-dollar American industry. We welcome this preliminary determination from the Commerce Department and ask the agency to continue its thorough investigation into Chinese subsidies for the final determination."

The Commerce Department is currently expected to issue its final determination in this investigation by early 2020. While the preliminary margins indicate the level of subsidies likely to

be found in the final determination, the duty rate to which the Chinese cabinet and vanity imports will be subject will not be finalized until the agency makes its final determination.

On March 6, 2019, the AKCA initiated one of the largest trade cases ever filed against Chinese imports at the International Trade Commission and the Department of Commerce – a case which challenges China's manipulation and unfair trade practices in the wooden cabinet and vanity production industry.

The AKCA is comprised of 50 companies based across the United States. With today's preliminary determination, the AKCA looks forward to next steps at the Commerce Department to continue its efforts to push back on unfairly traded Chinese imports and ensure a level playing field for American workers.

AKCA is represented by Tim Brightbill, Wiley Rein LLP.

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About AKCA:

The American Kitchen Cabinet Alliance (AKCA) is a coalition of organizations that have joined forces to fight for American kitchen cabinet workers and our industry. Established in 2019, AKCA is standing up for American workers and supporting the actions of those who oppose China's cheating of America's kitchen cabinet industry. We are proud to support one of the largest trade cases in history filed against China at the International Trade Commission (ITC) and Department of Commerce.