

**Office of the U.S. Trade Representative
Hearing Relating to the Operation of the USMCA**

**Testimony on Behalf of the
American Kitchen Cabinet Alliance**

1. Good afternoon. My name is Luke Meisner, from the law firm of Schagrin Associates. I am here on behalf of the American Kitchen Cabinet Alliance, which represents U.S. manufacturers of wooden kitchen cabinets, vanities, and related components. This industry supports more than 250,000 American jobs, many in small towns and communities that have carried the weight of decades of offshoring.
2. Let me start with the bottom line: without strengthening the USMCA, the gains from the President's new Section 232 tariffs on cabinets will leak straight through Canada and Mexico.
3. On September 29, 2025, President Trump gave the U.S. cabinet industry a real shot at a comeback by imposing Section 232 tariffs on cabinets, vanities, and related wood products. Since then, American manufacturers have started seeing real signs of life — more orders, more production, and renewed investment.
4. But this progress will evaporate if foreign producers can dodge U.S. trade measures by simply sending their materials to Canada or Mexico

for minimal processing before they enter the U.S. with preferential USMCA treatment.

5. This circumvention problem is real, measurable, and already happening.
6. In 2020, the U.S. Commerce Department imposed antidumping and countervailing duty orders on cabinets from China. A comparison of the five-year periods before and after the orders were imposed shows how Mexico and Canada have served as conduits for circumvention.
7. Between the two periods, Chinese shipments of cabinets to the United States collapsed by 93%, from \$4.7 billion to \$313 million. But U.S. imports of cabinets from Canada and Mexico jumped 83% – from \$1.5 billion to \$2.7 billion.
8. At the same time, Canadian imports of Chinese cabinets rose 23%, and Canadian imports of Chinese wooden materials like molding, MDF, and plywood rose 84%.
9. As for Mexico, its imports of Chinese wooden parts increased 264%, and Mexico's imports of Chinese molding, MDF, and plywood skyrocketed by over 2,500%.
10. Much of these wooden materials from China are being funneled into the United States in the form of cabinets and vanities. And as detailed

in the AKCA's written comments, there are concrete examples of Chinese producers routing cabinets through third countries to avoid U.S. duties.

11. Simply put, China didn't leave the U.S. market. It just changed the return address. We closed the front door for China. Canada and Mexico became the side doors. With the new Section 232 tariffs now in place, these backdoors will become even more attractive unless USMCA is strengthened.
12. To protect the integrity of U.S. trade measures and ensure the cabinet industry can keep creating American jobs, the USMCA needs the following upgrades.
13. First, the existing country of origin rules applicable to cabinets must be strengthened. To qualify as a North American cabinet, at least 85% of the wooden materials should be harvested and milled in North America. No more "North American" labels on products built from Chinese wood.
14. Second, the labor value content provisions of the USMCA should be expanded to cover wooden cabinets and vanities. The USMCA should reward real manufacturing — not low-cost assembly of foreign parts.

15. Third, USMCA should prohibit Mexican duty exemption and drawback programs that allow Chinese wooden components to slip into the United States with preferential tariff treatment.
16. Fourth, Mexico and Canada should be required to apply border measures like those of the United States. If the U.S. is enforcing strong border measures on wooden cabinets and vanities, our partners should as well. Otherwise, the USMCA turns them into safe havens for tariff circumvention.
17. Fifth, foreign direct investment in manufacturing from nonmarket economies like China should be restricted. We don't need nonmarket economy companies operating in our back yard.
18. These changes aren't just about trade flows or tariff tables. They are about whether towns and communities across America finally get a fair chance to build things like cabinets again.
19. The cabinet industry is ready to hire, expand, and invest. But that only works if the USMCA stops rewarding circumvention and starts supporting genuine North American manufacturing.
20. Thank you for the opportunity to testify on this critical issue. I'm happy to answer any questions.