

American Wire Producers Association

M&B Metal Products Company, Inc.
Trade Journey

1999 AWPA Conference

Garment Hanger Committee petitioned for a specific HTS number so we could track imports of Wire Garment hangers.

7326.20.0020

Section 421

Three AWPAs Members supported the Section 421 Case

Cleaners Hanger Company

United Wire Hanger

M&B Metal Products Company

One AWPAs Member opposed The Section 421 Case

Laidlaw Corporation

In January 2003, we testified before the International Trade Commission

The ITC determined there was “Market Disruption”

The DOC suggested Tariffs which would be decreasing over three years

President Bush denied Relief

November of 2003, the largest producer of Garment Hangers in the World, Cleaners Hanger Company, declared Bankruptcy and closed

In the few short years that followed, United Wire Hanger sold their equipment to China and formed a partnership with the Chinese producer, Nagel sold and then closed, Laidlaw closed all their US operations, and M&B closed its South Hill, VA location

2007

M&B being the last major producer of Wire
Garment Hangers in the US filed an
Antidumping Case against unfairly traded
hangers from China

2008

The International Trade Commission voted 5 – 0 that there was injury to the US domestic industry (Duh), and the Department of Commerce determined the Dumping Margin should range from single digits, to the country wide rate of 187.25%

Circumvention Petition

Within a couple of years, Chinese Hanger producers were beginning to ship hangers, or partially finished hangers, to Vietnam and Taiwan to complete and ship to the US (They added tubes and paper to the already formed hangers). M&B won the Circumvention case against two Vietnamese Producers.

Other shippers opened in Vietnam and other countries.

2011

M&B filed Antidumping petitions against Taiwan and Vietnam and a Countervailing Duty petition against Vietnam

2013

Again, M&B won both Antidumping cases
and the CVD case.

Duties of 157% - 220% were placed on wire garment
hangers coming from Vietnam and CVD duties of 31.58% -
90.42%.

Duties of 70% – 125% were placed on wire garment hangers
from Taiwan

Transshipping continues

There is a process, e-allegations- where a domestic producer can file an allegation of cheating (transshipping, misclassifying, under pricing, and any other form of cheating). M&B filed 30+ e-allegations, and really saw nothing positive that came out of them.

Coalition for Enforcement of Antidumping and Countervailing Duty Orders

Several AWWPA members faced the same issues M&B faced, and we formed a coalition in 2010 to bring these issues to Congress to help pass legislation to force Customs to investigate. The different industries were:

PC Strand

Threaded Rod

Certain Steel Nails

Innersprings

Steel Wire Garment Hangers

Enforce and Protect Act EAPA

Finally on February 24, 2016, six years of hard work, President Obama finally sign the Enforce and Protect Act into law and August 22, 2016, regulations were implemented.

M&B filed 25 EAPA allegations that were condensed into five EAPA investigations

EAPA allegations are importer specific, so when we filed an allegation against Thailand, we had to file an allegation on each importer

Each one of the Investigations we filed CBP found evasion

Thailand
Malaysia
Laos
India

Millions of dollars of uncollected Dumping Duties were never collected

Importers would open and close businesses as CBP opened EAPA investigations. Because of privacy laws, we do not know if CBP collected any money from the importers

Department of Justice

During our meetings with CBP concerning transshipping, we met and told our story to Brenda Smith. At the time she was the Executive Assistant Commissioner, trade. She visited our factory on August 15, 2018 to hear more of our story. In October of 2018, we had a visit from two attorneys from the Department of Justice (DOJ) and two enforcement agents from Immigration and Customs Enforcement (ICE). We thought the timing was because of Commissioner Smith's visit.

In 2023, finally after much correspondence, DOJ finally initiated two civil cases and one criminal case against several companies and one individual associated with each company for duty evasion.

The US House Select Committee on Competition with CCP (China Communist Party)

We were contacted by the legislative aides of the committee, and they asked what they could do for us.

Between Kim, Fred, and M&B, we came up with a wish list, many included putting more teeth into EAPA, and also being able to subpoena companies and individuals further down the food chain from the importer.

It has only been a couple of weeks, so we hope to hear responses soon.

Was it worth it!

It is a game of whack a mole, but without the AD cases, we would not be producing hangers in the US. An AD case is the gift that keeps giving.....to the Trade Attorneys. Once a case is filed, there are yearly Administrative Reviews, and every five-year Sunset Review. Then, in our case, chasing evaders, hiring investigators to go to the different countries, and then having our attorneys gift wrap the allegation for CBP. Often times it is only temporary relief, but most of the time it is worth it.