

January 17, 2023

The Honorable Katherine Tai United States Trade Representative Office of the U.S. Trade Representative 600 17th Street, NW Washington, DC 20006

RE: Docket No. USTR-2022-0014, USTR Request for Comments: Four-Year Review of Actions in Sec. 301 Investigation of China

Dear Ambassador Tai:

The International Housewares Association (IHA) appreciates the opportunity to submit comments to the USTR's Four-Year Necessity Review of tariffs on \$300-\$350 billion of products from China (Lists 1, 2, 3, and 4a). President Trump started imposing these tariffs in 2018 under Sec. 301 of the Trade Act of 1974 and they automatically expire after four years unless USTR determines otherwise as required by the statute. The first part of this process was initiated in July 2022 and generated comments in support of the tariffs which allowed USTR to extend the tariffs during the entire review.

IHA is the 84-year-old voice of the housewares industry and currently represents about 1,300 member companies of which 900 are U.S.-based manufacturers/marketers of household goods. The not-for-profit, full-service association sponsors the world's premier exposition of products for the home, The Inspired Home Show, IHA's Global Home + Housewares Market (TheInspiredHomeShow.com), which is held annually and can draw 50,000 attendees.

Many IHA member companies are small businesses of which most are importers of goods manufactured overseas, particularly in China. Thus, IHA offers its members shipping assistance and is attuned to ocean freight and logistics issues such as container costs impacting importers and the retail community. IHA regularly hears complaints from members about the burdens imposed by the Sec. 301 tariffs and has sought relief by participating in the Americans for Free Trade (AFT) coalition.

IHA members can be in North American Industrial Classification System (NAICS) code 423220 for Home Furnishing Merchant Wholesalers (establishments primarily engaged in the merchant wholesale distribution of home furnishings and/or housewares). However, some members can be in other NAICS codes such as manufacturers/distributors of countertop convection ovens or health-care products like thermometers.

As such, while some IHA members might be covered by Harmonized Tariff Schedule (HTSUS) subheading 3924.10.10 (Salt, pepper, mustard and ketchup dispensers and similar dispensers, of plastic) or 3924.10.20 (Plates, cups, saucers, soup bowls, cereal bowl, sugar bowls, creamers, gravy boats, serving dishes and platters, of plastic), others are in appropriate subheadings for glassware, air fryers, or skin care technology, etc. Despite different subheadings, nearly all are being hurt by the 301 tariffs and their opposition has been consistent since 2018.

On August 21, 2018, Brett Bradshaw, co-president of Bradshaw Home and IHA's chairman at the time, testified at the USTR Sec. 301 Interagency Committee hearings on List 3 tariffs. He noted the tariffs would affect his company and the housewares industry, explaining they would impact all consumer levels and disparately impact lower-income households by making basic necessities more costly.

On June 21, 2019, IHA Government Affairs Committee member Lindsey Hutzler of the Hutzler Manufacturing Co., Inc., testified at USTR's Sec. 301 Committee hearings on the List 4 tariffs. Ms. Hutzler referenced IHA in her statement (telling the chair she was appearing on behalf of Hutzler Manufacturing), and her concerns echoed Mr. Bradshaw's.

IHA is routinely listed on AFT letters to Congress opposing the 301 tariffs and co-signed AFT's comments to USTR explaining why they should be ended. In addition to the points made in AFT's comments, it should be noted that the 301 tariffs compounded America's economic dislocation from the COVID-19 pandemic, and this has been further exacerbated by the supply chain crisis, inflation, and worker shortage. With the Federal Reserve raising interest rates and a possible recession looming, IHA believes USTR's review should end the Sec. 301 China tariffs.

We appreciate your consideration of IHA's comments on this very important issue. If you have questions or require additional information, please contact Sean Daly, Vice President, Member & Buyer Relations, at sdaly@housewares.org or 847-692-0126.

Sincerely,

Derek Miller

President & CEO

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