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U.S. Commerce Department Self-Initiates Anti-Circumvention and Scope Inquiry Proceedings on Quartz Surface Products from Malaysia

MINNEAPOLIS, MN (Feb. 3, 2022) – The U.S. Secretary of Commerce has announced self-initiated proceedings to determine whether imports of quartz surface products imported from Malaysia are circumventing the antidumping and countervailing duties ("AD/CVD") orders on imports from China.

While the Commerce Department normally opens these proceedings only after requests from the domestic industry, the agency is authorized to self-initiate cases. As part of these rare proceedings, the Commerce Department will examine whether the scope of the AD/CVD orders covers the quartz surface products exported from Malaysia. This will include examining whether materials from China are exported to Malaysia for minor processing and then exported to the United States as quartz surface products. Under U.S. law, this could constitute circumvention of the existing AD/CVD orders.

In 2018, Malaysia exported zero quartz surface products to the United States. The following year, after the Commerce Department issued AD/CVD orders on quartz surface products from China, exports from Malaysia began to skyrocket. By 2021, exports from Malaysia had reached a staggering 16 million square feet. Available evidence shows that much of these quartz surface products contain Chinese-origin inputs or are products that were simply transshipped through Malaysia and thus subject to the AD/CVD orders.

"We have been shocked at how quickly exports from Malaysia rushed to fill the gap left by unfairly traded imports from China," said Arik Tendler, Cambria's Chief Sales Officer. "We have long believed that this Malaysian merchandise is circumventing the existing AD/CVD orders. We appreciate Commerce Department taking this important step and look forward to working with the agency in these proceedings."

If the Commerce Department preliminarily determines that imports from Malaysia are covered by the scope or that circumvention is occurring, Commerce will instruct Customs and Border Protection to begin collecting cash deposits on such imports of quartz surface products from Malaysia. This could potentially include any imports into the United States that were already made in the past reaching back to November 4, 2021. Any future imports of quartz surface products from Malaysia will also require cash deposits for the AD/CVD duties.

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About Cambria

Cambria Company LLC, headquartered in Le Sueur, MN, is the leading domestic producer of quartz surface products. It is a family-owned, American company that employs more than 2,000 people in the United States.