

Press Contact: Eloise Goldman Vice President of Public Relations Eloise.Goldman@CambriaUSA.com 631-605-0895

FOR IMMEDIATE RELEASE

U.S. CUSTOMS FINDS EVASION OF ANTIDUMPING/COUNTERVAILING DUTIES ON QUARTZ SURFACE PRODUCTS FROM CHINA THROUGH FALSE CLAIMS OF "CRUSHED GLASS"

MINNEAPOLIS, MN (May 25, 2021) – The leading U.S. producer of quartz surface products, Cambria Company LLC ("Cambria"), announces that U.S. Customs and Border Protection ("U.S. Customs") has preliminarily determined that two U.S. importers have evaded the antidumping and countervailing duties ("AD/CVD") on quartz surface products from China by misclassifying merchandise as "crushed glass" that is outside the scope of the AD/CVD orders.

In April 2018, Cambria initiated a petition before the Department of Commerce and the United States International Trade Commission alleging unfair trading of quartz surface products from China. At that time, dumped and subsidized Chinese quartz imports harmed American industry and workers by displacing over \$1 billion per year of domestic product. Cambria's successful petition resulted in U.S. Customs levying duties of up to 500% to halt the import of unfairly traded Chinese quartz into the U.S. marketplace.

This announcement by U.S. Customs confirms that there are U.S. importers who are falsely claiming that their quartz surfaces are not covered by the AD/CVD orders because they are "crushed glass" surfaces. By making these false claims, unscrupulous importers are able to continue to import Chinese merchandise without paying the applicable AD/CVD duties.

Making false claims that imports are "crushed glass" surfaces is one way that importers evade the AD/CVD duties. Another way is through transshipment of Chinese merchandise through third countries. In March 2021, Customs initiated an investigation of fifteen importers involved in an evasion scheme where Chinese merchandise was transshipped through Malaysia before entering the United States without payment of the duties.

"The industry should now know that U.S. Customs and Cambria are fully aware of the ways that importers are undermining the AD/CVD duties that were imposed to stop illegal trade violating U.S. trade law and level the playing field for American companies like Cambria," said Marty Davis, President and CEO of Cambria. "The enforcement actions that Customs has taken are just the tip of the iceberg, because we are bringing more evidence of evasion to the agency's attention so that they can take additional enforcement action against these illegal evaders. Cambria will never stop fighting for U.S. businesses, American workers, and domestic manufacturing, and we appreciate the outstanding work by U.S. Customs in ensuring that Americans are able to compete on a fair and equal playing field."

As part of its most recent determination, which is being conducted pursuant to the Enforce and Protect Act ("EAPA"), U.S. Customs found that two related importers—Vivaldi Commercial LLC and Vivaldi Interiors LLC (collectively "Vivaldi")—evaded the AD/CVD duties when it imported quartz surface products made by the Chinese producer Xiamen Sunrise Stone Company, Ltd. ("Xiamen Sunrise"). Vivaldi described the merchandise as "ECO Glass" or "slabs of crushed glass" when it imported the merchandise and failed to report that it was subject to AD/CVD duties. However, evidence provided by Cambria as well as evidence gathered independently by U.S. Customs showed that the merchandise was covered by the scope of the AD/CVD orders and thus was subject to the duties.

Additional research by Cambria shows that a significant portion of the merchandise being imported from China as "crushed glass" surfaces is actually covered by the scope of the AD/CVD orders. Cambria continues to work with U.S. Customs to identify and hold responsible any foreign exporters and U.S. importers that are evading the AD/CVD duties through this or any other evasion scheme.

Following this initial determination, U.S. Customs has seven months to continue its investigation and determine appropriate penalties.

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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.